



## Louisiana Department of Health Informational Bulletin 20-8

**Revised June 15, 2020**

*Due to the COVID-19 emergency declaration, temporary changes in provider policy and managed care practices are reflected herein to respond to the emergency. All other non-COVID-19 related policy remains in effect and shall be followed.*

### ~~CARES Act Provider Relief Funding~~

### Federal COVID-19 Provider Funding Information

This bulletin is to inform about federal funding directly available to providers through the Coronavirus Aid, Relief and Economic Security Act (CARES Act). This bulletin will be updated as new information is available. Signed into law on March 27, 2020, the CARES Act provides nearly \$2 trillion in emergency relief funding in support of the national response to COVID-19.

***The funds from the CARES Act detailed herein do not flow through the Louisiana Department of Health;*** however, listed below are the various sources of available federal funding and how to access the funding or find additional information from the federal agencies administering the funds. This informational bulletin is intended as a resource to providers of consolidated information that the Department of Health has developed to assist providers in navigating requirements and updates from federal agencies as they become available. As additional information is identified on accessing the various appropriations, updates to this bulletin will be posted.

#### **Public Health and Social Services Emergency Fund**

As part of the CARES Act, \$100 billion is dedicated to provider relief for hospitals and other healthcare providers on the front lines of the COVID-19 response through the Public Health and Social Services Emergency Fund. These are payments, not loans, to healthcare providers, and will not need to be repaid. Funds will be distributed through the Department of Health and Human Services (HHS) to support healthcare-related expenses or lost revenue attributable to COVID-19 and to ensure uninsured individuals can get testing and treatment for COVID-19.

## **\$50 Billion General Allocation**

\$50 billion of the Provider Relief Fund is allocated for general distribution to Medicare facilities and providers impacted by COVID-19, based on eligible providers' 2018 net patient revenue. HHS began distribution of the first \$30 billion in relief funding to providers on April 10, 2020, through Automated Clearing House. No application is necessary for these funds. All facilities and providers that received Medicare fee-for-service (FFS) reimbursements in 2019 are eligible for this first distribution, and distributions are **based on their share of total Medicare FFS reimbursements in 2019** (\$484 billion). For Louisiana, that means \$474,891,735 will be distributed to nearly 5,000 providers.

HHS began distribution of the remaining \$20 billion of the general distribution to providers on April 24, 2020, to augment their allocation so that the whole \$50 billion general distribution is allocated proportional to providers' share of 2018 net patient revenue.

Automated payments will be made through a partnership with UnitedHealth Group (UHG) using account information on file with UHG, UnitedHealthcare or Optum Bank, or through reimbursements from the Centers for Medicare and Medicaid Services (CMS). Providers who normally receive paper checks for CMS reimbursements will also receive paper checks for this payment. Those are expected to arrive within the next few weeks. Please note that if providers ceased operation as a result of the COVID-19 pandemic, they are still eligible to receive funds.

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 who receive payments must also sign an [attestation](#) confirming receipt of the funds and agreeing to the HHS [terms and conditions](#) within 45 days of receiving the payment.

The CARES Act Provider Relief Fund Payment Attestation Portal is now open and can be accessed from the [HHS Provider Relief page](#).

Medicare providers for whom HHS did not have adequate cost report data on file **must** use this portal to submit their revenue information and agree to the terms and conditions to receive funds.

Providers who received funds automatically **must** submit their revenue information to be verified via the portal: [Submit Revenue Information](#).

Eligible providers have until Wednesday, June 3, 2020 to accept the terms and conditions and submit their revenue information to support receiving an additional payment from the Provider Relief Fund \$50 billion General Distribution. All providers who automatically received an additional General Distribution payment prior to 5:00 pm, Friday, April 24, must provide HHS with an accounting of their annual revenues by submitting tax forms or financial statements. These providers must also agree to the program Terms and Conditions if they wish to keep the funds. Providers who have cases pending before the HHS for adjudication with regard to eligibility for general distribution funding will not be impacted by this closure. All cases needing individual adjudication will need to be received by HHS no later than June 3, 2020.

The submission of tax forms or financial statements to the portal will also serve as an application for additional funding for those providers that have not already received an additional General Distribution payment. If these providers do not submit their revenue information by June 3, they will no longer be eligible to receive potential additional funding from the \$50 billion General Distribution.

#### **Targeted Distribution of Remaining CARES Act Funding**

The remaining \$50 billion is slated for targeted provider distribution. The focus will be on providers in areas particularly impacted by the COVID-19 outbreak, rural providers, providers of services with lower shares of reimbursement or those that predominantly serve the Medicaid population, and providers requesting reimbursement for the treatment of uninsured individuals.

**Louisiana Medicaid provided the requested information to HHS to inform HHS's future distribution of CARES Act provider relief funds to Medicaid providers. Unlike previously, Medicaid Providers do not have to submit any information directly to HHS, unless funds are received. For the next disbursement of funds, Louisiana Medicaid provided the requested information below and it was accepted by HHS on Tuesday, May 12, 2020:**

- **Total of all Medicaid paid amounts per TIN or NPI**
  - **Payments in calendar year 2018**
  - **Payments in calendar year 2019**

On May 1, 2020, HHS began processing payments from the Provider Relief fund to hospitals with large numbers of COVID-19 inpatient admissions through April 10, 2020, and to rural providers in support of the national response to COVID-19.

\$12 billion will be allocated for a targeted distribution to hospitals in areas that have been particularly impacted by the COVID-19 outbreak.

Of the \$12 billion HHS distributed to hospitals who provided inpatient care for 100 or more COVID-19 patients through April 10, 2020, Louisiana received \$399,879,990 between 15 hospitals. This distribution was based on data requested by HHS and submitted directly by hospitals.

\$10 billion will be allocated for rural health clinics and hospitals, most of which operate on especially thin margins and are far less likely to be profitable than their urban counterparts. This money will be distributed on the basis of operating expenses, using a methodology that distributes payments proportionately to each facility and clinic. Eligibility is based on the physical address of the facilities as reported to the Centers for Medicare and Medicaid Services (CMS) and the Health Resources and Services Administration (HRSA), regardless of their affiliation with organizations based in urban areas.

Of the \$10 billion HHS distributed to rural providers, Louisiana received \$223,857,772 between 218 providers.

\$4.9 billion in additional relief funds has been allocated to skilled nursing facilities (SNF) to help them combat the effects of this pandemic. This funding will be used to support nursing homes suffering from significant expenses or lost revenue attributable to COVID-19. HHS will make relief fund distributions to SNFs based on both a fixed basis and variable basis. Each SNF will receive a fixed distribution of \$50,000, plus a distribution of \$2,500 per bed. All certified SNFs with six or more certified beds are eligible for this targeted distribution. Nursing home recipients must attest that they will only use Provider Relief Fund payments for permissible purposes, as set forth in the Terms and Conditions, and agree to comply with future government audit and reporting requirements.

Of the \$4.9 billion distributed to SNFs, Louisiana received \$98,475,000 between 256 providers.

\$400 million will be allocated for Indian Health Service facilities, distributed on the basis of operating expenses. This money will be distributed as early as the week of April 27, 2020 on the basis of operating expenses for facilities.

\$15 billion has been allocated to eligible Medicaid and Children's Health Insurance Program (CHIP) providers. HHS expects to distribute approximately \$15 billion to eligible providers that participate in state Medicaid and CHIP programs and have not received a payment from the Provider Relief Fund General Distribution. The payment to each provider will be at least 2 percent of reported gross revenue from patient care. Examples of providers, serving

Medicaid/CHIP beneficiaries, possibly eligible for this funding include pediatricians, obstetrician-gynecologists, dentists, opioid treatment and behavioral health providers, assisted living facilities and other home and community-based services providers. To be eligible for this funding, health care providers must not have received payments from the \$50 billion Provider Relief Fund General Distribution and either have directly billed their state Medicaid/CHIP programs or Medicaid managed care plans for healthcare-related services between January 1, 2018, to May 31, 2020. The final amount each provider receives will be determined by provider-submitted data about the number of Medicaid patients served. Providers should submit annual patient revenue information through HHS's [provider relief fund portal](#). LDH does not receive or manage this data. If you have inquiries on the data submission or process, contact HHS for additional information.

\$10 billion has been allocated for safety net hospitals and will be sent via direct deposit beginning the week of June 8, 2020. Safety net hospitals will receive a minimum award of \$5 million and a maximum of \$50 million. Qualifying hospitals will have:

- A Medicare Disproportionate Payment Percentage (DPP) of 20.2 percent or greater;
- Average Uncompensated Care per bed of \$25,000 or more. For example, a hospital with 100 beds would need to provide \$2,500,000 in Uncompensated Care in a year to meet this requirement;
- Profitability of 3 percent or less, as reported to CMS in its most recently filed Cost Report.

HHS is continuing to work on additional targeted distributions to some providers ~~including, dentists and providers that solely take Medicaid.~~

Find more information about the CARES Act at [hhs.gov/provider-relief](https://hhs.gov/provider-relief).

HHS has also developed Frequently Asked Questions (FAQs) about CARES Act Provider Relief Funding to provide clarification on distribution of all CARES Act funding. [Click here for the FAQs.](#)

### **Federal Reimbursement for Treatment of the Uninsured**

A portion of the \$100 billion Provider Relief Fund, \$1 billion from the Families First Coronavirus Response Act and \$1 billion from the Paycheck Protection Program and Health Care Enhancement Act will be used to reimburse healthcare providers, at Medicare rates, for COVID-related treatment of the uninsured. Every healthcare provider who has provided treatment for uninsured COVID-19 patients on or after February 4, 2020, can request claims reimbursement through the program and will be reimbursed at Medicare rates, subject to available funding.

Steps to receive reimbursement will involve: enrolling as a provider participant, checking patient eligibility and benefits, submitting patient information, submitting claims, and receiving payment via direct deposit.

Providers who have conducted COVID-19 testing or provided treatment for uninsured COVID-19 individuals on or after February 4, 2020 **may** use this portal to request claims reimbursement: [Request Reimbursement](#).

As a condition, providers are obligated to abstain from “balance billing” any patient for COVID-19-related treatment. For more information, visit <https://www.hrsa.gov/coviduninsuredclaim>.

### **CARES Supplemental Funding for Health Centers**

As part of the CARES Act, \$1.3 billion is being provided through the Health Resources and Services Administration (HRSA) to Health Center Program recipients. This supplemental funding provides one-time support to health centers for the detection of coronavirus and/or the prevention, diagnosis, and treatment of COVID-19, including maintaining or increasing health center capacity and staffing levels during a coronavirus-related public health emergency in FY 2020.

This funding is for health centers who are funded by HRSA. To expedite distribution of this critical funding, HRSA has made funds immediately available but will collect budget and activities/costs to be supported by the funding after receipt of the funds. Recipients will receive a CARES notice of award, which includes a reporting requirement to submit information regarding CARES funding activities and budget. All replies to this CARES Reporting Requirement were to be submitted through the [HRSA Electronic Handbooks \(EHBs\)](#) by 10:59 p.m. on May 8, 2020.

More information on Supplemental Funding for Health Centers is available [here](#).

### **Other Funding Opportunities Available**

The CARES Act has reauthorized the following HRSA grant programs through FY 2025 and appropriated additional money to these programs:

- Telehealth and Telemedicine Grant Program (\$29 million per fiscal year).
- Rural Health Quality Improvement Grant Program (\$79.5 million per fiscal year).

To see all grant funding opportunities from HRSA and to apply, visit <https://www.hrsa.gov/grants/find-funding>.

### **CMS Programs & Payment for Care in Hospital Alternate Care Sites**

In response to the COVID-19 public health emergency, state and local governments, hospitals, and others are developing alternate care sites (ACS) to expand capacity and provide care to patients. CMS developed a [fact sheet](#) that provides state and local governments developing alternate care sites with information on how to seek payments through CMS programs – Medicare, Medicaid, and the Children’s Health Insurance Program – for acute inpatient and outpatient care furnished at an alternate care site. [Click here for more information.](#)

### **Expansion of the Accelerated and Advance Payments Program**

As part of the CARES Act, CMS expanded its current Accelerated and Advance Payment Program to increase cash flow to a broader group of Medicare Part A providers and Part B suppliers. On April 26, 2020, CMS announced plans to reevaluate the amounts paid under the program as well as the intent to suspend the AAP program to Part B suppliers and cease accepting new applications to the program.

An accelerated/advance payment is a payment intended to provide necessary funds when there is a disruption in claims submission and/or claims processing. The planned reevaluation of all pending and new applications for accelerated payments comes in light of historical direct payments made available through the Department of Health & Human Services’ Provider Relief Fund.

CMS has extended the repayment of these accelerated/advance payments to begin 120 days after the date of issuance of the payment.

Please note that CMS announced on April 26, 2020, that it is reevaluating amount paid under the program and suspending its Advance Payment Program to Part B suppliers effective immediately. This decision was made in light of released payments under the CARES Act Provider Relief Fund and an additional \$175 billion appropriation in provider relief payments. Refer to the [CMS fact sheet](#) for full details on eligibility and the request process.

### **Paycheck Protection Program and Healthcare Enhancement Act**

Last week, an additional \$75 billion in provider relief funding was allocated through the Paycheck Protection Program and Healthcare Enhancement Act. This is in addition to the \$100 billion already designated in the Provider Relief Fund in the Coronavirus Aid, Relief and Economic Security Act (CARES Act).