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\$20 Billion in Additional Provider Relief Funds Available Through Application

On March 27, 2020 the CARES Act allocated \$100 billion to the Department of Health and Human Services (HHS) to provide financial relief to providers impacted by COVID-19. Of the allocated funds, \$30 billion was released to providers beginning April 10th. On April 22nd, HHS announced a new distribution methodology. According to the HHS, the \$100 billion will be divided in half, with \$50 billion being allocated “generally” to health care providers and the other \$50 billion will be allocated for “targeted” distributions. Of the \$50 billion allocated generally to health care providers, \$30 billion has been considered released in the wave of funds that began on April 10th. The remaining \$20 billion is still available, but requires many providers to apply for additional funds.

Beginning April 24th, 2020 the remaining \$20 billion for provider relief is set to be distributed. Payment will be based on each providers’ 2018 CMS cost reports. Providers who do not submit cost reports must apply for aid through the [HHS Portal](#). United Medical Group has been contracted to process the release of funds by the HHS and has provided a [quick tutorial](#) and user guide for the application process. The initial \$30 billion released to providers did disproportionately pay providers, since allocation was based off of each providers’ share of Medicare spending. As part of this application review process, providers that do not submit cost reports will need to supply income taxes so the program can more accurately identify each entities total revenue. It is expected that the program administrators will then evaluate each providers’ rightful share of the \$50 billion set aside and allow distribution of the remaining \$20 billion in the amount that provides their share, taking into consideration the amount received in the first wave of grants.

APS encourages all affected providers to review the [FAQ’s](#) on these funds released by the HHS. The HHS has also released updated [Terms and Conditions](#) that must be reviewed. There is additional information that needs gathered in order to apply, including but not limited to:

1. The Taxpayer Identification Number for the organization applying for relief funds. (“Application TIN”)
2. The Taxpayer Identification Number(s) of any subsidiary organizations if and only if those organizations do not file separate tax returns, but rather consolidate into the returns of the “Application TIN.” If your organization has subsidiaries that file separate tax returns, a separate application must be made for each subsidiary that files a separate return.
3. An estimate of the organization’s lost revenue for March 2020 and April 2020. Lost revenue can be estimated by comparing year-over-year revenue, or by comparing budgeted revenue to actual revenue. For April 2020, an estimate of the total monthly loss based on data from the first few weeks in April or by extrapolation from March data is acceptable.
4. A copy of the most recent tax form filed by the organization associated with the Application TIN.
5. Medicare or Medicaid ID

It might take a little time to collect the required information. The HHS has indicated that providers will not be penalized if it takes them several days to gather the information and apply. Applications will be processed in batches every Wednesday at 12:00pm EST. Funds will not be disbursed on a first come first serve basis and applicants will be given equal consideration regardless of when they apply, according to the HHS’ FAQs. If you have further questions about this, please contact your Practice Manager.