



CARES Act Provider Relief Fund Payments

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Earlier this month, Williams Mullen **reported** that the CARES Act would provide \$100 billion in relief funds to skilled nursing facilities, hospitals and other health care providers on the front lines of the COVID-19 response. Of the \$100 billion provided in the CARES Act, \$30 billion is currently being disbursed to providers that received Medicare fee-for-service reimbursements in 2019. Providers began receiving payments via direct deposit on April 10, 2020.

These payments are not loans and will not need to be repaid as long as providers comply with the terms and conditions. Future distributions from the \$100 billion fund will be made to providers that derive income from Medicaid and other payer sources. The U.S. Department of Health and Human Services (HHS) touts these as "payments, not loans, to health care providers, and will not need to be repaid." But, contrary to initial expectations and statements from HHS, these payments come with strings attached:

- Providers are required to document all COVID-19-related expenses and lost revenue attributable to COVID-19.
- Funds can be used only by facilities that care for people with confirmed or suspected cases of COVID-19. (We anticipate forthcoming guidance from the Centers for Medicare and Medicaid Services regarding this requirement.)
- Providers can use the funds only for health care-related expenses or lost revenues that are attributable to COVID-19 and that have not been reimbursed from other sources.
- Within 30 days of receiving the relief funds, providers must sign an attestation confirming receipt of the funds through the HHS online portal.
- Providers cannot seek out-of-pocket payments from any COVID-19 patient greater than what that patient would normally have been required to pay for care if it had been provided by an in-network provider.
- By signing the attestation, providers agree to the terms and conditions associated with the funds.

Currently, the rules regarding the state funds that a provider would have to agree to all of the **terms and conditions**

associated with the funds or, in the alternative, decline the funds and return the grant.

For more information about the Relief Fund Payments, please contact **Jim Bailey** or **Matt Cobb**.

Please note: This alert contains general, condensed summaries of actual legal matters, statutes and opinions for information purposes. It is not meant to be and should not be construed as legal advice. Readers with particular needs on specific issues should retain the services of competent counsel.

Please click here for additional legal updates from Williams Mullen regarding COVID-19.

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