

CARES Act

Stimulus guidance for physicians

On Oct. 1, 2020, the Phase 3 General Distribution was announced. Under this allocation, providers that have already received Provider Relief Fund payments are invited to apply for additional funding that considers financial losses and changes in operating expenses caused by the coronavirus.

Physicians only have from Oct. 5, 2020, through Nov. 6, 2020, to apply for Phase 3 General Distribution funding.

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 respective *organization's 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, physicians can search this [public database](#), although a few caveats apply including that it is only updated as organizations attest to the terms and conditions so it initially may not reflect the full amount received by the organization.

Concerned employed physicians should consider having a conversation with the leaders in their organization about how these funds are being used and distributed within the organization, including to physicians. To prepare for this conversation, we recommend physicians (1) calculate their lost revenues by comparing their revenues from a period of time (e.g., August–September) in 2019 with the equivalent period of time in 2020 when COVID-19 affected their practice's revenues and expenses, and (2) tally their increased expenses, such as personal protective equipment. In addition, to make a business case for access to the funds, physicians should estimate how services that they personally delivered contributed to the payment amount received by the organization as a whole. 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. Also, because additional distributions have been made after the first one, organizations may have received additional funds that are not reflected in the data available and, therefore, could not be used to make a calculation.

How are payment distributions determined?

Payments from the initial \$30 billion were 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:

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

$\$121,000,000 / \$484,000,000,000 \times \$30,000,000,000 = \$7,500,000$

Physician example: A physician in a practice personally delivered services that generated Medicare FFS reimbursement of \$169,546. To determine how much their employer's TIN received based on services that this physician provided, calculate:

$\$169,546 / \$484,000,000,000 \times \$30,000,000,000 = \$10,509$

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 initially received were based on services I provided to patients with Medicare. 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?

During the current Phase 3 distribution, previously ineligible providers, such as those who began practicing in 2020, are also being invited to apply, as well as an expanded group of behavioral health providers confronting the emergence of increased mental health and substance use issues exacerbated by the pandemic.

For the latest information, visit the HHS [CARES Act Provider Relief Fund](#) webpage, which is updated often.

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