

Presenters:

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Hugh Tilson:

Good evening everyone it's 6 o'clock, let's get started. Thank you for participating in today's webinar on navigating COVID-19. This evening, we'll continue our discussion add one about the CARES Act and financial opportunities it presents, and we'll add information about the Medicare accelerated advance payment program and changes to the MIPS program. Tonight's webinar is co-sponsored by CCNC, NC Pediatric Society, NC Psychiatric Association, the Academy of NC Family Physicians and NC AHEC. It's the second of what we plan and continuing to be a second series of sessions designed to respond to needs you've identified. Let's take a brief moment to thank Tom, Robin, Elizabeth and Greg for identifying the needs in partnership in collaboration and putting on these webinars. Thank you to everyone for the work you're doing for your patients and your staff and your communities every day. We hope this information you get tonight will make navigating these times a little easier. Next slide Please.

Please note the information provided is up-to-date and accurate but constantly evolves. This is not legal advice and we encourage you to obtain expert advice as you act on these issues. Next slide.

My name is Hugh Tilson I'll be moderating tonight's forum. Our speakers this evening are Alan Dobson, CEO of community care in North Carolina. He is going to provide color commentaries to progress through the program. Sean Parker, he is an attorney with the Raleigh law firm Smith Anderson and Kelly Wiseman, who is the director of practice support for Wake AHEC. Next slide.

After the panelists provide their updates, we will turn to your questions. We've learned in the past forums that the presenters will often address your questions during their presentations. Will have time to get to your questions we encourage you to wait until the presenters are through before submitting your question. Also, if you are participating in the webinar, please submit your questions using the Q & A function on the black bar at the bottom of the screen. It's that Q & A function at the black bar at the bottom of the screen. If you are on the phone you can't do that. So you'll need to submit your question through questionscovid19webinar@gmail.com. That's questionscovid19webinar@gmail.com. We'll record this webinar and make these recordings, the transcript of it and these slides available at the CCNC AHEC website as soon as possible. Allen let me turn it over to you now.

Allen Dobson:

Thanks Hugh. And welcome back everybody and I'm going to move straight to Shawn. This is a follow-up on the excellent presentation last time. I will let you know some of the things I've found over this last week from the couple applications I have in place as well as to talking to three or four different banks. Basically, spurred by some of your comments and concerns from last week. So, Shawn. Off to you.

Shawn Parker:

Great. Thank you again for having me. On this slide, I hope to provide an global view as to where this program stands since we last seen it. And answer some direct questions that we weren't able to get to the last time. And after that we hope to have better news and give you an update on the Provider Relief Program and some details related to that. So globally with the paycheck protection program and we spoke the last time how you didn't really want to sit

on your hands if you couldn't benefit from it about starting the process. As of Monday, the 13th, just a day or so ago about 230 billion dollars has been approved according to the Treasury of Secretary. In context, what that means is that in just seven business days two thirds of the 349 billion that has provided has been spoken for in our independent contractors and others have only been able to apply since Friday. So, again because of this I see that Congress is considering adding additional funding to it \$50 billion might be in the stimulus pack but that's being worked through. The SBA itself is trying to extend to new lenders. That doesn't change the amount that would be available but for those who are in backlogs from large banks or other places that they originally applied for they may want to consider doing that. I'll let Dr. Dobson tell you about his personal experience and what he's seen. But another thing you might want to consider is the bank you normally work with is in a backlog looking at kabbage or other sometimes direct providers where they are not angst but facilitating that. So, kabbage is spelled kabbage. So, I've noticed that a number of banks have been that have been putting their constituents there. Dr. Dobson what have been able to find out for our audience?

Allen Dobson:

I've talked to a number of a number of the banks, citizens in three regionals including two of the big banks. What's going on is exactly that. I think Some of the smaller banks, First Citizens and a number of the other small regional banks all intended to service everyone in their communities whether they were a customer or not. But they all got so overwhelmed with application so they could not process them. So, they got backed up to say customers only. Having talked to them. We will keep advocating on your behalf. A number of them said absolutely when we get through this backlog, we intend to reevaluate opening it up to certain sectors of our local economies. Advocating healthcare is one of the most important to consider the top of the pile to get in on this program. I think that's important to note. I do think which Shawn said is right. The sooner you get your application in and your place online that's important. The money being spoken for goes, as soon as your application has been complete from the lender, they go grab your money then it's usually another week to 10 days before the loan is closed and the money gets to you. So, you can count on about a three-week process is as quickly as you can get it through. So, the sooner you start. The better off you are.

Shawn Parker:

Let's go to some follow-up questions. Next slide. It seemed the theme of a lot of these questions identifying with the payroll is based on what type of legal structure they exist in. Of course, a physician practice can come in many walks but very common they are professional limited liability companies. What we wanted to speak to a little bit was how do you identify what is your payrolls cost or salary if you're in a partnership of a multiple member LLC where they take draws or other ways to be reimbursed for their services in the company. So not neglecting others on this screen you can see the different ways you can find your payroll amount for what can be reimbursed based on the types of your 1099 contractor. You just take the sum of the income that's reported and your 1099 form that you've received. So, a sole proprietor which is a fairly common way to be structured as a proprietor sometimes. You look to your net profit on schedule C, line 31. You can also look to your 2019 income state. This next one, partnership income. It's probably the more common way that practices are aligned. You can only use self-employment earnings based on your schedule K 1, which is line 14. I will come back to that on the next slide but just in case your organized as an S Corp. or a C Corp. The salary you'd use or that's what reported through your payroll services. You can only use salary that's considered paid through the payroll that remits the payroll tax. So same with the self-employment earnings. They are looking for everything you have that's taxed as employment earnings not just earnings you have for being an owner of

the company. I think one congressman said it's not intended to protect profits; it's intended to protect employees. so that's where you might see this distinction. If you go this slide.

Allen Dobson:

I want to add this Shawn, this is where it's a form 940 federal returns it's important to go ahead and get your CPA or whoever prepares your taxes to help you and it's not worth your effort to struggle with. Get somebody to help you.

Shawn Parker:

That's good advice. For example, we've laid out where you have a common practice that has one or more members that has a formal operating agreement that distinguishes your ownership percentage. So you'd apply, they don't have an LLC component, but you'd apply as a partnership. Basically, the salary is an owner. That's solely the workforce of the owner that going to be closely related to the net profit of the business. The key you want to be sure of is that you leave out your member draws. The member will draw from the right of those self-checks of the owners. You don't include that as far as the PPP is included. So, leave out your member draws and use the \$1000 maximum amount for individual. If it turns out and a lot of LLCs are not structured this way where it doesn't have a lot of profit they might even have it running in the negative if you don't have W2 employees to account for then you don't want to apply for the PPP. It's designed to keep people working from those employees which is you as well if you are an employee of your company. If you're just the owner, it's designed to keep you afloat for your employees sake and keeping the workforce moving so they have funds and are part of the economy. Next slide.

The next question was actually answered the next day after the FAQ, when you're speaking of amounts over \$100,000. Is an all employee benefit or just like your salary that the compensation is just cash compensation up to hundred thousand? Again, you are not excluded if you are over a hundred thousand, you just can't claim any more than that hundred thousand and it doesn't apply to your typical non-benefit for contribution to retirement. Next slide.

And this next question that came quite often was how do you account for your employees? This is part of the problem with the legislation because it's used term interchangeably so using the word employee and not defining employee in the finer rule. We are relying on federal statute and what the SBA considers and employee. It's really any person a full-time basis you would say somebody with a heartbeat and why is it important well for calculating your employees who are qualified for this program you got to be under 500 and you do have to count these each individually. The second term that is used a lot is FTE or a full-time equivalent. That terminology is important because when it comes back to forgiveness there can't be a reduction in the FTE during that period of time. So, if you go to the next slide.

If you decrease and FTE or decrease salary for your 25% so use your trusted advisor. When you apply you want to make sure you've got the appropriate count of employees or FTE in your application. You're responsible for that reduction in FTE even if it's outside of your control so if a person leaves for maternity leave or leaves the state and changes jobs you're still going to pass that count against your FTE account unless you protect yourself by increasing hiring between now and June 30. So, you've got the opportunity to restore your FTE or if you've got salary level reductions you can bring that back up. The 25% reduction only applies to employees who earn under hundred thousand dollars. I find it fairly typical that in a small practice in the community where you've got cyclical employment. I know a number of practices that may during the winter months might increase office hours and that example is if you normally have three employees but during January, February, and March you pick up three other employees, extenders or physicians to bring your workforce to six you might want to average your number spanning over the next 12 months so you've got these next 12 months, 9 months with 3 and 3 months with 6 so that will average at 3.75 and so you can list 4 employees, that will help you and it

looks to a potential reduction during this times. What you're looking for is the covered period. Some questions are when is the covered period? We all know it's an eight-week period but when does that start. The guidance says it starts the first day have disbursement of your PPP loan. As Dr. Dobson indicated earlier the first disbursement of you loan is supposed to come to you within 10 calendar days of approval.

Hugh Tilson:

There's a question about does it matter if employees are DACA a or other categories of immigrants?

Shawn Parker:

I recall that coming up last time as well. And how I would interpret that. They are viewing employees as the broad definition of SBA. So that's an individual who gets a W-2. I meant to come back but I'm pretty confident that employees, any one in your work force, are confident just how broadly they wrote it to be with another employment arrangement. It's more of a concern when it relates to do you qualify? And then it's of some sense of a concern if you're counting this is a part of your workforce and then your FTE changes because of some action that was taken. I'm happy to follow up again with a very specific answer to that. And I apologize that came up last week as well.

Allen Dobson:

There's one in the application form that speaks to the employees that has been documented. But I don't recall it excluding undocumented workers. But we will check that out.

Hugh Tilson:

What about if an employee quits? Does the FDA requirement still stand? In other words, if it's the employee's decision not yours.

Shawn parker:

We've used that example where people have left the state. Even FTE issues that's not within your control you might have to repay on pretty favorable terms. I wouldn't use that as a basis for not applying or not trying. It's possible you can replace them with a hiring between now and June 30 and you wouldn't have that drop in FTE. What you're responsible for actions outside of your control.

Allen Dobson:

So, if you replace them before June 30 then no harm no foul.

Hugh Tilson:

Do you pick the 8-week period for payroll being waived?

Shawn parker:

It starts the date of the first disbursement. So, the date you get your first check is when you start the eight-week period count. And then you've got until June 30 to correct any reduction that were caused during that period. It's a limited period of February to April there's a forgiveness period.

I know we have two more components. This next one can be moved on to the provider relief fund. Next slide.

So, we spoke last time there was this fund an appropriation that was intended directly for healthcare providers. What was good about this was it was designed to help offset healthcare expenses or lost revenue that were due to COVID-19 or attributable to. This is the slide from last week. This spoke to what it could be used for. At that time, we didn't have guidance and how you apply. What we do now have that information. Next slide.

So, they've announced they were going to make their first round of payments. The initial rapid distribution beginning this week. And what it's designed to

be is \$30 billion out of \$100 million that's going to be distributed to Medicare or fee for services in 2019 you are eligible and can receive this money. It is a grant and it does not have to be repaid or nor does it have to be forgiven. If you receive it you've got a period of time to acknowledge and agree to the terms and conditions but beyond that, that money is yours for use. Some of the earlier publications said this can be used for just about anything and you don't want to use the same federal dollars to pay for the same thing. We don't want to call it no double dipping. You don't want to pay for payroll services and also receive payroll loan and have that be forgiven. It comes to you via director deposit. To the billing organization have generally funneled or Medicare pay services. There are some conditions beyond this, and we will get to that momentarily. Be attestation is not up yet but will be available shortly. Take note of this website, it's got all the information on the program and will be where you go on to attest to be a part of the program. Next slide.

Terms and conditions, I said there were a few terms and conditions. The two most notable speak to what makes it eligible. The legislation speaks to the eligible provider. In this round you've really got to be in Medicare provider as a provider because that how the money comes through. It doesn't limit you as an eligible provider but there are other ways you can qualify. What they are looking for is people who are currently providing diagnoses, testing or care for individuals who are possible or actual cases of COVID-19. A lot of questions have come in. Does that mean you had to be providing such treatments or you have to take this money? Or you just have to be eligible or applicable can you be capable of providing these services? We may see further guidance. The legislation was described it can be used for services reimbursed or for losses. We tend to think that anybody who's capable of providing these services that you've stayed open to provide these services, that should make you able to accept these dollars. You have to agree to use these funds for expenses and losses that are attributable and will need to document how you are using this. Have standard terms and conditions these are the ones that you see typically in a Medicare public payer arrangement. You can't be excluded or have been terminated from a Medicare program. And another key issue they want to make sure you're not going to balance any other -- COVID-19 related treatment. It shouldn't be problematic because I think many of the commercial payers have worked together to say that all of these out-of-network patients are going to be paid on par. But you cannot balance the bill. There's some general stator requirement if you do accept this money and this has had some impact on executive salary. We have on the CCNC resource page kind of the list and some of the specifics that you cannot use this money for like embryonic research so be clear on how your taking this money. You can still buy these services, but they can't be used directly to pay for these lobbying services.

If you go to the next page, another key condition is you have to be ready to make reports and the dollar amounts you've received more than hundred and \$50,000 in Corona response funds no matter where those funds come from. As long as their federal dollars your subject to make quarterly reports and documentation. There will be more guidance on how those reports are being submitted but be familiar with the standards of federal statue of maintaining appropriate documentations. At a minimum. Be prepared to speak on those moneys were spend and what did you do with them and what were the projects? In this circumstance were the monies used to help create jobs or retain services. So that's going to be pretty sticky thing. Next page.

It's key on how you use these funds to have a good working plan for the use of these funds. There will be audits. If you're audited there will be some global audits in the upcoming month so be sure to turn around and say you used the money appropriately. Payment amounts is this something most people are interested in. So how is this first delivered is going to be through direct payment so it's distributed based on a portion of your \$30 billion available and what's been spent. That's for everybody who's provided a service. Last year, in 2019, they anticipated there was 184 billion dollars available. But find your percentage of those fees by the ratio of 30 billion available. So

quick example here, if you've got a typical small practice that may bills Medicare fees per service \$1.2 million and you divide it by \$484 billion and change it by 30 billion and you'd anticipating about \$75,000. Next slide please.

Some real guidance to consider, if you're noncompliant there's some conditions, there that you must follow. And what's the case if you take the money and you don't follow them. You don't have to accept the money. Within the 30 days you can go to the website and there's a process for returning the fund if you're worried it's going to be more of an administrative headache, or you don't want to be bound by the terms or conditions. You don't have to take this money. We spoke to the need of documenting your expenses especially if you're using multiple federal programs to determine how you should just use your money. There are a few things you want to consider here. If you're an employed physician working under a productivity agreement or if you have an employed physician. Look to those employment agreements to see how these funds would be considered. It's going to be based on physician fee-for-service billing, but the money won't necessarily come directly to the physician is coming to the billing agency of the practice so make sure you're compliant with those agreements or account for them. And if you are in that position apply the scenario and you are receiving value based on your productivity, making sure that if the practice receives money that is accounted for. And another thing to consider is that there is still \$70 billion dollar available. There is a lot of discussion on how that money should come out. Particularly there is a lot of people in rural and specialty practice such as pediatrics that don't have a lot of the Medicare fee-for-service dollars so the secretary at HHS said that the next round of checks is meant to focus on those providers. Another thing to consider are those providers who have been left out this round of funding. Some form of distinction between states that have hard-hit. This first one came in the share not taking into consideration the burden of COVID. Looking at states like New York receiving about \$12,000 for COVID-19 cases for NORTH Carolina will receive about a quarter of \$1 million at least at the time that was the case. So that will be the competing interest with the 70 billion remaining how that money will be distributed and what's the process. Who will be earmarked for it if that's appropriate? You lean on your association that have been a great voice for you thus far and CCNC that that have made sure you're not left out on these funds and it's important that policy makers know that. Dr. Dobson, any comments on this thus far?

Allen Dobson:

The question is whether you accept the funds whether it shows up in your bank account. And yet we don't know all the rules but that is a good thing. There's discussion about the second one being tethered to Medicaid but that's a little more problematic to get it to the providers because of having to deal with all 50 states so yet to be seen how they will distribute that. I think the bottom line of this is we can sum this up. Trying to piece together financial support from your practice. One size does not fit all and there's one silver bullet for it. Our recommendation is to look at every angle that will back up your practice and take it. Take the money while it's there to make sure you stay in business.

Shawn Parker:

Tethering to Medicaid to be eligible it's an easy way to get the money to the providers and that the design of this of funding program. It's a provider relief plan I guess is what is being touted as.

So that's the update on that plan for now. If there's updates to either of these programs or other things, I will be happy to discuss. Using this time to go to the accelerated payment advanced program to get the questions and answers to have a qualified answer at the end or an educated answer I'd be happy to address them with questions.

Hugh Tilson:

Thank you, Shawn. Kelly, are you ready?

Kelly Wisemen:

Thanks, yeah, I'm ready. Next slide please. I'm happy to be here today to talk about Medicare accelerated and advanced payment programs. It's another way that providers can reduce their financial hardships but facing the challenges related to COVID-19. Next slide.

Basically, it increases the cashflow for providers who use Medicare part a and Medicare part b. For providers and suppliers for Medicare, so far \$51 billion have been processed with 21,000 claims out of the 32,000 so far. And previous to this. CMS only had 100 requests over the past five years and that was all due to hurricanes. So, in a nutshell this is a cash advance from Medicare based on your historical average monthly Medicare payment it's only going to be in effect during the COVID-19 pandemic. Next slide.

So, who's eligible. You have to have a Medicare claim build within the last 180 days prior to the date of the signature on the request form. You can't be in bankruptcy. You must not be under active medical review or program integrity investigation. You can't have any outstanding Medicare delinquent overpayments. So, let's talk about how you get paid. Next slide.

Qualified providers and suppliers will complete on their Medicare contractor websites. You can download a form from there for the accelerated advancement payment request form. The amount that you will receive is at a maximum, 100% of the Medicare payments up to a 3-month period for providers. And for critical access hospitals they can request a 125% for six-month period and for certain other hospitals they can request 100% for a six-month period. Including cancer hospitals, children hospitals and acute inpatient hospitals. Right now, it takes 7 days from the request being received to, well they say they will give you the payment within seven days of the MAC receiving the request. It's been an average of 4 to 6 days. Next slide.

So, do you have to pay this back. In a nutshell, yes, because it's a cash advance. So, for most providers. During I mean once your payment is issued, the timeclock starts. For the 120 days you will submit claims after you've received your payment and you'll receive your regular claims payment during that 120 days and at day 210 that's when, let me back up. Repayment begins 120 days after the payment is issued and that repayment period starts at the 120th the day mark and continues for 90 days. That's how long you have to pay the money back. Hospitals have one year to complete repayment. The provider and supplier will continue to submit claims as usual. During the first 120 days there won't be any recoupment but after that there will be. Instead of receiving the payment for the newly submitted services the outstanding payment balance is reduced by the claim amount and those processes are all automatic. Understand that after this is all completed by day 210, you will receive a demand letter and when that's issued 10% interest will be added and recoupment will continue until completed. So, the 190 day recoupment period you probably won't have as many complaints as you all historically had. There will be a 10% interest on their repayment. Next slide.

How do you apply? This link that I've posted here is a link to the Medicare part B form. And I call there today using the hotline number posted here. Palmetto is a hotline for providers wanting to use this program. The number is 833 820 6138. Please note that incomplete forms will not be reviewed and processed. You'll need to make sure that if you're not doing part a that that you use the different form on the GBA website. That's our Medicare administrative contractor for North Carolina. And also, when you call the hotline number, you'd press one provider enrollment. You'll need to wait and press 2 for the accelerated advance payment request form part one. Please note also that the information needed for the forum. You must complete is the amount requested. You can request that CMS gives you all the money that you have or that is allowable. You can give them a specific amount, but it won't be over what they have for 3 months of adjudicated claim. And for the PTN and NPI

numbers that you must submit. Those are the numbers for the practice and location and not for the individual providers. Also, an authorized representative must sign and that's someone who's able to sign for you financially. Your CFO or your administrator or anyone in the practice. Next slide.

Let's talk about the merit-based payment system. This is our regular program we've been working with for CMS quality payment and center program. It rewards value and outcome and says quality to payment and this program replaces the meaningful use, PQRS, and the modifier program. And how this program works is for this year 2019, you actually do the reporting in 2020 and in 2021 is when your payments are affected. Next slide.

That connected to the quality payment program COVID-19 response fact sheet. There are three things mostly that you need to know that we've made adjustments to. Typically, the reporting year for this year would've been 2019 to be reported by March 31 of this year. That's been extended to April 30th, 2020 at 8 PM if you want to submit. If PPP receives no submission the providers will receive an automatic extreme uncontrollable policy applied and receive a neutral payment adjustment for the 2021 payment year. If you've already submitted and you've received less than 30 points, you'll want to take and list the exception. You can take the exception, but you must apply for this by April 30, 2020. There's a link right there for the uncontrollable circumstances application. Next slide.

Hugh Tilson:

Thank you so much for that. Questions? Please note that if you have a question you can submit by check in on the black bar in the button or send an email if you're on the phone to questionscovid19webinar@gmail.com. So, a few questions that came up with regard to the PHHS emergency fund, will Medicaid it was something along those lines? Does anybody have a sense about that?

Allen Dobson:

For this to happen then the money would then flow to the state. It would float to the state and the state to distribute money through the provider payment system. I think that's the most elegant way to do that from the federal standpoint. No clue as to how quickly that will happen, but I know they are in a big hurry to get these funds out the door. Do you have any sense about that Tom?

Tom:

No, that sounds like a reasonable approach. We will keep our ears listening.

Hugh Tilson:

A few questions about FTE. Calculate your beginning number of FTE based on some criteria used for payroll different from the number of employees work ensure the business program meets for the year's data that's a statement that's summarizing how to handle that. Is that an accurate statement on how to manage the FTE account?

Allen Dobson:

In the application they asked for your average monthly payroll that's used to calculate your maximum amount of loan they ask for the number of employees at that point. But in all the loan forgiveness calculations that I have seen. In loan forgiveness they basically look at your baseline FTE which basically you might have 80 employees but only 40 FTE because everyone is working halftime. The number you have to hit is 40 by June 30.

Shawn Parker:

I think we were hoping to lend some clarity to the employee and FTE, but it is the period of time they are looking at you shouldn't reduce your FTE or salaried because you're getting money to not do that. If by your design or

outside of your control this happens you've got a window of time to bring that back up. I'd like to say you're not going to be penalized but you'll have portions of your loan not forgiven. So, for full forgiveness ensure that your FTE and your salary does not decrease because your receiving money to pay for those things. If they do, then please use the next window to bring them back up make it an active role get part-time hours for your employees. They were attempting to make it easier for you to comply by giving that flexibility to the employee.

Allen Dobson:

I would add not to do that just to score 100 on the test. Do what's right for you. Because what you're doing is have the federal government pay your payroll for the next two months. Or most of your payroll. So even if you miss the mark, you'll have some loan forgiveness. Which is not a bad thing. Or if you didn't spend the money on payroll you would just pay that back so don't get to stressed out about it. Take the money and a smart thing to do is when these funds come in. Put them aside so you can track them and then pull them down and spend them so you can see where it goes. If you didn't spend it on payroll it will be in the bank account and you can send it back for loan forgiveness.

Shawn Parker:

Even if it turns out that it's not forgiven. It's an extremely favorable loan much better than you'd get at a commercial rate. There's a 1% origination fee and a six-month the ferment of payment. You can get the entire thing deferred if not second best thing is that you not use the money for payroll and then what money remains you can pay back and then because of your business needs you spend it and a portion of it becomes a loan that you can repay over the next two years at a very low interest rate.

Allen Dobson:

Something not to be missed. If it's 2.5 times the payroll you've only got to spend 2 months of payroll so the other 0.5 is meant to help with rent and utilities and fixed costs. So, there's 25% of that money that can be used to support your facility and other fixed costs. Just look at the list and see what qualifies

Hugh Tilson:

Why aren't pediatricians getting any of this, why are they waiting till later why they are being punished for trying to keep sick babies away. Any information as to why it was made that way.

Shawn Parker:

I think they were trying to get the money delivered as fast as possible. Perhaps a system base reimbursement level at the hospital level this would be well received there. I read a good article about pediatric practice is struggling because parents to want to bring their kids in. Pediatrics are on the front line and might be treating carriers or asymptomatic children who have been exposed. So, I would take to heart the HHS position that they did say pediatricians when they talk about this. Some people don't have a large Medicare base and will in the next sure in the next tranche be accounted for. They did speak to pediatrics and that specialty area.

Allen Dobson:

I don't think it was intentional. I think Medicare took the easy avenue for the federal government to get money straight to the providers because they pay it directly. Medicaid is there second avenue and that has to go through the state. Necessarily it takes just a tad bit longer so I feel pretty certain they will take care of our Medicaid providers very shortly.

Hugh Tilson:

Greg commented that they don't have Medicaid provider information so they're trying to figure a way to get it out. So, you've got somebody asking can you apply for EIDL and PPP?

Shawn Parker:

Yes. You can. You can't take funds from each of them and pay for exactly the same thing. You can apply for those programs and receive them under those programs.

Allen Dobson:

My commentary on that is that the disaster loan is going slower than the PPP and I haven't seen much of that move and even to the advance which is forgivable up to \$10,000 has not hit and we are at three and half weeks on that. So, I would apply and see what occurs. You might not what that grant but that's just another loan that is stable and can spread out for a lot. It's simply a loan except for the 10,000 advance emergency cash they are supposed to get you quickly. So every little bit helps.

Hugh Tilson:

Sole proprietors. How do you calculate FTE? I'm a contractor and my hours have been decreased. Any thoughts about that?

Shawn Parker:

Not off the top of my head. I know sole proprietors were able to apply this last time a lot based on what your taxable income is based on your employment status so it's a bit more on your filing. This is a case where if somebody wants to follow up with an email your direct circumstances, I'm happy to answer that a later time.

Hugh Tilson:

I got a couple follow up questions. What loan does the 10 % interest apply if not repaid in the 210 days?

Shawn Parker:

I think accelerated payment.

Hugh Tilson:

Are you still here Kelly?

Shawn Parker:

I can add some color from the play-by-play booth. I know a lot of practices look at the payment in advance and we are a little squarely based upon if you don't see those services during that period of time. People come and receive them. It is a very high interest loan in that circumstance. A number of people, I've advised, have been hesitant to utilize that is the sole source or first source. Just increasing cash flow.

Hugh Tilson:

Another question that has come in. Can we use the relief fund for Medicare to make up salaries for right now since PPP has not come in?

Shawn Parker:

So, the relief fund dollars can be used for a number of things including payroll. I would earmark if you receive PPP on top of this that you don't use that same money. You'll end up having to pay back the PPP amount if you use the relief fund for the same cost and your payroll cost percentages and other things that you can find a way to spend it but I would not make them fundable I would separate alignment but yes you can use relief fund for payroll.

Hugh Tilson:

So, you could stagger it for example, and you can your relief funds now and when the PPP comes in you can use it for payroll incurred after that date you just can't use them for the same payroll at the same time?

Shawn Parker:

That's right. Well really you need to indicate that you used it for the same thing.

Hugh Tilson:

Do you have to apply for the health emergency fund?

Shawn parker:

That comes directly for tranche one it will come directly. You may have already seen in HHS payment in your checking account. Tranche may require an application. Taking applications on a rolling basis. This first set of funds did not follow an application process.

Hugh Tilson:

Where is the list of utilities that qualifies?

Allen Dobson:

I have not seen a list in the reg yet. In the forms for forgiveness, they will list things like your power bill and your gas bill and your utilities such as phone and Internet service. I saw one that listed TV. If you've got a TV in your waiting room.

Shawn Parker:

Your trusted advisor or if you're a do it yourself under the quickens system what might be logged into your utilities is pretty common.

Allen Dobson

I think it goes into the feds not having released their final forgiveness rules. So, we will have that soon I hope that to be sure it's the basics.

Hugh Tilson:

Last question, please confirm that the first \$30 billion in the tranches are only for Medicare and not for Medicaid.

Shawn Parker:

That's how they determine who receives it in an indirect payment for Medicare providers.

Hugh Tilson:

All right it's 7 o'clock and I want to thank Kelly, Shawn and Allen for your great work tonight. Thank everyone for your great work tonight. Thank you for making the time to be with us. I hope the information helps you as we navigate these challenging times before signing off. Any last comments from our presenters?

Shawn Parker:

Thank you for having me. CCNC has my contact information to follow up. I can directly answer any more questions. Any foreshadowing on what we might cover for next week once a week it means we can be timely; I think all sponsors and the coursework we've put together for this year as the providers.

Hugh Tilson:

Great. Allen do you have anything to add?

Allen Dobson:

I just want to echo what you said. Thank you to for everyone out there for what you are doing in the community. Let Hugh or Greg or tom or Elizabeth know what you want us to cover. Our concept was basically we want you to take care of yourself, your family, and your staff. Taking care of the financial health of your practice. We won't help you figure out how to take care of your patients. Any of the subject you want us to get some expertise on the webinar, let us know.

Hugh Tilson:

Let me emphasize we've been working very closely with the NC Pediatric Society, NC Psychiatric Association, and the Academy of NC Family Physicians and the list of issues that they have and in addition to community care. AHEC is about for practice support work. We're trying to do some of this organically but feel free to let us know as partners what we can do. With the forward to that. So great. Thank you everybody and take care.

[Event concluded]