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20-12

TO:	ALL MEMBER FACILITIES
FROM:	ROBIN C. ROSEN, ESQ., LABOR COUNSEL
DATE:	APRIL 14, 2020
RE:	CARES ACT - PROVIDER RELIEF FUND

The federal CARES Act provides \$100 billion in relief funds to hospitals and other healthcare providers on the front lines of the coronavirus response. This funding will be used to support healthcare-related expenses or lost revenue attributable to COVID-19 and to ensure the uninsured can get testing and treatment for COVID-19. There will be an immediate infusion of \$30 billion into the healthcare system and an additional \$70 million of funding at a later date.

The infusion of the \$30 billion is being distributed immediately; payments will arrive via direct deposit beginning April 10, 2020. All facilities and providers who receive Medicare fee-for-service (FFS) reimbursements in 2019 are eligible. All relief payments are made based on the Taxpayer Identification Number (TIN) of the provider and will be sent to the same payment information on file for your regular Medicare payments. Providers will be distributed a portion of the \$30 billion based on their share of total Medicare FFS reimbursements in 2019. (Total FFS payments were approximately \$484 billion in 2019).

As a condition to receiving these funds, providers must agree not to seek collection of out-of-pocket payments from a COVID-19 patient that are greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider.

Providers will be paid via Automatic Clearing House (ACH) account information on file with UnitedHealth Group (UHG) or CMS. The automatic payments will come to providers via Optum Bank with "HHSPAYMENT" as the payment description. Providers who normally receive paper checks for CMS reimbursement will receive a paper check in the mail for this payment within the next few weeks.

Within 30 days of receiving this initial payment, providers must sign an attestation confirming receipt of the funds and agreeing to the terms and conditions of payment. The portal for signing the attestation will be open the week of April 13, 2020. Not returning the funds to HHS within 30 days of receipt will be viewed as acceptance of the Terms and Conditions of the payment.

Included in the terms and conditions of payment, the Recipient must certify that it billed Medicare in 2019; currently provides diagnoses, testing or care for individuals with possible or actual cases of COVID-19; is not currently terminated from participation in Medicare; is not currently excluded from participation in Medicare, Medicaid, and other Federal health care programs; and does not currently have Medicare billing privileges revoked.

The Recipient also must certify that the payment will only be used to prevent, prepare for, and respond to coronavirus, and shall reimburse the recipient only for health care related expenses or lost revenues that are attributable to coronavirus.

The Recipient shall submit reports as are determined to be needed to ensure compliance with the conditions imposed on the payment. The Recipient shall maintain appropriate records and cost documentation.

According to HHS, the remaining \$70 billion will focus on providers in areas particularly impacted by the COVID-19 outbreak, rural providers, providers of services with lower shares of Medicare reimbursement or who predominately serve the Medicaid population, and providers requesting reimbursement for the treatment of uninsured individuals.

Thank you.