

Dear Stakeholder,

Below you will find a message that was distributed to health care providers who may be eligible for additional provider relief funds, via the \$17 billion Provider Relief Fund Phase 4 General Distribution and the \$8.5 billion ARP Rural Distribution. Thank you for amplifying this “coming soon” message to your members and/or networks. HRSA’s Provider Relief Bureau will provide more details as we approach the September 29, 2021 application launch.

Attached you will find a social media graphic to share as well as a short message below.

*#Today: The U.S. Department of Health and Human Services announces \$25.5 BILLION in critical provider relief funds for healthcare providers affected by the #COVID19 pandemic, including \$8.5 BILLION in American Rescue Plan funding for #rural providers. View our release for more info: <https://bit.ly/3Cevkll>*



## New Provider Relief Funding Available

Today, the Department of Health and Human Services (HHS), through the Health Resources and Services Administration (HRSA), is announcing \$25.5 billion in new funding for health care providers affected by the COVID-19 pandemic. This funding includes \$8.5 billion in American Rescue Plan (ARP) resources for providers who serve rural Medicaid, Children’s Health Insurance Program (CHIP), or Medicare patients, and an additional \$17 billion for Provider Relief Fund (PRF) Phase 4 for a broad range of providers who can document revenue loss and expenses associated with the pandemic.

### Get Ready to Apply!

The application will open on September 29, 2021. In order to streamline the application process and minimize administrative burdens, providers will apply for both programs in a single application and HRSA will use existing Medicaid/CHIP and Medicare claims data in calculating portions of these payments.

- **Phase 4 General Distribution**— \$17 billion based on providers’ lost revenues and changes in operating expenses from July 1, 2020 to March 31, 2021.
  - To promote equity and to support providers with the most need, HRSA will:
    - Reimburse a higher percentage of lost revenues and expenses for smaller providers as compared to larger providers.
    - Provide "bonus" payments based on the amount of services they provide to Medicaid, CHIP, and Medicare patients, priced at the generally higher Medicare rates.
  - **American Rescue Plan (ARP) Rural** — \$8.5 billion based on the amount of services providers furnish to Medicaid/CHIP and Medicare beneficiaries living in Federal Office of Rural Health Policy (FORHP)-defined rural areas.

- To promote equity, HRSA will price payments at the generally higher Medicare rates for Medicaid/CHIP patients.

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## How Can I Prepare?

- Review eligibility information posted on the [PRF Future Payments web page](#) and additional detail will be added prior to September 29.
- Search the [Rural Health Grants Eligibility Analyzer](#) to see what areas qualify as "rural" for the ARP rural payments.
- Gather supporting documentation, such as most recent tax documents and financial statements for the second half of calendar year (CY) 2020 and the first quarter of CY 2021.

### Phase 3 Reconsiderations!

As we announce the availability of Phase 4 funding, you may also have questions about how HRSA calculated your PRF Phase 3 payment. To promote transparency in the PRF program, HHS today released [detailed information](#) about the methodology utilized to calculate Phase 3 payments. Providers who believe their Phase 3 payment was not calculated correctly according to this methodology will now have an opportunity to request a reconsideration. Further details on this Phase 3 reconsideration process are forthcoming.

### Grace Period for Reporting Period 1

In light of the challenges providers across the country are facing due to recent natural disasters and the Delta variant, HHS is also announcing today a final 60-day grace period to help providers come into compliance with their PRF Reporting requirements if they fail to meet the deadline on September 30, 2021, for the first PRF Reporting Time Period. While the deadlines to use funds and the Reporting Time Period will not change, HHS will not initiate collection activities or similar enforcement actions for noncompliant providers during this grace period. Several helpful resources can be found at on the [PRF Reporting web page](#).

We know that provider relief funding is critical for health care providers across the country. We are committed to distributing it as equitably and transparently as possible to help providers respond to and ultimately defeat this pandemic.

Thank you for all you are doing during this difficult time.

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Additional resources and information can be found on the [PRF Reporting Webpage](#) or by calling the Provider Support Line at (866) 569-3522, for TTY dial 711. Hours of operation are 8 a.m. to 10 p.m. CT, Monday through Friday.

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**HHS Announces  
the Availability of  
\$25.5 BILLION in  
COVID-19 Provider  
Funding**

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