

HHS Extends Application Deadline for Medicaid Providers and Plans to Reopen Portal to Certain Medicare Providers

As part of its ongoing efforts to provide financial relief to healthcare providers impacted by the coronavirus disease 2019 (COVID-19), today the Department of Health and Human Services (HHS) is announcing an application deadline extension for the Phase 2 general distribution to Medicaid, Medicaid managed care, Children's Health Insurance Program (CHIP) and dental providers. HHS also plans to allow certain Medicare providers who experienced challenges in the Phase 1 Medicare General Distribution application period a second opportunity to receive funding. Both groups will have until Friday, August 28, 2020 to apply.

“From the start, HHS’s administration of the Provider Relief Fund has been focused on distributing funding in a way that is fast, fair and transparent,” said HHS Secretary Alex Azar. “Extending the deadline for Medicaid providers and giving certain Medicare providers another shot at funding is another example of our work with providers to ensure as many as possible receive the support they need.”

Medicaid, CHIP, & Dental (Phase 2 General Distribution) Deadline Extension

In June, HHS announced the opening of Phase 2 of the General Distribution – a \$15 billion allocation – wherein eligible Medicaid, Medicaid managed care, CHIP and dental providers could begin applying for funding of up to 2 percent of reported revenue from patient care. The goal for this opportunity was to reach the remaining providers participating in state Medicaid and CHIP programs that did not receive funding in the Phase 1, Medicare General Distribution, as well as certain dental providers. Since the announcement, HHS has [posted resources](#) and hosted a number of webinars targeted at providers and provider organizations to answer questions and assist eligible providers with the application process. The initial deadline of July 20, 2020, was extended to August 3, 2020, based on provider feedback that they learned about the program too close to the deadline and needed more time to complete their application. HHS continues to keep an open line of communication with provider organizations, congressional, state and local leaders, in a collective effort to get the word out about this program, and HHS has learned that a second extension would be beneficial to those providers. By giving providers until August 28, 2020 to apply, HHS is hopeful it has struck the right balance in terms of providing as much flexibility as possible, recognizing the constraints on smaller practices already operating on thin margins with limited administrative staff. HHS will also soon be providing a more simplified application form in response to ongoing dialogue focused on improving the provider experience.

Second Chance for Certain Medicare Providers

Starting the week of August 10, HHS will allow Medicare providers who missed the opportunity to apply for additional funding from the \$20 billion portion of the \$50 billion Phase 1 Medicare General Distribution. In April, to expedite providers getting money as quickly as possible, as they faced the financial hardships stemming from suspended elective procedures and other COVID-19 related impacts, HHS, utilizing the Centers for Medicare and Medicare Services (CMS) payment information, distributed \$30 billion directly to Medicare providers proportionate to their share of 2019 Medicare fee-for-service reimbursements. This was part one of the \$50 billion Phase 1 Medicare General Distribution which sought to offer

providers financial relief equal to 2 percent of their annual revenues. Providers that do not submit comprehensive cost reports with CMS were asked to submit revenue information to a portal to receive the balance of their 2 percent payment of General Distribution funds. Some providers, including many Medicaid, CHIP, and dental providers with low Medicare revenues, did not complete an application by the deadline for this additional \$20 billion round of funding. HHS, in its principle of ensuring fairness in the administration of the Provider Relief Fund program, is now giving those eligible providers another opportunity to apply for additional funding. They will have until August 28, 2020, to complete an application to be considered for the balance of their additional funding up to 2 percent of their annual patient revenues.

Payments for Providers Who Had a Change in Ownership

As previously noted, HHS relied on 2019 CMS payment data on file to determine automatic payments for \$30 billion of the \$50 billion Phase 1 Medicare General Distribution. Accordingly, some providers or provider practices that experienced a change in ownership in 2020 missed out on payments as the payments were distributed to the previous owners. Prior owners are required to return the payments to HHS, if they cannot attest to providing diagnoses, testing, or care for individuals with possible or actual cases of COVID-19 on or after January 31, 2020. For program integrity considerations, previous owners are precluded from transferring funds to new owners who may qualify and can attest to providing care for possible or actual COVID-19 cases. HHS did not reissue returned payments to the new owners and instead promised to give new owners a separate opportunity to apply for provider relief funding. That opportunity is now here. Starting the week of August 10, providers who experienced change in ownership challenges may submit their revenue information, along with documentation proving a change in ownership, by August 28 for consideration for Provider Relief Fund payment.

HHS is currently working to address relief payments to new providers in 2020 along with those that have yet to receive any funding for a variety of reasons, including the fact that they may only bill commercially, or do not directly bill for the services they provide under the Medicare and Medicaid programs and thus did not receive any funding yet. Future announcements will be provided.

For updated information and data on the Provider Relief Fund, visit: hhs.gov/providerrelief.