

August 4, 2020

**ILLINOIS HEALTH AND HOSPITAL ASSOCIATION
M E M O R A N D U M**

SUBJECT: PRF Application Deadline Extended to Aug. 28 for Certain Providers

On July 31, the U.S. Department of Health and Human Services (HHS) [extended the deadline](#) for providers to apply for Provider Relief Fund (PRF) general distribution funds to Aug. 28. This extension affects certain Medicare providers, providers that experienced a change of ownership in 2020, and Medicaid, CHIP and dental providers that did not receive funds from the PRF general distribution in April.

Certain Medicare Providers

Beginning the week of Aug. 10, Medicare providers that missed the initial opportunity to apply for additional funding from the second tranche (i.e., \$20 billion portion) of the \$50 billion PRF general distribution will have another opportunity to apply. In April, HHS distributed funds to Medicare-participating providers equaling 2% of net patient revenue. HHS used 2019 cost report information to determine each provider's distribution amount, and instructed providers that do not submit comprehensive cost reports to the Centers for Medicare & Medicaid Services (CMS) to submit additional revenue information to receive the balance of the 2% payment. Some providers did not complete an application by the deadline for this additional funding, and HHS is now giving those eligible providers another opportunity to apply. Providers will have until Aug. 28 to complete an application for consideration for the balance of their additional funding, up to 2% of their annual net patient revenue. Additional information on the application process is forthcoming.

Change of Ownership

Providers or provider practices that experienced a change in ownership in 2020 did not receive PRF general distribution payments, as HHS relied on 2019 CMS cost report data to determine payment amounts. Previous owners in receipt of payments in error were to return those payments. To date, HHS has not reissued those payments to the correct owner, and for program integrity purposes, previous owners may not transfer funds to the new owners.

Instead, starting the week of Aug. 10, providers who experienced a change of ownership in 2020 may submit their revenue information, along with documentation proving a change in ownership, by Aug. 28 for consideration for PRF payment. More details on the application process are forthcoming.

Medicaid, CHIP and Dental Providers

Certain Medicaid, CHIP and dental providers were eligible to begin applying for PRF funding from a \$15 billion targeted PRF distribution in June. Such providers are eligible to receive up to 2% of reported patient revenue. As a reminder, providers are eligible for this distribution if they did not receive any funding from the \$50 billion general distribution. While the initial application deadline was July 20, HHS decided to extend the deadline until Aug. 28 after reviewing provider feedback that the application process was somewhat arduous. HHS is also working to simplify the application form. More information on this application process is [here](#).

In addition to these deadline extensions, HHS is working to provide relief payments to new providers (established in 2020), along with any other providers that have not yet received funding for a variety of reasons. This includes providers that may only bill commercial insurers, or do not directly bill for services provided under the Medicare and Medicaid programs. HHS will announce such funding when details are available.

IHA will provide additional information on all PRF-related application processes and deadlines as it becomes available. Please send questions or comments to Cassie Yarbrough, Director of Medicare Policy, at 630-276-5516 or cyarbrough@team-iha.org.