

CLIENT ALERTS

Deadline Extension for Some Cares Act Provider Relief Fund Payments: ***Action Needed by August 28***

8.25.2020

The U.S. Department of Health and Human Services (HHS) has **reopened the Phase 2 Provider Relief Fund (“PRF2”)** for certain Medicare, Medicaid, and Children’s Health Insurance Program (“CHIP”) Providers until August 28th to apply for PRF2 funds. This can include Medicare providers that have not yet received, via PRF Funds previously made available, two percent of total patient care revenue, as well as many Medicaid, Medicaid managed care, CHIP, and dental providers. This may help providers who previously missed earlier deadlines to apply, assumed they were ineligible, did not receive the full amount of Phase 1 General Distribution payments, or previously rejected and returned funds received, but are now interested in reapplying.

Background information: We have previously written about the PRF program and the various phases of general and targeted distribution of funds. The Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) included \$100 billion in PRF funds to be released to healthcare providers in several phases by HHS. These payments are not loans and do not have to be repaid if certain requirements are met.

Some of the funds were “general distributions” and were made by automatic payments to certain Medicare providers based on a formula; some of the funds were “targeted distributions” and required certain registrations or applications. We described the overall program and earlier rounds of funding in prior Client Alerts^[1].

Timing is critical: this latest extension only opens the HHS portal until August 28, 2020.

Additional HHS information and requirements: Information for the PRF Program is on the HHS portal at: hhs.gov/providerrelief. As we have noted before, there are a number of requirements and

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qualifications, so care is needed in the application process. Providers seeking to claim funds must sign on to the HHS portal, provide complete certain requests for information and attestations, and ultimately agree to HHS's terms and conditions. Providers receiving funds should understand that they will be subject to compliance, tracking, reporting, and potential audit requirements; therefore they should work with their accountants and billers to appropriately document and retain documentation supporting the use of PRF2 funds. As we have advised previously, there **are** strings attached to these funds. The safest way to protect your practice is to act as if you will be audited and maintain records accordingly.

For more information on the PRF and other programs, please contact the authors of this alert or any member of the Butzel Long Healthcare Industry Team. For more information resources on all COVID-19 related legislation, programs, and orders from both federal and state authorities, see the [Butzel Long Coronavirus Resource Center](#).

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[1] The overall PRF program and earlier modifications are described in our previous alerts: April 14th, April 16th, and July 23rd.