

To: AmeriHealth Caritas Louisiana Providers

Date: December 14, 2021

Subject: Provider Relief Fund Payments to Support Health Care Providers Affected by the COVID-19 Pandemic

Summary: The U.S. Department of Health and Human Services has announced the distribution of relief fund payments.

The below information is being shared at the request of the Louisiana Department of Health (LDH).

Today, the U.S. Department of Health and Human Services (HHS), through the Health Resources and Services Administration (HRSA), announced the distribution of approximately \$9 billion in Provider Relief Fund (PRF) Phase 4 payments to health care providers who have experienced revenue losses and expenses related to the COVID-19 pandemic. The average payment being announced today for small providers is \$58,000, for medium providers is \$289,000, and for large providers is \$1.7 million. More than 69,000 providers in all 50 states, Washington, D.C., and eight territories will receive Phase 4 payments. Payments will start to be made later this week.

The PRF Phase 4 payments, in addition to the \$8.5 billion in American Rescue Plan (ARP) Rural payments to providers and suppliers who serve rural Medicaid, Children's Health Insurance Program (CHIP), and Medicare beneficiaries, are part of the \$25.5 billion the Biden-Harris Administration is releasing to health care providers to recruit and retain staff, purchase masks and other supplies, modernize facilities, or other activities needed to respond to COVID-19.

"As we continue to fight the pandemic, the Biden-Harris Administration remains committed to supporting our health care providers on the front lines," said Health and Human Services Secretary Xavier Becerra. "This vital funding will ensure critical health care services are delivered to communities across the country – including to those who are disproportionately impacted by the pandemic and medically-underserved. We will continue to make health care accessible for everyone who needs it and reach people where they are."

As part of the Biden-Harris Administration's commitment to greater transparency regarding the PRF, HRSA publicly [released the Phase 4 payment methodology in September](#), making it available to providers during the application period. Approximately 75% of Phase 4 funding is being distributed based on expenses and decreased revenues from July 1, 2020 to March 31, 2021. HRSA is reimbursing a higher percentage of losses and expenses for smaller providers – which generally entered into the COVID-19 pandemic on worse financial footing, have historically operated on slimmer financial margins, and typically care for vulnerable populations – as compared to larger providers.

Consistent with the Biden-Harris Administration's dedication to health equity and supporting the most vulnerable communities, HRSA is distributing 25% of Phase 4 funding as "bonus" payments based on the amount and type of services provided to Medicare, Medicaid, or CHIP patients. Similar to the American Rescue Plan (ARP) Rural payments [announced last month](#), HRSA is using Medicare reimbursement rates in calculating these payments to mitigate disparities due to varying Medicaid reimbursement rates.

Additionally, HHS has updated the Terms and Conditions for Phase 4 and ARP Rural payments to ensure relief funds are being used to address the financial impact of COVID-19. Recipients whose payment(s) exceed \$10,000 are required to notify HHS of a merger with or acquisition of any other healthcare provider. Providers who report a merger or acquisition may be more likely to be audited to ensure compliant use of funds.

HRSA is currently reviewing the remaining Phase 4 applications and will make the remainder of Phase 4 payments in 2022.

"While we have made over half a million relief payments to health care providers throughout this pandemic, we know that many continue to face COVID-19 related financial challenges," said Acting HRSA Administrator Diana Espinosa. "HRSA is committed to providing as much support as we can through the Provider Relief Fund to health care providers as they continue responding to and recovering from this crisis."

[View a state-by-state breakdown of the Phase 4 payments](#) announced today.

As providers agree to the terms and conditions of Phase 4 payments, it will be reflected on the [public dataset](#).

For additional information, visit www.hrsa.gov/provider-relief.

Questions: Thank you for your continued support and commitment to the care of our members. If you have questions about this communication, please contact AmeriHealth Caritas Louisiana Provider Services at 1-888-922-0007 or your [Provider Network Management Account Executive](#).

Missed an alert? You can find a complete listing of provider alerts on the [Provider Newsletters and Updates](#) page of our website.

Need to update your provider information? Send full details to network@amerihealthcaritasla.com.

Where can I find more information on COVID-19?

AmeriHealth Caritas Louisiana has updated its website to streamline communications and important notifications about COVID-19. Please visit <http://amerihealthcaritasla.com/covid-19> for up-to-date information for both providers and members, including frequently asked questions, and important provider alerts from AmeriHealth Caritas Louisiana and the Louisiana Department of Health.