

ACTION REQUIRED: Important Message Regarding General Allocation Fund

Dear Valued Provider:

Thank you for your tireless efforts during this critical time.

President Trump is providing support to healthcare providers fighting the COVID-19 pandemic through the bipartisan CARES Act that provides \$100 billion in relief funds to hospitals and other healthcare providers on the front lines of the coronavirus response. This funding will be used to support healthcare-related expenses or lost revenue attributable to COVID-19 and to ensure uninsured Americans can get testing and treatment for COVID-19.

In allocating the funds, the Administration is working, among other things, to address both the economic harm across the entire healthcare system due to the stoppage of elective procedures, and addressing the economic impact on providers incurring additional expenses caring for COVID-19 patients, and to do so as quickly and transparently as possible.

\$50 billion general allocation

\$50 billion of the Provider Relief Fund is allocated for general distribution to facilities and providers that billed Medicare in 2019, and that are impacted by COVID-19, based on providers' 2018 net patient revenue. Of this \$50 billion, the initial \$30 billion was distributed between April 10 and April 17, and payments to providers from that \$30 billion were calculated based on providers' portion of Medicare fee-for-service revenue.

Payments to providers from the remaining \$20 billion of the general distribution are calculated so that a provider's allocation from the entire \$50 billion general distribution is a portion of provider's 2018 net patient revenue. Total revenue of Medicare facilities and providers is estimated to be approximately \$2.5 trillion. Providers can estimate their approximate expected combined general revenue distribution through the following formula:

(Individual Provider Revenues/\$2.5 Trillion) X \$50 Billion = Expected Combined General Distribution)

General allocation payment

HHS began distribution to providers of the remaining \$20 billion of the \$50 billion general allocation on April 24. Where possible, advance payments were sent to providers based on the revenue data they submit in CMS cost reports.

Providers without sufficient cost report data on file for HHS to distribute funds will need to submit their revenue information to the <u>General Distribution Portal</u> in order to receive additional general distribution funds. This portal is now open. Your organization is receiving this notification because we believe you qualify for additional general distribution funds; however, we do not have sufficient revenue information on file.

What action should I take?

If you have not already completed attestation confirming receipt of previous funds, begin by doing so on the <u>CARES Act Provider Relief Fund Payment Attestation Portal</u>, including agreeing to the <u>Terms and Conditions</u>.

Next, submit your revenue information to the <u>General Distribution Portal</u> for consideration to receive additional general distribution funds. All providers are required under the <u>Terms and</u> <u>Conditions</u> to submit revenue information to the provider portal for later verification.

When will further payments be distributed?

Payments will go out weekly, on a rolling basis, as information is validated.

Whom can I contact for more information?

For additional information, please visit <u>hhs.gov/providerrelief</u> or call the CARES Provider Relief line at (866) 569-3522, TTY 711.

Thank you for all you are doing to support and protect the American people during this difficult time.

Eric D. Hargan Deputy Secretary United States Department of Health and Human Services