

More COVID-19 Emergency Funding for Health Care Providers

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In response to pleas from hospitals and health care providers for more COVID-19 relief, the U.S. Congress passed the Health Care Enhancement Act as part of a new \$484 billion COVID-19 stimulus package. Dubbed "CARES Act 3.5," the act generally [expands the emergency funding already approved](#) by Congress. The act also adds new funding to support widespread coronavirus testing.

CARES Act 3.5 authorizes an additional \$75 billion for the Public Health and Social Services Emergency Fund to assist Medicare providers that incurred expenses or lost revenues during the COVID-19 crisis. The spending and record-keeping requirements for recipients generally remains unchanged. However, eligibility for funding has been expanded to include non-Medicare recipients, such as Medicaid providers and public health agencies, as well as some private entities approved by the Department of Health and Human Services. In order to meet eligibility criteria, the recipient must be engaged in the diagnosis, testing or care of individuals with possible or actual cases of COVID-19, as broadly applied.

In addition, CARES Act 3.5 authorizes \$25 billion in funding for COVID-19 testing. The act grants funding for various testing initiatives across the country, and for COVID-19 hot-spots in particular. This includes funding for federal, state and local agencies, as well as community health centers and rural clinics. The act also allocates \$1 billion to cover "testing costs" for the uninsured. To ensure that this emergency funding is used appropriately, the act allocates \$6 billion for federal oversight activities.

The additional \$75 billion in emergency funding authorized by Congress supplements the \$50 billion in emergency payments already on its way to health care providers, as authorized by the CARES Act. \$30 billion of CARES Act funding was sent earlier this month, and the remaining \$20 billion will be distributed shortly based upon the provider's Medicare fee-for-service revenues.

Now that emergency funding is available to non-Medicare providers as well, all Medicaid providers, nursing facilities, home care agencies and others engaged in responding to COVID-19 crisis should assess their eligibility for funding, and make application for relief if needed. Recipients should keep in mind that funds must be used appropriately and that a full accounting may be required at a later time. Still, this emergency funding is intended to broadly cover all reasonable efforts undertaken by providers to care for patients, seniors and the nation's most vulnerable during the COVID-19 pandemic.

If you have any questions about this latest round of funding, please [contact me](#) or any member of the [Barley Snyder Health Care Industry Group](#) or [Senior Living Industry Group](#).

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