

HHS Releases Initial \$30 Billion to Medicare Providers

[HHS announced this morning](#) that is partnering with UnitedHealth Group (UHG) to deliver the initial \$30 billion distribution to Medicare providers as quickly as possible. Providers will be paid electronically where possible. Providers who normally receive a paper check for reimbursement from CMS will receive a paper check in the mail for this payment as well, within the next few weeks.

- All facilities and providers that received Medicare fee-for-service (FFS) reimbursements in 2019 are eligible for this initial rapid distribution.
- Payments to practices that are part of larger medical groups will be sent to the group's central billing office. All relief payments are made to the billing organization according to its Taxpayer Identification Number.
- 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.
- This dispersal of funds is intended to 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. This provision will aid providers with declining occupancy rates.
- Providers will be distributed a portion of the initial \$30 billion **based on their share of total Medicare FFS reimbursements** in 2019. This means that CMS, as with calculating the Accelerated and Advance Payments, has used net reimbursement based upon claims to calculate the award amounts. Total FFS payments were approximately \$484 billion in 2019.
- A provider can estimate their payment by dividing their 2019 Medicare FFS (**not including Medicare Advantage**) payments they received by \$484,000,000,000, and multiply that ratio by \$30,000,000,000. Providers can obtain their 2019 Medicare FFS billings from their organization's revenue management system. Providers should work with their financial management, revenue cycle divisions or third-party billing contractors to arrive at their own estimates.

Calculation Example

A provider billed Medicare FFS \$121 million in 2019. To determine how much they would receive, use this equation:

$\$121,000,000 / \$484,000,000,000 \times \$30,000,000,000 = \$7,500,000$

Future Distributions of Funds

In the coming weeks, funds will be released for providers in areas particularly impacted by the COVID-19 outbreak, rural providers, low volume Medicare providers of services, providers who predominantly serve the Medicaid population, and providers requesting reimbursement for the treatment of uninsured Americans.

Terms and Conditions

Within 30 days of receiving the payment, providers must sign an attestation confirming receipt of the funds and agreeing to the terms and conditions of payment. The portal for signing the attestation will be open the week of April 13, 2020 and will be linked from [here](#).

Additional Information

Visit [HHS's FAQ](#) for additional information on eligibility and process. As AHCA/NCAL learns more about today's announcement and future distribution of funds, the Association will release additional information.

Please email COVID19@ahca.org for additional questions, or visit ahcancal.org/coronavirus for more information.

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