Finding the Money
A Process to Cost Recovery
University of California – San Diego

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Agenda
Introduction
When to track the cost
Where to find the money
What is the process
Summary
I am not sure how clearly the topics are called out for people within the presentation itself. Consider either calling it something other than an agenda or work these titles into the slides or facilitation.

David Bernstein, 9/8/2021
Your organizational Operations/Command Center

- When is activation?
- What roles?
- Who/leaders will fill the roles?
- What will be tracked?

Incident Commander

- Operations
- Logistics
- Planning
- Finance

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Cost Tracking
A haystack of needles *(non-labor)*

**Isolate**
- Incident-specific expenses in single cost center/index

**Control**
- Identify person(s) for expense approval
- All incident specific expenses must be signed for approval by Associate CFO

**Report**
- Develop and share

**Collect and catalogue all Purchase Orders and Invoices**
- Create *custom* categories to align with FEMA Projects
- PPE (by item description); Testing, Facilities & Alternative Sites, Vaccine (by vendor)
- Not perfect, but *explainable*

**Coordinate**
- Accounting for validation documentation (check numbers, bank statements)

Cost Tracking
Redeploy the masses *(Labor)*

**Commandeer a cost center/index**
- Labor activity track & record
  - Management
  - Clinical
  - Non-clinical
  - Labor Pool
  - Travelers and contractors

**Categorize by Activity**
- Lab Testing
- Operations
- Vaccine Efforts

*Note*: Unable to isolate and parse out COVID patient care costs on ICU units (individual cost centers/indexes) due to *evolving* nature of effort
Just for consistency - any bullets here?
David Bernstein, 9/8/2021
COVID-19 Healthcare Funding and Cost Recovery Strategy

**Targeted Programs**
- Provider Relief Fund (PRF)
- Medicare Add-on Payment

**Application Programs**
- FCC Telehealth Program
- HHS COVID Minority Health

**Emergency Management**
- Senate Bill 89
- FEMA

**Philanthropy**
- Vaccine Distribution
- COVID Health Equity

**Public Partnerships**
- Employer-based testing initiatives
- Skilled Nursing Facilities

**Cost recovery to support core operations and patient care**

**Scaling core operations to support community**

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COVID-19 Healthcare Cost Recovery Strategy

**Coronavirus Aid, Relief, and Economic Security (CARES) Act**

The CARES Act authorized more than $2T in federal aid to address the pandemic and its economic effects, including direct support for hospitals. The legislation established:

- Medicare IPP Add-on payment
- Delayed reduction in Disproportionate Share Hospital (DSH) programs
- Payroll tax delay program
- Employee retention tax credit
- Supplemental Hospital Emergency Preparedness Program funding
- Medicare Accelerated payment program
- Workforce Telehealth award program
- Public Health and Social Services Emergency Fund (Provider Relief Fund)
- Federal Emergency Management Agency (FEMA) Disaster Relief Fund

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**Provider Relief Fund (PRF)**

Through the CARES Act and later the Healthcare Enhancement Act and Paycheck Protection Program, the Health Resources and Services Administration (HRSA) obligated nearly $120B from the PRF to more than 410,000 providers:

- Funding meant to cover health care related expenses and lost revenues attributable to COVID-19
- Payments made directly to providers based on net patient revenue and included general and targeted fund allocations
  - COVID-19 high impact areas
  - Rural providers
  - Safety net providers
  - Children’s hospitals
  - Skilled Nursing facilities
  - Indian Health Services
  - Treatment for the uninsured
  - Vaccines for the uninsured

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¹As of May 2021

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FEMA

Stay informed

• Communications
  • California Office of Emergency Services (CalOES)
  • FEMA representatives
  • Websites - FEMA, CalOES, White House, Senate

Where can you find assistance

• Finance
• Operations
• Emergency Management/Business Continuity
• Consultant/Contractor services

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Summary

Cost Tracking
Centralized and detailed accounting mechanism to track, report and audit disaster expenses and related losses
• Non-Labor
• Labor
• Revenue losses

Management Team
Varied and complementary skill-sets aimed at:
• Capturing and cataloguing expenses
• Identifying recovery opportunities
• Aligning with internal and external partners
• Executing recovery efforts

Recovery Strategy
Comprehensive and flexible approach to address dynamic and evolving disaster subsequent recovery opportunities.
• Targeted Programs
• Application Programs
• Emergency Management
• Partnerships/Philanthropy

Questions?
Thank You

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