June 9, 2020

ILLINOIS HEALTH AND HOSPITAL ASSOCIATION M E M O R A N D U M

SUBJECT: Additional Distributions from the Provider Relief Fund

Today, the U.S. Department of Health and Human Services (HHS) announced additional distributions from the Provider Relief Fund for hospitals disproportionately impacted by COVID-19 inpatient admissions, safety net hospitals, and Medicaid and CHIP providers.

High-Impact Providers

HHS announced a second round of funding for hospitals servicing patients in COVID-19 hotspots. \$10 billion will be distributed across hospitals based on updated information on their COVID-19 positive-inpatient admissions for the period Jan. 1, 2020 through June 10, 2020. To determine eligibility for this funding, hospitals **must submit their information by June 15** at 8:00 p.m. CDT. Data should be reported through the TeleTracking <u>portal</u> using the same login information used for previous submissions. Hospital systems with more than one facility under a common Tax Identifier Number (TIN) must report the number of admissions occurring within each facility. Information can be reported either manually, or by using the comma separated values (CSV) document upload available on the TeleTracking platform. Submitting these data is a prerequisite to payment, but is not a guarantee of eligibility for payment.

Questions about utilizing the portal should be directed to TeleTracking Technical Support at 877-570-6903. Questions about the distribution of funds should be directed to the provider support line at 866-569-3522.

Safety Net Hospitals

HHS plans to distribute \$10 billion in Provider Relief Funds to safety net hospitals this week. Payment will be sent directly to hospitals via direct deposit, with a minimum payment of \$5 million and a maximum payment of \$50 million. No additional action is needed from Safety Net Hospitals to receive these funds. Qualifying hospitals will have:

- A Medicare disproportionate payment percentage (DPP) of 20.2% or greater;
- Average uncompensated care per bed of \$25,000 or more; and
- Profitability of 3% or less, as reported to the Centers for Medicare & Medicaid Services (CMS) in its most recently filed Cost Report.

Medicaid and CHIP Providers

Approximately 38% of the Medicaid and CHIP providers have not yet received payments from the Provider Relief Fund. HHS expects to distribute approximately \$15 billion to these providers, many of whom are safety net providers operating on thin margins. Providers who

received payments under the \$50 billion Provider Relief Fund General Distribution are ineligible. Payments to eligible providers will equal at least 2% of reported gross revenue from patient care, with the final amount each provider receives determined after data are submitted.

Required data must be submitted through an "enhanced Provider Relief Fund Payment Portal" which HHS plans to launch on June 10. Required data include annual patient revenue information and the number of Medicaid patients served. Eligible providers must have directly billed their state Medicaid/CHIP programs or Medicaid managed care plans for healthcare-related services between Jan. 1, 2018 and May 31, 2020. Eligible provider types include pediatricians, obstetrician-gynecologists, dentists, opioid treatment and behavioral health providers, assisted living facilities, and other home and community-based services providers. More information can be found here.