Financial Relief Options for Physicians

Update: October 5, 2020

Provider Relief Fund

**UPDATES:** The U.S. Department of Health and Human Services has announced $20 billion in new funding for providers. Under Phase 3, providers that have already received Provider Relief Fund payments are able to apply for additional funding. Providers can begin applying October 5, 2020 through November 6, 2020.

Please visit the HHS Provider Relief Fund webpage to learn how to apply for Phase 3 General Distribution.

**What is the Provider Relief Fund?**

Provides relief funds to Medicare providers and facilities that have been impacted by COVID-19. Established by the Coronavirus, Aid, Relief and Economic Security Act (CARES), $50 billion has been allocated for this fund to date.

The distribution of the $50 billion occurred in two phases. An initial $30 billion was distributed between April 10 and April 17, and the remaining $20 billion was distributed beginning on April 24 to eligible providers throughout the U.S. healthcare system via direct deposit. Starting October 5, 2020, providers are able to apply for additional funding from the Provider Relief Fund.

These are payments and do not need to be repaid.

**How will payments be handled?**

Payments will go out weekly, on a rolling basis. The first wave was delivered at the end of April 24, 2020.

Providers will be paid via ACH account information on file with UnitedHealth Group (UHG) or CMS. Payments will come via Optum Bank with "HHSPAYMENT" as the payment description.

Those 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.

**Next steps:**

Within 90 days of receiving the payment, providers must sign an attestation confirming receipt of the funds and agreeing to the terms and conditions of payment. Click here to sign the attestation and accept the Terms and Conditions

**The COVID-19 Uninsured Program:**

A portion of the Provider Relief Fund will be used to cover the costs of caring for uninsured patients with COVID-19. Reimbursement will be based on Medicare payment rates. Office and emergency visits, including those provided via telehealth, may be reimbursed in this manner.

Providers need to register for the COVID-19 Uninsured Program and can start submitting claims starting May 6th.

For more information, visit the Health and Human Services Administration website here.
**Additional Information:**

Some additional funds will be allocated based on location, level of impact, and other factors. For more information about this and to find details about the CARES Act Provider Relief Fund, please visit the [HHS website](https://www.hhs.gov) or their [FAQ document](https).

**Relief Funds for Medicaid, CHIP, and Dental Eligible Providers:**

U.S. Department of Human and Health Services announced that an additional $15 billion will be distributed to eligible providers that participate in state Medicaid and CHIP programs.

Providers who are eligible to receive payment from the $15 billion must meet the following criteria:

1. Received no payment from the $50 billion General Distribution to Medicare providers
2. Billed Medicaid/CHIP programs or Medicaid managed care plans for health care-related services between Jan. 1, 2018 – Dec. 31, 2019
3. Filed a federal income tax return for fiscal years 2017, 2018 or 2019; or be exempt from filing a return
4. Provided patient care after January 31, 2020
5. Not permanently ceased providing patient care directly, or indirectly
6. Reported on Form 1040 (or other tax form) gross receipts or sales from providing patient care

If you meet the Medicaid/CHIP provider eligibility criteria and would like to apply for payments, please complete the following:

1. Read the [Medicaid Provider Distribution Instructions](https); then
2. Complete the [Medicaid Provider Distribution Application form](https); then
3. Submit completed application and any additional requested information specified in the instructions in the [CARES Act Provider Relief Fund Payment Attestation Portal](https); then
4. Within 90 days of receiving the payment, you must attest to confirming receipt of the funds and agreeing to the [terms and conditions](https) of payment by visiting the [CARES Act Provider Relief Fund Payment Attestation Portal](https) and completing the attestation process
   a. If attestation is not completed within 90 days and the Provider Relief Fund payment is not returned, HHS will view this as the provider agreeing to the terms and conditions

For additional information, please review the following resources:

- Technical Assistance Webcast
- Frequently Asked Questions
- Medicaid and CHIP Provider Distribution Fact Sheet - PDF
Small Business Relief

Paycheck Protection Program (PPP)

The Paycheck Protection Program, established by the Coronavirus, Aid, Relief and Economic Security Act (CARES), was implemented by the Small Business Administration with support from the Department of the Treasury. This program provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities.

Funds are disbursed to qualifying organizations under a loan program, but there is an opportunity for loan forgiveness based on maintaining or rehiring employees.

If additional funds are allocated, applications should be made to banks or other financial institutions, as soon as new funds are approved. Since the provisions for loans and loan forgiveness are complex, interested organizations should check with their lawyer, accountant or tax advisor for guidance.

For a practical overview of the PPP, IDSA has made available the Paycheck Protection Program: A Practical Overview for ID Physicians & Practices webinar recording hosted by Hart Health Strategies. This webinar recording covers the PPP and the mechanisms of the program that include how to apply, what the loan must be used for, loan forgiveness, and what happens to unforgiven loans.

For more information, please visit the U.S. Small Business Administration Paycheck Protection Program website.

Other State or Local Grant Resources

Many states and counties have also authorized funds to be distributed as grants for financial relief. The specifics vary widely by location, so organizations would have to check with their specific governmental units.

Unemployment

The Federal Pandemic Unemployment Compensation (FPUC) program provides an additional $600 in weekly benefits for any employees receiving unemployment payments for weeks of unemployment ending on or before July 31, 2020. In addition, the Pandemic Emergency Unemployment Compensation (PEUC) program allows those who have exhausted benefits under regular unemployment compensation to receive up to 13 weeks of additional benefits.

For more information, please visit the U.S. Department of Labor Guidance on Unemployment Insurance.

Retirement Plan Provisions

Individuals with a qualified COVID-19 reason can have early access to their IRA retirement funds, and can also include their 401K plans, if their employer has adopted these new rules. The relaxation of restrictions includes withdrawals before age 59 ½, suspension of the mandatory 20% federal tax withholding on such withdrawals and an increase in the loan limit from $50,000 to $100,000.

For more information, please read "How the CARES Act Eases Retirement Account Rules During COVID-19.”
Tax Credits for Paid Sick Leave

The Families First Coronavirus Response Act (FFCRA) provides small and midsize employers with refundable tax credits that reimburse them, dollar-for-dollar, for the cost of providing paid sick and family leave wages to their employees for leave related to COVID-19. Interested organizations should discuss with their payroll provider.

For more information, please visit the IRS COVID-19-Related Tax Credits for Required Paid Leave Provided by Small and Midsize Businesses FAQs.

For more information related to the CARES Act, Provider Relief Fund, and Small Business Relief programs, please review the Key Physician Provisions resource prepared by Hart Health Strategies Inc.