

Fact Sheet: Provider Relief Fund General Distribution 2

President Trump is providing support to healthcare providers fighting the COVID-19 pandemic through the bipartisan CARES Act that provides \$100 billion in relief funds to hospitals and other healthcare providers impacted by the coronavirus response. This funding will be used to support healthcare-related expenses or lost revenue attributable to COVID-19 and to ensure uninsured Americans can get treatment for COVID-19.

In allocating the funds, the Administration is working, among other things, to address both the economic harm across the entire healthcare system due to the stoppage of elective procedures, as well as the economic impact on providers incurring additional expenses caring for COVID-19 patients, and to do so as transparently as possible.

\$50 billion general allocation

\$50 billion of the Provider Relief Fund is allocated for general distribution to facilities and providers which billed Medicare in 2019, and are impacted by COVID-19, based on providers' 2018 net patient revenue. Of this \$50 billion, the initial \$30 billion was distributed between April 10 and April 17, and payments to providers from that \$30 billion were calculated based on providers' portion of Medicare fee-for-service revenue.

HHS will begin distribution to providers of the remaining \$20 billion of the \$50 billion general allocation on Friday, April 24.

Payment to providers from this \$20 billion are calculated so that a provider's allocation from the entire \$50 billion general distribution will be in proportion to such provider's 2018 net patient revenue. Total revenues of Medicare facilities and providers in 2018 is estimated to be \$2.5 trillion. Providers can estimate their expected general revenue distribution through the following formula:

$(\text{Individual Provider 2018 Revenue} / \$2.5 \text{ Trillion}) \times \$50 \text{ Billion} = \text{Expected General Distribution}$

General allocation payment

On April 24, a portion of providers will receive a second payment derived from revenue data previously submitted in CMS cost reports. This payment, together with the initial payment received earlier in April, will represent the total allocation from the \$50 billion general distribution.

All providers, including those paid off the revenue data already submitted in CMS cost reports, are required under the Terms and Conditions to submit revenue information to the provider portal for later verification.

Information on steps providers will need to take are included below.

What can payments be used for?

As required by the terms and conditions, all payments may only be used to prevent, prepare for, and respond to coronavirus, and that the Payment shall reimburse the Recipient only for health care related expenses or lost revenues that are attributable to coronavirus. If a recipient does not have lost revenues or increased expenses due to COVID-19 equal to the amount received a recipient must return the funds.

How will payments be distributed?

HHS is partnering with UnitedHealth Group to funds to eligible providers. All relief payments are made to provider billing organizations based on their Taxpayer Identification Numbers (TINs). Each organization's payment will be delivered via the Automated Clearing House (ACH) to the Medicare routing number and account number that provider has on file with HHS. The automatic payments will come via Optum Bank with "HHSPAYMENT" as the payment description. Payments will be sent to the group's central billing office.

What action should recipients take?***Providers that receive an automatic payment:***

Within 30 days of receiving the payment, each recipient must sign an attestation confirming receipt of the funds and agreeing to the terms and conditions of payment.

Following attestation, the recipient will be guided to a portal experience to confirm any payments and submit its revenue information. Should the recipient choose to decline the funds, it must also complete the attestation to so indicate. Not returning the payment within 30 days of receipt will be viewed as acceptance of the Terms and Conditions.

Providers that do not receive an automatic payment:

Providers that do not receive an automatic payment should go to the Provider Relief portal linked from hhs.gov/providerrelief and follow the instructions provided on how to claim the second general distribution. The portal will be available beginning 5:00 p.m. ET, Friday, April 24. Remember, a facility or provider must have a Medicare billing TIN in order to qualify for this payment.

Whom can recipients contact for more information?

For additional information, recipients should visit hhs.gov/providerrelief or call the CARES Provider Relief line at (866) 569-3522.