

Presented by



Daily COVID 19 Opportunities Update Specific to Health Providers (New Opportunities Only)

April 10, 2020

CARES Act Emergency Funding Update

The Department of Health and Human Services announced this morning that it will officially begin to distribute \$30 billion today to struggling hospitals from the \$100 billion emergency fund established by Congress under the CARES Act. Of particular note in the HHS announcement, providers must confirm receipt of funds with the department and agree to terms and conditions of payment: "Within 30 days of receiving the payment, providers must sign an attestation confirming receipt of the funds and agreeing to the terms and conditions of payment. The portal for signing the attestation will be open the week of April 13, 2020 and will be linked from hhs.gov/providerrelief"

Hospitals can use the following formula to determine their share of the initial \$30 billion:

- Providers will be distributed a portion of the initial \$30 billion based on their share of total Medicare FFS reimbursements in 2019. Total FFS payments were approximately \$484 billion in 2019.
- A provider can estimate their payment by dividing their 2019 Medicare FFS (not including Medicare Advantage) payments they received by \$484,000,000,000 and multiply that ratio by \$30,000,000,000. Providers can obtain their 2019 Medicare FFS billings from their organization's revenue management system.
- For example, if a community hospital billed Medicare FFS \$121 million in 2019. To determine how much they would receive, they would use calculate:
 - o \$121,000,000/\$484,000,000,000 x \$30,000,000,000 = \$7,500,000

After these funds are disbursed, HHS's focus is shifting to determining how to distribute the next set of funding to medical service providers who serve more disadvantaged communities.

The first \$30 billion is being directly deposited into hospitals' and other clinicians' accounts based on 2019 Medicare fee-for-service revenues, and providers who treat predominantly Medicaid-based and uninsured patients have sounded the alarm that they may receive far less financial assistance than needed as a result. According to CQ, HHS officials are working to develop a plan within the next seven to ten days to better direct aid to these providers, many of which are children's hospitals or serve rural and socio-economically vulnerable populations. Administration officials have cautioned that there is not a direct pipeline to direct funds to Medicaid-reliant providers in the same manner as for Medicare, but they are prioritizing the development of a new allocation system which will target geographic areas dealing with high numbers of COVID-19 patients.

Senator Patty Murray (D-WA) and Rep. Rosa DeLauro (D-CT), the top Democrats on the health appropriations committees <u>have been in communication with</u> HHS Secretary Alex Azar and CMS Administrator Seema Verma to request greater clarity and detail on how this funding will be distributed as it becomes available, and if it will be similarly unconditional—free of any provisions related to employee retention and executive payas the first \$30 billion distributed to medical providers was.

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- Announcement to Support Novel, High-Impact Studies Evaluating Health System and Healthcare Professional Responsiveness to COVID-19

Workforce and Health Systems Research

<u>Department of Health and Human Services</u>

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Health Systems Capacity Building (including telehealth)

Department of Health and Human Services - Agency for Health Care Research and Quality - Competitive Revision Supplements to Existing AHRQ Grants and Cooperative Agreements to Evaluate Health System and Healthcare Professional Responsiveness to COVID-19 (Supplement - Clinical Trial Optional)

Application Due Date: FORECAST

Estimated Award Date: September 30, 2020

Expected Number of Awards:

Estimated Total Program Funding:

Award Ceiling: Award Floor:

Funding Opportunity Number: PA-20-070

Purpose: The Agency for Healthcare Research and Quality hereby notify grantees holding specific types of AHRQ research grants and cooperative agreements (R01, R03, R18, K12, U01, U18) that funds may be available for competitive revisions to meet immediate needs to help address timely health system and healthcare professional response to the COVID-19.

https://www.grants.gov/web/grants/view-opportunity.html?oppId=326193

Department of Health and Human Services - Agency for Health Care Research and Quality - Announcement to Support Novel, High-Impact Studies Evaluating Health System and Healthcare Professional Responsiveness to COVID-19

Application Due Date: FORECAST

Estimated Award Date: September 30, 2020

Expected Number of Awards:

Estimated Total Program Funding:

Award Ceiling: Award Floor:

Funding Opportunity Number: PA-20-071

Purpose: The health systems research community should prepare to submit applications to AHRQ to fund critical research focused on evaluating topics such as innovations and challenges encountered in the rapid expansion of telemedicine in response to COVID-19, effects on quality, safety, and value of health system response to COVID-19, and the role of primary care practices and professionals during the COVID-19 epidemic. AHRQ is particularly interested in understanding how digital health innovations contributed to health system and healthcare professional innovation and challenges and solutions to meeting the needs of vulnerable populations including older adults, people living with multiple chronic conditions, rural communities, and uninsured and underinsured populations.

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