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CARES Act Provider Relief Fund: General Information

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For information about the application process and to find a list of Provider Relief Fund Payment Portals, visit the For Providers page.

Phase 1 General Distribution

HHS is distributing $50 billion to providers who bill Medicare fee-for-service in order to provide financial relief during the coronavirus (COVID-19) pandemic. These funds are allocated proportional to providers' share of 2018 patient revenue. On April 10, 2020, HHS immediately distributed $30 billion to eligible providers throughout the American healthcare system.

Total Amount	Recipients
Initial $30 billion	Nearly 320,000 providers who bill for Medicare fee-for-service
Additional $20 billion	Nearly 15,000 providers who bill for Medicare fee-for-service

How are the payments for the Phase 1 General Distribution determined?

Who is eligible for the initial $30 billion?

What to do if you are an eligible provider?

Phase 2 General Distribution

HHS has made available $18 billion in the Phase 2 General Distribution. Eligible providers include participants in state Medicaid/CHIP programs, Medicaid managed care plans, dentists, and certain Medicare providers, including those who missed Phase 1 General Distribution payment equal to 2% of their total patient care revenue or had a change in ownership in 2019 or 2020. Assisted living facilities are also eligible to apply.

Total Amount	Recipients
$18 billion	Applicant submission-based

Who is eligible for Phase 2 General Distribution?

What to do if you are an eligible provider?

Targeted Distributions

HHS is allocating targeted distribution funding to providers in areas particularly impacted by the COVID-19 outbreak, rural providers, and providers requesting reimbursement for the treatment of uninsured Americans. The fast and transparent dispersal of funds gives relief to those providers who are struggling to keep their doors open.

Targeted Distribution	Total Amount	Recipients
COVID-19 High-Impact Distribution	$22 billion	395 hospitals in high-impact areas (first round)
		695 hospitals in high-impact areas (second round)
Rural Distribution	$10.2 billion	Almost 4,000 rural health care providers
	~$1.1 billion	Close to 500 specialty rural hospitals, urban hospitals with certain rural Medicare designations, and hospitals in small metropolitan areas
Allocation for Skilled Nursing Facilities (SNFs)	$4.9 billion	Over 13,000 skilled nursing facilities
	~$2.5 billion	Over 15,000 skilled nursing facilities and nursing homes
Allocation for Tribal Hospitals, Clinics, and Urban Health Centers	$500 million	Around 300 Tribal Hospitals, Clinics, and Urban Health Centers
Allocation for Safety Net Hospitals	~$10.3 billion	Eligible safety net hospitals
	~$3 billion	215 acute care facilities
	~$1.4 billion	80 free-standing children's hospitals

A portion of the funds are also distributed to providers who serve uninsured individuals based on COVID-19-related testing and treatment provided on or after February 4, 2020.

COVID-19 High-Impact Distribution

HHS is allocating funding to hospitals that have a high number of confirmed COVID-19 positive inpatient admissions.

How were payments for the first round of High-Impact Areas determined?

Who is eligible for the high impact distribution?

Detailed methodology for first round of the high-impact distribution

Detailed methodology for second round of the high-impact distribution

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$11 Billion Rural Distribution

HHS is distributing $11 billion to rural hospitals, including rural acute care general hospitals and Critical Access Hospitals (CAHs), Rural Health Clinics (RHCs), and Community Health Centers located in rural areas.

How are the payments for Rural Facilities determined?

Who is eligible for the $10 billion rural distribution?

Detailed methodology for $10 billion rural distribution

Who is eligible for the $1 billion rural/small metropolitan area targeted distribution?

Allocation for Skilled Nursing Facilities and Nursing Homes

HHS is distributing a series of funding to nursing homes across the nation. The first distribution was $4.9 billion to skilled nursing facilities (SNFs) and a second distribution of almost $2.5 billion to skilled nursing facilities and nursing homes nationwide will help combat the devastating effects of this pandemic. Additionally, a separate $2 billion incentive payment structure is providing more funding to nursing homes and skilled nursing facilities based on certain performance measures.

How were the payments for the $4.9 billion to Skilled Nursing Facilities determined?

How were the payments for the $2.5 billion to Skilled Nursing Facilities and nursing homes determined?

How is the $2 billion incentive payment to skilled nursing facilities and nursing homes being determined?

In order for a facility to be eligible for payment, they must pass two initial gateway qualification tests on both their rate of infection and rate of mortality.

- First, a facility must demonstrate a rate of COVID infections that is below the rate of infection in the county in which they are located. This benchmark requirement for infection rate reflects the goal of the incentive program to recognize and reward facilities that establish a safer environment than the community in which they are located.
- Second, facilities must also have a COVID death rate that falls below a nationally established performance threshold for mortality among nursing home residents infected with COVID.

Performance Period	Tentative Payment Date	Tentative Audit Date
September 2020 October 2020 November 2020 December 2020	October 2020 November 2020 December 2020 January 2021	November 2020 December 2020 January 2021 February 2021
Aggregate	February 2021	March 2021

Infection Measure Calculation

For facilities that meet the gateway criteria, their COVID infection performance will be measured by assessing two factors: the amount by which their own infection rate is lower than their county's infection rate and total patient volume, as measured by resident-weeks. In a given performance period, a facility's infection rate will be measured as their total number of COVID infections (not including COVID admissions) divided by their total count of resident-weeks reported in NHSN.

The difference between the facility's and county's infection rates is then scaled upward by the facility's patient volume, as measured by resident-weeks, which yields the facility's performance score on the infection measure.

Mortality Measure Calculation

Facilities are eligible for evaluation of their COVID mortality performance in a given performance period if they meet the gateway criteria and have at least one non-admission COVID infection. For these facilities, their mortality performance calculation will rely on two main pieces of information from NHSN data: the total number of COVID deaths resulting from in-facility infections and the total number of non-admission infections. Infected patients will be counted if they occur in an extended block of time, covering the performance period and several weeks preceding the performance period. These two pieces of information will be used to measure a preliminary COVID mortality rate for each facility.

Direct outreach will be conducted to facilities that have at least one death in the performance period and have a mixture of COVID admissions and in-facility infections. The goal of this outreach will be to ascertain how many of their reported COVID deaths were due to in-facility infections versus COVID admissions.

These facility level characteristics will be incorporated with relevant health and demographic characteristics for each facility's resident population into a statistical model that will be used to estimate the expected number of deaths for each facility in the performance period.

- Facilities with a mortality rate significantly exceeding expectations will become ineligible for any incentive program payments in the performance period.
- Facilities with lower mortality than expected will be eligible for payment, which will be scaled up based on the amount by which they fall below the expected number of deaths.

Incentive Payment Calculation

For each performance period, the total available bonus payments will be determined based on aggregate performance on the infection measure. This total will then be split into separate payment pools for performance on the infection and mortality measures.

- First, 80% of bonus payments will be available to providers that have positive performance on the infection measure. As discussed in previous sections, these payments will be made available to any facility that meets the gateway criteria.
- Second, 20% of bonus payments will be available to providers that have positive performance on the mortality measure. Providers scoring below a threshold level of performance on the mortality measure will be deemed ineligible for payment in both the infection and mortality payment pools.

$500 Million Distribution to Tribal Hospitals, Clinics, and Urban Health Centers

HHS is distributing $500 Million Distribution to Tribal hospitals, clinics, and urban health centers, distributed on the basis of operating expenses. This funding complements other funding provided to expand Indian Health Service (IHS) capacity for telehealth and testing.

How are the payments for Tribal Hospitals, Clinics and Urban Health Centers determined?

Detailed methodology for $500 million to Tribal hospitals, clinics, and urban health centers

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Safety Net Hospitals Distribution

HHS is allocating $14.4 billion in provider relief funds to safety net hospitals that disproportionately provide care to the most vulnerable, and operate on thin margins. Initially, HHS distributed $10 billion and then an additional $3 billion allocation so certain acute care hospitals meeting the revised profitability threshold would qualify. HHS is also distributing $1.4 billion to almost 80 free-standing children's hospitals facing financial hardships caused by the pandemic.

How are the payments for the $10 billion Safety Net Hospitals Distribution determined?

Detailed methodology for safety net hospital distribution

Who is eligible for the $3 billion Safety Net Hospitals distribution?

Who is eligible for the $1.4 billion Safety Net Hospitals distribution?

Allocation for Uninsured Patients

A portion of the funds will be distributed to healthcare providers who have provided treatment for uninsured COVID-19 patients on or after February 4, 2020. Providers can request claims reimbursement and will be reimbursed at Medicare rates, subject to available funding.

- To request reimbursements and learn how the program works, visit the COVID-19 Uninsured Program Portal.
- Information for Uninsured Patients on Balance Billing

CARES Act Provider Relief Fund Distribution Timeline

April

April 10 - April 17 **First round of Phase 1 General Distribution**
$30 Billion distributed to nearly 320,000 Medicare Fee-For-Service (MFFS) billing providers based on their portion of 2019 MFFS payments

April 24 **Second round of Phase 1 General Distribution**
$9.1 Billion to almost 15,000 Medicare Fee-For-Service billing providers based on revenues from CMS cost report data
$10.9 Billion available to Medicare Fee-For-Service billing providers based on revenue submissions to the provider portal

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May

May 6 **Rural Distribution**

$10 Billion to almost 4,000 rural health care providers including hospitals, health clinics, and health centers

May 7 **First round of COVID-19 High-Impact Distribution**

$12 Billion to 395 hospitals that had 100 or more COVID-19 admissions between Jan 1 and Apr 10

May 22 **Allocation for Skilled Nursing Facilities**

$4.9 Billion to over 13,000 certified Skilled Nursing Facilities

May 29 **Allocation for Tribal Hospitals, Clinics, and Urban Health Center**

$500 Million to approximately 300 IHS programs

June

June 3 **Deadline for Phase 1 General Distribution**

Deadline for providers to submit revenue information and apply for a portion of the additional $20 Billion General Distribution (Phase 1)

June 9 **Phase 2 General Distribution & Distribution to Safety Net Hospitals**

$15 billion to eligible Medicaid, CHIP, and Dental providers
$10 billion to Safety Net Hospitals

June 15 **Second round of COVID-19 High-Impact Distribution**

Deadline for hospitals to update their number of COVID-19 positive inpatient admissions between January 1, 2020 and June 10, 2020, to qualify for second round of funding.

July

July 10 **Distribution to Safety Net Acute Care Hospitals, Certain Specialty Rural Providers**

$3 billion to hospitals serving vulnerable populations on thin margins
~$1 billion to specialty rural hospitals, urban hospitals with certain rural Medicare designations, and hospitals in small metropolitan areas

July 17 **Second round of COVID-19 High-Impact Distribution**

$10 billion to hospitals with over 161 COVID-19 admissions between January 1 and June 10, 2020, one admission per day, or a disproportionate intensity of COVID admissions

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August

August 7 **Allocation for Nursing Homes**

$2.5 billion to nursing homes mid-August to support increased testing, staffing, and PPE needs

***August 14* Distribution to Certain Children's Hospitals**

HHS to begin distributing $1.4 billion to 80 free-standing children's hospitals

***August 27* Distribution to Nursing Homes**

$2.5 billion to nursing homes to support increased testing, staffing, and PPE needs

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September

***September 1* Phase 2 General Distribution for Assisted Living Facilities**

Assisted living facilities (ALFs) may now apply for funding under the Provider Relief Fund Phase 2 General Distribution allocation

***September 3* Nursing Home Incentive Payment Plans**

HHS announces details of $2 billion performance-based incentive payment distribution to nursing homes

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Summary of Eligibility & Methodology

Phase 1 General Distribution	
Distribution & Eligibility	Formulas to Determine Allocation
Initial $30 billion Automatic based on provider's share of Medicare fee-for-service reimbursements in 2019	Payment Allocation per Provider = (Provider's 2019 Medicare Fee-For-Service Payments / $453 Billion) x $30 Billion
Additional $20 billion Based on CMS cost reports, submitted revenue information, or incurred losses	Payment Allocation per Provider = ((Most Recent Tax Year Annual Gross Receipts x $50 Billion) / $2.5 Trillion) – Initial General Distribution Payment to Provider

Phase 2 General Distribution	
Distribution & Eligibility	Formulas to Determine Allocation
$18 billion Providers who participate in state Medicaid/CHIP programs, Medicaid managed care plans, or provide dental care, as well as certain Medicare providers, including those who missed Phase 1 General Distribution payment equal to 2% of their total patient care revenue or had a change in ownership in 2019 or 2020	Payment Allocation per Provider **=** 2% (Revenues **x** Percent of Revenues from Patient Care)* *Most recent tax filings (CY2017, 2018, or 2019)

<table>
<tr><th colspan="2">Targeted Distribution</th></tr>
<tr><td>Distribution & Eligibility</td><td>Formulas to Determine Allocation</td></tr>
<tr><td rowspan="2">High-Impact Distribution

First Round
Hospitals with 100 or more COVID-19 admissions between January 1 and April 10

Second Round
Hospitals with over 160 COVID-19 admissions between January 1 and June 10, 2020, or the facility experienced an above average intensity of COVID admission per bed (at least 0.54864)</td><td>First Round

$10 Billion to 395 High-Impact Hospitals

Payment Allocation per Hospital = Number of COVID-19 Admissions* x $76,975

$2 Billion to 395 High-Impact Hospitals with Medicare Disproportionate Share

Additional Payment Allocation per Hospital = $2 Billion x (Hospital Medicare Funding / Sum of Medicare Funding for 395 Hospitals)</td></tr>
<tr><td>Second Round

$10 Billion to more than 1,000 High-Impact Hospitals

Payment Allocation per Hospital = Number of COVID-19 Admissions x $50,000

(HHS also took into account previous High Impact Area payments for those hospitals that received initial payments from this Targeted Distribution.)</td></tr>
<tr><td>Rural Distribution
Based on operating expenses and type of facility</td><td>Rural Acute Care Hospitals and Critical Access Hospitals

Payment Allocation per Hospital = Graduated Base Payment* + 1.97% of the Hospital's Operating Expenses

*Base payments ranged between $1 million to $3 million.

Rural Health Clinics (RHC)</td></tr>
</table>

Targeted Distribution	
	Payment Allocation per Independent RHC **=** $100,000 per clinic site **+** 3.6% of the RHC's Operating Expenses **Community Health Centers (CHC)** Payment Allocation per CHC **=** $100,000 per rural clinic site **Sole Community Hospitals (SCH), Medicare Dependent Hospitals (MDH), & Rural Referral Center (RRC) Hospital in Small Metro Areas** Payment Allocation per Hospital **=** 1% of operating expenses* ** Minimum payment of $100,000, a supplement of $50 for each rural inpatient day, and a maximum payment of $4.5 million.* HHS also provided a supplemental payment of $1,000,000 for 10 isolated urban hospitals that are 40 or more miles away from another hospital open to the public. **Small Metro Area Hospitals without a special Medicare designation** Payment allocation per Hospital **=** 1% of operating expenses* ** Minimum payment of $100,000 and a maximum of $2 million each.* **Rural Specialty Hospitals** Payment Allocation per Hospital **=** Graduated Base Payment* **+** 1.97% of the Hospital's Operating Expenses*

Targeted Distribution	
	**Minimum payment of $100,000 and a maximum of $4.5 million.*
Allocation for Skilled Nursing Facilities (SNFs) Certified SNFs with six or more beds	$4.9 Billion Distribution: Payment Allocation per facility **=** Fixed Payment of $50,000 **+** $2,500 per bed $2.5 Billion distribution: Payment Allocation per-facility= Fixed payment of $10,000 + $1,450 per bed
Allocation for Indian Health Service (IHS) Based on operating expenses	**IHS and Tribal Hospitals** Payment Allocation per Hospital = $2.81 Million + 3% of Total Operating Expenses **IHS and Tribal Clinics and Programs** Payment Allocation per Clinic/Program = $187,000 + 5% (Estimated Service Population x Average Cost per User) **IHS Urban Programs** Payment Allocation per Program = $181,000 + 6% (Estimated Service Population x Average Cost per User)

Targeted Distribution	
Allocation for Safety Net Hospitals **Acute Care Facilities** A Medicare Disproportionate Payment Percentage (DPP) of 20.2% or greater, annual uncompensated care (UCC) per bed of $25,000 or more, and a profit margin of 3% or less Certain acute care hospitals serving vulnerable populations with profit margins averaging less than 3% as reported to the Centers for Medicare and Medicaid Services (CMS) **Children's Hospitals 1** A Medicaid-only ratio of 20.2% or greater and a profit margin of 3% or less **Children's Hospitals 2** Qualifying free-standing children's hospital must either be an exempt hospital under the Centers for Medicare and Medicaid Services (CMS) inpatient prospective payment system (IPPS) or be a HRSA defined Children's Hospital Graduate Medical Education facility. *HHS expects most non-free-standing children's hospitals should have received financial support from their parent hospital systems as a share of General Distributions payments from the Provider Relief Fund program.*	**Acute Care Facilities and Children's Hospitals 1** Payment Allocation per Hospital **=** (Hospital's Facility Score* **/** Cumulative Facility Scores across All Safety Net Hospitals) **x** $10 Billion **Facility Score **=** Number of facility beds **x** DPP for acute care facility or number of facility beds **x** Medicaid-only ratio for a children's hospital* **Children's Hospitals 2** Payment Allocation per Hospital **=** 2.5% of Net Revenue from Patient Care

Patient Protections

We are working to remove financial obstacles that might prevent people from getting the testing and treatment they need from COVID-19.

Protecting uninsured patients

Every health care provider who has provided for COVID-related treatment of uninsured patients on or after February 4, 2020, may request claims reimbursement and will be reimbursed at Medicare rates, subject to available funding.

Insurance protections

Private insurers must waive an insurance plan member's cost-sharing payments for COVID-19 testing.

- Some private insurers, including Humana, Cigna, UnitedHealth Group, and the Blue Cross Blue Shield system, have agreed to waive cost-sharing payments for COVID-19 treatment related for insured patients.

Providers/recipients must not seek collection of out-of-pocket payments from a presumptive or actual COVID-19 patient that are greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider.

No surprise billing

Recipients/providers must not to seek collection of out-of-pocket payments from a presumptive or actual COVID-19 patient that are greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider.

Recipients/providers must abstain from "balance billing" any COVID-related treatment/any uninsured patient for whom the provider seeks reimbursement for COVID-19-related treatment.

Preventing fraud and misuse of the funds

Recipients/providers must submit documents sufficient to ensure that these funds were used for healthcare-related expenses or lost revenue attributable to the coronavirus.

For additional assistance applying, please call the provider support line at (866) 569-3522; for TTY dial 711. Hours of operation are 7 a.m. to 10 p.m. Central Time, Monday through Friday.

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