A Review of Pandemic Relief Funding and How It Was Used in Six U.S. Communities

Coeur d'Alene, Idaho

July 2024

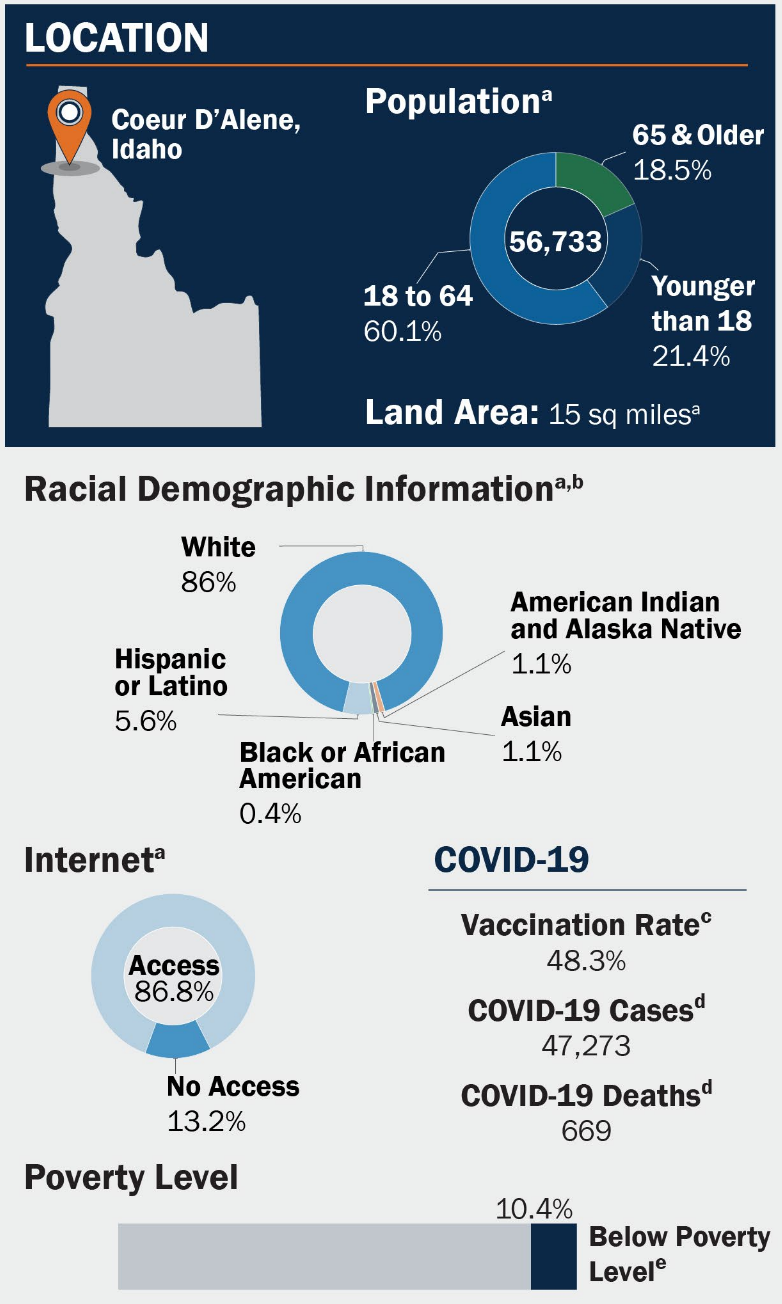
City of Springfield, Massachusetts
City of Coeur d'Alene, Idaho
Sheridan County, Nebraska
Marion County, Georgia
White Earth Nation Reservation in Minnesota
Jicarilla Apache Nation Reservation in New Mexico

PANDEMIC RESPONSE
ACCOUNTABILITY COMMITTEE

CONTENTS

Taking a Closer Look at a Community's Experience: COEUR D'ALENE, IDAHO

This report is the second in a series taking an in-depth look at how six communities used federal pandemic funding to address a wide range of community-based needs. In this report, we focus on the city of Coeur d'Alene, ID, with a detailed look at eight of the 45 pandemic programs that provided funding to the community. For more information about our review, see Appendix B.



[a] U.S. Census Bureau for counties and cities.
[b] Because individuals may be considered a member of more than one racial demographic, the percentages may not equal 100 percent.
[c] Centers for Disease Control and Prevention based on the rate of individuals who received at least two doses of the vaccine. The vaccination rate represents the county-wide rate and is not specific to the Coeur d'Alene, ID, city borders. Data as of May 30, 2023.
[d] Data obtained from the Panhandle Health District in Coeur D'Alene, ID, and identifies totals for Kootenai County as of February 28, 2023.
[e] U.S. Census Bureau. The poverty line varies depending on factors, such as the year and household size. Please see Poverty Thresholds for more information.

Coeur d'Alene, ID, one of the top 10 largest cities in the state, has a total of 56,733 inhabitants. The city has a large tourism industry and is a 40-minute drive from Spokane, WA. Located on the edge of Lake Coeur d'Alene, the city boasts several attractions, including a world-famous floating green on the 14th hole of the Coeur d'Alene Resort Golf Course. As of February 28, 2023, Kootenai County—which includes Coeur d'Alene—had experienced 47,273 recorded cases of COVID-19, with 669 recorded deaths.

In the first part of our review, Tracking Pandemic Relief Funds that Went to Local Communities Reveals Persistent Data Gaps and Data Reliability Issues, we found that Coeur d'Alene recipients, including the city government, small businesses, and individuals, received more than $314.4

million from 45 federal pandemic relief programs and subprograms during the first 18 months of the pandemic.

This report provides a closer look at eight federal departments' pandemic relief programs and subprograms—a total of seven departments and the funding they provided to Coeur d'Alene. These programs aimed to mitigate the effects of the pandemic by addressing community development needs that posed a serious threat to the health or welfare of the community, supporting public transportation agencies, developing learning loss remediation programs for local schools, and other efforts.

We sought to gain more insight into how Coeur d'Alene used its pandemic relief funding, how the spending generally aligned with the goals and objectives of the federal programs and subprograms, and whether the funding helped Coeur d'Alene residents respond to the pandemic.

Programs Selected for Further Review

Coronavirus Aid, Relief, and Economic Security (CARES) Act Urbanized Area Formula Grants Program

U.S. Department of Transportation

Community Development Block Grant – CARES Act (CDBG-CV)

U.S. Department of Housing and Urban Development

Coronavirus Relief Fund (CRF)

U.S. Department of the Treasury

Elementary and Secondary School Emergency Relief Program (ESSER)

U.S. Department of Education

Farmers to Families Food Box Program

U.S. Department of Agriculture

Pandemic Unemployment Insurance Programs

U.S. Department of Labor

Project-Based Rental Assistance (PBRA) – CARES Act

U.S. Department of Housing and Urban Development

Provider Relief Fund Payments to Nursing Homes

U.S. Department of Health and Human Services

Pandemic Impact on the Community

The pandemic impacted many aspects of life in Coeur d'Alene. For example, the public health emergency had an impact on the operations of the public school system through shutdowns and the move to remote learning early in the pandemic. Additionally, as the city began to reopen, the community had a great need for more childcare services so that parents could return to work. The average unemployment rate in Coeur d'Alene increased from 3.4 percent in 2019 to 7.4 percent in 2020, peaking at 18.4 percent in April 2020. To help address unemployment, Coeur d'Alene residents received more than $36.6 million in federal benefits from pandemic-related unemployment insurance (UI) programs.

Local officials noted that the city shut down at the beginning of the pandemic. The Idaho governor's reopening plan, or Idaho Rebound stages, resulted in Coeur d'Alene gradually reopening in summer 2020 before many other communities in neighboring Washington state. This resulted in increased foot traffic during traditionally off-season times (i.e., winter 2020-2021) from areas like Spokane, WA. The city also observed a significant in-migration of individuals moving from other states and regions of the country into Coeur d'Alene during the pandemic. In addition, high demand as well as inflation impacted the cost of housing and other necessities, which, according to some local officials, deterred individuals from applying for work in the area. At the time of our visit in June 2022, Coeur d'Alene still struggled to address the increased housing demand caused by significant in-migration.

Program Impact on the Community

Officials that the Pandemic Response Accountability Committee (PRAC) and Offices of Inspectors General (OIG) teams interviewed offered a wide variety of responses when asked about the community's use of federal pandemic funds. Coeur d'Alene officials told us how the community addressed the impacts of COVID-19. The community also told our teams that the federal government's emergency assistance helped with immediate responses to the pandemic.

- Kootenai County Transit System officials believe that it would have been extremely difficult for them to respond to the pandemic without the Coronavirus Aid, Relief, and Economic Security (CARES) Act Urbanized Area Formula Grants Program funding. Through September 30, 2021, the Urbanized Area of Coeur d'Alene received about $4.9 million from the Federal Transit Administration (FTA) Urbanized Area Formula Grants Program allowing Kootenai County Transit System to continue to provide transportation services such as fare-free buses and demand-response van services during the pandemic. FTA obligated about $4.5 million of these funds to the Kootenai County, which operates Kootenai County Transit System.

- The city, working with existing nonprofit organizations, received $446,799 from the CARES Act Community Development Block Grant program (CDBG-CV) to expand childcare access, provide food for families and seniors, provide housing and utility access for workers, and provide rental assistance.

- As of March 31, 2022, a total of 19 subrecipients—such as the city government, the public school system, and the medical center—received $16.8 million from the U.S. Department of the Treasury's (Treasury) Coronavirus Relief Fund (CRF). The subrecipients used the funds to pay salaries and wages for public health and safety employees substantially dedicated to respond to COVID-19, facilitate distance learning at schools, increase the capacity of hospitals to treat COVID-19 positive patients, and address the shortage of skilled workers in the healthcare industry by providing training in fields such as medical coding.

- The city received $163,819 from the U.S. Department of Housing and Urban Development's (HUD) initial allocation of the Project-Based Rental Assistance-CARES Act funding. The funds were used to help pay for the increase in rental subsidies needed for families that lost income due to the pandemic.

Participant Experience

During our visit in June 2022, we received feedback from multiple officials in Coeur d'Alene whose offices or organizations received federal funding. These officials shared their experiences with federal programs as they responded to the pandemic within Coeur d'Alene and highlighted the challenges and successes. For example:

- A city official said the CDBG-CV funding helped the city's ability to respond to the pandemic, especially at the beginning when services and businesses shut down. Several nonprofit organizations proactively contacted the city to help explain community needs. This coordination helped facilitate the city's efforts to address the community's needs.
- The city's use of CRF award funds was a collaborative process with the Idaho state government, which established the Coronavirus Financial Advisory Committee to help communities across the state work together to develop and implement best practices for using the funds to meet communities' needs.
- Coeur d'Alene Public School System officials noted that they struggled to find staff for their programs. For example, the officials said the school system struggled with teacher burnout. To address this concern, the school system used Elementary and Secondary School Emergency Relief Program (ESSER) funding to increase teacher pay and retain staff during hybrid learning. In addition, an official noted that public school applicants and new hires were at times unable to find affordable living accommodations to live and work in the city.
- Most surveyed claimants for the UI program expressed overall satisfaction with the application process, promptness of receiving benefits, and the certification process to continue receiving benefits.
- Corporate and facility leaders from five nursing homes within the city limits reported that Provider Relief Fund (PRF) payments to nursing homes were integral to the pandemic response.

PROGRAM SNAPSHOT

CARES Act Urbanized Area Formula Grants

U.S. Department of Transportation

Millions of Americans use public transportation to access their jobs, education, essential services—such as medical care and grocery shopping—and recreational activities. The COVID-19 pandemic put provision of public transportation at risk from a variety of perspectives, including reductions in ridership, revenue, and staff availability.

Since March 2020, Congress has provided $69.5 billion in supplemental funding to the FTA to help transit systems in the United States mitigate the impacts of the COVID-19 pandemic.[1] The majority of these funds were made available to recipients through the Urbanized Area Formula Grants Program, which seeks to provide transit capital and operating assistance in urbanized areas and for transportation-related planning.

FTA officials told the U.S. Department of Transportation (DOT) OIG that the purpose, goals, and objectives of these funds were to support public transportation agencies, as well as prevent, prepare for, and respond to COVID-19, which DOT OIG determined was consistent with the purposes outlined in the CARES Act. FTA also stated that it considered all expenses incurred on or after January 20, 2020, and typically eligible under the Urbanized Area Formula Grants Program to be eligible for the CARES Act Urbanized Area Formula Grants Program.

Through September 30, 2021, FTA made about $4.9 million in COVID-19 relief Urbanized Area Formula Grants Program funds available to the Coeur d'Alene, ID, urbanized area. FTA obligated about $4.5 million of the funds through a CARES Act-funded grant to Kootenai County. At that time, FTA had disbursed $785,364 from the grant to Kootenai County. Kootenai County is responsible for the oversight and management of the Kootenai County Transit System (also known as Citylink), a small urban system serving several cities, including Coeur d'Alene.

The Kootenai County Transit System provides fare-free, fixed-route bus and Americans with Disabilities Act demand-responsive van service. The system is partially funded by federal and state funds awarded to Kootenai County. Grant matching funds are provided by participating cities, the county, the Coeur d'Alene Tribe, Kootenai Health, and the Area Agency on Aging.

1 In March 2020, FTA received $25 billion through the CARES Act to prevent, prepare for, and respond to COVID-19 (Pub. L. No. 116-136). In December 2020, FTA received an additional $14 billion for these purposes through the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (Pub. L. No. 116-260). In March 2021, FTA received another $30.5 billion for these purposes through the American Rescue Plan Act of 2021 (Pub. L. No. 117-2).

Program Impact on the Community

Kootenai County officials believe that it would have been extremely difficult for them to respond to the pandemic without the CARES Act Urbanized Area Formula Grants Program funding. According to officials, the county had to look to federal funding because the system had no additional funding sources and the costs associated with the pandemic would have been detrimental to its operations.

DOT OIG determined the county's expenditures from its CARES Act Urbanized Area Formula Grant through September 30, 2021, aligned with the purposes for which the funding was given. Specifically, the county used the funds to:

- Pay administrative leave for staff under quarantine or concerned with COVID-19 risks, which allowed the county to keep bus drivers and mechanics employed. According to a county official, this was important because drivers and mechanics are hard positions to fill.
- Pay bonuses to drivers who continued working during the pandemic.
- Pay for operational items such as fuel, preventative maintenance, paper and printing costs, electricity, and sewer fees.
- Purchase personal protective equipment, cleaning services and supplies, driver barriers, and equipment to allow non-customer facing employees to work from home.

> DOT OIG notes that recipients of CARES Act Urbanized Area Formula Grants Program funding were not required to report data that would allow FTA to measure the funding's overall effect, such as how many layoffs and service cuts the funding helped prevent.

County officials explained that a county board reviews and approves grant expenditures, and the CARES Act Urbanized Area Formula Grants Program expenditures were no exception. For the CARES Act funding, county officials elaborated that they confirmed expenditures met the CARES Act criteria, submitted them to the county board for approval, and then submitted them to FTA for reimbursement.

The county officials DOT OIG interviewed indicated the funds had a tremendous impact and one even called the 100-percent federal share "a real gift." However, recipients of CARES Act Urbanized Area Formula Grants Program funding were not required to report data that would allow FTA to measure the funding's overall effect, such as how many layoffs and service cuts the funding helped prevent. Unlike the American Recovery and Reinvestment Act (ARRA) of 2009—which required recipients to report funding impact through estimates of the number of jobs created or retained by ARRA-funded projects—the CARES Act only requires recipients to report the estimated number of jobs created or retained by the funded project or activity "where applicable." Under the CARES Act, agencies are responsible for creating a user-friendly means for these recipients to comply with that requirement. However, the Office of Management and Budget subsequently issued related guidance stating that it does not expect agencies or recipients would need to report additional information to meet this requirement.[2] FTA relied on the Office of Management and Budget's guidance and did not require additional reporting from recipients of CARES Act Urbanized Area Formula Grants Program funding. According to FTA, it has been tracking trends within the transit industry, such as ridership and service levels.

Participant Experience with Programs

County officials believe that CARES Act Urbanized Area Formula Grants Program funding was sufficient and well administered. An official noted the funding came through pretty quickly and the amount was "more than sufficient." The official continued that the transit agency is currently using its regular allocation of Urbanized Area Formula Grants Program funding and keeping the remaining CARES Act funding as a safety net. Another county official also indicated satisfaction with the program's administration, stating that the funds were provided in a logical and reasonable way.

USING FEDERAL FUNDS

Officials noted FTA's webinars and Frequently Asked Questions on its website were particularly helpful at providing guidance.

Two county officials noted FTA's webinars and Frequently Asked Questions on its website were particularly helpful at providing guidance. While they indicated that FTA's information could have been clearer initially, they said that FTA clarified the guidance fairly quickly. The third official said FTA drafted a lot of the material quickly and, when the county staff had questions, it was easy for them to find the answers. Regarding the webinars, a county official was impressed with the level of information FTA provided—including presentations by experts from the Centers for Disease Control and Prevention—and said the Agency did a "fabulous" job.

2 Office of Management and Budget, Memorandum for the Heads of Departments and Agencies: Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19), M-20-21, April 10, 2020.

PROGRAM SNAPSHOT

Community Development Block Grant – CARES Act

U.S. Department of Housing and Urban Development

At the beginning of the pandemic, many businesses and schools were shut down. While Spokane, WA, remained shut down, businesses in the nearby city of Coeur d'Alene, ID, began to reopen, following Idaho's reopening plan, from around the middle of May through the end of June 2020. As a result, demands for services and dining at restaurants increased significantly, as many residents from the State of Washington traveled to the city. **During the same time, the city observed a significant increase in-migration of individuals. City leaders said that many of the new residents were retirees. The pandemic and an increased in-migration brought higher demand for services in the city and created more jobs than could be filled by its available workforce**. While some households' incomes were not affected because the individuals were retired, collected disability benefits, or remained employed, others might have lost their jobs during the pandemic. The pandemic affected residents differently, depending on whether their household incomes were affected or whether schools and daycare facilities remained open to allow parents to go to work.

The CARES Act (signed into law on March 27, 2020) made available to HUD $5 billion in supplemental CDBG funding for grants to prevent, prepare for, and respond to CDBG coronavirus (CDBG-CV) grants. Of that amount, $2 billion was allocated to grantees using HUD's CDBG allocation formula for fiscal year 2020; $1 billion was allocated to states and insular areas based on factors related to public health, economic, and housing impacts of the coronavirus; and the remaining amount was allocated to the states or local governments at the HUD Secretary's discretion according to a formula based on public health, economic, and housing impacts of coronavirus.

> Existing connections with nonprofit organizations helped the city use its CDBG-CV funding to address the need for childcare across the community so that parents could continue to work.

The CDBG program provides annual grants on a formula basis to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for low- and moderate-income persons. The program is authorized under Title 1 of the Housing and Community Development Act of 1974. The goals and objectives for the CDBG-CV program were generally the same as for the annual CDBG program. Specifically, grantees must ensure that every program-funded activity meets one of the three program national objectives: (1) benefit low- and moderate-income persons, (2) prevent or eliminate slums or blight, or (3) address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available. HUD used the same performance metrics as it used for its annual CDBG program. These metrics measured jobs created, housing and services provided, and access to infrastructure for low- and moderate-income persons.

Grantees received guidance for the CDBG-CV program in a variety of ways. HUD published guidance and developed frequently asked questions for the CDBG-CV program on the HUD Exchange website. In addition, HUD hosted webinars and office hours for stakeholders. HUD field staff also responded to calls and emails, answering questions from grantees. For example, the city reached out to its local HUD office representative for guidance on allowable uses for the funds.

Program Impact on the Community

Using CDBG-CV program funds, the city awarded grants to nonprofit organizations under its Community Opportunity Grant program. The Community Opportunity Grant program provided funding for projects that would benefit low-to-moderate-income people or neighborhoods; promote job creation and economic development; and prevent, prepare for, and respond to coronavirus. With this funding, nonprofit organizations provided the following services and assistance to residents impacted by the pandemic:

- Expanded childcare and academic support for working families.
- Provided food and meal assistance for families and seniors.
- Provided housing and utility assistance to workers.
- Provided shelter, food, and rental assistance for survivors of domestic violence.
- Provided emergency shelter and kitchen services for the homeless population.

As of September 30, 2021, HUD had awarded $446,799 in CDBG-CV funding to the city, of which the city had spent $242,721. The city has until September 1, 2027, to spend the remaining amount. The city planned to use the remaining funds for Community Opportunity Grants to local nonprofits and service providers for public service projects and administrative costs.

USING FEDERAL FUNDS

One of the CDBG-CV program goals is to develop viable urban communities by expanding economic opportunities, principally for low- and moderate-income persons. The city generally used its CDBG-CV funds in accordance with the goals and objectives of the program.

HUD OIG's review showed that the city generally used its CDBG-CV funds in accordance with the goals and objectives of the program. One of the CDBG-CV program goals is to develop viable urban communities by expanding economic opportunities, principally for low- and moderate-income persons. The city demonstrated that its program expenditures met this goal by providing grants to nonprofit organizations to pay for allowable expenses, such as rent, utilities, food, and other operating expenses that benefited low- and moderate-income persons.

Participant Experience

A city official believed that the CDBG-CV funding helped significantly with the city's ability to respond to the pandemic, especially at the beginning of the pandemic when many things shut down. Some nonprofit organizations proactively contacted the city regarding funding and community needs. Coordination with these nonprofit organizations and existing infrastructure allowed the city to address the needs of the community. For example, existing connections with nonprofit organizations helped the city use its CDBG-CV funding to address the need for childcare across the community so that parents could continue to work.

FOR MORE INFORMATION

For more information about Community Development Block Grant – Coronavirus program spending across the country, visit the PRAC's website.

PROGRAM SNAPSHOT

Coronavirus Relief Fund

U.S. Department of the Treasury

In March 2020, the city of Coeur d'Alene, ID, (Coeur d'Alene or the city) experienced its first case of COVID-19 which surged to 1,538 cases by July 2020. Through December 2020, Coeur d'Alene confirmed 12,665 cases and experienced challenges with responding to the effects of COVID-19. As of February 28, 2023, Kootenai County—which includes Coeur d'Alene—experienced 47,273 recorded cases of COVID-19. Priorities included obtaining personal protective equipment (PPE) and sanitization supplies. Upon receipt of federal funding, the city acquired and distributed PPE and sanitization supplies, such as masks, respirators, gloves, and gowns to medical personnel as efficiently as possible. The city also faced challenges with misinformation within the community about the COVID-19 vaccine and mask mandates. In response, it leveraged existing infrastructure by collaborating with nonprofit organizations to coordinate services to combat misinformation.

The COVID-19 public health emergency significantly impacted the operations of the city's Fire Department and Public School System. The Fire Department prioritized obtaining PPE and additional equipment such as masks, respirators, laptops, and radios to prevent the spread of COVID-19 and ensure that employees were not sharing equipment. Fire Department emergency medical services personnel came in close contact with each other and sick individuals; therefore, keeping workers socially distanced to the fullest extent possible was imperative. The Fire Department collaborated with the Coeur d'Alene health district and hospital to proactively initiate a countywide group for emergency medical services and deployed new COVID-19 prevention guidelines. The new model required emergency medical services personnel to wear masks at all times while in emergency facilities, including fire stations and vehicles. Additionally, personnel were required to undergo daily screenings, temperature checks, and quarantine if they fell ill.

Public School System officials decided to close schools on March 17, 2020, and prioritized transitioning to a remote learning environment and providing childcare with priority placement for essential employees. The Public School System has roughly 10,000 students spread across 18 schools: one preschool, 11 elementary schools, three middle schools, and three high schools. Public School System officials explained that they began acquiring equipment and internet access immediately for students and staff and leveraged school buses to deliver equipment to students.

> The Public School System obtained technology equipment and internet access to successfully transition approximately 10,000 students spread across 18 schools to a virtual learning environment.

Program Information

The CARES Act established the CRF program and appropriated $150 billion for the U.S. Treasury to make payments to states, eligible units of local government, the District of Columbia, U.S. territories, and Tribal governments (collectively referred to as prime recipients).[3] As of December 31, 2022, Treasury disbursed CRF awards to 964 prime recipients, which subsequently distributed the award funds to 89,969 subrecipients through contracts, grants, loans, direct payments, or fund transfers. CRF awards allowed prime recipients and subrecipients to provide fast and direct economic assistance to impacted workers, families, small businesses, and industries in response to the COVID-19 pandemic. For example, the CRF awards could be used to address medical or public health needs, acquire PPE, provide small business assistance, facilitate distance learning, and provide economic support to those suffering from employment or business interruptions and closures.

The CARES Act required CRF recipients to use the funds to cover expenses that were (1) necessary expenditures incurred due to the public health emergency with respect to the COVID-19 pandemic; (2) for costs not accounted for in the recipients' budget most recently approved as of March 27, 2020; and (3) incurred during the covered period (March 1, 2020 through December 31, 2021).[4] Prime recipients are responsible for reporting CRF award expenditures on a quarterly basis during the covered period in GrantSolutions.[5]

Coeur d'Alene did not receive a CRF award directly from the Treasury. Subrecipients geographically located in Coeur d'Alene received CRF award funds from the State of Idaho and the State of Indiana, which received a CRF award directly from Treasury. As prime recipients, Idaho's and Indiana's responsibilities included, but were not limited to, providing guidance to subrecipients, reiterating federal requirements, and reviewing subrecipients' expenditure reports to assess compliance with the eligible use of funds requirements under the CRF award. Coeur d'Alene officials stated they attended weekly meetings with the Idaho State Controller's Office to discuss community needs that required CRF assistance. The Coeur d'Alene Grant Oversight Committee addressed ad-hoc COVID-19 related inquiries. A hospital nonprofit organization also provided eligible use guidance and training to healthcare subrecipients. **Additionally, city officials noted the Idaho State Controller's Office and a contracted certified public accounting firm performed CRF award post-disbursement monitoring by reviewing general ledger transactions and other supporting documents to ensure expenses were not reimbursed by more than one funding source. Overall, the five selected subrecipients in Coeur d'Alene affirmed that Idaho, Indiana, and the city were very responsive when providing COVID-19 related resources and guidance**.[6]

3 P.L. 116-136 (March 27, 2020); Title V of the CARES Act defines a unit of local government as a county, municipality, town, township, village, parish, borough, or other unit of general government below the state level with a population that exceeds 500,000; an eligible unit of local government serves a population of over 500,000 and certified its proposed uses of the funds received from the CRF; and, The U.S. territories are as follows: United States Virgin Islands, Guam, American Samoa, Puerto Rico, and the Commonwealth of the Northern Mariana Islands.

4 The Consolidated Appropriation Act, 2021, P. L. 116-260 (December 27, 2020), amended the CARES Act by extending the covered period for CRF recipients awards to use the CFR award funds through December 31, 2021. The period of performance end date for Tribal entities was further extended to December 31, 2022 by the State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act, included in Division LL Section 104 of the Consolidated Appropriations Act, 2023, P.L. 117-328, December 29, 2022, 136 Stat. 4459.

5 GrantSolutions, a grant and program management federal shared service provider under the U.S. Department of Health and Human Services, developed a customized and user-friendly reporting solution to capture the use of CRF payments from recipients.

6 Treasury OIG selected five subrecipients out of 19 for the review—city of Coeur d'Alene, Coeur d'Alene Public School System, a medical center, a short-term nursing and rehabilitation facility, and a medical coding company.

Program Impact on the Community

Treasury disbursed $1.25 billion in CRF award funds to Idaho, which awarded approximately $16.64 million to 18 subrecipients, through direct payments and transfers, located in Coeur d'Alene. Indiana awarded $170,625 in a CRF grant to one additional subrecipient located within Coeur d'Alene. **As of March 31, 2022, the 19 subrecipients expended all of the $16.81 million awarded to assist with overcoming local community pandemic impacts. Treasury OIG sampled a total of $14.72 million (88 percent) of CRF award funds for five subrecipients to determine whether they used the CRF award funds in alignment with the program's goals and objectives**. Subrecipients used the funds to pay salaries and wages for public health and safety employees substantially dedicated to respond to COVID-19, facilitate distance learning, increase the capacity of hospitals to treat COVID-19 positive patients, and address the shortage of skilled workers in the healthcare industry by providing training in fields such as medical coding. Additionally, the sample award funds tested were used in compliance with the CARES Act and Treasury guidance. As a result, the overall assessment of risk for ineligible use of CRF award funds is low. As such, CRF award funds were used in alignment with the program's goals and objectives of preventing and mitigating the impacts from the COVID-19 public health emergency.

City of Coeur d'Alene

Idaho distributed more than $8 million in CRF award funds to the city and it allocated the funds to the Police Department and Fire Department. They used the funds to (1) pay wages and benefits for police officers and firefighters whose duties were substantially dedicated to responding to the COVID-19 public health emergency; (2) purchase a sanitization system to disinfect vehicles, rooms, and equipment in schools and other facilities; and (3) purchase additional radios to facilitate social distancing by preventing emergency medical services personnel from sharing equipment.

Coeur d'Alene Public School System

Idaho distributed almost $3.3 million in CRF award funds to the Public School System. It used the funds to (1) transition to a remote learning environment and (2) facilitate a safe return to school for students and staff. **Allocation of the funds to 18 schools within the city was based on student enrollment. The schools received roughly $316 for each enrolled student to acquire necessary items including PPE; Heating, Ventilation, and Air Conditioning (i.e., HVAC) filters; remote learning instructional licenses; and technology devices**.

Medical Center

Idaho distributed almost $2.1 million in CRF award funds to the center. It established a designated COVID-19 unit at the beginning of the pandemic to care for COVID-19 positive patients and used the funds to contract medical personnel for the newly established COVID-19 unit to alleviate the load of their existing medical personnel.

Short-term Nursing and Rehabilitation Facility

Idaho distributed $927,408 in CRF award funds to a short-term nursing and rehabilitation facility to cover increased costs resulting from admitting and caring for COVID-19 patients. Idaho authorized reimbursable payments to cover up to $30,000 per COVID-19 positive patient admitted to its facility from Idaho hospitals, to enable the facility to admit patients who require skilled nursing care but no longer require hospitalization, creating additional capacity for hospitals to care for COVID-19 positive patients. Additionally, the facility used CRF award funds to purchase masks, hospital gowns, other PPE supplies, and cover payroll expenses. Idaho required the nursing and rehabilitation facility to submit applications for each patient to show proof of a positive COVID-19 test, hospital discharge, and admission to the facility.

Medical Coding Company

The State of Indiana distributed $170,625 as a grant to a subrecipient located in Coeur d'Alene to provide training to eligible recipients in Indiana. The company provides medical coding training to individuals looking to enter the healthcare industry. The funds were used to pay for expenses necessary to attend the training such as registration fees, textbooks, and testing fees.

Participant Experience

Satisfaction

A Coeur d'Alene's city official stated that the city's response to the pandemic was a collaborative process with the Idaho governor. **The official also told Treasury OIG that a Coronavirus Financial Advisory Committee helped subrecipients educate one another, develop synergies, and implement best practices for CRF eligible use of funds requirements**. The subrecipients interviewed expressed overall satisfaction with Treasury's CRF program guidance, the federal allocation process, eligible use determinations, their experience with federal funding, communication amongst state and county agencies, prime recipients' CRF guidance, and their ability to use CRF award funds.

Coeur d'Alene officials explained that federal and state CRF guidance was sufficient to identify eligible uses of CRF award funds. They also explained that the city, Idaho state government, and local agencies participated in weekly meetings to obtain CRF guidance clarification and assess COVID-19 impacts. A Coeur d'Alene official felt that the CRF allocations were more than they needed because nonprofit organizations provided assistance prior to the federal government. The Public School System officials told Treasury OIG that guidance changed a little over time, but it was clear overall. The short-term nursing and rehabilitation facility officials stated that the Idaho Department of Health was helpful when it needed guidance and clarification and mentioned there was continuous communication with Idaho and health districts to discuss the CRF program. Additionally, the short-term nursing and rehabilitation facility officials agreed CRF disbursements were sufficient and felt there were no unrealistic restrictions to use the funds. Officials of the medical center in Treasury OIG's sample shared that they collaborated with a nonprofit hospital association and the State of Idaho to obtain CRF program assistance. Officials from the medical coding company in the sample believe that the CRF award funds helped them in the ways the program intended.

Challenges

Some subrecipients expressed it was difficult to obtain Idaho's approval of purchases and meeting Treasury's December 31, 2021, deadline to obligate the funds was difficult to navigate. For example, Coeur d'Alene officials felt it was difficult to get Idaho's approval for certain information technology purchase requests. A Coeur d'Alene official recalled submitting a funding request to purchase computer monitors to enable alternating work shifts for sick employees. The monitors would allow employees to telework, work onsite, and be on call to respond to beneficiaries and emergencies. Although Idaho declined the monitor request, Coeur d'Alene did receive the necessary CRF funding to establish telework capabilities for necessary employees. **Additionally, an official from the medical coding company in Treasury OIG's sample expressed that the December 31, 2021, deadline made it difficult for students to complete training programs because students learn at different paces. The company overcame this challenge by leveraging other funding sources. The medical center in Treasury OIG's sample identified an unmet need for additional contract labor, which they overcame through cost saving options and alternate funding sources**.

FOR MORE INFORMATION

For more information about Coronavirus Relief Fund program spending across the country, visit the PRAC's website, including an interactive dashboard.

PROGRAM SNAPSHOT

Elementary and Secondary School Emergency Relief Program

U.S. Department of Education

The CARES Act created the Education Stabilization Fund which provided $30.75 billion to the U.S. Department of Education (ED) "to prevent, prepare for, and respond to coronavirus, domestically or internationally…"[7] The CARES Act also created the ESSER program—a subprogram of the Education Stabilization Fund. The ESSER program received funding through three pandemic related laws, and each law created different rounds in the program's implementation. Each round had slightly different funding totals, program expiration dates, and planning or reporting requirements. To support local schools, ED first provided ESSER funding to state educational agencies, which then provided funds to the local educational agencies (i.e., local school districts).[8]

- **ESSER I:** A first round of ESSER funding came from the CARES Act and provided $13.23 billion to prevent, prepare for, and respond to the coronavirus, domestically or internationally. ESSER I funds could be used to address the impact the pandemic had on elementary and secondary schools across the country. ESSER I funds were intended to help schools safely reopen, sustain safe operation, and address the pandemic's impact on students.
- **ESSER II:** A second round of ESSER funding came from the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, and provided $54.31 billion. ESSER II funds were to be used for the same purpose as ESSER I funds.
- **ESSER III:** A third round of ESSER funding came from the American Rescue Plan (ARP) Act and provided $121.97 billion for ESSER. At least 20 percent of local education agencies ESSER III funds must be used to address the academic impact of lost instructional time (i.e., learning loss). The remaining funds may be used for the same purposes as ESSER I and ESSER II funds. For ESSER III, each local education agency was also required to submit a plan to the state education agencies "within a reasonable timeline determined by the [state education agency]" on the use of the funds, how it would engage and consult with stakeholders when developing its plan, and how it intended to make the plan publicly available and explain the safe return to in-person instruction and continuity of services.[9]

7 See CARES Act, P.L. No. 116-136, Division B, Title VIII, (March 27, 2020).
8 State education agencies also reserved funds in accordance with the guidance described in the U.S. Department of Education's ESSER and GEER Use of Funds FAQs; December 7, 2022. See questions A-8 through A-12.
9 See ED's ESSER and GEER Use of Funds FAQs from December 7, 2022, question A-4.

During phase one of this review, we found that the school system within the boundaries of Coeur d'Alene were awarded almost $22.5 million in ESSER funds, and those schools had spent around $1.66 million in funds from ESSER I. As of September 30, 2021, these schools had not yet spent any of their ESSER II or ESSER III funds. See Table 1 for more information about the total ESSER funding for the school system in Coeur d'Alene.

Table 1: Coeur d'Alene, ID, ESSER Funding Information, as of September 30, 2021

	Total Obligated or Awarded	*Total Expended*[a]	*Expiration Date*
ESSER I	$1,849,445	$1,655,356	9/30/2022
ESSER II	$6,411,112	$0	9/30/2023
ESSER III	$14,203,715	$0	9/30/2024
Total	**$22,464,272**	**$1,655,356**	**-**

[a] Total Expended reflects the total amount of funding expended by the local education agencies for which the state education agencies has issued a reimbursement.

Program Information

Our work covered the Coeur d'Alene Public School System— the largest school district within the city. Coeur d'Alene Public Schools spent the $1.66 million noted in the above table. During our work, Coeur d'Alene Public Schools had around 10,000 students across 18 schools including a developmental preschool, 11 elementary schools, three middle schools, two traditional high schools, one alternative high school, and one credit retrieval program.[10] Members of the five-member Board of Trustees are elected by the public and govern the school system. ESSER I, II, and III funds awarded to Coeur d'Alene Public Schools totaled almost $22.4 million.

An official stated that the school system had spent ESSER I funding on certificated teacher salaries to cover budget shortfalls.[11] Another school system official also said that because of a drop in enrollment from pre-pandemic levels, the system's annual state funding dropped by $1.3 million. According to information from the state education

COEUR D'ALENE PUBLIC SCHOOLS OPERATING STATUS

End of 2020 School Year

Fully remote learning.

2020–2021 School Year

Hybrid model to start year – half the students were in school at a time and the other half remote. In the second semester the school system was fully open.

2021–2022 School Year

Fully open.

10 Obtained from Coeur d'Alene Public Schools website.
11 Certificated teachers are teachers holding a teaching certificate issued by the Idaho Department of Education.

agency, at the time of our review, the school system had spent $1.6 million of the $1.66 million it received on salaries and benefits.

While our review covered the school system reported ESSER expenditures from the beginning of the pandemic through September 30, 2021, we also spoke with school system officials about the schools' future needs and overall response throughout the pandemic. We also reviewed the school systems ESSER III plan—required by the U.S. Department of Education. Under ESSER III requirements, at least 20 percent of those funds must be spent on mitigating the effects of lost instructional time (i.e., learning loss). According to the ESSER III plan, the school system sought to address lost instructional time with the following activities:

- Expanding summer reading programs.
- Expanding summer school with interventions, Advanced Placement academics, and credit recovery opportunities for secondary students.
- Partnering with community organizations like science, technology, engineering, and mathematics activity groups.
- Expanding after school care to bring interventions to students with a demonstrated need.
- Educational camps.
- Tutoring.
- Apps and site licenses for students to access resources on devices provided by the school system.

According to the school system's June 30, 2021, financial report, the schools' state-supported revenue decreased by $4.83 million due to budget cuts and a drop in enrollment. The school system's ESSER III plan included $8.65 million in funding toward maintaining services despite state budget cuts and enrollment dropping. The plan also included $5.85 million for staff retention pay. The school system budgeted additional ESSER II and ESSER III funds for heating, ventilation, and air conditioning system upgrades and repairs, and staff recruitment and retention. The plan stated that $2.3 million was set aside to address COVID-19 mitigation efforts, which included upgrades for heating, ventilation, and air conditioning.

Participant Experience

School system officials stated that ESSER funds helped as intended. One official also said that the school system would not have been able to survive without the federal support. Officials noted that the school system was able to retain employees and reassure staff because ESSER funds provided additional budget flexibility during a time of uncertainty. Overall, they felt ESSER guidance was clear on allowable expenditures and met the school system's needs for its response. Staff felt that the state education agency was very responsive to questions about the guidance.

Officials expressed that the school system faced a significant challenge assessing how much PPE in total to purchase because they did not know how long the COVID-19 pandemic would last. The uncertain needs for inventory, quantity, storage, and distribution contributed to the challenges.

School system officials also said that they struggled to find staff for some of their expanded programs. They struggled a lot with teacher burnout and chose to use ESSER funds to increase teacher pay, and thus increase retention during hybrid learning. The school system had difficulty with staffing. One school system official noted that in one instance applicants or new hires were unable to find affordable living accommodations, and other officials said there were cases in which people accepted positions but then could not find an affordable place to live, and later had to withdraw from the positions.

SPOTLIGHT ON | FEEDING STUDENTS DURING THE PANDEMIC

While schools across the nation closed, students continued to have nutritional needs during the day. In response, unrelated to ESSER program, the U.S. Department of Agriculture granted schools more flexibility to feed their students. State education agencies were given the authority to approve the delivery of meals to students' homes, allow parents or guardians to pick-up meals without their students being present, or approve students receiving multiple meals at a time. To help support these efforts, ESSER funds could be used for "planning for, coordinating, and implementing activities during long-term closures, including providing meals to eligible students…"[a]

Coeur d'Alene Public Schools staff said that 44 percent of the student body in 2019-2020 was on free or reduced lunches. Officials stated they set up a food distribution within two weeks of the school closing due to the pandemic. They used two existing facilities, one in the north and one southern site, for food preparation. In summer 2020, school system officials said that they expanded to two additional sites. Buses were also used to send out food to students. Eventually there were 12 distribution sites which provided bagged meals. Initially they only provided lunch, but eventually they also provided breakfast for students.

a U.S. Department of Education, Elementary and Secondary School Emergency Relief Programs and Governor's Emergency Education Relief Programs, Frequently Asked Questions, May 2021.

FOR MORE INFORMATION

For more information about the Education Stabilization Fund, including Elementary and Secondary School Emergency Relief Program spending across the country, visit the PRAC's website.

PROGRAM SNAPSHOT

Farmers to Families Food Box Program

U.S. Department of Agriculture

At the onset of the COVID-19 pandemic, many restaurants, hotels, schools, and other food service entities were forced to close or scale back operations to ensure public safety. These closures had negative impacts on the food supply chain from farmers and other producers, distributors, food services, and hospitality entities. As a result of these supply and logistical issues, and reports of produce rotting in fields, the U.S. Department of Agriculture (USDA) established the Farmers to Families Food Box Program (Food Box Program) to mitigate the problems.

The purpose of the Food Box Program was to connect food—which would have otherwise been sold to restaurants, hotels, schools, and other food service entities—to regional and local food distributors. These distributors would purchase the food, package it in boxes, and deliver fresh produce, dairy, and meat products to nonprofit and governmental organizations, who in turn would distribute these boxes to families and individuals in need.[12] USDA contracted directly with the distributors to administer five rounds of the Food Box Program. **According to USDA, this program delivered approximately 176 million food boxes worth $5.47 billion to nonprofit and governmental organizations from May 2020 to May 2021**.

Figure 1: Three Primary Goals of the Food Box Program

Providing an alternative outlet for domestic **Food Producers** (e.g., farmers) faced with declining demand because of the closure of food service entities.

Helping **Food Distributors** retain jobs that could have been lost because of closures of food service entities.

Delivering food boxes to governmental and nonprofit **Food Recipient Organizations** who gave the food to families in need.

12 Food Distributors could only deliver boxes containing certain types of food or fluid milk (e.g., dairy box or meat box) or boxes that contained a combination of food and fluid milk (e.g., box containing both dairy and meat). Dairy boxes were standalone boxes in rounds 1 & 2 of the Food Box Program, and combination boxes containing fresh produce, meat, and fluid meat were available in rounds 3, 4, & 5.

Program Impact on the Community

To perform our work, the PRAC team used data previously collected and analyzed by USDA OIG in PRAC's July 2023 report, [Tracking Pandemic Relief Funds that Went to Local Communities Reveals Persistent Data Gaps and Data Reliability Issues](). Our first review highlighted data limitations which prevented us from determining whether the program served producers, distributors, and food recipient organizations in accordance with program goals and objectives. During phase one USDA OIG estimated that food distributors delivered 27,602 food boxes (valued at $1,204,086) to seven food box organizations to feed families in Coeur d'Alene.[13] However, since USDA did not consistently obtain reliable data to identify all organizations or food boxes received and had inconsistencies within the data that it did receive, the total number of food boxes distributed to Coeur d'Alene could have been more or less. Based on the data obtained from USDA for these seven organizations, we noted that all together these organizations participated in rounds two, three, and five of the food box programs.

Table 2: Food Boxes Distributed to Coeur d'Alene, ID

Food Recipient Organization	*Round Number*	*Number of Food Boxes*	*Value*	*Type of Food Boxes Delivered*
Food Recipient Organization 1	2	2,121	$112,837	Precooked Meat Box
	3	1,659	$170,183	
	3	2,121	$112,837	Combination Box
Food Recipient Organization 2	3	2,584	$122,046	Combination Box
Food Recipient Organization 3	3	262	$12,370	Combination Box
Food Recipient Organization 4	5	17,264	$569,727	Combination Box
Food Recipient Organization 5	3	480	$22,677	Combination Box
Food Recipient Organization 6	2	587	$55,280	Combination Box
	2	236	$12,537	Precooked Meat Box
Food Recipient Organization 7	3	288	$13,593	Combination Box
Totals		**27,602**	**$1,204,086**	

Source: USDA OIG Analysis of Food Box Program Data for Coeur d'Alene, ID.

We faced challenges obtaining more community-specific information about the total number of families served and confirming whether other organizations received food boxes. We also could not determine if any of the farmers or ranchers providing food boxes to Coeur d'Alene had declining demand for food and benefited from the Food Box Program.

13 In our phase 1 report, USDA OIG estimated a total of 27,603 food boxes, and this report shows 27,602. This is an immaterial difference attributed to how the two numbers were rounded.

According to a Government Accountability Office (GAO) report, USDA did not collect data to evaluate whether the Food Box Program met some of its primary goals—including assisting food producers with declining demand.[14] **Similarly, the PRAC observed this issue of a lack of data in our work which limited our ability to determine the extent to which USDA met the Food Box Program goals in Coeur d'Alene, ID**. Under the program structure set up by USDA, the food distributors provided USDA with an invoice detailing the number, type, and cost of the food boxes delivered, including high-level information about the nonprofit and governmental organizations that received the boxes. This structure did not provide USDA with information about which food producers (i.e., farmers) the program helped and how many of those boxes were actually provided to families (and how many families), or consistent information about which organizations received food boxes for distribution.

LEARN MORE ABOUT THE FOOD BOX PROGRAM

USDA OIG and the Governmental Accountability Office (GAO) have released reports and data stories about the Food Box program:

USDA OIG, COVID-19—*Farmers to Families Food Box Program Administration*, Rpt. No. 01801-0001-22, August 15, 2023

USDA OIG, COVID-19—*Farmers to Families Food Box Program Administration—Interim Report*, Rpt. No. 01801-001-22(1), June 24, 2022

USDA OIG, *USDA Farmers to Families Food Box Program* Data Story, June 22, 2022

GAO, *USDA Food Box Program: Key Information and Opportunities to Better Assess Performance*, GAO-21-353, September 8, 2021

Participant Experience

Because USDA did not collect contact information for the food box recipients, we could not meet with these recipients. As a result, we could not determine how the Food Box Program impacted families and individuals in the Coeur d'Alene, ID, community.

14 GAO, USDA Food Box Program: Key Information and Opportunities to Better Assess Performance, GAO-21-353; September 2021.

PROGRAM SNAPSHOT

Pandemic Unemployment Insurance Programs

U.S. Department of Labor

The federal-state UI program, created by the Social Security Act of 1935, offers an economic line of defense against the ripple effects of unemployment. Specifically, UI benefits are intended to provide temporary financial assistance to workers who are unemployed through no fault of their own.

The CARES Act was signed into law with the intent to provide expanded UI benefits to workers who were unable to work as a direct result of the COVID-19 pandemic. The CARES Act was designed to mitigate the economic effects of the pandemic in a variety of ways, including the establishment of three key CARES Act UI programs: Pandemic Unemployment Assistance (PUA), Pandemic Emergency Unemployment Compensation (PEUC), and Federal Pandemic Unemployment Compensation (FPUC). The three programs were later extended by the Continued Assistance for Unemployed Workers Act of 2020 (CAA) and ARP Act, ending on September 6, 2021.[15]

The COVID-19 pandemic was historic in its impact on the UI system. From March 28, 2020, to September 4, 2021, the U.S. Department of Labor (DOL) reported approximately 110 million initial jobless claims were filed for state UI (regular UI) or PUA, and 1.5 billion continued claims were submitted for regular UI, PUA, or PEUC.[16]

The Coeur d'Alene, ID, unemployment rate was drastically impacted by the COVID-19 pandemic. **Idaho estimated the unemployment rate in Coeur d'Alene peaked in April 2020 at 18.4 percent—over 372 percent greater than the prior year's highest monthly rate** (see Table 3).

15 Idaho ended its participation in the pandemic-related UI programs on June 19, 2021, prior to the programs' statutory expiration of September 6, 2021.

16 Continued claims are ongoing weekly unemployment benefit claims by workers who previously filed an initial claim.

Table 3: Coeur d'Alene, ID – Unemployment Estimates

Year	*Coeur d'Alene Average Unemployment Rate (%)*	*Coeur d'Alene Highest Monthly Unemployment Rate (%)*	*Idaho Average Unemployment Rate (%)*	*Idaho Highest Unemployment Rate (%)*
2018	3.4	3.6	2.8	3.0
2019	3.4	3.9	2.9	2.9
2020	7.4	18.4	5.4	11.6
2021	4.4	5.0	3.6	4.0

Source: DOL OIG analysis of Idaho Unemployment Data.

In addition to regular UI, Idaho reported 5,120 unemployed workers in Coeur d'Alene received about $36.6 million in federal UI benefits from FPUC, PUA, and PEUC (see Table 4).[17]

Table 4: Coeur d'Alene, ID – CARES Act UI Benefits

CARES Act UI Program	*Total Benefits Paid*
FPUC provided a $600 weekly supplement through July 31, 2020. FPUC resumed in December 2020 with a $300 weekly supplement.	$27,900,000
PUA extended UI benefits to individuals not traditionally eligible for UI benefits, such as self-employed workers.[a]	$5,500,303
PEUC provided additional weeks of UI benefits to individuals who had exhausted their regular unemployment benefits.	$3,181,457
Total Benefits	**$36,581,760**

Source: DOL OIG data analysis of state workforce agency claims data for the period March 27, 2020, to June 19, 2021.

[a] PUA also included independent contractors, those with limited work history, and those who otherwise did not qualify for regular UI or extended benefits under state or federal law or under PEUC.

17 State workforce agencies provided DOL OIG data about pandemic unemployment insurance-related programs as part of a data disclosure process. The Idaho state workforce agency provided this data as of February 24, 2022.

Program Information

To participate in these three CARES Act UI programs, states signed an agreement with DOL. State workforce agencies, which administer unemployment programs on behalf of the state, were then allowed to provide benefits to eligible UI claimants. DOL made funding available to cover additional benefits, ongoing administrative costs, and reasonable implementation costs.

DOL's Employment and Training Administration provides leadership, direction, and assistance to state workforce agencies in the implementation and administration of state UI programs and federal unemployment compensation programs. The Employment and Training Administration provided program guidance to state workforce agencies through Unemployment Insurance Program Letters, Training and Employment Notices, and webinars available through the UI community of practice page located on the WorkforceGPS website, which is sponsored by the Employment and Training Administration. As the CARES Act UI programs were temporary, the Employment and Training Administration did not establish performance metrics specific to these programs.

Under these three new UI programs, claimants were required to file a UI claim to receive benefits.[18] State workforce agencies would then assess eligibility and provide the claimant with the applicable regular UI or CARES Act UI program payments, or both, for each week certified by the claimant.

Participant Experience

CARES Act UI Program Participant Assessment

To assess the new CARES Act UI programs (FPUC, PUA, and PEUC), DOL OIG judgmentally selected 60 Coeur d'Alene residents (claimants). DOL OIG investigators traveled to the area, confirmed the individuals filed a UI claim, and performed in-person interviews with the claimants. Of the 60 claimants, 23 (38 percent) who received benefits from at least one of the three key pandemic UI programs chose to respond. The surveys were conducted from June 13, 2022, to June 17, 2022.

DOL OIG's deliberative process for this project's sample selection included removing possible fraudulent claims to ensure interviews of only eligible UI claimants. To do so, DOL OIG used fraud indicators. This removal also ensured that DOL OIG investigators did not impact ongoing investigations or interact with possible subjects or targets of future DOL OIG investigations.

18 FPUC is provided as a supplement (add-on) benefit to an underlying UI payment, such as regular UI, PEUC, or PUA. Claimants did not file a separate claim for FPUC benefits. FPUC benefits were added if the individuals met the eligibility requirements for the underlying week claimed.

Satisfaction with Key CARES Act UI Programs Was High—Both Overall and with Specific Components

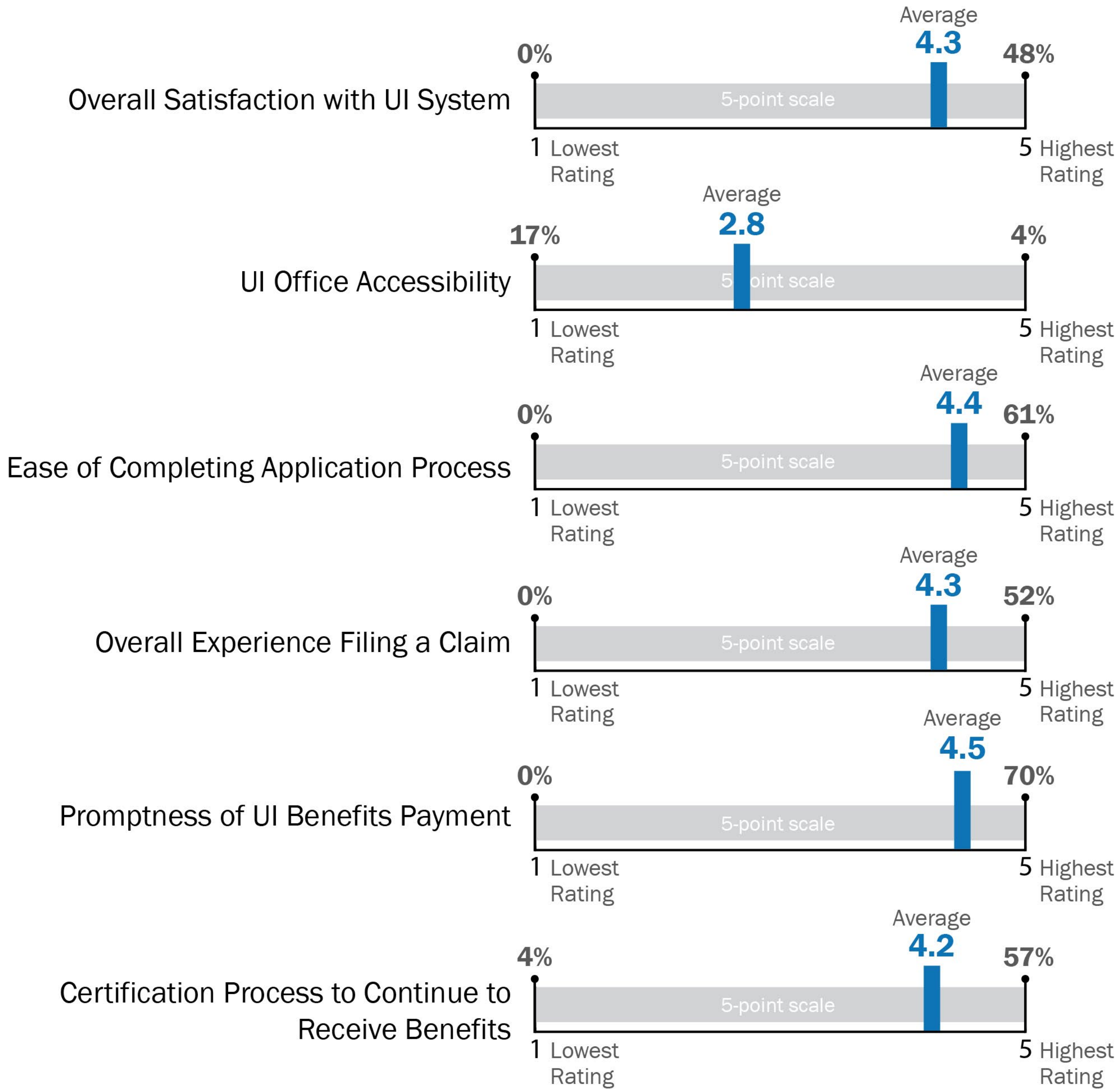
Generally, the majority of surveyed claimants reported the ease of completing the application process, overall experience filing a claim, promptness of UI benefit payments, and the certification process to continue to receive benefits as satisfying.[19] **Overall, satisfaction with the UI system was rated 4.3 on a 5-point scale, with 48 percent of surveyed claimants rating their experience as extremely satisfying** (see Figure 2).

The accessibility of the UI office to answer questions and offer assistance was rated the lowest of all aspects—17 percent of surveyed claimants rated their experiences as extremely dissatisfying. Further, surveyed claimants identified several difficulties including confusion with program eligibility and weekly certifications, contacting the state workforce agency, and technical difficulties, such as identity proofing. An interview with regional state workforce agency officials identified technical obstacles, like high traffic on websites, but also noted that the UI program allowed individuals impacted by the pandemic to continue to support their families.[20]

19 Surveyors asked claimants a series of questions and claimants responded with a five-point scale on which one was extremely dissatisfied and five was extremely satisfied.

20 The DOL OIG and PRAC audit teams interviewed officials at the Idaho Department of Labor, Post Falls Office. Idahoans out of work through no fault of their own can get help filing for unemployment insurance from Idaho Department of Labor staff in local office locations throughout the state.

Figure 2: Surveyed Claimants Assessment of Claims Process



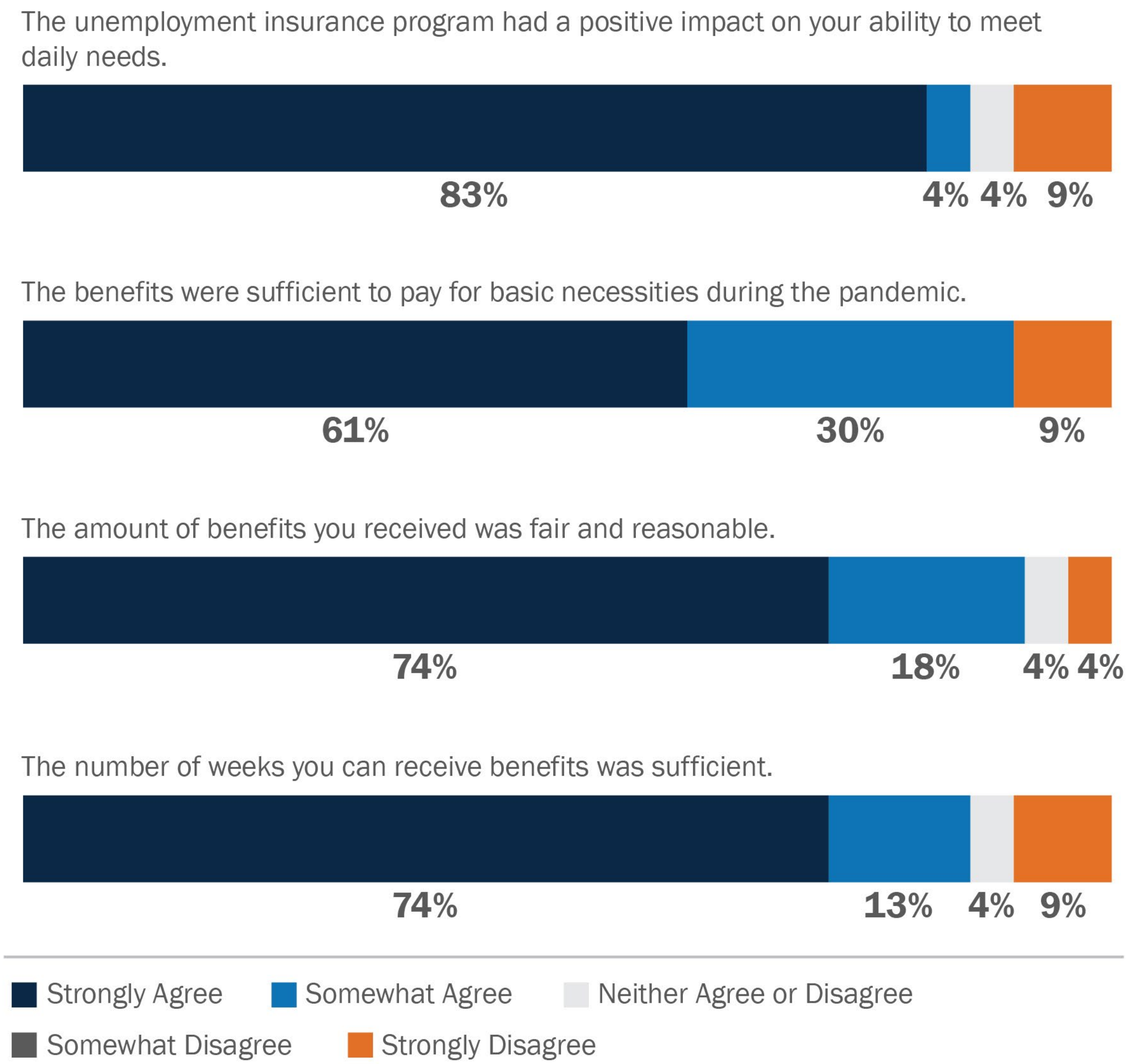
Source: DOL OIG data analysis of claimant surveys conducted from June 13, 2022, to June 17, 2022.

Surveyed Claimants Generally Felt the CARES Act UI Programs Were Impactful, Sufficient, and Fair

The majority of surveyed claimants reported either agreeing or strongly agreeing the benefits provided by the CARES Act had a positive impact on their ability to meet their needs, were sufficient to pay for basic necessities, and were fair and reasonable (see Figure 3).[21] The surveyed claimants also agreed or strongly agreed that the number of weeks benefits were provided was sufficient. On average, 4 to 9 percent of surveyed claimants felt the benefits did not have a positive impact, were insufficient, or were not fair and reasonable.

The interview with the regional state workforce agency officials noted that some employers felt surveyed claimants could earn more by collecting UI, and, therefore, would not return to work. However, state workforce agency officials stated there were other factors that affected individuals' choices to return to work, such as health concerns and virtual school requiring adults to stay home. Further, inflation had impacted the cost of resources, like housing, which deterred certain workers from applying for work in the area.

Figure 3: Surveyed Claimants Assessment of Benefits



Source: DOL OIG data analysis of claimant surveys conducted from June 13, 2022 to June 17, 2022.

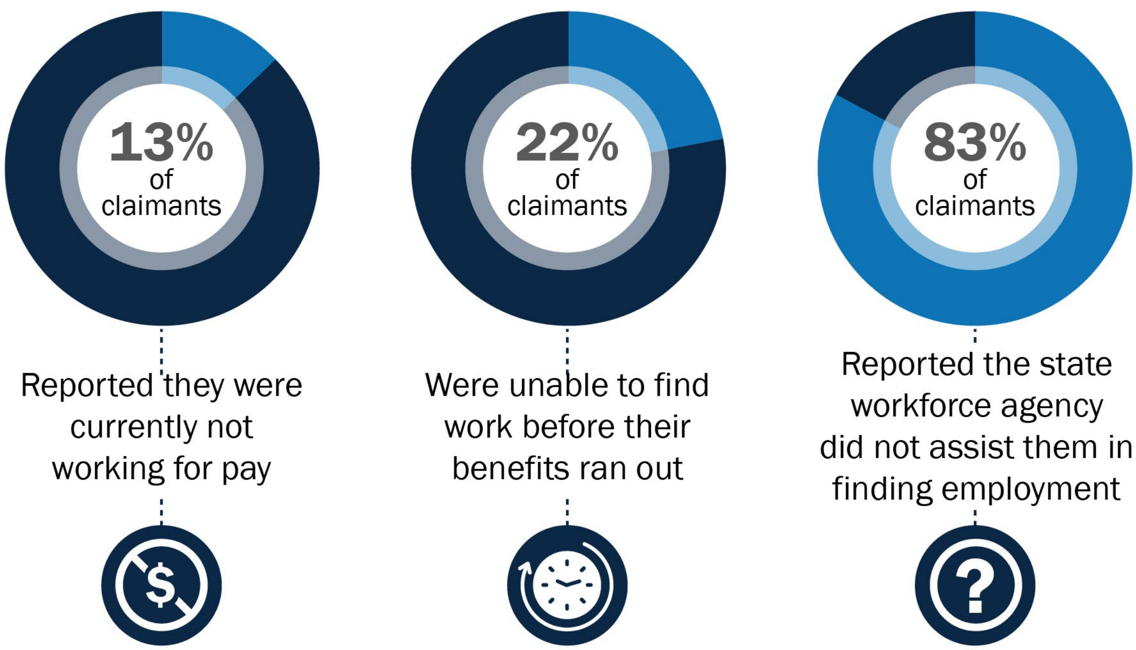
21 Surveyors offered claimants a series of statements and, for each statement, asked claimants to tell them if they: (a) strongly agreed, (b) somewhat agreed, (c) neither agreed nor disagreed, (d) somewhat disagreed, or (e) strongly disagreed.

Claimants Generally Still Experienced Difficulty in the Labor Market

Of those who responded, 13 percent of surveyed claimants reported they were not currently working for pay, and **22 percent reported they were unable to find employment before benefits ran out** (see Figure 4).

Additionally, 83 percent of surveyed claimants reported the state workforce agency did not assist them with finding employment. The survey did not address whether the surveyed claimants were aware of the state workforce agency's job placement services. However, Employment and Training Administration officials reported that, during the pandemic, initial claims for federal and state programs rose to 10 times pre-pandemic levels, far higher than state systems were designed to handle. Further, the interview with the regional state workforce agency indicated that the employees in employment services switched to processing UI claims to support the increased demand.

Figure 4: Surveyed Claimants Return to Work Assessment



Source: DOL OIG data analysis of claimant surveys conducted from June 13, 2022 to June 17, 2022.

Program Integrity

With the passage of the CARES Act and subsequent pandemic legislation, pandemic-related UI programs became a target for fraud. DOL OIG investigators, auditors, and data scientists have created a series of fraud indicators to identify potentially fraudulent UI claims.

DOL OIG identified **13 percent of the claims submitted from Coeur d'Alene, ID, as potentially fraudulent**[22] (see Table 5).

Table 5: Coeur d'Alene, Idaho – Fraud Indicators[a]

Category	*Claimants*	*Percent of Total*	*Amount Paid*
Total Claimants	**5,120**	**-**	**$36,581,760**
Claimants with Fraud Indicator:			
Multistate	627	12.2%	$5,596,219
Suspicious Email	10	<1%	$3,126,913
State Flagged	6	<1%	$55,139
Deceased Person	- [b]	- [b]	- [b]
All Preceding Fraud Indicators (claimants with multiple indicators were only included once to avoid duplication)	665	13%	$5,845,662

Source: DOL OIG data analysis of state workforce agency claims data for the period March 27, 2020, to June 19, 2021.

[a] Fraud indicators were created by DOL OIG to flag potential incidents of fraud. Multistate claimants applied for benefits in multiple states. Claimants with suspicious emails used the same email for multiple applications, used a temporary email address, or an email address with a common fraud technique. Also flagged were claimants with social security numbers of a person that was deceased. Additionally, the state workforce agency flagged certain claimants as potentially fraudulent.

[b] No fraud indicator identified.

Prior to the release of this report, the potentially fraudulent claims were referred to DOL OIG's Office of Investigations to assess and determine if the claims warrant investigation. If the claims did not warrant investigation, DOL OIG referred the claim to the state workforce agency.

FOR MORE INFORMATION

For more information about unemployment insurance programs during the pandemic, visit the PRAC's website.

22 Please note that potentially fraudulent claims are based on data analytics and have not been investigated, adjudicated, or confirmed as fraud by a state UI agency. Flagged transactions may not be fraudulent, and not all fraudulent transactions may be flagged. More generally, these types of potential fraud measures can be used to identify transactions that may be indicative of potential fraud. They cannot, though, be interpreted directly as measures of the extent of fraud in any specific geographic area.

PROGRAM SNAPSHOT

Project-Based Rental Assistance – CARES Act

U.S. Department of Housing and Urban Development

At the beginning of the pandemic, many businesses and schools were shut down. While Spokane, WA, remained shut down, businesses in the nearby city of Coeur d'Alene, ID, began to reopen, following Idaho's reopening plan, from around the middle of May through the end of June 2020. As a result, demands for services and dining at restaurants increased significantly, as many residents from Washington State travelled to Coeur d'Alene. During the same time, the city observed a significant in-migration of individuals. City leaders believed that many of the new residents were retirees. **The pandemic and increased in-migration brought higher demand for services in Coeur d'Alene and created more jobs than could be filled by its available workforce**. However, the pandemic affected multifamily rental properties differently, depending on whether residents' incomes were affected. While some people might have lost their jobs during the pandemic, many households' incomes were not affected as much because they were retired, collected disability benefits, or remained employed. The CARES Act made available $1 billion to owners of properties that receive Section 8 Project-Based Rental Assistance (PBRA) to help prevent, prepare for, and respond to coronavirus, including to provide additional funds to maintain normal operations by compensating owners for decreased tenant rent payments from reduced tenant income. HUD used $800 million of the CARES Act funding as additional housing assistance payments (HAP) for approximately 16,500 properties with PBRA contracts to maintain normal operations and made $190 million available as COVID-19 supplemental payments (CSP) for properties to prevent, prepare for, and respond to coronavirus.[23] As of September 30, 2021, HUD had provided $163,819 to five PBRA properties in Coeur d'Alene. Of this amount, $145,540 had been provided to five properties to maintain normal operations, and the remaining $18,279 was provided to three of these properties in CSPs.

> As of September 30, 2021, HUD had provided **$163,819** to five PBRA properties in Coeur d'Alene

Under the PBRA program, HUD contracts with owners of multifamily rental housing to subsidize the difference between the approved rent and what low-income tenants can afford. Eligible tenants must pay the highest of 30 percent of adjusted income, 10 percent of gross income, or the portion of welfare assistance designated for housing. The initial allocation of $800 million of the CARES

23 The remaining $10 million was allocated for the Section 8 Moderate Rehabilitation Program, which was not included in this review.

Act funding was distributed to the properties in June 2020 to ensure that sufficient funding was available on the HAP contracts to cover the anticipated increase in subsidy amounts because of a foreseeable reduction in tenant incomes due to the pandemic-related emergency shutdown of businesses. In July 2020, HUD then allocated up to $190 million for CSP. CSP funds were available for operating cost increases that were related to a property's efforts to prevent, prepare for, and respond to the coronavirus. Some of the more common eligible expenditures included personal protective equipment, increased cleaning and sanitization, and facility and equipment needs related to maintaining adequate social distancing. HUD considered these payments to be one-time investments to support property owners to continue providing housing in decent, safe, and sanitary condition.

HUD distributed the initial $800 million to the properties automatically via the normal monthly HAP vouchering process. Property owners did not need to take any special action to access these CARES Act funds. For the $190 million allocated for CSP, HUD announced the availability of these funds to property owners by issuing notices with instructions on how to apply for reimbursement for eligible costs.

Program Impact on the Community

HUD OIG's review showed that the properties in Coeur d'Alene used PBRA CARES Act funds in alignment with the goals and objectives of the program, which were to maintain normal operations and to prevent, prepare for, and respond to coronavirus. PBRA CARES Act funding that was automatically distributed to the properties ensured that sufficient funding was available to pay the housing subsidies for eligible families. Expenditures that were reimbursed with CSP funds helped pay for the increased frequency of cleaning and disinfecting, personal protective equipment, and supplies to facilitate social distancing.

HUD distributed the initial allocation of the PBRA CARES Act funding quickly through the normal vouchering process to the properties in Coeur d'Alene, and the funding was used as intended. HUD indicated that the funds were added to the current HAP contracts as a source of funds to pay the monthly vouchers for housing assistance. The funds were intentionally distributed through the normal vouchering process because HUD did not want the properties to have to do anything different to receive the funds and risk having gaps in providing housing subsidies. HUD wanted to ensure that the funds could be used quickly to assist families with reduced incomes.

QUICK RESPONSE THROUGH NORMAL VOUCHERING PROCESS

The funds were intentionally distributed through the normal vouchering process because HUD did not want the properties to have to do anything different to receive the funds and risk having gaps in providing housing subsidies. HUD wanted to ensure that the funds could be used quickly to assist families with reduced incomes.

Of the five properties reviewed, three requested and received CSP funding. The CSP funds reimbursed these properties for expenses related to their efforts to prevent, prepare for, and respond to the coronavirus as intended. Property owners were required to certify to their property's financial need to receive CSP funds. The funds helped these three properties pay for expenses that would have otherwise come from their operating funds.

Participant Experience

HUD's automatic and immediate distribution of the initial allocation of the CARES Act funding helped pay for the increase in the amount of the rental subsidies needed for those families that had a loss of income due to the pandemic. Owners of PBRA properties were not required to do anything different than they normally would when an assisted family's income changed. The PBRA CARES Act funding helped ensure that the properties continued to have the rental revenue needed to maintain normal operations.

The owners of properties that received CSP funding believed that it had a positive impact on their ability to respond to the pandemic. Of the five property owners HUD OIG spoke with, three properties received CSP funds. They used CSP funds to cover operating cost increases that were directly related to their efforts to prevent, prepare for, and respond to the coronavirus. **Without the CSP funds, the properties would have had to pay for the additional expenses with their operating accounts. Doing so could have negatively affected other planned projects, including repairs, maintenance, and upgrades.**

PROGRAM SNAPSHOT

Provider Relief Fund Payments to Nursing Homes

U.S. Department of Health and Human Services

Nursing homes and their residents have been among those hardest hit by the COVID-19 pandemic due in part to residents' ages and underlying medical conditions, close living quarters, and nursing homes' longstanding challenges with staffing and infection control.[24] As of August 7, 2022, more than 1.1 million nursing home residents in the United States had already had a confirmed case of COVID-19, with approximately 155,000 deaths.[25]

The five Coeur d'Alene, ID, nursing homes in the U.S. Department of Health and Human Services (HHS) OIG sample have had substantial financial challenges in responding to the pandemic.[26] The nursing homes' corporate and facility leaders reported lost revenue as a result of significant drops in census during the pandemic.[27] According to one facility finance officer, the total number of days that residents occupied beds dropped by more than half compared to pre-pandemic levels, from 2,897 days in January 2020 to 1,346 days in June 2021. Several factors contributed to the census decline. Nursing home leaders and staff said that family members were reluctant to admit loved ones because they were worried that the resident would contract COVID-19 or that the family would be unable to visit due to COVID-19 precautions. Nursing home leaders and staff also reported that medical providers in Coeur d'Alene postponed elective surgeries during the pandemic, which resulted in fewer admissions to nursing facilities for post-acute care, and that staffing shortages further restricted facilities' ability to admit new residents.

24 HHS OIG, COVID-19 Had a Devastating Impact on Medicare Beneficiaries in Nursing Homes During 2020, OEI-02-20-00490, June 2021; Government Accountability Office (GAO), COVID-19 in Nursing Homes—Most Homes Had Multiple Outbreaks and Weeks of Sustained Transmission from May 2020 through January 2021, GAO-21-367, May 2021, p. 1; Centers for Disease Control and Prevention, People Who Live in a Nursing Home or Long-Term Care Facility; GAO, Infection Control Deficiencies Were Widespread and Persistent in Nursing Homes Prior to COVID-19 Pandemic, GAO-20-576R, May 20, 2020, p. 1; and, Lauren Weber, "Nursing Homes Keep Losing Workers," The Wall Street Journal, August 25, 2021.

25 Centers for Medicare & Medicaid Services (CMS), COVID-19 Nursing Home Data, August 19, 2022.

26 For the purposes of HHS OIG's review, the term "nursing homes" refers to all facilities in its sample regardless of technical status (i.e., nursing facility and/or sskill nursing facility (SNF) according to common use.)

27 All five nursing homes were part of larger nursing home chains. Two nursing homes were part of the same chain.

INCREASED COSTS RELATED TO COVID-19

The nursing homes reported significant increases in labor costs as a result of the pandemic. One facility reported providing pay bonuses of $100 to $500 per shift to incentivize staff to work additional shifts on an as-needed basis.

Corporate and facility leaders from all five nursing homes reported that, while revenue declined, expenses increased. Leaders described increased costs for PPE, with staff using high amounts of PPE to provide resident care under COVID-19 protocols. One facility reported sometimes using more than 1,000 disposable isolation gowns per day to protect residents and staff. Nursing homes also incurred expenses in setting up dedicated isolation units to care for COVID-19-positive residents. Setup included constructing barriers, purchasing additional equipment, and providing frequent COVID-19 tests to residents and staff. Other related expenses included additional infection control supplies, supply storage units, and technology for telehealth and virtual visits. All five nursing homes also reported incurring significant labor costs. Nursing homes often paid staff to work extra hours to cover the COVID-19 isolation units and the shifts of other staff who were out sick with COVID-19 or in quarantine due to exposure. They also used pay bonuses, increased hourly rates, and hazard pay to incentivize and retain staff. For example, two facilities reported providing hazard pay of $5 per hour for staff working in the COVID-19 units. Other labor-related expenses included sick pay and hotel expenses for employees who had COVID-19 or were quarantining, and meals for employees. In addition to efforts to support existing staff, the nursing homes hired contracted staff from staffing agencies, which further increased labor costs. Leaders at one nursing home reported that agency nurses cost $70 per hour, twice as much as in house staff.

Nursing home staff reported both personal and operational challenges to providing care during the COVID-19 pandemic. Staff said that early in the pandemic they were afraid of contracting COVID 19 and exposing loved ones. Nurses in one facility described staying at a hotel for a month to avoid the risk of bringing the virus home. Staff also said that resident illness and deaths took an emotional toll on them, with one saying, “Everything was moving so fast, so you couldn’t even take the time to grieve the people you’ve been with for years.” Across the facilities, staff reported that the challenge of providing care during the COVID-19 pandemic was compounded by difficulties surrounding COVID-19 protocols. Some staff said that implementation of the protocols sometimes caused conflict with residents and visitors who disagreed with the COVID-19 guidance and visitation restrictions. Frequent changes in public health guidance also made staff confused and skeptical of the protocols. Staff also said that as the pandemic continued, some staff experienced burnout, panic attacks, or post-traumatic stress disorder and some staff left their jobs.

Nursing home leaders, staff, and residents reported that residents experienced severe strain during the COVID-19 pandemic. One nursing home administrator said that their facility’s first outbreak was “very traumatic [and] extremely deadly,” with 14 resident deaths in a two-week period. Facility leaders and staff reported that—in addition to the fear of contracting COVID-19—residents lost human connections and a sense of community because of limited visitation and group activities, as well as reduced interactions with staff and caregivers. One resident said, “Not being able to hug my granddaughter or my great-granddaughter is very distressing… It breaks your heart.” Staff also said that residents were sometimes frustrated with mask requirements, and that

PPE often made it difficult for them to communicate with caregivers. Staff in one facility explained that some residents refused to leave their room because they did not want to wear a mask, or that some residents claimed they would rather die than wear PPE or not see their family. One medical director reported an increase in cognitive issues and psychiatric illnesses (e.g., anxiety, depression, post-traumatic stress disorder, and dementia) among residents because of emotional complications from the pandemic.

Program Information

To reimburse health care providers for pandemic-related expenses and lost revenue, Congress appropriated $178 billion to HHS during 2020 and 2021.[28] To administer the funds, HHS established the PRF and related programs.[29] The Health Resources and Services Administration (HRSA) is the HHS agency responsible for administering the PRF program.[30] PRF includes general and targeted distributions. General distributions were broadly available to health care providers, while targeted distributions were for health care providers with added COVID-19 challenges, such as those highly impacted by COVID 19 or serving high-need and vulnerable populations (e.g., nursing homes).[31]

HHS began issuing PRF payments in April 2020, shortly after the CARES Act was enacted. HHS stopped making PRF payments in June 2023 following passage of the Fiscal Responsibility Act of 2023.[32] For reporting purposes, HHS established periods during which recipients of both types of PRF distributions have to use and report on the funds (see Table 6).[33] In general, recipients have to use the funds within one year after the payment period ends and report on their use during a subsequent three-month period.[34]

28 The CARES Act appropriated $100 billion; the Paycheck Protection Program and Health Care Enhancement (PPPHCE) Act appropriated $75 billion; and the Consolidated Appropriations Act, 2021, appropriated $3 billion. See CARES Act, P.L. No. 116-136, Division B, Title VIII, (March 27, 2020); PPPHCE Act, P.L. No. 116-139, Division B, Title I (April 24, 2020); and Consolidated Appropriations Act, 2021, P.L. No. 116-260, Division M, Title III (December 27, 2020).

29 HRSA administered funds for other programs, such as for the Rural Health Clinic COVID-19 Testing and Mitigation Program, alongside PRF. HHS also used $8.5 billion that Congress appropriated through the ARP Act of 2021 to establish the ARP Rural Distribution as a separate program to administer payments to providers and suppliers who serve rural enrollees in Medicaid, the Children's Health Insurance Program, and Medicare, including nursing homes and certified SNFs. See HHS, news release, "Biden-Harris Administration Begins Distributing American Rescue Plan Rural Funding to Support Providers Impacted by Pandemic," November 23, 2021; and, HHS, news release, "HHS to Begin Immediate Delivery of Initial $30 Billion of CARES Act Provider Relief Funding."

30 86 Fed. Reg. 40064 (July 26, 2021).

31 HRSA, Past General Distributions, December 2021; and, HRSA, Past Targeted Distributions, November 2022.

32 HRSA, Provider Relief, June 2023.

33 For its analysis, HHS OIG reviewed payments made during the first four periods and nursing home reports on PRF use made during the first two periods.

34 HRSA, Important Dates for Reporting. May 2023.

Table 6: Timelines for Facility Receipt, Use, and Reports of PRF Payments

Reporting Period	Payment Received Period	Deadline to Use Funds	Reporting Time Period
1	April 10, 2020, to June 30, 2020	June 30, 2021	July 1, 2021, to September 30, 2021[a]
2	July 1, 2020, to December 31, 2020	December 31, 2021	January 1, 2022, to March 31, 2022
3	January 1, 2021, to June 30, 2021	June 30, 2022	July 1, 2022, to September 30, 2022
4	July 1, 2021, to December 31, 2021	December 31, 2022	January 1, 2023, to March 31, 2023
5	January 1, 2022, to June 30, 2022	June 30, 2023	July 1, 2023, to September 30, 2023
6	July 1, 2022, to December 31, 2022	December 31, 2023[b]	January 1, 2024, to March 31, 2024
7	January 1, 2023, to June 30, 2023	June 30, 2024[b]	July 1, 2024, to September 30, 2024

Source: HRSA, Important Dates for Reporting, December 2023.

[a] HRSA allowed a grace period for this reporting time period, which ended on November 30, 2021.

[b] PRF payments not fully expended on expenses attributable to COVID-19 may only be applied to lost revenue up to the end of the quarter in which the public health emergency ended (i.e., June 30, 2023). See HRSA, How to Calculate Lost Revenues for PRF and ARP Rural Reporting, February 2023.

HRSA distributed approximately $9.4 billion in targeted PRF payments directly to nursing homes and certified skilled nursing facilities (SNFs).[35] HHS distributed $4.8 billion of this amount to 12,806 nursing homes and certified SNFs, which provide complex care that can only be safely and effectively performed by, or under the supervision of, skilled nursing and therapy professionals.[36] The terms and conditions associated with the SNF distribution required recipients to use the payments for health care expenses and lost revenue attributable to preventing, preparing for, and responding to COVID-19.[37] HHS distributed the other $4.6 billion to facilities through the Nursing Home Infection Control (NHIC) distribution, which included two types of allocations:

35 In addition to these targeted distributions, some nursing homes may have also qualified for additional funding through general and other PRF distributions. In June 2023, HRSA reported to OIG that HHS had obligated approximately $54.7 billion total to SNFs and nursing homes across all PRF distributions; and, HRSA, Past Targeted Distributions, November 2022.

36 HRSA, Past Targeted Distributions, November 2022; and, CMS, Medicare Coverage of Skilled Nursing Facility Care, July 2019.

37 HRSA, Acceptance of Terms and Conditions, Skilled Nursing Facility Relief Fund Payment Terms and Conditions.

infection control payments to 12,787 facilities and Quality Incentive Payment (QIP) program payments to 11,819 facilities.[38] The terms and conditions for the NHIC distribution, including QIP payments, require the funds to be spent on infection control-related expenses, such as COVID-19 testing and reporting, and recruiting staff.[39]

Program Impact

The five Coeur d'Alene nursing homes received both general and targeted PRF payments. As of December 2021, the sample nursing homes had received a total of $4,572,004 from PRF distributions. Targeted payments included $1,377,500 from the SNF distribution and $1,237,591 from NHIC distributions.

Table 7: PRF Payments to Nursing Homes[a]

Distribution	*Total Payments Distributed to Nursing Homes Nationally*	*Total Payments Distributed to the Sample Nursing Homes*
SNF	$4.8 billion	$1,377,500
NHIC	$4.6 billion	$1,237,591
OTHER[b]	$45.3 billion[b]	$1,956,913
TOTAL	$54.7 billion	$4,572,004[c]

Source: HRSA, Past Targeted Distributions, November 2022; HHS OIG analysis of PRF payment data.

[a] The total amounts distributed to nursing homes nationally through the SNF and NHIC distributions are current through September 2022. PRF payment data for HHS OIG's sample nursing homes are current through December 2021.

[b] "Other" includes all other payments to nursing homes (i.e., PRF payments made through distributions that are not SNF and NHIC distributions). HRSA reported to HHS OIG's in June 2023 the total amount paid to nursing homes but does not publicly report total amounts distributed to specific provider types for general distributions. HRSA also does not publicly report total amounts from other PRF distributions—other than the SNF and NHIC distributions—that may have gone to those facilities.

[c] The facilities received an additional $98,926 from the ARP Rural Distribution. Although the ARP Rural Distribution is separate from PRF, it was administered and included in HRSA's data alongside PRF.

38 HRSA, Past Targeted Distributions, November 2022.
39 HRSA, Acceptance of Terms and Conditions, Skilled Nursing Facility and Nursing Home Infection Control Relief Fund Payment Terms and Conditions.

The nursing homes reported that they spent all the PRF payments they received during the first two periods and varied in how they used the money. Corporate and facility leaders reported that the nursing homes incurred expenses in advance, then their corporate offices allocated PRF for eligible reimbursements. Corporate offices also reported use of the funds to HRSA.

At the time of HHS OIG's data collection, the facilities were required only to have reported on the use of PRF payments received during the first two periods (April 2020 through December 2020). Corporate leaders reported that the nursing homes used all the funds they received during the first two periods. Specifically, the five nursing homes reported using $2,417,459 in total PRF payments, including $2,066,909 in payments targeted to nursing facilities ($1,377,500 in SNF payments and $689,409 in NHIC payments).[40]

Of the five nursing homes, two facilities reported using the payments for both lost revenue and expenses, two facilities used the payments only for lost revenue, and one facility used the payments only for expenses. HRSA required nursing homes to report the use of NHIC payments and all other payments (including SNF payments) separately:

- Collectively, the nursing homes reported using most of their NHIC payments ($495,529) to offset health care-related expenses, such as medical equipment and supplies. They used the remainder of the NHIC payments ($193,881) for general and administrative expenses, such as payroll.
- Collectively, the nursing homes reported using most of the other payments they received ($1,122,044) to cover pandemic-related lost revenue. They also used $459,052 for general and administrative expenses and $146,953 for health care-related expenses.

Corporate leaders at the Coeur d'Alene nursing homes said HRSA's guidance on allowable uses and reporting requirements was sometimes unclear. One chief financial officer said: "Even when there was clear guidance, from HRSA's perspective, understanding what was needed was definitely unclear. It was a struggle to figure out what we need to do, how we need to spend it, and how we need to report." HRSA created frequently asked questions resources to provide further guidance, which corporate leaders said were helpful but sometimes released late or difficult to find. Despite the challenges, corporate leaders said that the guidance was broad enough to allow flexibility to address COVID-19-related costs and lost revenue.

Two of the five nursing homes in HHS OIG's sample initially submitted reports incorrectly during the first reporting period, and they did not receive payments during the second distribution period. During the first reporting period, the corporate office for the two nursing homes incorrectly reported that the facilities' targeted PRF payments at the corporate level, rather than the facility level. HRSA allowed them to resubmit the reports after the deadline passed. During the second distribution period, the same two facilities did not receive NHIC payments like other nursing homes. The chief financial officer stated that HRSA deemed them ineligible for such payments because the

40 These figures do not match the figures in Table 2 because the facilities were not yet required to report their use of the remaining funds of approximately $2.15 million during the first two reporting periods.

corporation was in the middle of bankruptcy proceedings. HRSA reported that it later changed its policy so that bankruptcy was no longer a consideration when determining eligibility and paid these facilities during subsequent payment waves.

HHS OIG reviewed documentation that generally supported that the nursing homes' reported use of the funds during the first two reporting periods aligned with PRF goals and objectives. HHS OIG reviewed the reports the nursing homes made to HRSA during the first two reporting periods, along with summary supporting documentation. HHS OIG did not audit the facilities' financial reports or supporting documents. They observed that the information the facilities reported to HRSA was generally supported by underlying facility data and appeared to align with the allowable uses of the general and targeted distributions. (Documentation from one facility did not appear to support its use of $717.50 during the first period.) Facility documentation generally supported that the nursing homes used NHIC payments for infection control-related expenses, as intended. Examples included facility expenses on medical equipment and supplies.

HRSA plans to review nursing home reports to assess use of PRF payments. For each reporting period, HRSA planned to select a sample of health care facilities, including nursing homes, to be audited according to a risk-based strategy to verify compliance with the terms and conditions of the program and recoup any inappropriately used funds. HRSA reported that it will also conduct an ongoing analysis of providers' reported spending, seeking to identify trends in how providers spent PRF payments to provide services during the pandemic.

Participant Experience

PRF payments have been integral to the five nursing homes' pandemic response, according to corporate leaders and facility staff representing the Coeur d'Alene nursing homes. One corporate leader noted that the payments provided "huge financial relief." Corporate leaders for another nursing home stated that the PRF payments helped mitigate negative effects that the pandemic had on quality of care and described using the payments to purchase equipment such as communication devices for residents to attend telemedicine visits and to speak with their families. Staff in that nursing home agreed, explaining that the facility was one of the last in the area to experience a COVID-19 case, and that the PRF payments played a "big part [in] keeping [COVID-19] out."

Corporate and facility leaders from all five nursing homes reported that PRF payments were not sufficient to offset losses related to COVID-19, and that the facilities would benefit from additional relief funding. During the first two reporting periods, these facilities reported lost revenue and expenses related to COVID-19 that exceeded the PRF funds they received. One corporate leader said that while they appreciated the funds, the PRF payments were significantly less than the facility's expenses. The facility reported to HRSA that after the first two payment and use periods, it had hundreds of thousands of dollars remaining in unreimbursed expenses, which HRSA defines as expenses that remain unreimbursed after considering all assistance received by

HRSA and all other sources.[41] The facility's corporate leaders further stated that the nursing home was "continuing to incur significant expenses" from its COVID-19 response that were not being reimbursed. Despite the losses, corporate leaders from the five facilities appreciated the payments and that the funds were distributed quickly. One nursing home administrator stated that they were unsure how the facility would have responded to the pandemic if it had not received the funds.

FOR MORE INFORMATION

For more information about Provider Relief Fund program spending across the country, visit the PRAC's website, including an interactive dashboard.

41 HRSA, User Guide: Provider Relief Fund (PRF) Reporting Portal—Reporting, p. 53.

Appendix A: Acronyms

ARP Act	American Rescue Plan Act of 2021
ARRA	American Recovery and Reinvestment Act of 2009
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CDBG	Community Development Block Grant
CDBG-CV	Community Development Block Grant-CARES Act
CIGIE	Council of the Inspectors General for Integrity and Efficiency
CMS	Centers for Medicare and Medicaid Services
COVID-19	coronavirus disease 2019
CRF	Coronavirus Relief Fund
CSP	COVID-19 Supplemental Payments
DOL	U.S. Department of Labor
DOT	U.S. Department of Transportation
ED	U.S. Department of Education
ESSER	Elementary and Secondary School Emergency Relief
FAQ	Frequently Asked Question
Food Box Program	Farmers to Families Food Box Program
FPUC	Federal Pandemic Unemployment Compensation
FTA	Federal Transit Administration
GAO	U.S. Government Accountability Office
HAP	housing assistance payments
HHS	U.S. Department of Health and Human Services
HRSA	Health Resources and Services Administration
HUD	U.S. Department of Housing and Urban Development
NHIC	Nursing Home Infection Control

OIG	Office of Inspector General
PBRA	Section 8 Project-Based Rental Assistance
PEUC	Pandemic Emergency Unemployment Compensation
PPE	personal protective equipment
PRAC	Pandemic Response Accountability Committee
PRF	Provider Relief Fund
PUA	Pandemic Unemployment Assistance
QIP	Quality Incentive Payment
SNF	Skilled Nursing Facilities
Treasury	U.S. Department of the Treasury
UI	unemployment insurance
USDA	U.S. Department of Agriculture

Appendix B: Scope and Methodology

Scope

In October 2021, the PRAC along with 10 of our OIG members initiated a case-study-based review that sought to identify the federal pandemic response funds provided to select geographic areas, the purpose of those funds, and if the spending aligned with intended goals and objectives. To conduct our work, we divided the review into two phases. Phase one sought to determine how much pandemic funding went to the six selected communities. The final report for phase one, Tracking Pandemic Relief Funds that Went to Local Communities Reveals Persistent Data Gaps and Data Reliability Issues, was issued on July 6, 2023. Phase two of the review sought to gain more insight into how the six communities used their pandemic relief funding; if the spending generally aligned with goals and objectives of the programs and subprograms, and whether the funding helped the six communities respond to the pandemic. The final insights report for phase two of this review, Pandemic Relief Experiences: A Focus on Six Communities, was issued on March 28, 2024

To conduct our work, we selected six communities across the United States: Springfield, MA; Coeur d'Alene, ID; Sheridan County, NE; Marion County, GA; White Earth Nation Reservation in Minnesota; and Jicarilla Apache Nation in New Mexico. More information about the selection process can be found in Scope and Methodology section of our July 2023 report.

For phase two, we worked with the participating OIGs to select a total of 21 pandemic relief programs and subprograms for review. Of those 21 programs, eight provided funding to recipients in Coeur d'Alene. In our review of the eight programs, we sought to identify how the recipients used the funds and if the uses generally aligned with respective program goals and objectives. The programs or subprograms selected for Coeur d'Alene were:

- CARES Act Urbanized Area Formula Grants Program | U.S. Department of Transportation
- Community Development Block Grant – CARES Act | U.S. Department of Housing and Urban Development
- Coronavirus Relief Fund | U.S. Department of the Treasury
- Elementary and Secondary School Emergency Relief Program | U.S. Department of Education
- Farmers to Families Food Box Program | U.S. Department of Agriculture
- Pandemic Unemployment Insurance | U.S. Department of Labor
- Project-Based Rental Assistance – CARES Act | U.S. Department of Housing and Urban Development
- Provider Relief Fund Payments to Nursing Homes | U.S. Department of Health and Human Services

More information about the scope and methodology for phase two of this review can be found in our March 2024 report.

Methodology

We visited Coeur d'Alene, ID, in June 2022 and conducted interviews with government, community, and business leaders to discuss the community's experiences with the pandemic, federal guidance, best practices, lessons learned, and suggestions for improvement. The overall methods we used to achieve the objectives included reviewing laws, program guidelines, and background information for the programs as well as working with our OIG partners. The specific scope and methodology used to review each of the selected programs and subprograms is provided in the program sections below.

Standards

Each OIG and the PRAC conducted this study in accordance with its own respective processes and standards to ensure that all the contributions to this report met quality standards issued in accordance with the generally accepted government auditing standards, the Council of the Inspectors General on Integrity and Efficiency's (CIGIE) *Quality Standards for Inspection and Evaluation*, and internal OIG guidance. All these standards required that we planned and performed this study to obtain sufficient and appropriate evidence to provide a reasonable basis for the insights and conclusions. This work was completed between October 2021 and November 2023, and complies with the CIGIE's *Quality Standards for Inspection and Evaluation*.

CARES Act Urbanized Area Formula Grants Program | U.S. Department of Transportation, Office of Inspector General

Methodology

Scope | DOT OIG reviewed Kootenai County's use of FTA CARES Act Urbanized Area Formula Grants Program funds from program inception through September 30, 2021. In this audit, DOT OIG sought to determine, for the CARES Act Urbanized Area Formula Grants Program, whether Kootenai County —which is responsible for oversight and management of the Kootenai County Transit System based in Coeur d'Alene, ID—spent pandemic funds in alignment with program goals and objectives and believed that federal funding impacted its ability to respond to the pandemic. Specifically, it examined CARES Act Urbanized Area Formula Grants Program expenditures from grant agreement ID-2020-008-00 through September 30, 2021.

Methodology | To determine whether Kootenai County spent pandemic funds in alignment with program goals and objectives, DOT OIG identified criteria in various sources, including the CARES

Act, the statute pertaining to the Urbanized Area Formula Grants Program, FTA's Frequently Asked Questions webpage, FTA Circular 9030.1E Urbanized Area Formula Program: Program Guidance and Application Instructions, the Payment Integrity Information Act of 2019, and the applicable grant agreement. DOT OIG also obtained the agency's description of the purpose, goals, and objectives for the CARES Act Urbanized Area Formula Grants Program. It conducted interviews with Kootenai County officials to learn more about how the transit agency used the funds and obtained documentation for the expenditures charged to its CARES Act grant through September 30, 2021. Two DOT OIG analysts independently reviewed each expenditure and supporting documentation for all expenditures, except those related to salaries and benefits. Each analyst separately determined whether the expenditure was aligned with the purpose of the CARES Act funds. If the analysts disagreed as to whether an expenditure matched the purpose of the funding, a third DOT OIG analyst made the determination. They followed up with Kootenai County officials and collected additional documentation, as needed, to resolve any questions DOT OIG had about the expenditures.

To determine whether Kootenai County believed that federal funding impacted its ability to respond to the pandemic, DOT OIG drew from, and modified as appropriate, standard questions the PRAC developed to interview appropriate Kootenai County officials and staff. The audit team analyzed the testimonial evidence to identify any themes.

Limitations

DOT OIG did not have any significant limitations.

Data Quality | To check the completeness and integrity of the data Kootenai County officials provided, DOT OIG verified that the amounts they reported drawing down matched the amounts FTA reported outlaying to the transit agency. For the purposes of its effort and in the absence of information that would suggest otherwise, DOT OIG judges the data to be reliable.

Standards

DOT OIG conducted this audit in accordance with generally accepted government auditing standards. Those standards require that it plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for DOT OIG's findings and conclusions based on its audit objectives. DOT OIG believes that the evidence obtained provides a reasonable basis for its findings and conclusions based on DOT OIG's audit objectives.

Community Development Block Grant – CARES Act | U.S. Department of Housing and Urban Development, Office of Inspector General

Methodology

Scope | HUD OIG conducted the review remotely from May 2022 through April 2023. Its review covered the city's use of CDBG-CV funds from program inception through September 30, 2021. Its review objectives were to determine whether the city spent CDBG-CV funds in alignment with program goals and objectives and whether the CDBG-CV funds positively or negatively impacted the city's ability to respond to the pandemic.

Methodology | To accomplish HUD OIG's review objectives, it:

- Reviewed applicable HUD requirements (Federal Register and HUD memorandum).
- Interviewed HUD and city staff to gain an understanding of the goals and objectives of the CDBG-CV funds and to obtain feedback on the impact of the funds.
- Reviewed a sample of program expenditures and the corresponding supporting documentation provided by the city, including applications, contracts, invoices, and canceled checks.

The review universe consisted of 31 expenditure transactions totaling $242,721 between January 21, 2021, and September 28, 2021. From this universe, HUD OIG selected a statistical sample of 22 transactions totaling $170,666 for review to determine whether the city spent CDBG-CV funds in alignment with the program goals and objectives.

To achieve its objectives, HUD OIG relied in part on the city's computer-processed data. Although it did not perform a detailed assessment of the reliability of the data, HUD OIG determined that the data were sufficiently reliable for the purposes of its review because it corroborated the data for the sampled expenditures against supporting documentation provided by the city.

HUD OIG determined that internal controls were not relevant to its objectives. HUD OIG's objectives were not to evaluate or provide assurance of the city's internal controls. Therefore, it did not assess the city's controls or express an opinion on them.

Standards

HUD OIG conducted this review in accordance with generally accepted government auditing standards. Those standards require that it plan and perform the review to obtain sufficient, appropriate evidence to provide a reasonable basis for HUD OIG's findings and conclusions based on its objective(s). HUD OIG believes the evidence obtained provides a reasonable basis for its conclusions based on HUD OIG's objectives.

Coronavirus Relief Fund | U.S. Department of the Treasury, Office of Inspector General

Objectives/Scope/Methodology

Treasury OIG's objectives were to determine whether subrecipients located in Coeur d'Alene, ID, (1) used CRF proceeds in alignment with program goals and objectives, and (2) believed that CRF funding impacted (positively or negatively) their ability to respond to the pandemic.

The scope of Treasury OIG's engagement covered CRF expenditures reported in GrantSolutions from March 1, 2020 (cycle 1) through March 31, 2022 (cycle 8). Treasury OIG selected five subrecipients out of 19 for the review: (1) city of Coeur d'Alene, (2) Coeur d'Alene Public School System, (3) a medical center, (4) a short-term nursing and rehabilitation facility, and (5) a medical coding company. Its sample included testing of a total of $14.72 million out of $16.81 million (10 transactions, or approximately 88 percent) in CRF award funds, representing all payment types,[42] to determine whether they used the CRF funds in alignment with the program's goals and objectives.

To accomplish these objectives, Treasury OIG performed the following activities during engagement fieldwork conducted from June through November 2022:

- Reviewed Title VI of the Social Security Act, as amended by Title V of Division A of the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act.[43]
- Reviewed the Consolidated Appropriations Act, 2021.[44]
- Reviewed the state and subrecipient policies and procedures for determining CRF eligible use.
- Interviewed subrecipient officials regarding CRF usage, experience, and impact.
- Reviewed the state and subrecipients' Single Audit Reports for fiscal years 2020 and 2021 to assess findings that may pose risk to the subrecipients' uses of CRF.
- Reviewed media reports associated with the COVID-19 pandemic and CRF impacts within Coeur d'Alene.
- Reviewed supporting documentation to determine if the 10 sample transactions were (1) necessary expenditures incurred due to the public health emergency with respect to COVID-19; (2) not accounted for in the budget most recently approved as of March 27, 2020; and (3) for costs incurred between March 1, 2020, and December 31, 2021. Supporting documentation includes grant agreements, invoices, purchase orders, application packages, and data extracts from state and subrecipient accounting systems.

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42 Direct Payments, Transfers, and Grants.
43 P. L. 116-136 (March 27, 2020).
44 P. L. 116-260 (December 27, 2020).

Standards

Treasury OIG conducted this engagement in accordance with the *Quality Standards for Inspection and Evaluation* issued by CIGIE.

Elementary and Secondary School Emergency Relief Program | Pandemic Response Accountability Committee and U.S. Department of Education, Office of Inspector General

Methodology

Scope | The PRAC and ED OIG's review covered Coeur d'Alene Public School's use of Elementary and Secondary School Emergency Relief (ESSER) funds (three rounds of funding) from program inception through September 30, 2021. Our review objectives were to identify how SPS used the ESSER funding it received and to determine whether SPS spent ESSER funds in alignment with program goals and objectives. The PRAC coordinated this work with the ED OIG.

Methodology | To answer these objectives, we:

- Reviewed applicable ESSER guidance including Frequently Asked Questions, Elementary and Secondary School Emergency Relief Program and Governor's Emergency Education Relief Program issued in May 2021 and revised December 7, 2022.
- Obtained summary descriptions of ESSER spending from Coeur d'Alene Public Schools.
- Determined if the descriptions of the funding uses aligned with ESSER's objectives of helping Coeur d'Alene Public Schools prevent, prepare for, and respond to coronavirus, domestically or internationally.
- Interviewed Coeur d'Alene Public Schools officials, City of Coeur d'Alene officials, and Idaho Department of Elementary and Secondary Education officials about uses of funds as well as the effects the ESSER funds had on Coeur d'Alene's ability to respond to the pandemic.

Standards

We conducted this study in accordance with the *Quality Standards for Inspection and Evaluation issued by CIGIE*.

Farmers to Families Food Box Program | Pandemic Response Accountability Committee and U.S. Department of Agriculture, Office of Inspector General

Methodology

Scope | The PRAC and USDA OIG's review covered the use and impact of the Farmers to Families Food Boxes implemented by USDA. We included all five rounds of the program in our review—to the extent that the data was available, and when boxes were provided to Coeur d'Alene. Our review objective was to determine whether the program served producers, distributors, and food recipient organizations in accordance with program goals and objectives.

Methodology | To try to determine if the program served producers, distributors, and food recipient organizations in accordance with program goals and objectives in the Coeur d'Alene community, we:

- Reviewed multiple federal reports evaluating the Food Box program.
- Obtained and reviewed data showing the number of food boxes sent to Food Recipient organizations serving the Coeur d'Alene, ID, community.

We also worked with USDA OIG to obtain data about the total number of food recipients and to ensure that we fully understood the program objectives and structure.

Data Limitations

We used data collected and analyzed by USDA OIG during part one of this case-study-based review. Part one introduced data limitations that prevented us from determining if the program served producers, distributors, and food recipient organizations in accordance with program goals and objectives.

Standards

We conducted this study in accordance with CIGIE's *Quality Standards for Inspection and Evaluation*.

Pandemic Unemployment Insurance | U.S. Department of Labor, Office of Inspector General

Methodology

Scope | The evaluation covered the DOL's UI response to the COVID-19 pandemic. Specifically, the federal UI benefits from the following three key CARES Act UI programs were reviewed: FPUC, PUA, and PEUC. These three CARES Act UI programs were extended or resumed under the Continued Assistance for Unemployed Workers Act of 2020 and extended by the ARP Act until September 6, 2021. Three states ended the expanded UI programs early. Specifically, Nebraska and Idaho ended their programs on June 19, 2021, and Georgia on June 26, 2021. DOL OIG's evaluation included any benefits that claimants received from these programs as reported by the states. These programs were selected based on federal spending research and program funding amounts.

Data Sources | The DOL OIG team assessed UI payments to individuals in the designated geographic areas based upon UI claims data transfers from state workforce agencies to DOL OIG. Additionally, the DOL OIG team performed on-site surveys of claimants confirmed to have collected benefits from FPUC, PUA, or PEUC.

Methodology | To answer the objective, the DOL OIG team reviewed the CARES Act, Continued Assistance for Unemployed Workers Act of 2020, American Rescue Plan Act of 2021, ETA guidance, Federal Emergency Management Agency guidance, state agreements, PandemicOversight.gov, and USASpending data. To determine the amount of fraud flags for the three key CARES Act programs paid in the designated geographic areas, the review team worked with OIG data scientists to assess claimants in the designated area for several key fraud indicators.

To assess the participants' experiences with the three key CARES Act UI programs in the designated geographic areas, DOL OIG judgmentally selected 60 claimants with whom DOL OIG investigators performed on-site interviews (see Table 1).[45] Prior to selection, claimants with fraud indicators were removed to ensure interviews of only eligible UI claimants and to not impact ongoing or future investigations. OIG investigators traveled to the area and performed in-person interviews with the claimants. The survey results were then aggregated to present an overall depiction of the participants' experiences in the area.

Data Limitations

Since the claimants were judgmentally selected, DOL OIG cannot project the results of its audit to larger populations, such as statewide or nationally. This limitation is acceptable based on the objective of this evaluation.

45 Judgmental sampling is a non-probability sampling technique in which the sample members are chosen on the basis of the auditor's knowledge and judgment.

Standards

DOL OIG conducted this study in accordance with CIGIE's *Quality Standards for Inspection and Evaluation*.

Project-Based Rental Assistance - CARES Act | U.S. Department of Housing and Urban Development, Office of Inspector General

Methodology

Scope | | HUD OIG conducted the review remotely from May through September 2022. Its review covered the use of PBRA CARES Act funds by a sample of multifamily rental housing properties in Coeur d'Alene, ID, from program inception through September 30, 2021. Its review objectives were to determine whether the PBRA CARES Act funds were spent in alignment with program goals and objectives and whether the funds positively or negatively impacted the properties' ability to respond to the pandemic.

Methodology | To accomplish HUD OIG's review objectives, it:

- Reviewed applicable HUD requirements (HUD memorandums and notices).
- Interviewed HUD staff to gain an understanding of the goals and objectives of the PBRA CARES Act and CSP funds.
- Interviewed representatives of multifamily rental housing properties to obtain feedback on the impact of the PBRA CARES Act and CSP funds.
- Reviewed a sample of properties that received an automatic allocation of PBRA CARES Act funds.
- Reviewed a sample of properties that received CSP funds and the corresponding supporting documentation provided by HUD and the properties, including CSP requests, invoices, and receipts.

The review universe consisted of 12 funding awards made to five properties in Coeur d'Alene totaling $163,819. From this universe, HUD OIG selected for review the two properties that received only an automatic allocation of PBRA CARES Act funds totaling $77,750. HUD OIG also selected for review the remaining three properties, which received both an automatic allocation of PBRA CARES Act and CSP funds totaling $86,069, to determine whether the funds were spent in alignment with the program goals and objectives.

To achieve its objectives, HUD OIG relied in part on HUD's computer-processed data. Although HUD OIG did not perform a detailed assessment of the reliability of the data, it determined that the data were sufficiently reliable for the purposes of HUD OIG's review because it corroborated the funding award data for the sampled properties with supporting documentation provided by HUD and the multifamily properties.

HUD OIG determined that internal controls were not relevant to their objectives. Its objectives were not to evaluate or provide assurance of the multifamily properties' internal controls. Therefore, HUD OIG did not assess the multifamily properties' controls or express an opinion on them.

Standards

HUD OIG conducted this review in accordance with generally accepted government auditing standards. Those standards require that it plan and perform the review to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on its objective(s). HUD OIG believes the evidence obtained provides a reasonable basis for its conclusions based on HUD OIG's objectives.

Provider Relief Fund Payments to Nursing Homes | U.S. Department of Health and Human Services, Office of Inspector General

Scope

HHS OIG examined the use of targeted PRF payments to five nursing homes in Coeur d'Alene, ID, during calendar years 2020 and 2021. The selected facilities received direct PRF payments through distributions that HHS targeted for nursing homes and certified SNFs.[46] HHS OIG conducted its data collection concurrently with the PRAC's site visit to Coeur d'Alene during June and July 2022 as part of its larger contributions to the PRAC study on the impact of federal pandemic relief spending in six select locations. HHS OIG used interviews, documentation, and data analysis to identify how the nursing homes used the PRF payments and whether they experienced any challenges using these funds. Through its review, HHS OIG also gathered the perspectives of corporate and facility leaders, staff, and residents regarding whether the PRF payments helped them prevent, prepare for, and respond to COVID-19, and whether the facilities complied with terms and conditions related to PRF use.

46 To determine the sample of nursing homes, HHS OIG filtered data about PRF payments to nursing homes, which HHS OIG's Division of Data Analytics accessed directly through its data use agreement with HRSA, using ZIP Codes for Coeur d'Alene provided by the PRAC. HHS OIG also verified the sample by using mapping tools to identify any additional nursing homes that were located within the ZIP Codes but included in the PRF data under another location, such as the location of the facility's owners.

Methodology

Data Sources

Interviews

To evaluate the nursing homes' use of PRF payments, HHS OIG interviewed leadership, staff, and a small number of residents from the selected facilities. HHS OIG also conducted two group interviews with HRSA officials who were responsible for administering and overseeing the payments. HHS OIG employed adaptable interview protocols that allowed it to modify questions, as needed, and follow up on additional issues as it learned new information and identified key issues.

Nursing Home Interviews | HHS OIG conducted group interviews with corporate and facility leaders and staff in each selected nursing home. Participants included corporate executives, facility leadership, and a small number of clinical and nonclinical staff. HHS OIG also conducted small group interviews with residents at four of the five facilities as a way of gathering additional insights and illustrations about facility services and resident perceptions about the effects of the funding. The remaining facility accepts residents only for short stays and therefore had no residents available who would have been at the facility at the time it received PRF payments.

During these interviews, HHS OIG discussed how the nursing homes used the PRF payments and their experiences in using the funds and reporting the information to HRSA. HHS OIG discussed facility leadership and staff perceptions of how the payments helped the facilities prevent, prepare for, and respond to COVID-19, and challenges that hindered their use of the funds. Additionally, HHS OIG discussed nursing home interactions with HRSA officials related to PRF use and oversight, and any additional assistance from HRSA that the facilities reported would have been useful. Although its evaluation focused on targeted PRF distributions to nursing homes and certified SNFs, the responses also included references to other general or targeted payments that the facilities received.

HRSA Interviews | HHS OIG conducted a few group interviews with PRF program administrators in HRSA's Provider Relief Bureau. The interviews gathered more detailed information about PRF goals and performance metrics. HHS OIG also discussed HRSA's efforts to manage and oversee the PRF, including the agency's efforts related to PRF payment distribution, provider reporting processes, audits, the recovery of improper or unintended payments, and other efforts.

Document Review

HHS OIG collected available funding receipt attestations and reports to HRSA about how the nursing homes used the PRF payments. The documents were extracted directly by HHS OIG's Division of Data Analytics, using a data use agreement it has with HRSA, during late April 2022 in preparation for the PRAC's series of location site visits, which began in May 2022. The Division of Data Analytics also provided updated documents for two facilities on June 16, 2022. At that time, only two of four required reporting periods had passed, so the facilities had not yet reported on their use of all PRF payments. They had, however, reported on most of the payments they received through the targeted distributions to nursing homes and certified SNFs. HHS OIG also requested and reviewed summary documentation from the facilities supporting expenses and lost revenue outlined in those reports. Additionally, HHS OIG requested any correspondence between HRSA officials and the facilities about the PRF money and the reports, as well as any documentation of HRSA's actions to assess and enforce terms and conditions related to use of the funds, or to rescind funds not used according to those requirements. As of June 8, 2022, HRSA had no documentation of oversight actions related to the facilities.

Data

To summarize the PRF payments the nursing homes received and kept, HHS OIG reviewed PRF payment data from HRSA for the selected facilities, which its Division of Data Analytics accessed directly through its data use agreement with HRSA. HHS OIG collected the PRF payment data in preparation for the PRAC's series of location site visits; the data were extracted on February 28, 2022, and, depending on whether the payments were made electronically or by check, were current through the beginning of January or February 2022. The data therefore included all payments made during HHS OIG's timeframe of calendar years 2020 and 2021 (the first four distribution periods) and were collected in time for it to conduct an initial analysis prior to the site visits.

Data Analysis

HHS OIG conducted a qualitative analysis of interview data and documentation from the nursing homes and HRSA. HHS OIG used its analysis to gain a deeper understanding of PRF program strengths and weaknesses from the perspective of the nursing homes. This analysis also helped HHS OIG to determine how the selected nursing homes used targeted payments to improve infection control and address health care expenses and lost revenue related to the pandemic.

HHS OIG conducted a quantitative review of PRF payment data and the nursing homes' financial documentation. HHS OIG used its analysis of the data to briefly summarize the types and amounts of PRF payments each facility received and how the funds were used.

Limitations

HHS OIG focused only on the experiences of the selected nursing homes. Its findings cannot be extrapolated to all nursing homes that received PRF payments.

Although HHS OIG compared the nursing homes' reports to HRSA against supporting documentation and PRF terms and conditions to assess appropriateness, it did not conduct an audit of the facilities' financial documentation to verify their reports and supporting material.

Standards

HHS OIG conducted this study in accordance with CIGIE's *Quality Standards for Inspection and Evaluation*.

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