

# Health Care Entities Expert Panel Highlights of the April 7, 2021 Meeting



The Health Care Entities Expert Panel serves the needs of AICPA members on financial and business reporting and audit and attest matters. The expert panel protects the public interest by bringing together knowledgeable parties in the health care industry to deliberate and come to agreement on key issues.

(Refer to past meeting highlights on the [Health Care Expert Panel](#) page of the [AICPA website](#) for background information.)

## I. Administration

On behalf of the entire Panel, Norman Mosrie (DHG)—outgoing Panel member and Chair, and Andy Mrakovcic—Staff Liaison to the Panel, thanked the following outgoing Panel members for their service and contributions:

- Steve Blake (Avanti Hospitals, LLC)
- Martha Garner (PwC)

Mr. Mosrie and Mr. Mrakovcic also welcomed the following incoming Panel members beginning with the 2021–2022 committee year that begins in late May:

- Andy Gutierrez (ProHealth Care, Inc.)
- Christina (Chris) Dutch (PwC)
- Trent Fast (CLA LLP)
- Danielle Hawley (Baker Tilly Virchow Krause, LLP)

Mr. Mosrie and Mr. Mrakovcic also congratulated Dawn Stark (Plante & Moran, PLLC) on becoming the next Chair of the Panel and wished her every success!

## II. Panel Projects

- COVID-19 Subgroup. The Panel continued its discussion about some additional topics that Panel members have been encountering as a result of COVID-19, including Single audit or program specific audit considerations, and accounting considerations for cost-based reimbursements relating to Provider Relief Fund (PRF) payments, the treatment of 340B

program revenue in the lost revenue calculation, any reasonable lost revenue calculation considerations for acquisitions, employee retention credit presentation, and various other hot topics.

The Panel continues to work with the [AICPA State and Local Governments Expert Panel](#) to gain further clarification on Single Audit and/or program specific audit requirements. Additionally, the Panel is working in conjunction with the Healthcare Financial Management Association (HFMA) Principles and Practices Board in seeking additional clarification from HHS related to the measurement of lost revenues, specific types of allowable COVID-19 related expenses, and other matters. As more information becomes available, the Panel might consider the need to provide guidance about one or more of these topics through an article, webcast (as discussed in the next bullet), or additional TQAs.

- [2021 Edition of the Health Care Guide](#). The Panel was informed that a guide implementation plan, which includes the listing of pronouncements necessitating conforming changes to the 2021 edition of the AICPA Audit and Accounting Guide *Health Care Entities* (Health Care Guide) and a preliminary timeline, is expected to be distributed to the Panel later this month for review and input. The 2021 Health Care Guide is scheduled to become available in the Fall.
- [Health Care Webcast](#). Select speakers of the Panel are scheduled to present a one-hour AICPA health care [webcast](#) titled “2021 Health Care Update and Hot Topics” on April 29. This is the third such webcast this year, during which the speakers plan to discuss what is known and not known on each date with regard to recent PRF developments, the latest information on the CARES Act, and the pertinent implications of the American Rescue Plan. The Panel Chair thanked the speakers and the CARES Act TQA Revisions subgroup for developing these webcasts.
- [CARES Act TQA Revisions Subgroup](#). The Panel Chair thanked the efforts of the subgroup that has been formed to propose necessary revisions to the CARES Act TQAs ([Q&A section 6400.63-.70](#) in AICPA *Technical Questions and Answers*) that were issued in September. The proposed revisions have been reviewed and cleared by the AICPA [Financial Reporting Executive Committee](#) and are expected to become available in the AICPA online professional literature later this month.
- [TQA 9510.03 Revisions Subgroup](#). The Panel discussed proposed revisions to this TQA (Q&A section 9510.03 in AICPA *Technical Questions and Answers*) to reflect recently issued standards and provided feedback to the subgroup. The subgroup will proceed with making proposed revisions to this TQA, incorporating the feedback from the Panel.
- [Health Care Conference](#). The Panel received an update about the continuing discussions to possibly develop and present certain technical sessions with HFMA at its [annual conference](#), which is expected to be held from November 8 – 10 in Minneapolis, MN, with a virtual option. Additional details are expected to be forthcoming in the next several weeks, and Panel members were requested to volunteer to present one or more of these sessions.

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