

April 23 Update: Financial Assistance for Health Care Providers

As noted in our prior memos from [April 1, 2020](#) and [April 10, 2020](#), the CARES Act included \$100 billion for eligible health care providers, \$30 billion of which has been delivered to Medicare-enrolled hospitals and providers. Beginning on April 24, 2020, an additional \$20 billion will be distributed to providers in an effort to have the entire \$50 billion allocated proportionately to provider's share of net patient revenue (based on revenue data submitted in cost reports).

Additional guidance has also been provided regarding targeted allocations.

High Impact Areas

\$10 billion will be allocated to hospitals in areas that have been particularly impacted by the outbreak. It is anticipated that hospitals in New York would receive a large portion of this allocation based on the high percentage of confirmed cases. Hospitals should have already been contacted directly to provide information to be considered for this allocation. **Please note that the information must be provided by midnight PT on April 23, 2020 to be eligible.**

Rural Providers

There has also been \$10 billion allocated for rural health clinics and hospitals to help with the dire financial circumstances that many of these entities face. The methodology being used has not been finalized but it is likely to be based on operating expenses. The money from this allocation could begin being distributed as early as April 27, 2020 and it is not anticipated that any proactive action will be needed at this time.

Uninsured Individuals

In connection with the commitment to provide treatment for COVID-19 for everyone that may need it, every health care provider who has provided treatment for uninsured COVID-19 patients on or after February 4, 2020 can request reimbursement at Medicare rates. Providers can register for the program on April 27, 2020 and should be able to start submitting claims shortly thereafter. For additional guidance on enrollment and other conditions, please click [here](#).

Additional Allocations

While no additional information exists, there is an initial indication that other providers will receive separate funding, such as skilled nursing facilities, dentists, and providers that solely take Medicaid. We will continue to monitor this situation and provide additional information as it is made available.

Potential New Funding

Finally, the Senate has passed a bill that would provide an additional \$100 billion to the Public Health and Social Services Emergency Fund, which is proposed to be allocated mostly to providers and states and local governments to cover increased expenses and all facets of testing. Specific guidance will be issued once the bill is passed by the House of Representatives and signed by President Trump.

If you have any questions, please contact [Samuel P. Burgess](#), [Jeffrey B. Scheer](#), any of the [attorneys](#) in our [Health Care Practice](#) or the attorney in the firm with whom you are regularly in contact.



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