



**SEE YOUR REV CYCLE
THROUGH A PATIENT'S EYES.**

**THE RESULTS
WILL AMAZE YOU.**

CARES Act Provider Relief Fund

R1 Regulatory Compliance

April 15, 2020

- The [CARES Act](#), which was signed into law on March 27, 2020, allocated \$100B in relief funds to "eligible health care providers" to support them during the public health emergency (PHE)
- “‘Public Health and Social Services Emergency Fund’, \$100,000,000,000 [\$100B] to remain available until expended, to prevent, prepare for, and respond to coronavirus, domestically or internationally, for necessary expenses to reimburse, through grants or other mechanisms, eligible health care providers for health care related expenses or lost revenues that are attributable to coronavirus”

Immediate \$30B Infusion



On April 10, 2020, as part of the CARES Act, CMS **announced** that it would automatically distribute \$30B to eligible hospitals and providers, effective **immediately**

- Hospitals and providers that received Medicare fee-for-service (FFS) reimbursements during CY 2019 are eligible for this initial distribution
- While distributions happen automatically, providers **will need to sign an attestation**
 - Providers must sign an attestation confirming receipt of the funds and agreeing to the terms and conditions of payment
 - The portal for signing the attestation will be open the week of April 13, 2020
- **Payments from the \$100B CARES Act fund are not loans and will not need to be repaid**

Who is Eligible for the Initial \$30B?



Eligibility for the Initial \$30B



- All **hospitals and providers that received Medicare fee-for-service (FFS) reimbursements in CY 2019** are eligible for this initial rapid distribution
- All payments will be made to the billing organization according to its Taxpayer Identification Number (TIN)
- "Payments to practices that are part of larger medical groups will be sent to the group's central billing office"

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How Are Payment Amounts Determined?



Providers will receive a portion of the initial \$30 billion based on their share of total Medicare fee-for-service (FFS) reimbursements (\$484B) in 2019

- Providers can estimate their distribution amount by dividing their total FFS Medicare reimbursements for 2019 by \$484B, then multiplying that number by \$30B
- "As an example: A community hospital billed Medicare FFS \$121 million in 2019. To determine how much they would receive, use this equation: $\$121,000,000 / \$484,000,000,000 \times \$30,000,000,000 = \$7,500,000$ "

Additional Information for Eligible Providers



- HHS partnered with UnitedHealth Group (UHG) to provide these direct payments to hospitals and providers
 - Providers will be paid via Automated Clearing House (ACH) with account information on file with UHG or CMS
- Providers must **decide whether to accept CMS's [Terms and Conditions](#)**
- Providers that **do not agree** to the terms and conditions (including the prohibition on balance billing) **must**, within thirty (30) days, contact and **remit the full payment to Health and Human Services (HHS)**

Significant terms and conditions for receiving and retaining these funds include:

- "The Recipient certifies that the Payment will only be used to prevent, prepare for, and respond to coronavirus, and shall reimburse the Recipient only for health care related expenses or lost revenues that are attributable to coronavirus."
- "[F]or all care for a possible or actual case of COVID-19, Recipient certifies that it will not seek to collect from the patient out-of-pocket expenses in an amount greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network Recipient."
- "The Recipient certifies that it will not use the Payment to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse."
- Other reporting and financial management requirements, including the obligation for providers receiving greater than \$150,000 in COVID-19 relief funds to submit quarterly reports to HHS and the Pandemic Response Accountability Committee

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How this Payment Applies to Different Types of Providers



All relief payments are being made to providers according to their tax identification number (TIN)

- *Large Organizations and Health Systems:* Large Organizations will receive relief payments for each of their billing TINs that bill Medicare. Each organization should look to the part of their organization that bills Medicare to identify details on Medicare payments for 2019 or to identify the accounts where they should expect relief payments.
- *Employed Physicians:* Employed physicians should not expect to receive an individual payment directly. The employer organization will receive the relief payment as the billing organization.
- *Physicians in a Group Practice:* Individual physicians and providers in a group practice are unlikely to receive individual payments directly, as the group practice will receive the relief fund payment as the billing organization. Providers should look to the part of their organization that bills Medicare to identify details on Medicare payments for 2019 or to identify the accounts where they should expect relief payments.
- *Solo Practitioners:* Solo practitioners who bill Medicare will receive a payment under the TIN used to bill Medicare.

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Distributing the Remaining \$70B



Priorities for Remaining \$70B



- HHS states that further distributions will "focus on providers in areas particularly impacted by the COVID-19 outbreak, rural providers, providers of services with lower shares of Medicare reimbursement or who predominantly serve the Medicaid population, and providers requesting reimbursement for the treatment of uninsured Americans."
- The CARES Act requires an application and "a statement justifying the need of the provider for the payment" in order to receive funds. Further distributions may be done via a more defined application and approval process

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