

Updated HHS FAQs – December 28, 2020

General Distribution FAQs

Phase 3 - Overview and Eligibility

What will be the methodology/formula used to calculate provider payment in Phase 3? (Modified 12/28/2020)

Providers will be paid up to 88 percent of their reported losses and net change in their operating expenses from patient care from the first half of 2020. Some applicants will not receive an additional payment either because they experienced no change in revenues or net expenses attributable to COVID-19, or because they have already received funds that equal or exceed reimbursement of 88 percent of reported losses. Providers that have not yet received and kept a payment that is approximately 2% of annual revenue from patient care as part of the General Distribution will receive at least that amount as part of their Phase 3 payment.

What is the payment amount that an applicant should expect to receive from Phase 3 of the General Distribution? (Modified 12/28/2020)

If an applicant has not yet received and kept a payment that is approximately 2% of annual revenue from patient care as part of either Phase 1 or 2 of the General Distribution, then they will receive at least that amount in Phase 3 payment. In addition to this amount, providers will be paid up to 88 percent of their reported losses and net change in their operating expenses from patient care from the first half of 2020. Some applicants will not receive an additional payment either because they experienced no change in revenues or net expenses attributable to COVID-19, or because they have already received funds that equal or exceed reimbursement of 88 percent of reported losses.

When will Phase 3 payments be made? (Added 12/28/2020)

HHS began issuing Phase 3 – General Distribution payments in mid-December, 2020, and will continue making payments through the first months of 2021.

Provider Relief Fund General Information (FAQs)

Use of Funds

My state or territorial Medicaid or Children’s Health Insurance Program (CHIP) agency has directed providers to use Provider Relief Fund dollars before applying Medicaid or CHIP reimbursement, as well as Medicaid COVID-19 supplemental payments, to cover health care-related expenses or lost revenues attributable to coronavirus. Is this permissible? (Added 12/28/2020)

No. As it relates to expenses, providers identify their health care-related expenses, and then apply any amounts received through other sources (e.g., direct patient billing, commercial insurance, Medicare/Medicaid/CHIP, reimbursement from the Provider Relief Fund COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured, or funds received from FEMA or SBA/Department of

Treasury's Paycheck Protection Program) that offset the health care-related expenses. Provider Relief Fund payments may be applied to the remaining expenses or cost, after netting the other funds received or obligated to be received which offset those expenses.

Overview

Which sections of 45 CFR 75 – UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR HHS AWARDS are applicable to the General and Targeted Distributions of the Provider Relief Fund? (Added 12/28/2020)

Recipients (both non-federal entities and commercial organizations) of the General and Targeted Distributions of the Provider Relief Fund are subject to 45 CFR 75 Subpart A (Acronyms and Definitions) and B (General Provisions), subsections §§75.303 (Internal Controls), and 75.351-.353 (Subrecipient Monitoring and Management), and Subpart F (Audit Requirements). In addition, the terms and conditions of the PRF payments incorporate by reference the obligation of recipients to comply with the requirements to maintain appropriate financial systems at 75.302 (Financial management and standards for financial management systems) and the requirements for record retention and access at 75.361 through 75.365 (Record Retention and Access).

Will I receive a Form 1099? (Added 12/18/2020)

Yes, you will receive a Form 1099 if you received and retained within the calendar year 2020 a total net payment from either or both of the Provider Relief Fund and COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured that is in excess of \$600.

When will my Form 1099 be available? (Added 12/18/2020)

Form 1099s will be mailed by January 31st, 2021. If you have previously established an account with UnitedHealth Group and elected to receive electronic copies of documents and notices, you will not receive a mailed copy.

Who do I contact if I have question regarding my Form 1099? (Added 12/18/2020)

Please call the Provider Support Line (866) 569-3522 (for TTY, dial 711) for any questions you may have regarding your Form 1099.