

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND



The following is available to members as an informational resource. KMA expresses no opinion as to the feasibility, applicability, or impact to your particular practice.

The CARES Act includes relief to health care providers, including physician practices, who are suffering financial loss due to COVID-19 by designating \$100 billion funding for the Department of Health and Human Services (HHS) **Public Health and Social Services Emergency Fund**. The statute requires HHS to interpret eligibility for the funding broadly to include all physicians who are experiencing revenue losses and non-reimbursable expenses as a result of the COVID-19 pandemic.

Here's what you need to know:

On April 10, 2020, the Department of Health and Human Services (HHS) announced the immediate disbursement of the first \$30 billion out of the \$100 billion that Congress allocated to hospitals, physicians and other health care providers in the Public Health and Social Services Emergency Fund in the Coronavirus Aid, Relief and Economic Security (CARES) Act.

This initial \$30 billion is being directed to all hospitals and physician practices that billed Medicare fee-for-service (FFS) in 2019, and disbursements will be in direct proportion to the health care provider's share of total Medicare FFS reimbursements for that year. Priority for the first \$30 billion will be given to providers that care for a large share of Medicare patients. A second disbursement is expected soon that will target providers that do not have high-volumes of Medicare patients as well as providers in COVID-19 hotspots.

These are grants, not loans, and do not have to be repaid. An application is not required to receive the funding. Note that the funds will go to each organization's TIN which normally receives Medicare payments, not to each individual physician. The automatic payments will come to the organizations via Optum Bank with "HHSPAYMENT" as the payment description. The funds may be used either for health care related expenses or for lost revenues that are attributable to coronavirus.

Additional details about the allocation are available at: <https://www.hhs.gov/provider-relief/index.html>

This website also includes a link to [Terms and Conditions](#) for receipt of the funds that each organization receiving the grants will need to attest to within 30 days of receiving the grant. As a part of the Terms and Conditions, physicians must attest that they will not give any surprise medical bills to COVID-19 patients.

Sources: *The Department for Health and Human Services
The American Medical Association*