

HHS OUTLINES FRAMEWORK FOR REIMBURSING HOSPITALS AND PROVIDERS FOR COVID-19 TESTING AND TREATMENT PROVIDED TO UNINSURED PATIENTS

On April 23, the Department of Health and Human Services (“HHS”) outlined the basic framework for a new program to reimburse hospitals and other providers and suppliers for services provided to uninsured COVID-19 patients (for purposes of this article we refer to both providers and suppliers as “providers”). The framework for the program is available on a new Health Resources and Services Administration (“HRSA”) webpage dedicated to the program (available [here](#)).

The webpage notes that additional information and details will be available beginning Monday, April 27 and “on demand training” for the program will be available starting Wednesday, April 29.

HIGHLIGHTS AND RECOMMENDATIONS

- **New Enrollment** - According to the HRSA webpage, providers will need to enroll in the new program. The sign-up period is set to begin Monday, April 27. Providers should monitor the site closely and be ready to enroll in the program starting on this date.
- **Covers Treatment** - This program goes beyond reimbursing providers for COVID-19 testing to include reimbursing for the actual treatment provided to uninsured individuals with a COVID-19 diagnosis.
- **Rates** - Reimbursement for eligible services provided to an uninsured patient will generally be based on current year Medicare rates. Providers must agree to accept that amount as payment in full for the services provided.
- **Claim Submission Timing** - Claims are subject Medicare timely filing requirements, but reimbursement “is subject to available funding” so providers should avoid unnecessary delays in claims submissions once the program is live.

While many of the details are not yet available, the new webpage does include some general information about how HHS will set-up and operate a new program for processing and paying providers for certain services provided to uninsured COVID-19 patients. The program will apparently work similar to a very scaled-down Medicare, with providers required to enroll in the new program, submit claims in accordance with Medicare’s timely filing period and receive payments based on Medicare rates.

Additional information from the new HRSA webpage, including information about patient eligibility, covered services, reimbursement rates and future timelines is included below.

FUNDING SOURCE

The program will be funded using a portion of the Public Health and Social Services Emergency Fund established by the CARES Act (“Relief Fund”). Since early April officials in the Trump administration, including Vice President Mike Pence, have been saying that a portion of the Relief Fund would be used to reimburse hospitals and other providers and suppliers for providing treatment to uninsured COVID-19 patients.

Though HHS has not yet announced how much of the Relief Fund will be used to reimburse care provided to uninsured patients under this new program. The Relief Fund was originally allocated \$100 billion through the CARES Act and legislation is expected to be signed into law soon that will add an additional \$75 billion. Approximately \$70 billion of the Relief Fund, however, has already been distributed or has been targeted to be distributed through future tranches (see our separate article on these additional distributions [here](#)). Complicating the issue is the practical challenge in estimating how many uninsured patients around the country will ultimately become infected with COVID-19.

UNINSURED PATIENT ELIGIBILITY

Providers will be permitted to submit claims for reimbursement for eligible services provided to patients in the U.S. who do not have health insurance coverage. According to the HRSA webpage, providers will be required to attest that they have checked for health care coverage eligibility and confirmed that the patient is uninsured. This includes verifying that the patient does not have individual, employer-sponsored, Medicare or Medicaid coverage and no other payer will reimburse the provider for COVID-19 testing or care for that patient.

ELIGIBLE SERVICES

Providers can seek reimbursement for COVID-19 testing and testing-related visits for uninsured patients, as well as treatment for uninsured patients with a COVID-19 diagnosis.

Reimbursement will be made for qualifying testing for COVID-19 and treatment services with a primary COVID-19 diagnosis, including the following:

- Specimen collection, diagnostic and antibody testing.
- Testing-related visits including in the following settings: office, urgent care or emergency room or via telehealth.
- Treatment: office visit (including via telehealth), emergency room, inpatient, outpatient/observation, skilled nursing facility, long-term acute care, acute inpatient rehab, home health, DME (e.g., oxygen, ventilator), emergency ground ambulance transportation, non-emergent patient transfers via ground ambulance and FDA approved drugs as they become available for COVID-19 treatment and administered as part of an inpatient stay.
- FDA-approved vaccines (if one becomes available).

Reimbursement is only available for services with a date of service on or after February 4, 2020. For inpatient claims, the date of admission must be on or after February 4, 2020.

Services not covered by traditional Medicare are not covered under this program either. In addition, the following services are excluded:

- Air and water ambulance.
- Any treatment without a COVID-19 primary diagnosis, except for pregnancy when the COVID-19 code may be listed as secondary.
- Hospice services.
- Outpatient prescription drugs covered under Medicare Part D.

REIMBURSEMENT RATES AND BALANCE BILLING

Reimbursement for eligible services provided to an uninsured patient will generally be based on current year Medicare rates. Claims are also subject to the same 12-month timely filing requirement that applies to Medicare claims; though the HRSA webpage does state that reimbursement “is subject to available funding.” Providers should anticipate that whatever funding is allocated to this program from the Relief Fund will not be enough to reimburse every claims providers submit. So, providers are encouraged to avoid unnecessary delays in claims submissions under this program.

For some services, CMS may publish new codes or update existing codes. If a new code is created, claims will be held until CMS publishes corresponding reimbursement information.

Participating providers must accept the program reimbursement as payment in full and must agree not to balance bill patients for eligible services reimbursed through this program. Hospital providers participating in this program should note that accepting payment for these uninsured COVID-19 patients could impact uncompensated care costs reported on the Medicare cost report worksheet S-10 and Medicare Uncompensated Care Payments (“UCP”). However, accepting payment for uninsured COVID-19 patients through this program likely would provide more payment than the potential corresponding decrease in UCP since other UCP hospitals also will be participating in this program.

TIMELINE

The HRSA webpage also includes the following timeline with certain key dates for rolling out this program:

- April 22 – Program Details launch
- April 27 – Sign up period begins for the program
- April 29 – On-Demand training starts
- May 6 – Begin submitting claims electronically

- Mid-May – Begin receiving reimbursement

Hall Render will provide additional updates as more information becomes available.

If you have questions or would like additional information about 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, which are available 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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