Ohio | Office of Budget and Management

Mike DeWine, Governor
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American Rescue Plan Act (ARPA)

Hospice Care Workforce Support Program

Guidance and Frequently Asked Questions

NOTE: Funds for this program were appropriated by the Ohio 134th General Assembly and received by the State of Ohio from the U.S. Department of the Treasury (U.S. Treasury) under the American Rescue Plan Act (ARPA). If the U.S. Treasury issues future guidance and clarifications that impact this program, then specific guidelines listed in this document may change. If applicable, changes will be added to this document as an addendum in the Frequently Asked Questions section.

Purpose

The purpose of this document is to provide Hospice Care Workforce Support Program recipients guidance and answers to frequently asked questions. For additional information and requirements of the funding, also refer to the Beneficiary Agreement.

Funding Information

Funds to support this program were awarded to the State of Ohio from the U.S. Treasury as Coronavirus State and Local Fiscal Recovery Funds (Assistance Listing No. 21.027), authorized pursuant to the American Rescue Plan Act (ARPA), Pub. L. No. 117-2 (March 11, 2021). Funds are identified as federal award identification number SLFRP0130 with a federal award date of May 17, 2021, provided by the U.S. Treasury to the State of Ohio. Recipients may use funds to respond to the far-reaching public health and negative economic impacts of the pandemic, by supporting the health of communities, and helping households, small businesses, impacted industries, nonprofits, and the public sector recover from economic impacts.

Pursuant to Sections 280.10 and 280.18 of Amended Substitute House Bill 45 (H.B. 45) of the 134th General Assembly, the Ohio Office of Budget and Management (OBM) was appropriated $30,000,000 to make payments to hospice care programs, as defined in section 3712.01 of the Revised Code for exclusive use for direct care staff compensation, which may include staff retention bonus payments, overtime pay and shift differential payments, staff recruitment costs, and new hire incentive payments. The Ohio Department of Aging (ODA) determined eligible providers and developed the allocation methodology for the distribution of funds. Additional details are provided in the Eligibility section below.

Funds provided pursuant to this program are considered beneficiary payments from the State of Ohio's allocation of Coronavirus State Fiscal Recovery Funds. Recipients receiving this funding (hereafter referred to as "beneficiaries" or "providers") must adhere to the provisions of the Beneficiary Agreement for this program.

Impacted Industry Criteria

The State of Ohio has deemed hospice care providers as an industry impacted by the pandemic in accordance with the U.S. Treasury's State and Local Fiscal Recovery Final Rule. Due to the challenges created by the pandemic, these providers have experienced workforce impacts such as increased labor costs and staffing shortages. The Centers for Medicare & Medicaid Services (CMS) reported a 28 percent increase in enrollments in Medicare and Medicaid from 2019 to 2022. Despite higher enrollments, CMS reports a significant gap in the number of health care services provided. The U.S. Department of Health and Human Services documented how COVID-19 intensified the health care workforce challenges including those providers that had permanently closed due to pandemic-related disruptions.

The U.S. Bureau of Labor Statistics reports the health services sector had an increase of 62 percent in job openings between 2019 and 2022 while staff levels increased by only 2.5 percent. Staff shortages, fewer providers, and a need for hospice care has resulted in long waiting lists. In addition, national staff shortages in health care have forced hospice care providers to pay higher amounts to hire and retain staff and to pay high rates for temporary workers to fill vacancies. The gap between workforce demands of the labor force and the slight increase in staffing represents more than the U.S. Treasury's impacted industry benchmark of 8 percent.

Eligibility

The ODA provided OBM with a list of eligible hospice care providers as prescribed in Section 280.18 of H.B. 45 (134th General Assembly). Hospice care providers deemed eligible were active in 2019 and continued to have activity in 2022.The distribution methodology was based on funding to the operator in 2022 in proportion to the overall population. The distribution methodology and data are not subject to review or appeal.

Use of Funds

As prescribed by Section 280.18 of H.B. 45 (134th General Assembly), funds are provided exclusively for direct care staff compensation, which may include staff retention bonus payments, overtime pay and shift differential payments, staff recruitment costs, and new hire incentive payments. Effective April 1, 2022, the U.S. Treasury published the [Final Rule](#) detailing the provisions for the use of Coronavirus State and Local Fiscal Recovery Funds. Eligible uses of funds must align with both state and federal law, including Section 280.18 of H.B. 45 and the U.S. Treasury's Final Rule. Due to the impacted industry designation, funds for this program must be used as relief to support pandemic related workforce impacts.

Providers must use the funds to support relief of pandemic related impacts with respect to their workforce (direct care staff). Funds may not be used to cover expenses paid by another state or federal source, including previous losses covered by other Coronavirus Relief payments, or used as match to any federal program. In addition, funds must be used for direct care staff and may not fund contract workers, staff supplied by or through a staffing agency, hospice care administrators, hospice care executive staff, or hospice care owners.

An eligible use of funds as a response to the impact include:
1. **Overtime pay:** Payments made after January 27, 2020 for overtime worked directly supporting COVID-19 work or to deal with pandemic related staffing shortages.
2. **Shift differential payments:** Includes any type of differential payments over and above the provider's standard policy as of January 27, 2020, to promote workforce retention.
3. **Staff retention bonus:** Incentive payment(s) as compensation over and above an hourly rate of pay, separate from an employee's standard wages, provided after January 27, 2020, to promote workforce retention.
4. **Hiring bonus:** Incentive payment(s) as compensation that is over and above an hourly rate of pay, separate from an employee's standard wages, provided after January 27, 2020.
5. **Hiring new direct care workers:** Wages and/or salaries paid to newly hired permanent care workers to expand capacity and reduce workloads to improve current staff retention. Newly hired permanent positions funded must be above and beyond the employer's aggregate full-time equivalent (FTE) count as of January 27, 2020, and not a replacement of workers that ceased employment with the employer since January 27, 2020.

Beneficiaries must use the workforce relief lump sum distribution for pandemic workforce impacts supporting direct care staff compensation. Providers are responsible for identifying and executing the most appropriate workforce relief efforts within the above identified areas.

Funds may not be used:
- To cover costs unrelated to workforce impacts as a result of the pandemic;
- To cover costs incurred prior to January 27, 2020;
- To cover costs already reimbursed by another source such as Medicare, Medicaid managed care organization contracts or general Medicaid rates, or previous losses covered by other Coronavirus Relief payments;
- To cover costs used as match to other federal grant programs;

- To pay a distribution to a shareholder, member, partner, or any other class of equity holder;
- To pay non-business expenses;
- To pay taxes, fines, or other government levies, exclusive of the repayment of outstanding liabilities that are not from the imposition of a tax, fine, or other levy, or for political purposes, including lobbying activities, donating to a political party, candidate, political action committee or to support or oppose any cause;
- To satisfy a debt, settlement, or judgment;
- To support efforts that conflict with or contravene the purpose of the American Rescue Plan Act, including undermining COVID-19 mitigation practices in line with the Centers for Disease Control and Prevention guidance and recommendations; and
- To cover costs for contract workers, staff supplied by or through a staffing agency, and hospice care administrators, executive staff, or owners.

Performance Period

Eligible workforce relief activities must have occurred after the onset of the public health emergency which began on January 27, 2020. Funds for this program must be fully expended by June 30, 2024.

Reporting

Providers must report on the use of funds awarded and will be provided instructions for submission to OBM's Ohio Grants Portal following the distributions of funds. Records must be maintained to support the use of funds in accordance with the "Use of Funds" section of this guidance. For each reporting cycle, providers will be required to report the total expenditures broken out by the "Use of Funds" expenditure categories (example: overtime pay, staff retention bonus, etc.) for the reporting period. In addition, a completed Excel template providing additional details on the use of funds will be required to be uploaded to the portal. The template will have a tab for each expenditure category and require the reporting of the following by category:

1. **Overtime pay:** Payments made after January 27, 2020 to support overtime worked directly supporting COVID-19 work or to deal with pandemic related staffing shortages.
   a. **Job classification provided overtime**
   b. **FTE within the job classification provided overtime**
   c. **Total FTE as of January 1, 2020**
   d. **Total FTE as of January 1, 2021**
   e. **Total FTE as of January 1, 2022**
   f. **Total FTE as of January 1, 2023**
   g. **Number of overtime hours applied by classification**
   h. **Total amount of overtime by classification**
2. **Shift differential payments:** Includes any type of differential payments to promote workforce retention that are over and above the provider's standard policy as of January 27, 2020.
   a. **Job classification provided shift differential**
   b. **FTE within the job classification provided shift differential**
   c. **Total FTE as of January 1, 2020**
   d. **Total FTE as of January 1, 2021**
   e. **Total FTE as of January 1, 2022**
   f. **Total FTE as of January 1, 2023**
   g. **Number of shift differential hours applied by classification**
   h. **Total amount of shift differential by classification**
3. **Staff retention bonus:** Incentive payment(s) as compensation over and above an hourly rate of pay, separate from an employee's standard wages, provided after January 27, 2020, to promote workforce retention.

a. **Job classification provided retention bonus**
b. **FTE provided retention bonus**
c. **Total amount of retention bonus by classification**
4. **Hiring bonus:** Incentive payment(s) as compensation that is over and above an hourly rate of pay, separate from an employee's standard wages, provided after January 27, 2020.
   a. **Job title provided hiring bonus**
   b. **Employee name or ID number provided bonus**
   c. **Date of hire**
   d. **Date bonus paid**
   e. **Total bonus amount**
5. **Hiring new direct care workers:** Wages and/or salaries paid to newly hired permanent care workers to expand capacity and reduce workloads to improve current staff retention. Newly hired permanent positions funded must be above and beyond the employer's aggregate FTE count as of January 27, 2020, and not a replacement of workers that ceased employment with the employer since January 27, 2020.
   a. **Total FTE as of January 27, 2020**
   b. **Job classification for new permanent positions**
   c. **Total FTE by classification of new permanent positions**

Reporting will begin in the first quarter following receipt of funds. Providers must report activity within the reporting period the funds are expended, or reimbursement applied to an eligible use.

The following is the timeline for reporting:

Reporting Cycle	Reporting Period	Due Date
Cycle 1	Award date – June 30, 2023	July 31, 2023
Cycle 2	July 1 – September 30, 2023	October 31, 2023
Cycle 3	October 1 – December 31, 2023	January 31, 2024
Cycle 4	January 1 – March 31, 2024	April 30, 2024
Cycle 5 & Closeout	April 1 – June 30, 2024	July 31, 2024

OBM will be reviewing reporting and may request additional details to support the use of funds and verify funding is not duplicative of other state and federal funding sources, including other Coronavirus Relief funding sources. Documentation is dependent on the cost category and may include, but is not limited to, financial statements, ledgers, payroll documentation (time sheets, employee roster, organizational charts, hiring documentation, etc.), policies and procedures, training documentation, and invoices.

Responsibilities, Records, and Future Audits

Funds may be subject to future review or audit to ensure appropriate use with ultimate recoupment by the U.S. Treasury. Records shall be maintained for a period of five (5) years after all funds have been expended or returned to the U.S. Treasury by the State of Ohio, whichever is later, for the entire program. Furthermore, records must be made available upon request to OBM, the Ohio Auditor of State, Independent Public Auditors that perform audits on behalf of the Ohio Auditor of State, the federal government, and/or other oversight entities for audit or review.

Recipients of funds from this program are intended to be beneficiaries of the funding, thus are not subject to the requirements placed on subrecipients in the Uniform Guidance, including audit pursuant to the Single Audit Act and 2 C.F.R. Part 200, Subpart F.

Frequently Asked Questions

1) Who will receive funding?

Section 280.18 of H.B. 45 (134th General Assembly) established that hospice care programs, as defined in section 3712.01 of the Revised Code, are eligible applicants for funding to support direct care staff compensation. Eligible hospice care providers are required to apply for the funding in the Ohio Grants Portal and agree to the Beneficiary Agreement prior to receiving payment.

2) How can the provider use the funding?

Funding must be used for direct care staff compensation related to workforce relief impacts as outlined in the "Use of Funds" section of this guidance. Documentation on the use of funds will be required to be retained and provided as part of the reporting and monitoring conducted by OBM.

3) How will the allocation be determined?

The Ohio Department of Aging allocated the funding based on total funding to the provider in 2022 in proportion to the overall population. This allocation percentage for each provider was applied to the total funding available.

4) Will funds be disbursed directly to eligible providers or is there an application process?

Eligible providers must complete an application and provide a signed Beneficiary Agreement prior to receiving funding. The grant application can be found at https://grants.ohio.gov/fundingopportunities.aspx. Applicants should locate the funding opportunity Hospice Care Workforce Support Program and click the hyperlink. The Beneficiary Agreement attached to the funding opportunity is required to be signed by an authorized representative and uploaded as part of the application process. After clicking the register button, complete the application on the next page (ensure your pop-up blocker is disabled in your settings) and upload the signed Beneficiary Agreement.

5) What information is required to apply?

The ODH provided contact was emailed a verification code which will be required to be entered on the application. This verification code provides validation that the applicant is authentic. In addition to the code, an applicant must provide a valid Medicare Provider Number, ODH Facility license number, and Tax Identification Number (TIN).

6) What if my facility did not receive the validation code?

A facility may email ARPAprovider@obm.ohio.gov to request the validation code to be resent to the original contact provided from ODH. If a contact provided by ODH is no longer with the facility, then additional information may be requested to authenticate the application.

7) What is the Unique Entity Identifier (UEI) and are recipients of this program required to have one?

The UEI is a number assigned by SAM.gov to identify entities that are doing business with the government in a variety of ways, including as grant recipients. As of the issuance of this guidance, the U.S. Treasury does not require a UEI for beneficiaries. Providers with a current UEI are encouraged to enter it on the application; however, a "0" can be entered instead.

8) Are these workforce relief payments subject to tax?

The State will be issuing a 1099 because reporting circumstances may vary depending on your organization type and specific laws and rules. Payment recipients should consult with an accounting professional for guidance related to tax reporting and payment.

9) What if I have multiple Medicare Provider Numbers, ODH Facility License Numbers, and TINs?

It is necessary to apply multiple times if you have multiple Medicare provider numbers, ODH Facility license numbers, and/or TINs. For example, if you have one Medicare ID number, but an ODH Facility license number for each of your locations, you will have to apply for each separately (using one ODH facility number each time).

10) What is required to apply for a provider that does not have a Medicare Provider Number or ODH facility license number?

Eligible providers of this program must have a Medicare Provider Number and ODH Facility license number to apply for this relief funding.

11) What is required for an application to be approved?

Applications will be approved and payments made if the content can be validated with the State's payee record and conforms with information provided by ODA. In addition, the application must have the verification code provided to the ODH provided contact via email. Other required items include the signed Beneficiary Agreement uploaded to the application. Applications that do not meet these requirements will be rejected and reasoning provided. Eligible applicants will be required to resubmit the application and correct the error identified prior to the application deadline.

12) What payment method will be used to distribute funds?

Providers will be required to become payees within the State of Ohio's accounting system. Eligible providers with an approved registration will be paid based on information within the State of Ohio's accounting system. Providers can verify if they have a payee record by using the lookup functionality on the application. A provider that has received Medicare or Medicaid funds or CARES Act provider relief payments in the past may not necessarily have a payee record in the State of Ohio's accounting system. A payee record is required to process the application for payment.

Visit https://ohiopays.ohio.gov for more information about becoming a payee or to update existing banking information in OhioPays. This site also provides FAQs and Help Documents.

13) The application form requires an authorized representative and a grant contact. What is the difference?

The authorized representative is the main executive within the applicant organization that can authorize acceptance of the funds on behalf of the applicant. **The grant contact will be the contact for reporting or other questions regarding the funds and its use.** Applicants must verify the e-mail addresses added are valid and correct before submitting the application. **The grant contact will be provided information on how to access the portal for future reporting on the use of funds.**

14) Can beneficiaries transfer the funding to another entity?

No. Section 280.18 of H.B. 45 (134th General Assembly) specifically defines eligible recipients and the use of funds and does not provide additional authority to transfer the funding.

15) Where can I find the federal guidance on the use of funds?

For federal guidance on the use of these funds, please refer to the U.S. Treasury's [website](#) and its associated resources, including those provided below. This program is funded under the eligible use of funds for negative economic impact as aid to other impacted industries. In addition, the Beneficiary Agreement signed by an authorized representative contains detailed references to requirements.

Please also see:
- [HB 45 (134th General Assembly)](#)
- [Overview of Final Rule](#)
- [Final Rule](#)
- [Final Rule FAQs](#)
- [Compliance and Reporting Guidance](#)

16) Will reporting be required?

Yes. Providers must report on the use of funds awarded and will be provided instructions for submission to OBM's Ohio Grants Portal following the distribution of funds. Records must be maintained to support the use of funds in accordance with the "Use of Funds" section of this guidance. See the "Reporting" section for additional details.

17) What types of information will be required as part of the reporting requirement?

For each reporting cycle, providers will be required to report the total expenditures broken out by the "Use of Funds" expenditure categories (for example: overtime pay, staff retention bonus, etc.) for the reporting period. In addition, a completed Excel template providing additional details on the use of funds will be required to be uploaded to the portal. The template will have a tab for each expenditure category.

OBM will be reviewing reporting and may request additional details to support the use of funds and verify funding is not duplicative of other state and federal funding sources, including other Coronavirus Relief funding sources. Documentation is dependent on the cost category and may include, but is not limited to, financial statements, ledgers, payroll documentation (time sheets, employee roster, organizational charts, hiring documentation, etc.), policies and procedures, training documentation, and invoices.

18) Where is reporting completed?

Reporting is performed in the Ohio Grants Portal. The grant contact entered on the application will receive an email upon approval of the application with directions to access the Ohio Grants Portal. **The grant contact is the only representative provided access to complete reporting.** The Ohio Grants Portal has a planned upgrade on or after August 2023. This update may require a new log-in to be established. Additional details on this process, along with a job aid, will be distributed closer to the first deadline.

19) How should funds be tracked?

Providers must have the ability to show the activity that supports the use of funds and be able to show all funds have been exhausted by the period ending June 30, 2024.

20) What documentation should I keep for this program?

Providers must account for all expenses with supporting documentation that validates the funds were expended in accordance with this program as well as the entity's policies. Documentation such as payroll records, ledgers, policies and procedures, training records, and invoices should substantiate that costs were allowable and incurred within the parameters of this program. Additionally, any policy a provider creates to facilitate workforce relief efforts must be documented and retained.

The provider's ledger should clearly account for (a) the receipt of the relief payment and (b) all associated payments used against the relief payment.

Providers will not be required to readily provide detailed financial documentation as part of the quarterly financial status reporting process. **However, OBM may select a quarter whereas the supporting documentation will be requested to be provided. Providers should be ready and retain all documentation for future reference and review of funds. See requirements within this document and the Beneficiary Agreement regarding records retention.**

21) Will there be a review over the use of funds?

Yes. OBM must ensure funds are used in accordance with this established relief program and in accordance with Section 280.18 of H.B. 45 (134th General Assembly). Review of these funds will be done by the Ohio Grants Partnership section of OBM.

22) How long should providers retain records relating to the ARPA and supporting expenditures?

Records shall be maintained for a period of five (5) years after all funds have been expended or returned to the U.S. Treasury by the Grantor (State of Ohio), whichever is later.

23) Are these funds subject to the Single Audit Act?

No. Funds for this program are provided to an impacted industry to deal with pandemic impacts. Recipients are considered beneficiaries of the funding.

24) Are administrative costs an eligible use?

No. Funds must be used in accordance with Section 280.18 of H.B. 45 (134th General Assembly) and the U.S. Treasury's Final Rule. For purposes of this program, funding must support direct care staff compensation related to pandemic workforce impacts.

25) Can funds be garnished or used for another purpose other than those specified as part of this funding?

No. Providers are required to sign the Beneficiary Agreement as part of accepting these funds. Funds must be used for the intended purpose and may not be garnished by debt collectors or other collection

agencies. If a provider changes management or ownership, the funds must still be accounted for by the original recipient and shown as appropriately expended.

26) What is the process for returning unexpended funds to the State of Ohio?

The performance period for this program ends on June 30, 2024. Repayment of unexpended funds must be made by July 31, 2024. Returns can be made via check payable to the Treasurer of the State of Ohio and mailed to:

> Ohio Office of Budget and Management
> ATTN: Fiscal Section – Hospice Care Workforce Support Program Return
> 30 E. Broad St., 34th Floor
> Columbus, OH 43215

27) What happens if there is interest earned on these grant funds since the payment is being advanced?

These funds are not subject to the Cash Management and Improvement Act of 1990. Awardees may retain any interest earned and do not need to add it back to the program. When completing the financial status reporting, interest earnings entered should be $0.

28) When all spending is complete, how is a final close-out report completed?

Beneficiaries must submit a final close-out expenditure report in the Ohio Grants Portal for the last reporting period with activity. The report is completed the same way as quarterly reporting, then click on the check box "Close-out Report?" in the Summary section. Once a report is closed out, all cash on hand must be returned within two weeks of completing the close-out following the return instructions in FAQ 26.

29) How will communications regarding this program be sent?

The Ohio Grants Partnership, a section of OBM, will be administering this funding. All communication will be sent via email to the authorized representative and grant contact entered on the application. Be careful to ensure this contact information is accurately entered on the application. If a change is needed, please email ARPAprovider@obm.ohio.gov.

30) What if I am a new owner and do not have payroll data back to January 27, 2020?

This program begins upon ownership and claims must be based on payroll data from that point forward. Payroll expenses cannot be claimed for any period prior to ownership.

31) Who do I contact with questions?

The Ohio Grants Partnership is available to answer any related questions or concerns that you may have via e-mail to: ARPAprovider@obm.ohio.gov