

May 4, 2020

HHS Announces Distribution of Funds to Rural Providers and Hospitals with High COVID-19 Admissions

At the urging of the AHA, the Department of Health and Human Services (HHS) Friday announced that it will distribute an additional \$22 billion in funds from the Public Health and Social Services Emergency Fund the week of May 4:

- General acute-care hospitals, rural health clinics (RHCs) and community health centers (CHCs) located in rural areas, as well as all critical access hospitals (CAHs) will receive \$10 billion in funds.
- Hospitals with at least 100 COVID-19 inpatient admissions through April 10, 2020, will receive \$12 billion in funds.

In a statement, AHA said, “America’s hospitals and health systems are pleased by the announcement from HHS regarding the distribution of additional funds from the CARES Act emergency relief fund.” The AHA had previously urged the department to [target emergency relief to rural hospitals](#). As such, the association also stated that the “AHA also greatly appreciates the Administration’s willingness to listen to our suggestion to target funding for rural hospitals to help ensure they are able to remain open and serve their communities.”

Rural Distribution:

As urged by the AHA, recipients of the \$10 billion rural distribution will include general acute care hospitals, RHCs, and CHCs located outside of a metropolitan statistical area (MSA), or in a rural census tract of an MSA, as well as all CAHs.

These providers will each receive a minimum base payment plus a percent of their annual expenses; this method accounts for both operating costs and lost revenues incurred for both inpatient and outpatient services. The base payment for all hospitals will be one million, with additional payment based on operating expenses. The base payment for RHCs and CHCs will be \$100,000, with additional payment based on operating expenses.

Eligible providers will begin receiving funds in the coming days via direct deposit, based on the physical address of the facilities as reported to the Centers for Medicare & Medicaid Services and the Health Resources and Services Administration, regardless of their affiliation with organizations based in urban areas. [View the state-by-state breakdown - PDF](#).

The AHA continues to call for additional federal efforts to support hospitals and health systems to ensure they have what they need to protect their patients, communities and caregivers during the COVID-19 pandemic.

Further Questions

If you have questions, please contact AHA at 800-424-4301 



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