

# HHS Phase 3 Makes \$20 Billion Available in Health Care Provider Relief Fund – Apply by Nov. 6

Yesterday (October 1, 2020), the U.S. Department of Health and Human Services (HHS) announced a new Phase 3 General Distribution of \$20 billion for health care providers from the Provider Relief Fund (PRF). Providers will have from **October 5, 2020, through November 6, 2020**, to apply for the additional funding.

## Who Is Eligible?

Eligibility for Phase 3 distributions is being broadened by HHS to encompass a large number of health care providers, including the following:

- Providers who previously received, rejected, or accepted a General Distribution PRF payment, **even if they have already received payments of approximately 2% of annual revenue from patient care**
  - Remember, [frequently asked questions](#) previously made available by HHS have advised that this is calculated as 2% of a provider's annual gross revenue for the most recently completed federal income tax year.
- Behavioral health providers, including those that previously received funding and new providers
- Health care providers that began practicing January 1, 2020, through March 31, 2020, including Medicare, Medicaid, CHIP, dentists, assisted living facilities, and behavioral health providers

## How Are Payments Calculated?

- Provider submissions will be reviewed to confirm that they have received a PRF payment equal to approximately 2% of patient care revenue from prior general distributions. Applicants that have not yet received PRF payments of 2% of patient revenue will receive a payment that, when combined with prior payments (if any), equals 2% of patient care revenue.
- With the remaining balance of the \$20 billion budget, equitable add-on payments will be calculated that consider the following:
  - A provider's change in operating revenues from patient care
  - A provider's change in operating expenses from patient care, including expenses incurred related to coronavirus
  - Payments already received through prior PRF distributions

**HHS is urging early application, and it is warning providers not to wait until the last day or week of the application period.** HHS advised, "Applying early will help to expedite HHS' review process and payment calculations, and ultimately accelerate the distribution of all payments."

All Phase 3 payment recipients will be required to attest to receiving payment and accept associated Terms and Conditions. HHS recently released [detailed reporting requirements](#) for PRF payments, which will no doubt apply to Phase 3 payments as well.

HHS will continue to host webinars to assist providers through the application process, and our team will continue to help provide clarity and guidance for our clients.

*Our Chambliss team continues to monitor health care developments and other legal impacts of the COVID-19 pandemic. Please contact [Courtney Keehan](#), [Jed Roebuck](#), or your relationship attorney if you have questions or need additional information.*

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