

October 1, 2020

## HHS Announces Details on Additional General Distribution of CARES Act Provider Relief Funds

The Department of Health and Human Services (HHS) today [announced](#) the forthcoming distribution to all hospitals, as well as other providers, of \$20 billion in funds from the Public Health and Social Services Emergency Fund.

Under this third general distribution, eligible hospitals will be able to apply for additional payments that consider COVID-19-related financial losses and changes in operating expenses. The application period is open Oct. 5 through Nov. 6.

**Given the information below, the AHA strongly encourages members to apply for this funding as soon as possible.**

**Eligibility.** Hospitals and providers eligible to apply for this third general distribution include:

- those who previously received, rejected or accepted a General Distribution provider relief fund payment (including providers who have already received payments of approximately 2% of annual patient care revenue – they may submit more information to become eligible for an additional payment);
- behavioral health providers, including those that previously received funding and new providers; and
- providers who began practicing between Jan. 1, 2020, and March 31, 2020.

**Payment Methodology.** HHS has outlined the following methodology for the funds' distribution to applicants:

- any providers that have not yet received relief fund payments equal to at least 2% of patient care revenue will receive a payment that, when combined with prior payments (if any), equals 2% of patient care revenue;
- using any remaining balance of funds, if any, HHS will make “equitable” add-on payments with the following considerations:
  - changes in operating revenues from patient care;
  - providers' changes in operating expenses from patient care, including incurred expenses related to COVID-19; and
  - payments already received through provider relief fund distributions.

**HHS urges applicants to submit early in order to expedite the agency's review process and payment calculations; HHS says this will ultimately accelerate all payments' distribution.**

All payment recipients will be required to attest to receiving phase 3 general distributions payments and accept any associated terms and conditions.

### **Background**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act and Paycheck Protection Program and Health Care Enhancement Act included \$175 billion in the Public Health and Social Services Emergency Fund to reimburse health care providers for health care-related expenses or not-otherwise-reimbursed lost revenues that are attributable to COVID-19.

### **Further Questions**

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