

*Please continue to reach out to your market leader with questions and concerns.*

## **HHS Grant Distribution of \$40.4B**

Yesterday, the U.S. Department of Health and Human Services (HHS) announced it will distribute \$40.4B of CARES Act grant funds in four main areas:

- General allocation to all providers (\$20B)
- Targeted allocation to providers in COVID-19 hotspots (\$10B)
- Allocation for rural providers (\$10B)
- Allocation for Indian Health Services (\$400M)

Additionally, HHS will reimburse providers for uncompensated COVID-19 care. Please see more detail on each area below:

### **General allocation**

For the general allocation, roughly \$20B will go to providers based on 2018 net patient revenue from cost reports. While the initial \$30B distributed this month was allocated based on historical Medicare spending, the next \$20B will be based on all sources, such as Medicare Advantage and Medicaid. This Friday, you may be automatically sent an advance payment based on your practice's revenue data submitted in CMS cost reports. In any case, you will need to file cost revenue information on a portal opening later this week on [this page](#) to receive additional general distribution funds and so CMS can verify practice information. In order to accept the funds, you must promise not to balance bill diagnosed or presumptive COVID-19 patients. We will update you when this portal is available.

### **Hotspots allocation**

This distribution will go mostly to hospitals and providers in areas that have been particularly impacted by the COVID-19 outbreak. Hospitals and providers will need to provide the following information through an authentication portal **before midnight Pacific Time on Thursday, April 23, 2020**:

- Tax Identification Number
- National Provider Identifier
- Total number of intensive care unit beds as of April 10, 2020
- Total number of admissions with a positive diagnosis for COVID-19 from January 1, 2020 to April 10, 2020

### **Rural allocation**

Rural health clinics and hospitals have been allocated \$10B. This will be distributed as early as next week on the basis of operating expenses, using a methodology that distributes payments proportionately to each facility and clinic.

### **Indian Health Services allocation**

Finally, \$400M will be allocated for Indian Health Service facilities. This funding will be distributed as early as next week on the basis of operating expenses for facilities.

### **Reimbursement for the uninsured**

In addition to set amounts for the four target areas, HHS announced a program for submitting claims for reimbursement for the uninsured. Every health care provider who has provided treatment for uninsured COVID-19 patients on or after February 4, 2020 can request claims reimbursement through the program and will be reimbursed at Medicare rates, subject to available funding. Providers can register for the program on **April 27, 2020** and begin submitting claims in early May 2020. For more information, visit [www.coviduninsuredclaim.hrsa.gov](http://www.coviduninsuredclaim.hrsa.gov).

With yesterday's announcement, there is still \$20.6B remaining to address the uninsured and providers who need separate funding allocations (e.g., skilled nursing facilities, dentists, and providers who solely take Medicaid). In addition, the \$40.4B does not include the additional \$75B included in the Paycheck Protection Program and Health Care Enhancement Act, which is expected to pass in the House of Representatives today and be signed into law soon after.

### **Next stimulus bill passes Senate**

- On Tuesday, April 21, Congress announced an agreement to the interim funding package to increase the initial CARES Act funding; the Senate passed the bill by voice vote.
- This bill provides an additional \$310B for the Paycheck Protection Program (which is currently out of funding and shut down), \$10B for emergency small business loans, and \$100B for hospital providers and testing.
- House of Representatives leaders announced they will vote on this package today, Thursday April 23, 2020.
- The President tweeted that he will sign the bill the same day that the House of Representatives votes to pass it.