



December 21, 2021

Dear Tribal Leader and Urban Indian Organization Leader:

As you may know, on September 10, 2021, HHS announced \$25.5 billion in new funding for health care providers. This funding includes \$8.5 billion in American Rescue Plan (ARP) Rural funding, as well as an additional \$17 billion for Phase 4 of the Provider Relief Fund (PRF). Providers were given through October 26, 2021, to initiate a single application allowing them to apply to both programs.

HRSA publicly released the Phase 4 and ARP Rural payment methodology in September 2021, making it available to providers during the application period. The methodology can be found at: <https://www.hrsa.gov/provider-relief/future-payments/phase-4-arp-rural/payment-methodology>.

We are pleased to share that on November 23, 2021, HRSA began distributing \$7.5 billion in ARP Rural payments to providers and suppliers who serve rural Medicaid, Children's Health Insurance Program (CHIP), and Medicare beneficiaries. On December 16, 2021, HRSA began distributing approximately \$9 billion in Phase 4 payments to health care providers who have experienced revenue losses and expenses related to the COVID-19 pandemic.

As part of the Biden-Harris Administration's ongoing commitment to equity, and to support providers with the most need, PRF Phase 4 reimburses smaller providers—who tend to operate on thinner margins and often serve vulnerable or isolated communities—for their lost revenues and COVID-19 expenses at a higher rate compared to larger providers. PRF Phase 4 also includes bonus payments for providers who serve Medicaid, CHIP, and/or Medicare patients, who tend to be lower income and have greater and more complex medical needs. HRSA determined these bonus payments by pricing most services at the higher Medicare reimbursement rate to ensure equity for those serving low-income children, pregnant women, people with disabilities, and seniors.

Likewise, to support rural communities that have been hit particularly hard by the pandemic, HRSA is making ARP Rural payments to providers based on the amount and type of Medicaid, CHIP, and/or Medicare services they provide to patients who live in rural areas as defined by the HHS Federal Office of Rural Health Policy. ARP Rural payments are also generally based on Medicare payment rates.

HRSA is currently reviewing the remaining ARP Rural and Phase 4 applications, and will make the remainder of payments in 2022. For more information, visit <https://www.hrsa.gov/provider-relief/future-payments>.

In addition to the most recent payments, HRSA would also like to share some reminders regarding important reporting deadlines. HRSA released revised reporting requirements for

recipients of PRF payments on June 11, 2021, which can be found at:

<https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/provider-post-payment-notice-of-reporting-requirements-june-2021.pdf>

Reporting Period 1 ended on November 30, 2021. Providers who have unused PRF payments or failed to comply with their reporting requirements in Reporting Period 1 have until December 30, 2021 at 11:59 pm (ET) to return funds via the Return Unused PRF Funds Portal at:

<https://powerforms.docuign.net/69f95520-438e-48be-878e-09c9be4aa6b9?env=na3&acct=dd54316c-1c18-48c9-8864-0c38b91a6291&accountId=dd54316c-1c18-48c9-8864-0c38b91a6291>.

For more information, please refer to the Returning Funds Fact Sheet at:

<https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/returning-funds-fact-sheet.pdf>, and the Reporting Non-Compliance Fact Sheet at: <https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/reporting-non-compliance-fact-sheet.pdf>.

The PRF Reporting Portal will open for Reporting Period 2 on January 1, 2022 and will remain open through March 31, 2022. Providers who received one or more PRF payments exceeding \$10,000, in the aggregate, during the second Payment Received Period (July 1, 2020 to December 31, 2020) must report on their use of funds in Reporting Period 2.

The deadline to use funds for payment Received Period 2 is December 31, 2021. Please see the table below for important dates.

| | Payment Received Period (Payments Exceeding \$10,000 in Aggregate Received) | Deadline to Use Funds | Reporting Time Period |
|-----------------|--|------------------------------|--|
| Period 1 | April 10, 2020 to June 30, 2020 | June 30, 2021 | July 1, 2021 to September 30, 2021* |
| Period 2 | July 1, 2020 to December 31, 2020 | December 31, 2021 | January 1, 2022 to March 31, 2022 |
| Period 3 | January 1, 2021 to June 30, 2021 | June 30, 2022 | July 1, 2022 to September 30, 2022 |
| Period 4 | July 1, 2021 to December 31, 2021 | December 31, 2022 | January 1, 2023 to March 31, 2023 |

* *Grace period ended on November 30, 2021*

HRSA will host two informational webcasts for reporting entities that will coincide with the opening of Reporting Period 2. Providers are encouraged to attend a webcast to learn more about the reporting process, hear about updates to the Reporting Portal, and have their questions answered.

Please register for the webcasts at the links below:

- **New Reporting Entities: PRF Reporting Requirements Introduction**
January 12, 2021, 3:00 – 4:00 PM ET
https://webex.webcasts.com/starthere.jsp?ei=1519558&tp_key=8ec86d4a36
- **Information for Returning Reporters**
January 13, 2021 3:00 – 4:00 PM ET
https://webex.webcasts.com/starthere.jsp?ei=1519562&tp_key=1c0aa8e66a

We ask that you share this information with the health care providers in your communities that have received funds from the PRF or have applied for the Phase 4 and ARP Rural distributions.

Sincerely,

Provider Relief Bureau (PRB)
Health Resources and Services Administration