

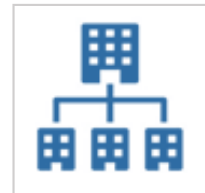
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Originally available from September 22, 2021 to June 30, 2022, for current information, visit:
<https://www.hrsa.gov/provider-relief/reporting-auditing/parent-subsidiaries>



Provider Relief Fund:

Parent-Subsidiary Reporting Fact Sheet



Parent and Subsidiary Reporting Guidance

To determine whether an entity is the parent organization, the entity must follow the methodology used to determine a subsidiary in their financial statements. If the entity does not have such a methodology, then the entity (or individual) with a majority ownership (greater than 50 percent) will be considered the parent organization.

General Distribution Payments:

A **parent TIN** may (but is not required to) report on a **subsidiary's General Distribution payments**. This is true, even if:

- The **subsidiary** or the **parent** originally attested to the payment's *Terms and Conditions*.
- The **parent** received these funds and transferred them to or between its **subsidiaries**.
- The **subsidiary** transferred the funds to the **parent**.
- The **subsidiary** was acquired or divested by the **parent** during the associated Period of Availability.

Additional guidance on **General Distribution payments** can be found below here:

- **Transferring Funds:** General Distribution payments may be transferred in either direction between a **parent TIN** and its **subsidiary TIN(s)**.
- **Reporting Portal:** At the time of registration and/or reporting, the following will be collected:
 - Information on any **subsidiaries** that are eligible health care providers¹.
 - For each of those **subsidiaries** (if applicable), indication of whether the **parent entity** is reporting on the **subsidiaries' General Distribution payments**. The system will pull in **General Distribution payments** of those subsidiaries, and the report will be completed in a consolidated manner for all payments indicated.
 - Information on any **subsidiaries** acquired or divested during the applicable Period of Availability.
 - Please refer to the [June 11 Post-Payment Notice of Reporting Requirements](#) and the [Reporting Portal User Guide](#) for more details on information that will be collected.

¹ As defined by statute, "eligible health care providers" are public entities, Medicare or Medicaid enrolled suppliers and providers, and such for-profit entities and not-for-profit entities not otherwise described as the Secretary may specify, within the United States (including territories), that provide diagnoses, testing, or care for individuals with possible or actual cases of COVID-19

While this fact sheet provides information to assist providers on questions related to parent and subsidiary reporting, it is not intended as legal advice. For accounting questions, please consult your financial advisor or accounting professional.

- **Reporting Portal:** If a **parent TIN** has already reported on behalf of its **subsidiary's** **General** Distribution payments, **and** the subsidiary has only received those General Distribution funds, then the **subsidiary** should not register to report.

Targeted Distribution Payments:

A **parent TIN** cannot report on a **subsidiary's** **Targeted Distribution** payments. The **original recipient** of a **Targeted** Distribution payment must always be the **Reporting Entity** for that payment.

- **Transferring Funds: Parent entities** may transfer and re-distribute **Targeted** Distribution payments to, between, and among its eligible health care provider **subsidiaries**. The **Targeted** Distribution payment allocation may not exceed the **parent entity's** pro rata ownership share of the **subsidiary**. Further, transferred **Targeted** Distribution payments face an increased likelihood of HRSA audit.
- **Reporting Portal:** In accordance with the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, while a **parent entity** may transfer a **Targeted** Distribution payment, the entity that originally received the payment must be the entity that reports on how the funds were used.
 - To report on a **subsidiary's** **Targeted** Distribution payments, the **subsidiary TIN** must register and report on the use of funds themselves
 - To report on a **parent's** **Targeted** Distribution payments, the **parent TIN** must register and report on the use of funds themselves
- **Reporting Portal:** The **entity that ultimately receives** the transferred **Targeted** Distribution funds should provide the **original recipient** with necessary information on its use of the funds. This information should be included in the reporting submission completed by the original recipient.
- **Reporting Portal: Reporting Entities** must enter the total dollar amount of Targeted Distribution payment(s) transferred to/by the **parent entity**. In cases where more than one Targeted Distribution payment was transferred, the amount entered will be an aggregate of all payments transferred.

Reporting Portal Guidance

Please refer to the [Registration User Guide](#) under **Section 3.3: Step 2 – Subsidiary Information** and **Section 3.4: Step 3 – Subsidiary/Payment Information** for further details related to registering subsidiary information.

- During registration, a **parent entity** reporting on behalf of **many subsidiaries** will only be required to submit payment data for one of the payments made to their own Tax Identification Number (TIN) or one of their subsidiaries. The payment information is only used for identity verification purposes during the first step of the reporting process: registration.

Please refer to the [Reporting User Guide](#) under **Section 4.3: Step 2 – Subsidiary Questionnaire** and **Section 4.4: Step 3 – Subsidiary Data** for further details related to entering and reporting on subsidiary information. Providers are advised to carefully verify their answer choices to conditional questions before advancing through the PRF Reporting Portal, as answers *While this fact sheet provides information to assist providers on questions related to parent and subsidiary reporting, it is not intended as legal advice. For accounting questions, please consult your financial advisor or accounting professional.*

will affect the content that appears in subsequent screens.

- **Reporting Entities** may want to work with an accounting professional to determine the appropriate way to calculate lost revenues. Providers must maintain source documentation that fully supports the narrative and methodology for the record retention period of **3 years** after the submission of the report. Please reference the [Lost Revenues Guide](#) resource for more information on calculating lost revenues.