

AMA Update: CARES Act Provider Relief Find Additional Information

The Department of Health and Human Services (HHS) provided additional information about allocation of the \$100 billion CARES Act Provider Relief Fund. This updated information is available at <https://www.hhs.gov/provider-relief/index.html>.

As you know, on April 10 an initial \$30 billion was allocated to clinicians and facilities based on their proportion of Medicare Part A and B fee-for-service spending in 2019. HHS is now adding an additional \$20 billion to this amount for what it describes as a \$50 billion “general allocation.” The remaining fund distribution will be based on 2018 net patient revenue, not just Medicare fee-for-service.

Some portion of this distribution is based on cost reports, which are filed with HHS by hospitals and some other facilities. For those without adequate cost reports on file, HHS will open a portal this week for providers to attest to their net 2018 revenue for purposes of determining allocation. We are seeking more information about how the additional funds will be allocated to physicians, including whether or not physicians will need to use this portal process to receive additional funds.

Of the remaining \$50 billion, \$10 billion will be allocated for a targeted distribution to hospitals in areas that have been particularly impacted by the COVID-19 outbreak based on information they provide on the number of ICU beds and admissions for patients with a COVID-19 diagnosis. An additional \$10 billion is being allocated to rural hospitals and rural health clinics based on their operating expenses, and \$400 million is being directed to Indian Health Service facilities.

Some portion of the remaining funds is being used to cover the costs of caring for uninsured patients with COVID-19. These funds may be claimed beginning April 27th at <https://www.hrsa.gov/coviduninsuredclaim> and the reimbursement for the uninsured will be based on Medicare payment rates. Physician services provided to uninsured patients, such as office and emergency visits, including those provided via telehealth, may be reimbursed in this manner.

An unspecified portion of the remaining funding will be used for clinicians, such as obstetrician-gynecologists, and facilities that rely more on Medicaid than Medicare revenues.

We will provide updated details as HHS makes them available.