HHS Emergency Fund Disbursements to Practices

The Department of Health and Human Services (HHS) has begun disbursing the first $30 billion of the $100 billion that Congress allocated to hospitals, physicians, and other healthcare providers in the Public Health and Social Services Emergency Fund in the Coronavirus Aid, Relief and Economic Security (CARES) Act. These distributions are reflective of the advocacy requests made by the ACR, the AMA, and other physician societies in response to the challenges being faced during the COVID-19 emergency.

HHS has confirmed these provider relief funds are emergency payments, not loans, to healthcare providers and they will not need to be repaid. HHS provides this guidance:

- This quick dispersal of funds will provide relief to both providers in areas heavily impacted by the COVID-19 pandemic and those providers who are struggling to keep their doors open due to healthy patients delaying care and cancelled elective services.

- If you ceased operation as a result of the COVID-19 pandemic, you are still eligible to receive funds so long as you provided diagnoses, testing, or care for individuals with possible or actual cases of COVID-19.

- Care does not have to be specific to treating COVID-19. HHS defines COVID-19 care broadly and views every patient as a possible case of COVID-19.

Rheumatology providers should check the bank accounts into which their practice’s Medicare funds are deposited. If Medicare fee-for-service was billed in 2019, the practice or facility is eligible for these funds. Within the next few weeks, they should receive a direct deposit that is based on the practice’s Medicare billings in 2019. Funds will go to each practice’s TIN that normally receives Medicare payments, rather than to each individual physician. The automatic payments will come to the organizations via Optum Bank with "HHSPAYMENT" as the payment description.

As a reminder, this is direct emergency aid from the federal government, and the funds are grants rather than loans. The funds do not have to be repaid, and care specific to COVID-19 is not required. The only requirement is that the recipient be able to attest that they have experienced lost revenue or increased costs during the COVID-19 crisis, and that such costs are at least equal to the amount of the grant. As a condition to keep 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.

If you have received a forgivable SBA loan under the CARES act, the designation of these funds must be for different purposes (i.e. they cannot be attributed to the same overhead expenses). Additionally, any entity receiving greater than $150,000 in total relief
funds under the various coronavirus aid packages, must submit within 10 days after each calendar quarter a report detailing total funds received, including how the funds were used and estimated number of jobs created or retained. We expect details of this reporting process to be forthcoming. Please note that though the amount of relief directed to each practice has been calculated based on Medicare billing, we have seen no guidance from HHS implying the use of these funds is restricted to loss of Medicare-specific (as opposed to commercial) revenue.

The funds are conditioned upon providers attesting to receipt of the funds and agreeing to the terms and conditions of payment. This must be done within 30 days of receiving the emergency aid payment through the HHS portal, which is now open, and linked on this page. You will need your company’s tax ID (TIN), the account number into which the funds were deposited, and the exact amount of the deposit, in order to complete the attestation. The funds may be used either for healthcare-related expenses or for lost revenues that are attributable to coronavirus. See additional HHS details here.

Reach out to the ACR at COVID@rheumatology.org with questions or if you need assistance. Visit the ACR’s website for COVID-19 updates, advocacy, and resources specific to the rheumatology community, to help rheumatology practices and patients during this challenging time. Note that the recommendations in this document are based on current knowledge and are subject to revision as circumstances evolve. This document is for reference purposes only. It is intended to provide general guidance, and is not legal or financial advice.

10 April 2020
Updated 20 April 2020