



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Resources and Services
Administration

Rockville, MD 20857

August 3, 2020

Ms. Martha Roherty
Executive Director
ADvancing States
241 18th Street S, Suite 403
Arlington, VA 22202

Dear Ms. Roherty:

Secretary Azar has asked me to thank you for your letter regarding the U.S. Department of Health and Human Services' (HHS) disbursement of Provider Relief Fund General Distribution payments as part of the Coronavirus Aid, Relief, and Economic Security Act. Like you, I recognize the particular impact the COVID-19 pandemic has had on healthcare providers, patients, and communities across the nation.

From the very start of this pandemic, under President Trump's leadership, HHS has led an all-of-government, all-of-America approach to defeating the virus. A critical part of that work includes ensuring that our health care system remains strong and financially viable during this unprecedented time. HHS is distributing \$175 billion to hospitals and health care providers on the front lines of the coronavirus response via the Provider Relief Fund (www.hhs.gov/providerrelief).

As you know, HHS has begun distributing \$18 billion to Medicaid, Children's Health Insurance Program (CHIP), and dental providers so that eligible providers receive approximately 2 percent of reported revenue from patient care. The deadline to apply has been extended to August 28, 2020. To date, HHS has made payments from the Medicaid, CHIP, and Dental Providers distribution to over 11,600 providers with an average payment of \$51,000.

I understand that providers may be concerned about the requirements of the Provider Relief Fund. To be eligible for the General Distribution, a provider must provide or have provided diagnoses, testing, or care for individuals with possible or actual cases of COVID-19. For this requirement, HHS broadly views every patient as a possible case of COVID-19. The Terms and Conditions on balance billing requires recipients to not collect out-of-pocket expenses in an amount greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network recipient for all care for a presumptive or actual case of COVID-19. A presumptive case of COVID-19 is a case where a patient's medical record documentation supports a diagnosis of COVID-19, even if the patient does not have a positive in vitro diagnostic test result in his or her medical record. The only time the balance billing provision would apply is when providers are providing services to a patient with an active case of

COVID-19 and medical record documentation, whether through a positive test or otherwise, reflects that active case of COVID-19.

You also asked whether the receipt of funds from Small Business Administration's Payroll Protection Program or the Federal Emergency Management Agency for coronavirus recovery precludes a healthcare provider from being eligible for Provider Relief Fund distributions. Receiving payments does not make providers ineligible for payments under the Provider Relief Fund. Please note that this question and others have been clarified on HHS' Frequently Asked Questions (<https://www.hhs.gov/sites/default/files/provider-relief-fund-general-distribution-faqs.pdf>).

HHS is continuing to work with provider organizations, and congressional, state, and local leaders to get the word out about this program. We appreciate you and your members' assistance to help providers in their states learn about this distribution. To that end, I wanted to share several key resources to support applicants:

- Medicaid, CHIP, and Dental Providers General Distribution Fact Sheet at <https://www.hhs.gov/sites/default/files/provider-relief-fund-medicaid-chip-factsheet.pdf>
- Medicaid CHIP, and Dental Providers Distribution Instructions at <https://www.hhs.gov/sites/default/files/medicaid-provider-distribution-instructions.pdf?language=es>
- Recorded Webcast at https://webex.webcasts.com/starthere.jsp?ei=1334682&tp_key=9dd6d30493
- Provider Support Line at (866) 569-3522

Please know that providers who are not eligible for this distribution may be eligible for future allocations of the Provider Relief Fund.

We understand that providers are still struggling to meet their financial responsibilities while caring for their patients. We thank you and your members for your willingness to provide outreach to ensure that healthcare providers on the front lines of the coronavirus response receive much-needed relief funds. I hope this information is helpful. I will also provide this response to the co-signers of your letter.

Sincerely,



Thomas J. Engels
Administrator