



Provider Relief Frequently Asked Questions

Paycheck Protection Program First Draws, Second Draws, and Department of Health and Human Services Provider Relief Funds

Is the HHS Provider Relief Fund payment included in my gross receipts?

The AOA is working to have the SBA clarify that the HHS funds are not included in gross receipts. Once clarification is received, we will share with members. AOA requested confirmation as late as January 29, 2021.

Can I return the HHS Provider Relief Funds, if those funds impact my PPP eligibility?

Recipients of HHS funds have the option to return them within 90 days of receipt. However, you may want to wait for additional SBA clarification prior to returning those funds.

What if I wasn't in business in the comparable quarter in 2019?

The Small Business Administration has provided guidance for this situation:

Equation for calculating losses if not in business for a portion of 2019

- For applicants not in operation in Q1 or Q2 2019, select either Q3 or Q4 2019 and compare with the same quarter in 2020.
- For applicants not in operation in Q1, Q2 or Q3 2019, select Q4 2019 and compare with Q4 2020.
- For applicants not in operation in 2019 but in operation as of Feb. 15, 2020, select Q1 2020 and compare with Q2, Q3, or Q4 2020.

I didn't have an annual revenue decrease of 25% in 2020, but I did in one quarter of 2020. Do I qualify for the Second PPP Draw?

As long as you met the reduction threshold in one quarter, you are eligible for the second round of PPP.

Can I use the simplified forgiveness form, if I was approved for amount above 150,000 but accepted less than 150,000?

You can use the simplified forgiveness form if the loan you received was less than \$150,000, even if you were approved for a higher amount. The amount that triggers the form you can use is the amount you received.

Can I use PPP funds and HHS Provider Relief Funds concurrently (at the same time)?

Yes, you are able to use the funds during the same period of time. Per HHS, "There is no direct ban under the CARES Act on accepting a payment from the Provider Relief Fund and other sources, so long as the payment from the Provider Relief Fund is used only for permissible purposes and the recipient complies with the Terms and Conditions." Recently Congress enacted legislation that would allow you to use PPP funds and also get tax credits for the Employee Retention Credit (ERC). Previously you had to choose ERC or PPP but not both. AOA requested clarification (as late as January 29, 2021) on the specific rules to use both PPP¹ and ERC at the same time. We will update members when Treasury/SBA provides specific rule updates. Consult your accountant to understand tax implications of PPP Forgiveness and ERC benefits.

How do I report the two (was it not 3?) HHS Provider Relief Fund payments?

If you received more than \$10,000 total, you will need to report that to HHS. HHS has opened its portal so that doctors can register to report, but you are not yet required to enter any information. The portal to register is available here: <https://prfreporting.hrsa.gov/s/>

AOA anticipated that HHS was going to open the portal for reporting starting on Jan 16, but they ultimately just opened it for registration, so we are still waiting to see what the entirety of the reporting requirements will entail. This FAQ document will be updated as more information becomes available.

My PPP Loan Forgiveness was reduced because of my EIDL advance. What do I need to do to get those funds returned to me?

The Small Business Administration provided guidance to lenders regarding how to reconcile this issue. There is no action needed on your part at this point.

Can I still apply for the COVID-19 Economic Injury Disaster Loans (EIDL) Advances?

New targeted EIDL Advance funds were included as part of the Economic Aid to Hard-Hit Small Businesses, Non-Profits, and Venues Act (December 27, 2020). The Targeted funds will be available to applicants in low-income communities who originally received an Advance fund payment of less than \$10,000 and those that applied but received nothing due to lack of SBA funding available. If you qualify for the Targeted Advance, the SBA will reach out to you.

More information on these resources is available through the SBA: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/covid-19-economic-injury-disaster-loans#section-header-6>

Should partners' self-employment income be used in the calculation for the Second Draw PPP Loan application?

The SBA has instructions on how to calculate loan amounts using a K-1 form (Form 1065; Partner's Share of Income, Deductions, Credits, etc.) in Question 4 of its [resource on Second Draw calculations](#). It begins on page 8 in the *Maximum Second Draw PPP Loan Amounts* section of the document.

Per the SBA, "LLCs should follow the instructions that apply to their tax filing status in the reference periods." If you are unsure, consult with your accountant.

I understand the \$10,000 threshold for reporting use of provider relief funds to HHS. Is that \$10,000 threshold based just on provider relief funds or do I need to include the PPP funds I received?

The HHS reporting requirements are tied to the funds you received from the HHS Provider Relief Fund. If you received \$10,000 or more from HHS Provider Relief Funds, you will need to report use of those funds in the future. You can register for future reporting here: <https://prfreporting.hrsa.gov/sl>

What is the deadline to apply for this round of PPP Funding?

The deadline is March 31, 2021.

I didn't get a first round PPP loan, can I apply now?

Yes, there is a new round of initial PPP loans. The application is here:

<https://www.sba.gov/document/sba-form-2483-ppp-first-draw-borrower-application-form>

If you have additional questions, please contact askaoa@aoa.org

I understand my PPP is now tax deductible. Does that mean federal and state taxes?

The PPP1 and PPP2 are tax deductible for federal taxes. However, each state is addressing PPP funding differently for state tax deductions. Check with your state tax laws or your accountant to find out if you owe state taxes against PPP funds that you spent. Some states are addressing it in recent state legislation.