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HHS Announces Additional Distributions from the Provider Relief Fund and an Enhanced Provider Relief Fund Portal

On June 9, 2020 the Department of Health and Human Services (HHS) announced additional distributions from the CARES Act Provider Relief Fund to eligible Medicaid and Children's Health Insurance Program (CHIP) providers. Approximately \$15 billion is expected to be distributed to providers that have not received a payment from the Provider Relief Fund General Allocation. There will also be a distribution of \$10 billion in provider relief funds to safety net hospitals that serve our nation's most vulnerable citizens, for a total of \$25 billion. Safety Net hospitals serve a disproportionate number of Medicaid patients or provide large amounts of uncompensated care. To qualify, a hospital must have:

- 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;
- Profitability of 3 percent or less, as reported to CMS in its most recently filed Cost Report.

An estimated 38% of clinicians who participate in state Medicaid and CHIP programs or Medicaid Managed Care Organizations who have not yet received any funds from the Provider Relief Fund's General Allocation are eligible. Clinicians must have directly billed their state Medicaid/CHIP program(s) and must submit their annual patient revenue information to the newly enhanced Provider Relief Fund Portal at <https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/for-providers/index.html>.

The distribution amount is expected to equal a minimum of 2% of reported gross revenues from patient care, with final amount determined after the data is submitted. Hospital recipients will receive a minimum distribution of \$5 million and a maximum distribution of \$50 million.

The funding is intended to provide relief to Medicaid and CHIP providers and safety net hospitals experiencing Covid-19 related revenue losses or increased expenses. The most recent information can be found here: <https://www.hhs.gov/about/news/2020/06/09/hhs-announces-enhanced-provider-portal-relief-fund-payments-for-safety-net-hospitals-medicaid-chip-providers.html>

Please contact your APS Practice Manager with any questions about this information.