

CLIENT ALERTS

New Round of Cares Act Provider Relief Fund Payments: Certain Dentists, Medicaid Providers, CHIP Providers Eligible

7.23.2020

Action Needed: Apply by August 3

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") included \$100 billion in Provider Relief Funds (PRF) to healthcare providers, to be released in several phases by the Department of Health and Human Services (HHS). These payments are not loans and do not have to be paid 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 alerts[1].

Newest round of payments available: HHS has announced additional targeted distributions totaling approximately \$15 billion, available to certain Medicaid, Children's Health Insurance Program (CHIP), and dental providers.

Timing is critical: HHS has opened a portal for applications for this newest round, with a deadline extended to August 3, 2020.

What providers should pay attention to:

- Providers who may be eligible for these other targeted categories should review the HHS announcement and eligibility information. Information for dental providers is at <https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/faqs/dental-distribution/index.html?language=en>; information for Medicaid and CHIP providers is at <https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/faqs/medicaid-distribution/index.html?language=en>
- There are a number of requirements and qualifications, including not receiving payments from other program

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sources, providing federal income tax information, and continuing to provide patient care services.

- As with previous rounds of targeted distributions,[2] providers who want to make a claim must sign on to the HHS portal, complete certain information and attestations, and agree to HHS terms and conditions.
- Providers receiving funds should understand that they will be subject to compliance, tracking, reporting, and potential audit requirements, and therefore should work with their accountants and billers to appropriately document and maintain financial information. As we have noted before there are strings attached to these funds; it's safest to act as if you expect to be audited and maintain records accordingly.

Because the HHS announcements and payments have come very rapidly, there may be additional guidance and clarification issued by HHS. Finally, there are some other relief programs not described in this alert. We are working to keep abreast of HHS provider program changes and guidance.

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.

Mark R. Lezotte

313.225.7058
lezotte@butzel.com

Debra Geroux, CHC, CHPC

248.258.2603
geroux@butzel.com

Robert H. Schwartz

248.258.2611
schwartzrh@butzel.com

Paul Howarah

248.593.3015
howarah@butzel.com

[1] The overall PRF program is described in our previous alerts: (Butzel Long Client Alert from April 14 and Butzel Long Client Alert from April 16).

[2] Targeted distributions have also gone to categories such as providers treating uninsured patients; hospitals in COVID-19 high impacts areas; rural health clinics; Indian Health Services; and skilled nursing facilities.