

# HHS Public Health and Social Services Emergency Fund



## Overview

The U.S. Department of Health and Human Services (HHS) announced on Oct. 1, 2020, that it will be disbursing another \$20 billion in CARES Act Provider Relief Funds. Additional information is available online at the HHS Provider Relief Fund [website](#).

## General allocation of funds

- Phase 1 was a \$30 billion distribution based on provider's share of Medicare fee-for-service reimbursements in 2019.
- Phase 2 was a \$20 billion distribution based on the Centers for Medicare & Medicaid Services (CMS) cost reports and provider reported losses.
- Under this Phase 3 General Distribution allocation, physicians that have already received Provider Relief Fund payments may apply for additional funding that considers financial losses and changes in operating expenses caused by the coronavirus. Recognizing that a negative impact of the COVID-19 pandemic has been increased levels of anxiety and depression in the country and that behavioral health providers have continued to provide care through telehealth and other means, HHS also announced that the nation's behavioral health care providers, including psychiatrists, are now eligible for funding. Also, physicians that were previously ineligible, such as those who began practicing in 2020, will also be eligible to apply for funding. Frequently asked questions (FAQs) on the General Distribution Portal are available on the HHS [website](#).

## Timeframe

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

## Eligibility

- Providers who previously received, rejected or accepted a General Distribution Provider Relief Fund payment. Providers that have already received payments of approximately 2% of annual revenue from patient care may submit more information to become eligible to receive an additional payment.
- Behavioral Health providers, including those that previously received funding and new providers.
- Health care providers that began practicing Jan. 1, 2020, through March 31, 2020. This includes providers participating in Medicare, Medicaid and CHIP; dentists; assisted living facilities and behavioral health providers.
- All payment recipients will be required to attest to receiving the Phase 3 General Distribution payment and accept the associated terms and conditions.

## Amount of funds available

- \$20 billion subject to additional allocations by HHS

## Loan forgiveness and repayment terms

- These are payments, not loans, and do not need to be paid back as long as a provider follows the program's terms and conditions.
- On Oct. 22, HHS responded to stakeholder concerns and issued a policy [update](#) reinstating flexibility in the definition of lost revenues for the Provider Relief Funds (PRF).
  - On Nov. 2, HHS clarified the [instructions](#) to reflect this flexibility, which now provide that "PRF payment amounts not fully expended on healthcare related expenses attributable to coronavirus are then applied to patient care lost revenues. Recipients may apply PRF payments toward lost revenue, up to the amount of the difference between their 2019 and 2020 actual patient care revenue."

### Use of funds

- Providers must follow the program's [terms and conditions](#), including the following:
  - Funds can only be used to prevent, prepare for, and respond to COVID-19, and reimburse providers only for health care related expenses or lost revenues that are attributable to COVID-19.
  - Funds cannot be used to reimburse providers for expenses or losses reimbursed from other sources or obligated for payment from other sources.
  - Balance billing presumptive or active COVID-19 patients is prohibited.
- HHS has communicated to the AMA that it is the department's intent to provide relief to both providers in areas heavily impacted by the COVID-19 pandemic and those providers who are struggling to keep their doors open due to healthy patients delaying care and cancelled elective services. HHS has also noted that it is important to acknowledge that although it is disbursing these funds in advance of an attestation, it is doing so with the expectation that each recipient could document, if asked, amounts they have experienced in lost revenue or increased costs at least equal to the amount of the grant.

### Certification

- Providers must [sign an attestation](#) confirming receipt of funds within 90 days and agree to the terms and conditions available on the HHS [website](#).

### Application

- All providers who had automatically received Phase 2 funds prior to 5 p.m., Friday, April 24, must provide HHS with an accounting of their annual revenues by submitting tax forms or financial statements through the General Distribution Portal. These providers must also agree to the program terms and conditions if they wish to keep the funds. The submission of tax forms or financial statements to the portal will also serve as an application for additional funding. All providers submitting their financial information will be considered for additional funding from the General Distribution.
- The deadline for providers to submit revenue information for consideration for additional payment from the Provider Relief Fund \$20 billion Phase 2 General Distribution was June 3, 2020. Only providers with complete submissions received prior to the June 3 deadline will be considered for an additional General Distribution payment. Providers who did not submit this revenue submission by the deadline may qualify for future provider relief funding.

### Availability of funds

- The first round of funding was via direct deposit (or checks by mail) to all Medicare FFS providers. The secretary will determine the most efficient payment system for providing additional payments to approved applications, including on a rolling basis and/or in the form of pre-payments, prospective payments or retrospective payments.

### Reporting

- HHS has released additional information about reporting requirements outlined in the "Terms and Conditions" for recipients who received more than \$10,000 in aggregate Provider Relief Fund payments. There are additional reporting obligations for recipients who received \$500,000 or more in aggregate. According to HHS, the reporting portal will open in early 2021, but please keep in mind that deadlines and timelines associated with the Provider Relief Fund have changed frequently.
- Review a [summary](#) and additional [guidance](#) about reporting requirements.