

June 11, 2020

MEDICAID ALERT

TO: All Providers

SUBJECT: U.S. Department of Health and Human Services Announces Medicaid Funding Relief

The U.S. Department of Health and Human Services (HHS) announced it is distributing \$15 billion in relief funds to eligible Medicaid and Children's Health Insurance Program (CHIP) providers who participate in state Medicaid and CHIP programs, including the South Carolina Healthy Connections Medicaid program. In order to be eligible, providers must not have previously received a payment from the Provider Relief Fund General Distribution and must have billed a state Medicaid program or Medicaid managed care plan between Jan. 1, 2018, and May 31, 2020.

To apply for Provider Relief Funds, providers should submit annual patient revenue information to HHS [Provider Relief Fund Payment Portal](#). Award amounts for providers will be at least 2% of reported gross revenue from patient care. The final amount a provider receives will be determined after the data is submitted, including information about the number of Medicaid patients the provider serves.

HHS also announced a distribution of \$10 billion in Provider Relief Funds for safety net hospitals. Payment will be sent through direct deposit directly to hospitals that serve a disproportionate number of Medicaid patients or provide large amounts of uncompensated care through direct deposit. Qualifying hospitals will have:

- A Medicare Disproportionate Payment Percentage (DPP) of 20.2% or greater;
- Average Uncompensated Care per bed of \$25,000 or more. For example, a hospital with 100 beds would need to provide \$2,500,000 in Uncompensated Care in a year to meet this requirement;
- Profitability of 3% or less, as reported to the Centers for Medicare and Medicaid Services (CMS) in its most recently filed Cost Report.

Hospitals who qualify will receive a minimum distribution of \$5 million and a maximum distribution of \$50 million.

More information about eligibility and the application process for HHS Provider Relief Funds is [available on HHS' website](#). HHS' Provider Relief Fund Payment Portal is also [available on HHS' website](#).

More information about actions the South Carolina Department of Health and Human Services (SCDHHS) has taken to ensure access to care for beneficiaries, support providers and maintain clinically appropriate levels of care is available at www.scdhhs.gov/covid19.

Thank you for your continued support of the South Carolina Healthy Connections Medicaid program. SCDHHS looks forward to continuing its partnership with health care providers and all those involved in the health care delivery system to maintain access to the high-value, evidence-based services that are available to Healthy Connections Medicaid members during this unprecedented public health emergency.