Finding the Money
A Process to Cost Recovery

University of California – San Diego

David I. Blacksberg, MPH

Gabrielle Wilson, MBA

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1

Agenda

Introduction

DB1

When to track the cost

Where to find the money
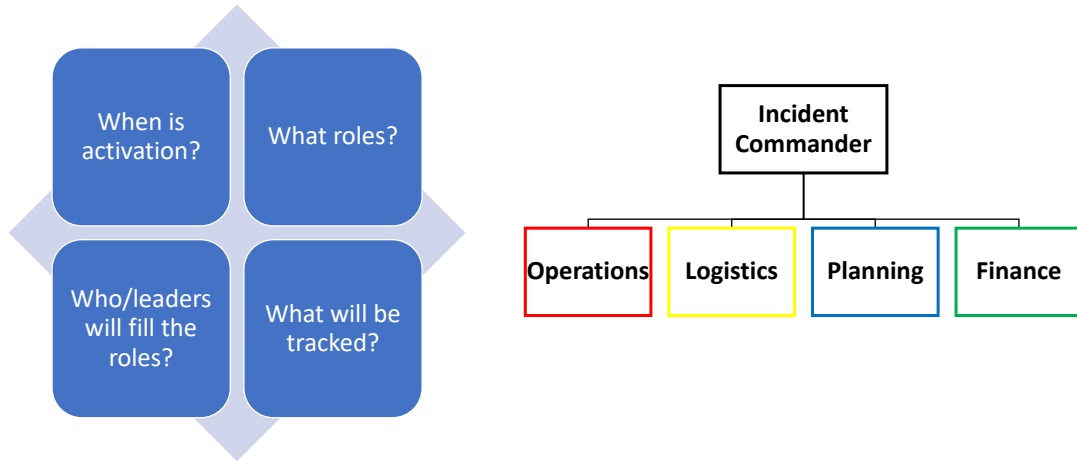
What is the process

Summary

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2

DB1   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.
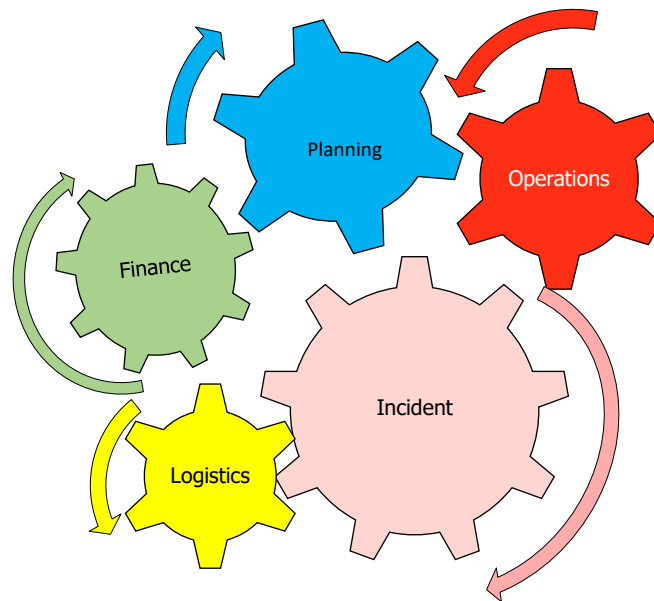
David Bernstein, 9/8/2021

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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Planning

Operations

Finance

Incident

Logistics

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Slide 5

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

Repo DB2
- 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)

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Slide 6

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
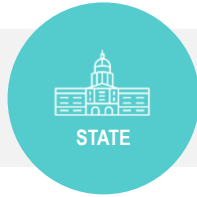
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DB2   Just for consistency - any bullets here?
David Bernstein, 9/8/2021
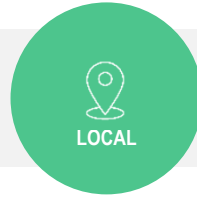
COVID-19 Healthcare Funding and Cost Recovery Strategy

FEDERAL

STATE

LOCAL

OTHER

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

Application Programs
- FCC Telehealth Program
- HHS COVID Minority Health

Emergency Management
- FEMA

Federal Funding Distribution
- State Budget

Emergency Management
- Senate Bill 89

Federal Funding Distribution
- County / City budgets

Public Partnerships
- Contact Tracing
- Vaccine Distribution

Philanthropy
- Vaccine Distribution
- COVID Health Equity

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

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[1].

- 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

[1]As of May 2021

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8

4

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

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Determination & Perseverance
2020's Lessons and 2021's Challenges

Questions?

California Hospital Association

Determination & Perseverance
2020's Lessons and 2021's Challenges

Thank You

David I. Blacksberg, MPH
Senior Consultant
BSI Consulting Services
David.Blacksberg@bsigroup.com

Gabrielle Wilson, MBA
Director, Strategic Initiative and Executive Affairs
UC San Diego Health
gewilson@health.ucsd.edu

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13