

McDermottPlus Healthcare Preview

WEEK OF JUNE 8, 2020

IS THIS MEDICAID WEEK?

- + **IT HAS BEEN 73 DAYS SINCE THE CARES ACT PASSED.** The bill created the Provider Relief Fund (PRF) and allocated \$100 billion to reimburse providers for lost revenues resulting from COVID-19. On April 7, Centers for Medicare and Medicaid Services Administrator Seema Verma announced that the Department of Health and Human Services (HHS) would soon begin distributing funds to providers. On April 10, HHS distributed the first tranche of funding (\$30 billion) based on providers' 2019 Medicare fee-for-service (FFS) revenue. On April 22, HHS announced a second tranche of \$20 billion to the same providers based on Medicare FFS revenue. On April 24, the Paycheck Protection Program and Health Care Enhancement Act added \$75 billion more to the PRF. On May 1, HHS distributed \$10 billion to rural providers and \$12 billion to providers in disease hotspots. On May 22, HHS announced the distribution of \$4.9 billion for skilled nursing facilities and \$500 million for Indian Health Service facilities. Seventy-three days after the CARES Act passed, there is \$97.6 billion remaining in the PRF, and there has still been no distribution made to predominantly Medicaid providers.
- + **MEMBERS OF CONGRESS ARE GROWING INCREASINGLY FRUSTRATED.** Last week, bipartisan leadership of the Senate Finance and House Energy and Commerce committees sent a [letter](#) urging HHS to improve its pace in making distributions from the PRF specifically for Medicaid-dependent providers. The lawmakers expressed frustration with the amount of time it has taken to get relief to some of the most vulnerable safety net providers. The letter gives HHS until June 10 to announce a plan to provide a dedicated tranche of funds for Medicaid-dependent providers. Though it is not clear if HHS will meet the demand, there have been clues that the Department is at least working on a Medicaid payment. On May 1, HHS asked states to submit provider-level 2018 and 2019 Medicaid FFS and managed care revenue data, as well as provider payment information for all Medicaid participating providers. We also know that a handful of providers have been asked to beta test a portal to submit payer mix information to HHS. Will this be the week we finally see a Medicaid distribution?

THIS WEEK IN THE SENATE

Senate Homeland Security and Governmental Affairs Committee

[Evaluating the Federal Government's Procurement and Distribution Strategies in Response to the COVID-19 Pandemic](#)

Tuesday, June 9, 10:00 AM

Senate Aging Committee

[Combating Social Isolation and Loneliness During the COVID-19 Pandemic](#)

Thursday, June 11, 9:30 AM

THIS WEEK IN THE HOUSE

House Oversight and Reform Committee

[No Worker Left Behind: Supporting Essential Workers](#)

Wednesday, June 10, 12:00 PM

CONTACT INFO

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