This is an update to the American Medical Association summary of the CARES Act Provider Relief Fund that is posted on the AMA’s COVID-19 resources website. This information is current as of June 10, 2020, and is subject to change as the federal agencies that oversee these programs continue to issue clarifying guidance. Some employed physicians have raised concerns that they do not have access to the grant funds distributed by the Department of Health and Human Services (HHS) from the CARES Act Provider Relief Fund because HHS is distributing these funds to organizations based on the organizations’ tax identification number (TIN) rather than to an organization’s individual physicians. By law, the funds reimburse eligible organizations, facilities, and physicians for lost revenues and increased expenses attributable to COVID-19.

For information about fund recipients and any amounts paid to their employer organization, physicians can search this public database, but such physicians should be aware that this database is only updated as organizations attest to the terms and conditions so the database initially may not reflect all distributions or all recipients.

Concerned employed physicians should consider discussing with the leaders of their respective organizations about how these funds are being used and distributed to non-owner physicians. To prepare for this conversation, we recommend each physician calculate revenues that the physician would have been able to generate had the pandemic not occurred. This can be done by comparing the physician revenues generated from March and April 2019 with those generated in March and April 2020. In addition, on the expense side, physicians should tally their increased expenses, such as personal protective equipment in connection with the public health emergency (PHE), incurred from Jan. 1, 2020. HHS expects that it would be highly unusual for providers to have incurred eligible expenses prior to that date.

To make a business case for access to the funds, physicians should estimate how their services contributed to the amount received by the organization. The first $30 billion distribution from the CARES Act Fund was based on Medicare fee-for-service payments from 2019, in order to reflect claims submitted to Medicare before the COVID-19 pandemic began. If an employed physician does not have access to their 2019 payment data, they can arrive at a rough estimate by looking up their 2017 Medicare payments using the publicly available database at Medicare Physician and Other Supplier Aggregate table, CY2017, Interactive Dataset.

Clicking on “View Data” in this dataset allows physicians to search their own data using their National Provider Identifier (NPI). Data includes submitted charges and other columns, but likely the most useful one for this purpose is the column headed “Total Medicare Payment Amount.” Once the physician has the dollar amount from this column, they can plug it into the following equation to get an approximate idea of how much of the first distribution their employer received from the CARES Act Fund was based on services provided by this individual physician. This is only a rough estimate because the distributions from the fund were based on 2019 Medicare payments and the most recent public dataset is for 2017 payments.

How are payment distributions determined?

Payments from the initial $30 billion are based on the provider’s share of total Medicare fee-for-service (FFS) reimbursements in 2019.

To estimate a payment amount, divide the provider’s 2019 Medicare FFS (not including Medicare Advantage) payments received by the total 2019 FFS Medicare payments, which were approximately $484 billion, and multiply that ratio by $30,000,000,000. Providers can obtain their 2019 Medicare FFS billings from their organization’s revenue management system.
Example: A community hospital billed Medicare FFS $121 million in 2019. To determine how much they would receive, use this equation:

\[(\text{Provider's 2019 Medicare FFS Amount}) \div (\text{Total 2019 Medicare Payments}) \times (\$30,000,000,000)\]

\[\frac{121,000,000}{484,000,000,000} \times 30,000,000,000 = 7,500,000\]

Physician example: A physician was paid $169,546. To determine how much their employer’s TIN received based on services that this physician provided, calculate:

\[\frac{169,546}{484,000,000,000} \times 30,000,000,000 = 10,509\]

Next, the physician could approach their employer and ask the following questions:

1. Has our organization received funds from the CARES Act Provider Relief Fund?
2. Can you share an update, such as how much was received and how the funds will be used?
3. Can you tell us if the funds will be shared across the entire organization? If so, is this a dollar amount or percentage, and how will funds be utilized across the entire organization?
4. Using publicly available information, I have estimated that at least $____ of the funds that the organization received were based on services I provided to patients who were Medicare beneficiaries. I have had a sharp reduction in practice revenues due to COVID-19 (and/or a sharp increase in COVID-related expenses). Can the organization share funds with my practice to help with these losses and expenses?

HHS is currently working to distribute funds to physicians and organizations that did not bill Medicare in 2019 and who primarily see patients who have Medicaid, including pediatricians and obstetrician-gynecologists.

The AMA has advocated for swift allocations of emergency funds to these physicians and organizations.

For the latest information, visit the HHS CARES Act Provider Relief Fund webpage, which is updated often.

Disclaimer: The information and guidance provided in this document is believed to be current and accurate at the time of posting. This information is not intended to be, and should not be construed to be or relied upon as, legal, financial, medical or consulting advice. Consider consulting with an attorney and/or other advisor to obtain guidance relating to your specific situation. References and links to third parties do not constitute an endorsement, sponsorship or warranty by the American Medical Association, and the AMA hereby disclaims all express and implied warranties of any kind.