

Public Health and Social Services Emergency Fund (Provider Relief Fund)

On April 22, 2020, HHS announced a new distribution methodology for the \$100 billion Provider Relief Fund appropriated as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Additionally, the Paycheck Protection Program and Health Care Enhancement Act (H.R. 266), among other things, provides \$75 billion in additional funding for health care providers in addition to the \$100 billion provided under the CARES Act. At this point, it is unclear how HHS will distribute the \$75 billion on additional provider relief funding.

The below chart reflects information as of April 27, 2020.

	Funding & Timelines	Data Submission Portals	Attestation Portals
<p>Hospitals and Physicians and Other Providers (General Fund; \$50B)</p>	<p>First wave: \$30B (released on 4/10)</p> <p>Second wave: \$20B* (Initial \$10B released on 4/24)</p> <p>*The second distribution will depend on the 2018 net patient revenue and the provider’s FFS distribution. The amount of FFS Medicare a provider has will impact the size of their distribution.</p> <p>HHS notes that the total revenues of Medicare facilities and providers are estimated to be approximately \$2.5 trillion. Providers can estimate their expected combined general revenue distribution through the following formula:</p> <p>(Individual Provider Revenues/\$2.5 Trillion) X \$50 Billion = Expected Combined General Distribution</p> <p>Providers who have <i>not</i> received any funding through the Provider Relief Fund as of April 24 are <i>not</i> eligible to use the portal, inferring they are not able to receive</p>	<p>For the second wave for providers that do not file cost reports, they will need to submit revenue information through a portal if they want to receive funds.</p> <p>A recent FAQ notes:</p> <p><i>We are collecting the “gross receipt or sales” or “program service revenue” data to have an understanding of a provider’s usual operations. We are collecting the revenue loss information to have an understanding of COVID impact. We are collecting tax forms in order to verify the self-reported information. And we are collecting information about organizational structure and subsidiary TINs so that we do not overpay or underpay providers who file tax returns covering multiple legal entities (e.g., consolidated tax returns).”</i></p> <p>Funds will not be disbursed on a first-come-first-served basis. HHS has specified that an applicant will be given equal consideration regardless of when they apply.</p> <p>HHS is processing applications in batches</p>	<p>Providers must attest to the terms and conditions for both waves of funding.</p> <ul style="list-style-type: none"> • Relief Fund Payment from \$30 billion General Distribution Terms and Conditions • Relief Fund Payment from \$20 Billion General Distribution Terms and Conditions • Cares Act Provider Relief Fund Attestation Portal

	<p>funding from the general distribution fund at this time.</p>	<p>every Wednesday at 12:00 noon EST. HHS intends to distribute additional funds within ten business days of submission for groups that are submitting revenue info through the application portal.</p>	
<p>COVID-19 Hotspot Hospitals (\$10B)</p>		<p>Providers had until April 25 to submit information on the number of patients they admitted between January 1 and April 10. Then HHS will then determine whether providers qualify for the funds based on their submission and Medicare Disproportionate-Share Hospital data.</p>	<p>TBD</p>
<p>Reimbursement for the Uninsured (Unspecified Amount)</p>	<ul style="list-style-type: none"> • April 22 – Program Details launch • April 27 – Sign up period begins for the program • April 29 – On-Demand training starts • May 6 – Begin submitting claims electronically • Mid-May – Begin receiving reimbursement 	<p>On April 27, 2020, HHS will launch a new COVID-19 Uninsured Program Portal for these submissions. The portal may be found here.</p> <p>Providers who provided treatment for uninsured COVID-19 patients on or after February 4, 2020, will be able to register for the program and begin submitting claims in early May 2020 for reimbursement at Medicare rates, subject to available funding.</p> <p>HRSA’s FAQs may be found here.</p>	<p>Uninsured Relief Fund Payment Terms and Conditions</p>
<p>Rural Facilities and Clinics (\$10B)</p>	<p>HHS has said they will use a methodology that distributes payments proportionately to each</p>		<p>TBD</p>

	facility and clinic as soon as this week.		
Indian Health Services (\$400M)	HHS will distribute to Indian Health Service facilities based on their operating expenses. HHS said it would distribute those funds as soon as this week.		
Additional Allocations	Some providers will receive further, separate funding, including skilled nursing facilities, dentists, and providers that solely take Medicaid.		

Terms and Conditions:

HHS requires each recipient to complete an attestation confirming receipt of the funds and to agree to the Provider Relief Fund’s terms and conditions. There is a great deal of ambiguity around several parameters of the terms and conditions, and stakeholders are seeking clarity from HHS through additional guidance. HHS and the Office of Inspector General (OIG) will engage in significant auditing and anti-fraud work to ensure that funds are appropriately spent.

A few items to note:

- HHS notes in the updated Terms and Conditions that “this is not an exhaustive list,” noting that recipients of funding must comply with “any other relevant statutes and regulations, as applicable.
- The Terms and Conditions include a certification that “the Payment will only be used to prevent, prepare for, and respond to coronavirus, and that the Payment shall reimburse the Recipient only for healthcare-related expenses or lost revenues that are attributable to coronavirus.”
- The Terms and Conditions provide that recipients of funds over \$150,000 are required to report certain information quarterly. However, the form, content, and process for reporting the use of the funds quarterly are not clear.
- The Terms and Conditions require providers to charge in-network copay levels to out-of-network patients with possible or actual cases of COVID-19.
- The Terms and Conditions prohibit funds to be used to pay “to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II,” which is currently \$197,300.

Additional Resources:

- [CARES Act Provider Relief Website](#)
- [CARES Act Provider Relief Fund Application Guide](#)
- [General Distribution Portal FAQs](#)