

November 23, 2021

HHS Begins Distributing \$7.5 Billion in Funding to Rural Providers through the American Rescue Plan Act

As urged by the AHA, HHS begins distribution of critical COVID-19 relief funds

The Department of Health and Human Services (HHS) today began distributing \$7.5 billion of the \$8.5 billion in American Rescue Plan Act (ARPA) payments designated for providers who serve rural Medicaid, Children's Health Insurance Program (CHIP), and Medicare beneficiaries. In addition, HHS stated that in the coming weeks, it plans to distribute the first wave of Provider Relief Fund (PRF) ["Phase 4" payments](#) and will continue to process remaining ARPA rural applications.

In [today's announcement](#), HHS stated that more than 40,000 providers will receive ARPA rural payments, with an average payment of \$170,700. The Health Resources and Services Administration (HRSA) received more than 55,000 ARPA rural applications and processed 96% of them; providers who have not yet received any communication regarding their payment determination will be notified as soon as HRSA completes the review and processing of the remaining applications. Providers can use these funds to address workforce challenges, as well as for lost revenues and increased expenses caused by the COVID-19 pandemic.

Rural payments were made based on Medicare, Medicaid, and CHIP claims for services to rural beneficiaries from Jan. 1, 2019 through Sept. 30, 2020. HHS stated that payment calculations were generally based on Medicare reimbursement rates and adjusted to the amount of funding available, while also ensuring providers who were eligible received a minimum payment of \$500. HRSA stated it will publish the methodology used to determine payment amounts after applications have been analyzed.

Within 90 days of receiving a payment, providers must sign an attestation confirming receipt of the funds and agreeing to the terms and conditions of payment by re-entering the [Provider Relief Fund Application and Attestation Portal](#). HRSA will hold a stakeholder briefing Dec. 2 from 1-1:30 p.m. ET to provide key information about the payments. Stakeholders must [register to attend](#). Providers with specific questions about the Phase 4 and ARPA rural application process should contact the provider support line at 866-569-3522.

Further Questions

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