



MEMORANDUM

April 22, 2020

To: Tribal Health Clients

From: Hobbs, Straus, Dean & Walker, LLP

Re: *HHS Announces Allocation of Remaining \$70 billion of the CARES Act Provider Relief Fund*

On April 22, 2020, the Department of Health and Human Services (HHS) released the attached Fact Sheet announcing how it will allocate the remaining \$70 billion of the Provider Relief Fund established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136. The Indian Health Service (IHS) was allocated \$400 million in targeted funding, but IHS and tribal providers may be eligible for additional funding as well.

As we previously reported, the CARES Act provided \$100 billion for a Provider Relief Fund to assist hospitals and other health care providers. \$30 billion of that Fund has already been distributed to Medicare providers and facilities based on their share of total Medicare fee-for-service reimbursements in 2019.

The remaining \$70 billion will be allocated as follows:

- *\$400 million to the Indian Health Service*—As early as next week, these funds will be distributed on the basis of operating expenses for facilities.
- *\$10 billion for Rural Providers*—Rural health clinics and hospitals will receive these funds as early as next week on the basis of proportionate operating expenses. We are working to clarify whether Indian health care providers will be able to access these funds.
- *\$10 billion for High Impact Areas*—**Hospitals must apply for these funds by submitting information to an authentication portal by midnight on April 23, 2020.** They must provide: tax identification number, national provider identifier, total number of intensive care unit beds as of April 10, 2020, and total number of admissions with a positive COVID-19 diagnosis from January 1–April 10, 2020. The help desk number to call if you do not already have access to the portal is 877-570-6903.
- *\$20 billion to Medicare Facilities*—The remaining \$20 billion allocated for general distribution to Medicare facilities will begin to be sent to providers on a rolling basis. This will be distributed in such a manner that, when considered along

with the \$30 billion already provided, the total distribution is proportional to providers' share of 2018 net patient revenue.

- *\$29.6 billion in Remaining Funds*—A portion of remaining funds will go to providers requesting reimbursement for treatment of uninsured COVID-19 patients. Providers can begin submitting those claims on April 27, 2020 and can access more information at www.coviduninsuredclaim.hrsa.gov. We are working to get clarity from HHS as to whether IHS-eligible individuals with no other forms of coverage are considered "uninsured" for this purpose.

We will provide you with updates as soon as we receive them.

For additional information, please contact Elliott Milhollin (emilhollin@hobbsstrauss.com or 202-822-8282), Geoff Strommer (gstrommer@hobbsstrauss.com or 503-242-1745), or Akilah Kinnison (akinnison@hobbsstrauss.com or 202-822-8282).