

HHS DISTRIBUTING \$4.9B IN COVID-19 CARES FUNDING RELIEF TO SKILLED NURSING FACILITIES - FIVE ACTIONS TO TAKE NOW

The Department of Health and Human Services ("HHS") **announced** that it will begin to deliver nearly \$4.9 billion from the Public Health and Social Services Emergency Provider Relief Fund (sometimes referred to as the CARES Act Provider Relief Fund) on May 22, 2020 to skilled nursing facilities ("SNFs").

PURPOSE?

HHS intends for SNFs to use the funds to support nursing homes suffering from significant expenses or lost revenue attributable to COVID-19. HHS acknowledged the challenges SNFs have encountered as a result of the COVID-19 pandemic, including: up to a 6 percent decline in their resident population and the staffing impact from employees being diagnosed with COVID-19. The funds may help SNFs address critical needs such as labor, testing capacity, acquiring personal protective equipment and a range of other expenses directly linked to the COVID-19 pandemic.

WHO WILL RECEIVE FUNDS?

All certified SNFs with six or more certified beds are eligible for this targeted distribution.

HOW ARE THE AMOUNTS DETERMINED?

HHS will make relief fund distributions to SNFs based on both a fixed basis and variable basis. Each SNF will receive a fixed distribution of \$50,000, plus a distribution of \$2,500 per bed.

ARE THERE CONDITIONS REQUIRED TO ACCEPT THE FUNDS?

Yes, consistent with other distributions from the Provider Relief Fund, SNFs must attest that they will only use the funds for the permissible purposes described in a new set of **Terms and Conditions** specific to these payments. The Terms and Conditions are similar to the Terms and Conditions created for other Relief Fund payments and include certain obligations and restrictions attached to the receipt of payments, including complying with future government audit and reporting requirements. The Terms and Conditions include:

- Submit quarterly reports on total amounts received for COVID-19 and the use of funds.
- Agree that the funds will only be used to prevent, prepare for and respond to coronavirus and that the funds shall reimburse the SNF only for health care-related expenses or lost revenues that are attributable to COVID-19.
- Not use funds for certain purposes prohibited by federal statutes.

FIVE ACTIONS TO TAKE NOW

1. Confirm your deposit and the calculations to reach the amount.
2. Review the HHS Terms & Conditions and sign and submit the attestation.
3. Attestations must be submitted within 45 days of receipt of the payment.
4. If the SNF receives a payment and retains that payment for at least 45 days without contacting HHS regarding the emittance of those funds, the SNF is deemed to have accepted the HHS Terms and Conditions.
5. Review and create procedures for tracking the use of the funds and that funds were not used for prohibited purposes.

If you have questions or would like assistance with this topic, please contact:

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Hall Render's attorneys and professionals continue to maintain the most up-to-date information and resources at our [COVID-19 Resource page](#), through our 24/7 COVID-19 Hotline at (317) 429-3900 or by contacting your regular Hall Render attorney.

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