



CARES Act Funding for Medicaid & CHIP Providers

The U.S. Department of Health and Human Services ([HHS](#)), through the Health Resources and Services Administration ([HRSA](#)), has [announced](#) additional distributions from the Provider Relief Fund to eligible Medicaid and Children's Health Insurance Program (CHIP) providers that participate in state Medicaid and CHIP programs. HHS expects to distribute approximately \$15 billion to eligible providers that participate in state Medicaid and CHIP programs and have not received a payment from the Provider Relief Fund General Allocation. Funding is being provided from the Coronavirus Aid, Relief and Economic Security ([CARES](#)) Act to Medicaid providers.

An enhanced Provider Relief Fund Payment Portal that will allow eligible Medicaid and CHIP providers to report their annual patient revenue, which will be used as a factor in determining their Provider Relief Fund payment. The payment to each provider will be at least two (2) percent of reported gross revenue from patient care; the final amount each provider receives will be determined after the data is submitted, including information about the number of Medicaid patients providers serve.

This funding will supply relief to Medicaid and CHIP providers experiencing lost revenues or increased expenses due to COVID-19. To be eligible for this funding, health care providers must not have received payments from the \$50 billion Provider Relief Fund General Distribution and either have directly billed their state Medicaid/CHIP programs or Medicaid managed care plans for healthcare-related services between January 1, 2018, to May 31, 2020.

More information about eligibility and the application process is available [here](#).

To be eligible to apply, the applicant must meet all six of the following requirements:

1. Must not have received payment from the \$50 billion General Distribution; and
2. Must have directly billed Medicaid for healthcare-related services during the period of January 1, 2018, to December 31, 2019, or (ii) own (on the application date) an included subsidiary that has billed Medicaid for healthcare-related services during the period of January 1, 2018, to December 31, 2019; and
3. Must have either (i) filed a federal income tax return for fiscal years 2017, 2018 or 2019 or (ii) be an entity exempt from the requirement to file a federal income tax return and have no beneficial owner that is required to file a federal income tax return (e.g. a state-owned hospital or healthcare clinic); and
4. Must have provided patient care after January 31, 2020; and
5. Must not have permanently ceased providing patient care directly, or indirectly through included subsidiaries; and

6. If the applicant is an individual, have gross receipts or sales from providing patient care reported on Form 1040, Schedule C, Line 1, excluding income reported on a W-2 as a (statutory) employee.

We will provide more information as it becomes available.

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