How doctors can claim share of additional $20 billion in CARES Act aid

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What’s the news: The U.S. Department of Health and Human Services (HHS) has started distribution of the next $20 billion in financial relief for physician practices, groups and other health care delivery organizations that is part of the Coronavirus Aid, Relief and Economic Security (CARES) Act.

The relief comes under the Public Health and Social Services Emergency Fund in the CARES Act. The initial $30 billion in CARES Act relief was directed to hospitals and physician practices in direct proportion to their share of Medicare fee-for-service spending.

Payments from this $20 billion are calculated so that a physician practice or group’s allocation from the entire $50 billion general distribution is in proportion to its 2018 net patient revenue. As detailed in an HHS fact sheet shared on the AMA website, all physician practices or groups are required to submit revenue information to the provider portal for later verification.

The fact sheet also explains what the payments can be used for, how the payments will be distributed, and what action physician practices, groups and other recipients should take—whether they get paid automatically or not. Those who don’t get paid automatically should visit the CARES Provider Relief Fund Payment Portal and follow the instructions on how to claim the second general distribution.

The AMA has provided additional guidance about the financial and tax information you will need to have on hand to successfully claim your practice or group’s share of the funds.

Why it’s important: The public health countermeasures taken to mitigate COVID-19’s impact—physical distancing, stay-at-home orders, and the cancellation or postponement of nonurgent medical care—have dealt a heavy financial blow to physician practices, hospitals and health systems.

Medical group practices reported an average 55% drop in revenue from the beginning of the COVID-
19 crisis to April 7, according to a Medical Group Management Association survey.

The AMA, leading physician organizations and state medical societies have urged congressional leaders and HHS to protect patient access to medical care by preserving the viability of physician practices across the country.

Learn more: The HHS announcement comes as Congress passed the so-called COVID 3.5 bill, with an additional $484 billion for the Paycheck Protection Program (PPP), small-business disaster loans and grants, hospitals and health care providers and testing. Learn more from the AMA about how to get help under the new legislation and how to keep your physician practice going during COVID-19 pandemic.

Stay up to speed on the AMA’s COVID-19 advocacy efforts and track the fast-moving pandemic with the AMA’s COVID-19 resource center, which offers a library of the most up-to-date resources from JAMA Network™, the Centers for Disease Control and Prevention, and the World Health Organization.