

CARES Act – Provider Relief Fund

Phase 2 General Distribution Application Deadline Extended to August 28, 2020 and Updated Reporting Requirements

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The U.S. Department of Health & Human Services (HHS) expects to distribute \$15 billion to eligible providers through the CARES Act Provider Relief Fund (PRF). To be eligible, a provider must participate in state Medicaid/CHIP programs or Medicaid managed care plans, or provide dental care. Also eligible are certain Medicare providers, including those who missed the Phase 1 General Distribution payment equal to 2% of their total patient care revenue or had a change in ownership in 2019 or 2020.

To be eligible to apply, the applicant must meet all of the following requirements (one of the five criteria detailed in the first requirement as well as requirements 2 through 5 shown below):

1. Applicants must meet one of the following criterion:
 - a. Must have either (i) directly billed their state Medicaid/CHIP programs or Medicaid managed care plans for health care-related services during the period of January 1, 2018 to December 31, 2019, or (ii) own (on the application date) an included subsidiary that has either directly billed their state Medicaid/CHIP programs or Medicaid managed care plans for health care-related services during the period of January 1, 2018 to December 31, 2019.
 - b. Must be a dental service provider who has either (i) directly billed health insurance companies for oral health care-related services, or (ii) owns (on the application date) an included subsidiary that has directly billed health insurance companies for oral health care-related services.
 - c. Must be a licensed dental service provider who does not accept insurance and has either (i) directly billed patients for oral health care-related services, or (ii) who owns (on the application date) an included subsidiary that does not accept insurance and has directly billed patients for oral health care-related services.
 - d. Must have billed Medicare fee-for-service during the period of January 1, 2019 to December 31, 2019.
 - e. Must be a Medicare Part A provider that experienced a change in ownership and billed Medicare fee-for-service in 2019 and 2020 that prevented the otherwise eligible provider from receiving a Phase 1 - General Distribution payment.
2. Must have either (i) filed a federal income tax return for fiscal years 2017, 2018 or 2019 or (ii) be an entity exempt from the requirement to file a federal income tax return and have no beneficial owner that is required to file a federal income tax return (e.g. a state-owned hospital or health care clinic); and
3. Must have provided patient care after January 31, 2020; and
4. Must not have permanently ceased providing patient care directly or indirectly through included subsidiaries; and
5. If the applicant is an individual, have gross receipts or sales from providing patient care reported on Form 1040, Schedule C, Line 1, excluding income reported on a W-2 as a (statutory) employee.

Providers who have received a payment under Phase 1 General Distribution **are no longer prohibited from submitting an application under Phase 2 General Distribution**. Providers who received a previous Phase 1 General Distribution payment are eligible to apply and may receive additional funds as long as they have not yet received a payment that is approximately 2% of annual revenue from patient care.

If you meet the above criteria, you may apply online at <https://cares.linkhealth.com/#/> or for additional assistance applying please call the provider support line at (866) 569-3522; for TTY dial 711. Hours of operation are 7:00 a.m. to 10:00 p.m. Central Time, Monday through Friday.

Reporting Requirement Updated

Original guidance issued by HHS on July 20, 2020 indicated that by August 17, 2020 detailed instruction would be released regarding the reporting requirement for all recipients who received one or more payments exceeding \$10,000 in the aggregate. However, on August 14, 2020 HHS indicated that detailed instructions regarding these reports will be released as soon as they become available.

The report system availability and deadline have not changed and remain as follows:

- The reporting system will become available to funding recipients for reporting on October 1, 2020.
- Within 45 days of the end of calendar year 2020 (but no later than February 15, 2021), all recipients must report on their expenditures through the period ending December 31, 2020.
- Recipients who have expended funds in full prior to December 31, 2020 may submit a single final report at any time between October 1, 2020 and February 15, 2021.
- Recipients with funds unexpended after December 31, 2020 must submit a second and final report no later than July 31, 2021.
- Detailed PRF reporting instructions and a data collection template with the necessary data elements will soon be made available through the Health Resources and Services Administration (HRSA) website.
- PRF recipients should continue to check the hhs.gov provider relief page for the latest updates.

Contact Us

If you require assistance understanding any of the terms and conditions of the Cares Act Provider Relief Fund, please contact the partner in charge of your account or:

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