

PROVIDER ALERT

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Distribution of CARES Act Provider Relief Funds

On April 24, 2020, the **Paycheck Protection Program and Health Care Enhancement Act H.R. 266**) was signed into law. Also known as the COVID-19 Phase 3.5 bill, the Paycheck Protection Program and Health Care Enhancement Act allocated an additional \$483 billion to replenish segments of the CARES Act, expand coronavirus testing, and provide more support to hospitals and providers during this pandemic. This includes \$175 billion Provider Relief Funds for hospitals and health care providers responding to the COVID-19 pandemic. Visit <https://www.congress.gov/116/bills/hr266/BILLS-116hr266enr.pdf> to view H.R. 266 in its entirety.

On June 9, 2020, the U.S. Department of Health and Human Services (HHS) announced the distribution of Provider Relief Funds, with hospital safety net funds scheduled to be distributed that same week.

Through the Health Resources and Humans Services Administration, HHS expects to distribute approximately \$25 billion Provider Relief Funds. This includes \$15 billion to eligible providers that participate in state Medicaid and Children's Health Insurance Program (CHIP) programs (Medicaid Relief Fund) and have not received a payment from the Provider Relief Fund General Distribution and \$10 billion to safety net hospitals.

\$15 Billion Allocation of Medicaid Relief Funds	\$10 Billion Allocation for Safety Net Hospitals
<p>Eligible providers who qualify for the Medicaid Relief Fund must adhere to the terms and conditions provided by HHS.</p> <p>To be eligible for these funds, health care providers must not have received payments from the \$50 billion Provider Relief Fund General Distribution and either have directly billed their state Medicaid/CHIP programs or Medicaid managed care plans for health care-related services between January 1, 2018, to May 31, 2020.</p> <p>Please visit https://www.hhs.gov/sites/default/files/terms-and-conditions-medicare-relief-fund.pdf to read the terms and conditions.</p>	<p>Hospitals who qualify for Provider Relief Funds will have:</p> <ul style="list-style-type: none">• A Medicare Disproportionate Payment Percentage (DPP) of 20.2 percent or greater;• Average Uncompensated Care per bed of \$25,000 or more. For example, a hospital with 100 beds would need to provide \$2,500,000 in Uncompensated Care in a year to meet this requirement; and Profitability of 3 percent or less, as reported to the Centers for Medicare & Medicaid Services (CMS) in its most recently filed Cost Report. <p>To determine eligibility for funding, hospitals must submit their information to HHS by June 15, 2020 at 9 p.m. ET. Recipients will receive a minimum distribution of \$5 million and a maximum distribution of \$50 million.</p>

Enhanced Provider Relief Fund Portal

To ensure eligible Medicaid and CHIP providers report their annual patient revenue, HHS is launching an enhanced Provider Relief Fund Payment Portal located at <https://covid19.linkhealth.com/#/step/1>. Through this portal, HHS will be able to determine and allocate the appropriate dollar amount to eligible providers.

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