

December 14, 2021

HHS Begins Distributing \$9 Billion in Provider Relief Fund ‘Phase 4’ Payments

As urged by the AHA, HHS begins distribution of critical COVID-19 relief funds

The Department of Health and Human Services (HHS) today announced that later this week it will distribute \$9 billion of the \$17 billion in Provider Relief Fund (PRF) “Phase 4” payments to providers who have experienced revenue losses and expenses related to the COVID-19 pandemic. In addition, HHS stated that it is currently reviewing the remaining Phase 4 applications and will make the remainder of Phase 4 payments in 2022.

In [today’s announcement](#), HHS stated that more than 69,000 providers will receive Phase 4 payments beginning Dec. 16. The average payment for small providers is \$58,000, for medium providers \$289,000, and for large providers \$1.7 million. The Health Resources and Services Administration (HRSA) processed approximately 75% of Phase 4 applications; remaining Phase 4 applications require additional review, and HRSA will make the remainder of the payments next year.

Consistent with the [Phase 4 payment methodology](#) released by HRSA in September, approximately 75% of Phase 4 funding is being distributed based on expenses and decreased revenue from July 1, 2020 to March 31, 2021. Smaller providers will be reimbursed at a higher percentage of losses and expenses as compared to larger providers. The remaining 25% of Phase 4 funding is being distributed as “bonus” payments based on the amount and type of services provided to Medicare, Medicaid or Children’s Health Insurance Program patients. HRSA is using Medicare reimbursement rates in calculating these payments.

Within 90 days of receiving a payment, providers must sign an attestation confirming receipt of the funds and agreeing to the Terms and Conditions of payment by re-entering the [Provider Relief Fund Application and Attestation Portal](#). Providers with questions about the Phase 4 application process should contact the Provider Support Line at 866-569-3522.

Further Questions

If you have questions, please contact AHA at 800-424-4301.