

HHS again extends provider bailout deadline as applications lag

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The Trump administration is again extending a key deadline for health care providers to seek coronavirus bailout funding, with applications from safety net providers lagging amid confusion over the rules.

The new deadline is Sept. 13, giving providers over two additional weeks to apply, an HHS spokesperson confirmed to POLITICO.

Many of the providers eligible for the funding include those serving Medicaid and CHIP patients, who were largely shut out of earlier rounds — sparking criticism that the Trump administration's relief efforts overlooked those caring for the most vulnerable patients. Dentists and certain Medicare providers that missed an earlier funding distribution can also apply.

The background: Safety net providers have been clamoring for dollars from a \$175 billion provider relief fund HHS is distributing.

The first phases of aid, known as general distribution funds, were based on providers' volume of Medicare patients and overall patient revenue. This system benefited wealthier providers.

HHS then in June said it would distribute about \$15 billion to Medicaid providers, but there was a catch. Providers who received any money from those earlier funding rounds, no matter how little, weren't eligible to apply. Many had missed out on applying for that money because they were [unclear on the rules](#). HHS later [scrapped that condition](#) and said it would reopen general distribution funding to those who missed out on earlier rounds.

As of June, roughly a third of the nation's mental health and addiction treatment providers, who largely serve Medicaid patients, [hadn't received money from the federal relief fund, citing confusion over eligibility rules](#). Some had to lay off staff or shutter their doors amid the pandemic, even as demand for behavioral health services dramatically increased.

What's next: Many Medicaid and CHIP providers have still been slow to apply for the funds amid ongoing confusion about eligibility and the complexity of the application. On an Aug. 4 call, a CMS official told state Medicaid officials that application rates had been lower than expected, though were recently trending upward; over 10 percent of providers in 15 states had applied, with one state nearing 30 percent.

This deadline has been extended several times; the most recent deadline was Aug. 28. HHS is still in the process of issuing reporting requirements for providers receiving the funding. Without knowing those requirements, some providers may be hesitant to apply.