

Health Care Entities Expert Panel Highlights of the October 6, 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

- [CARES Act TQA Revisions/PRF Subgroup](#). The Panel continues to work with the [AICPA State and Local Governments Expert Panel](#) (SLG EP) to gain further clarification on Single Audit or program specific audit requirements. The Panel was informed about a new nonauthoritative AICPA Technical Question and Answer (TQA) 9160.36, “Reporting on the Provider Relief Fund in the Schedule of Expenditures of Federal Awards in Relation to the Financial Statements in a Single Audit,” that was developed and expected to be released later this month. The TQA discusses whether an auditor can report on a SEFA with PRF funding in relation to the audited financial statements when some of the amounts relate to an entity’s prior fiscal year.
 - With approval of the U.S. Food and Drug Administration of the Moderna, Pfizer, and Johnson & Johnson COVID-19 vaccine doses earlier this year, the U.S government COVID-19 Tax Force developed a plan for large scale vaccination distribution efforts to the America public. As health care providers will play a role in the distribution of these vaccines, questions have arisen on the accounting recognition of the vaccine doses received by health care providers. Due to the broad applicability of the COVID-19 vaccine distribution as well as similar clinical trial and prescription assistance programs for health care providers, the TQA 6400 subgroup is drafting a TQA to provide some information on this topic. The subgroup is expected to send the draft to the Panel for review in the next several weeks.
 - In light of the ongoing developments described above, the Panel subgroup has reviewed the CARES Act TQAs ([Q&A section 6400.63-.70](#) in *AICPA Technical Questions and Answers*) that were issued in September 2020 and revised in April, to propose any necessary revisions. The proposed changes are minimal, have been included with the proposed changes have been cleared by the AICPA Financial Reporting Executive Committee, and are expected to be reflected in *AICPA Technical Questions and Answers* in December.

- 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), which is currently undergoing final clearance and is expected to be available in November.
- 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 scheduled to be held from November 8 – 10 in Minneapolis, MN, with a virtual option. This track of content is expected to will feature an update on current accounting projects from the FASB and GASB; a healthcare-specific accounting and auditing update; a session on single audit considerations that will focus on CARES Act related programs; a joint AICPA-HFMA session that will focus on accounting and auditing hot topics that will provide the latest developments resulting from the CARES Act, including the provider relief funds; and a CFO Panel who will discuss key issues facing their organizations and insights into those issues. The Panel was thanked for volunteering to present one or more of these sessions.
- TQA Section 6400 Subgroup. The Panel subgroup has performed its 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 has almost completed identifying and proposing necessary conforming changes to the TQAs (other than the CARES ACT TQAs that a separate Panel subgroup maintains) in order to keep the TQAs current. The proposed changes have been cleared by the AICPA Financial Reporting Executive Committee and are expected to be reflected in *AICPA Technical Questions and Answers* in December.

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