

Health Care Entities Expert Panel Highlights of the June 2, 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. 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 quality assessment expenditures, worker compensation claims, vaccine administration fees, excess Provider Relief or Coronavirus Relief Funds that are not spent by June 30, and entities' collections of funds from Catalog of Federal Domestic Assistance number (CFDA): 93.461, *COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured*.

The Panel continues to work with the [AICPA State and Local Governments Expert Panel](#) to gain further clarification on Single Audit 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 below), or additional TQAs.

- 2021 Edition of the Health Care Guide. The Panel received an update on the status of the draft conforming changes to the 2021 edition of the AICPA Audit and Accounting Guide *Health Care Entities* (Health Care Guide). The draft changes are expected to be sent to the Panel later this month for review. The Health Care Guide is scheduled to become available in October.
- Health Care Conference. The Panel was informed that the AICPA and HFMA have joined forces to produce an Accounting and Finance track of technical content as part of HFMA's [annual conference](#), which is expected to be held from November 8 – 10 in Minneapolis, MN, with a virtual option. This track of content is expected to will feature a session on ethics; an update from the FASB and GASB; a healthcare-specific accounting and auditing update that will provide the latest

developments resulting from the CARES Act, including the provider relief funds; a joint AICPA-HFMA session that will focus on accounting and auditing hot topics; and a CFO Panel who will discuss key issues facing their organizations and insights into those issues. The Panel was also informed that a virtual [preview](#) of the conference will be held on June 29. The Panel was thanked for volunteering to present one or more of these sessions.

- [Health Care Webcast](#). The Panel Chair thanked the efforts of the subgroup that developed and presented a one-hour AICPA health care webcast titled “2021 Health Care Update and Hot Topics” on April 29. This was the third such webcast this year, during which the speakers discussed what was 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. The Panel is also considering the possibility of developing one or more additional webcasts later this year as developments warrant. The Panel Chair thanked the speakers and the CARES Act TQA Revisions subgroup for developing these webcasts.
- [TQA Section 6400 Subgroup](#). The Panel was requested to volunteer to participate in an ongoing Panel subgroup that is expected to begin the annual cycle of reviewing the nonauthoritative AICPA Technical Questions and Answers (TQAs) in Q&A section 6400, *Health Care Entities*, in *AICPA Technical Questions and Answers*. The subgroup is expected to identify and propose necessary conforming changes to the TQAs (other than the CARES ACT TQAs that a separate Panel subgroup maintains) to reflect recent authoritative literature that is scheduled to become effective by the end of the calendar year in order to keep the TQAs current. The subgroup is expected to convene a call later this month to begin this process.
- [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 were made available in the AICPA online professional literature in late April.

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