



**ALABAMA HOSPITAL
ASSOCIATION**

January 19, 2022

Mr. Bill Poole
Director of Finance
Alabama Department of Finance
600 Dexter Avenue, Suite N-200
Montgomery, Alabama 36130

RE: The Memorandum of Understanding by and between the Alabama Department of Finance (DOF) and the Alabama Health and Research Education Foundation (Foundation) regarding the \$40 million appropriation from Alabama's Coronavirus State Fiscal Recovery Funds to the "Hospital COVID-19 Recovery Fund."

Dear Director Poole:

Please accept this as an addendum to the final report from the Alabama Health and Research Foundation.

Following the December 30, 2021 submission of our final report and spreadsheet with details for the distribution of the \$40 million provided through the "Hospital COVID-19 Recovery Fund," an anomaly in the claim submissions and final distribution amounts were immediately recognized and acted upon.

It was determined that one hospital system made honest errors in calculating claims by misunderstanding expenses or costs were eligible only after netting any other funds received or obligated to be received from other sources to offset the total expenses. This calculation error resulted in a significant overpayment to three hospitals within that system. Along with the hospital system, our teams carefully worked to address this error. The hospital system resubmitted its properly recalculated claims, and those claims were reviewed and verified by our accounting firm, Aldridge Borden. The hospital system subsequently returned the full amount of the overpayment.

Additionally, while we had more than 70 hospitals submit eligible claims, six entered information into one side of the Aldridge Borden electronic system but failed to submit their claims through the correct portal. As a result, those claims were not visible to the Aldridge Borden team and were not discovered until the hospitals reached out after the December 30, 2021 distributions were completed and reported. Because those claims were entered within the prescribed timeframe given but not visible in the appropriate portal, they did not receive funds through the initial distribution but were included in the redistribution of funds available due to the recovered overpayment. No new claims were accepted beyond the state's deadline established in the MOU.

Following the overpayment recovery and recognition of claims from the five hospitals that were not previously included, eligible expense claims were recalculated to determine the proportional allocation with all hospitals properly filing. Using this calculation, on January 19, 2022, a redistribution was made to each hospital that submitted approved and eligible claims. After this distribution, every hospital that submitted claims received 70.6% of the qualified expenses submitted. The attached spreadsheet includes details for the adjusted proportional allocation.

We are grateful for the attentiveness and conscientious actions to ensure funds were equitably and appropriately distributed following the state's direction and within the federal requirements. The compressed timeframe and parameters required in the MOU were daunting; however, we are proud of the timely fashion errors were addressed and have taken actions to adjust the process should we receive another opportunity to work with the state in providing hospitals additional and much needed financial assistance.

Thank you for all you do for our state. If you have any questions or need additional information, please do not hesitate to let me know.

Sincerely,



Danne Howard
Deputy Director

Alabama Hospital Association
ARPA Funds Disbursement

Facility	Amount Submitted	Amounts paid 12/31	Amounts to Pay 1/14/22	Total Amount Paid
Ascension Providence Mobile	\$ 477,103.19	\$ 265,789.83	\$ 70,334.11	\$ 336,123.94
Ascension St. Vincent's Birmingham	987,569.22	550,165.79	145,586.55	695,752.34
Ascension St. Vincent's Blount	149,522.85	83,297.81	22,042.52	105,340.34
Ascension St. Vincent's Chilton	178,650.69	99,524.67	26,336.52	125,861.19
Ascension St. Vincent's East	860,822.22	479,556.20	126,901.62	606,457.82
Ascension St. Vincent's St. Clair	61,445.33	34,230.63	9,058.21	43,288.85
Athens-Limestone Hospital	995,455.78	554,559.32	146,749.17	701,308.50
Atmore Community Hospital	380,921.56	212,207.92	56,155.11	268,363.03
Baptist Medical Center East	1,215,281.00	4,076,534.70	(3,218,454.57)	858,080.13
Baptist Medical Center South	3,670,824.00	8,880,065.74	(6,288,186.88)	2,591,878.86
Bibb Medical Center	234,212.00	130,477.37	34,527.32	165,004.68
Bullock County Hospital	113,846.00	-	80,205.64	80,205.64
Clay County Hospital	38,286.19	21,328.89	5,644.11	26,973.00
Community Hospital, Inc.	111,869.00	62,321.20	16,491.62	78,812.82
Coosa Valley Medical Center	378,214.00	210,699.57	55,755.96	266,455.52
Crenshaw Community Hospital	907,364.00	505,484.20	133,762.77	639,246.96
Cullman Regional Medical Center	2,662,675.95	1,483,352.45	392,529.24	1,875,881.69
D.W. McMillan Memorial Hospital	353,736.07	197,063.13	52,147.45	249,210.58
DCH Regional Medical Center	3,633,200.22	2,024,022.66	535,603.03	2,559,625.69
Decatur Morgan Hospital - Parkway Campus	122,855.00	68,441.40	18,111.17	86,552.57
East Alabama Medical Center	1,383,672.00	770,831.03	203,979.65	974,810.69
Elmore Community Hospital	1,379,624.65	768,576.29	203,383.00	971,959.29
Evergreen Medical Center	499,471.00	278,250.73	73,631.55	351,882.29
Fayette Medical Center	209,458.50	116,687.42	30,878.18	147,565.60
Greene County Hospital	42,494.00	23,673.02	6,264.43	29,937.45
Grove Hill Memorial Hospital	318,392.98	177,373.82	46,937.20	224,311.02
Helen Keller Hospital	1,388,365.81	773,445.91	204,671.61	978,117.52
Highlands Medical Center	399,870.63	222,764.28	58,948.56	281,712.84
Hill Hospital of Sumter County	44,577.00	-	31,404.94	31,404.94
Huntsville Hospital	1,426,473.89	794,675.58	210,289.47	1,004,965.04
Jackson Hospital	2,381,024.00	-	1,677,455.09	1,677,455.09
Jackson Medical Center	49,825.03	27,757.07	7,345.16	35,102.23
John Paul Jones Hospital	6,024.00	-	4,243.97	4,243.97
Lake Martin Community Hospital	1,041,191.51	580,038.28	153,491.49	733,529.77
Lakeland Community Hospital	235,339.66	131,105.58	34,693.56	165,799.13
Lawrence Medical Center	25,428.00	14,165.71	3,748.57	17,914.28
Madison Hospital	81,643.00	45,482.57	12,035.74	57,518.31
Marshall Medical Center North	282,921.00	157,612.71	41,707.95	199,320.66
Marshall Medical Center South	716,464.00	399,135.55	105,620.46	504,756.01
Medical Center Barbour	238,687.00	132,970.35	35,187.02	168,157.37
Medical West	1,188,580.00	662,147.06	175,219.37	837,366.43
Mizell Memorial Hospital	132,736.17	73,946.11	19,567.84	93,513.95
Mobile Infirmary Medical Center	3,562,703.00	1,984,749.30	525,210.40	2,509,959.70
Monroe County Hospital	741,343.50	412,995.69	109,288.18	522,283.87
North Alabama Medical Center	1,585,432.68	883,230.07	233,723.03	1,116,953.09
North Alabama Shoals Hospital	106,529.87	59,346.82	15,704.54	75,051.35
North Baldwin Infirmary	328,047.00	182,751.99	48,360.39	231,112.37
Northeast Alabama Regional Med.Ctr.	138,306.00	77,049.01	20,388.94	97,437.95
Northport Medical Center	581,461.00	323,926.61	85,718.45	409,645.06
Northwest Medical Center	291,431.19	162,353.65	42,962.52	205,316.17
Prattville Baptist Hospital	997,683.00	-	703,015.57	703,015.57
Regional Medical Center of Central Alabama	216,991.00	120,883.70	31,988.61	152,872.32
Riverview Regional Medical Center	319,811.00	178,163.79	47,146.24	225,310.03
RMC Stringfellow Memorial Hospital	40,038.00	22,304.80	5,902.37	28,207.17
Russell Medical	457,308.21	254,762.23	67,415.96	322,178.18
Russellville Hospital	260,764.00	145,269.24	38,441.59	183,710.83
Southeast Health	1,642,408.00	40,960.11	1,116,132.67	1,157,092.77
Springhill Medical Center	2,722,189.72	1,516,507.03	401,302.70	1,917,809.73
Thomas Hospital	1,061,311.30	591,246.83	156,457.53	747,704.37
Thomasville Regional Medical Center	50,097.00	27,908.58	7,385.25	35,293.83
Troy Regional Medical Center	308,918.00	172,095.40	45,540.41	217,635.80
UAB Callahan Eye Hospital	60,887.78	33,920.03	8,976.02	42,896.05

UAB Hospital	4,702,229.24	2,619,568.96	693,198.31	3,312,767.27
USA Health Children's & Women's Hospital	723,752.00	8,061.66	501,828.82	509,890.48
USA Health University Hospital	2,105,934.00	7,427.14	1,476,225.67	1,483,652.81
Washington County Hospital	88,648.24	49,385.12	13,068.44	62,453.57
Whitfield Regional Hospital	350,000.00	194,981.80	51,596.68	246,578.48
Wiregrass Medical Center	1,770,183.92	986,153.29	260,958.88	1,247,112.18
EastPointe Hospital	31,350.00	17,464.80	4,621.59	22,086.39
BayPointe Behavioral Health	30,900.00	611.69	21,157.67	21,769.36
Beacons Children's Hospital	2,649.47	1,476.00	390.58	1,866.58
Infirmiry LTAC Hospital	2,382.40	1,327.21	351.21	1,678.42
Laurel Oaks Behavioral Health Center	19,129.00	10,656.59	2,819.98	13,476.57
Mountain View Hospital	\$ 13,731.96	\$ 7,649.95	\$ 2,024.35	\$ 9,674.30
	\$ 56,320,669.58			\$ 39,686,260.65

Foundation Expenses

Outside Legal Services	31,342.25
Aldridge Borden and Company, Inc. Accounting Firm	275,000.00
Insurance	7,303.22
Misc. Administrative Expenses	93.87
	40,000,000.00