**EXPEDITED REIMBURSMENT FOR NURSING FACILIITIES FOR COVID-19 COSTS**

Minnesota Statutes Chapter [12A.10](https://www.revisor.mn.gov/statutes/cite/12A.10) provides authority for the Commissioner of Human Services to provide financial assistance to a nursing home in response to a disaster or other event that threatens the health and safety of residents served in a program receiving medical assistance funds. These instructions have been prepared to assist licensed nursing facility providers located within Minnesota that are enrolled as Minnesota Medical Assistance Providers in completing a request for expedited reimbursement for additional necessary and reasonable costs associated with responding to the National Emergency Act in regards to the coronavirus (COVID-19).

The Department of Human Services (DHS) will provide expedited reimbursement for the allowable incremental costs of COVID-19 related expenses to nursing facilities to the extent that those services are not otherwise covered (or coverable) by any other disaster assistance, insurance, federal or state funding. If after receiving payment from the Commissioner for a documented cost, the provider is able to acquire payment from another source for that cost, the provider shall reimburse the Commissioner in the amount paid.

Facilities seeking immediate reimbursement for COVID-19 specific costs instead of seeking reimbursement through the annual Cost Report will be required to complete and submit the COVID-19 MN DHS NFRP Reimbursement Application Form A (Form A). Form A may only include costs directly associated with nursing facility operations. Costs of all other operations (e.g. Assisted Living, Meals on Wheels, Adult Day Care, etc.) must not be included on Form A. Further, costs claimed on Form A must be solely the incremental costs that are a result of the facility’s response to the COVID-19 emergency and must be directly related to the care of residents. Costs eligible for reimbursement under this authority include the costs of medical, remedial, or personal care services provided to residents. Costs of paid administrative leave due specifically to COVID-19, if provided to employees that work in the licensed nursing facility building, may be eligible for reimbursement regardless of whether the employee’s exposure occurred inside or outside of the facility.

**INELIGIBLE COSTS**

Costs of functions normally paid by charges to residents, employees, visitors, or others such as the direct and indirect costs of operating a pharmacy, congregate dining program, home delivered meals program, gift shop, coffee shop, apartments or day care center are non-allowable and must not be included on the reimbursement application Form A.

Capital expenses such as major construction costs or the daily per diem rate for non-covered residents are not eligible for reimbursement under this authority.

Costs that are not allowable per the Center for Medicare and Medicaid Service Provider Reimbursement Manual (e.g. lobbying fees, marketing costs, fundraising expenses, etc.) are not allowable on Form A.

**HOW TO APPLY**

To apply for expedited reimbursement for eligible COVID-19 costs providers are required to submit a completed Form A and all necessary supporting documentation via email to DHS at: DHS.NFRP.CostReport@state.mn.us

REIMBURSEMENTS

Upon receipt of a completed Form A and all associated receipts, an auditor will perform a cursory review of the costs submitted. Reviewed submissions will then be authorized for payment by the Audit Director or the NFRP Division Director. The Health Care Administration will be notified of the approved application and every effort will be made to issue a gross adjustment payment on the subsequent warrant cycle.

DHS payments to reimburse providers for their COVID-19 costs will be issued as a lump sum payment through MMIS and shown as a gross adjustment on the provider’s remittance advice. DHS will not be processing additional payment requests as a temporary rate increase thus there will not be any impact to private pay rates nor to the Value-Based Reimbursement (VBR) quality limits.

**COST REPORTS**

Reimbursement that providers receive from DHS in response to their Form A must be reported by the provider on the MN Nursing Facility Annual Cost Report form in the Balance per Books column for the applicable year(s), and must be reported as an “applicable credit” on the associated cost report line in the Adjustment column of the Cost Report. Any costs reimbursed under this authority must be offset on the applicable cost report before the statewide other operating price is established for the associated rate year.

Costs claimed and associated payments received must be reported in the appropriate cost category according to Minnesota Statutes Section 256R. Additional detail for appropriate reporting of costs can be found in the Annual Statistical and Cost Report Instruction Manual posted on the NFRP provider portal for the 2019 Cost Report. Sufficient documentation for COVID-19 related expenses must be maintained and made immediately available for review to DHS during any desk or field audits for a period of seven years.