

Congress Passes Legislation Fixing "Lost Revenues" Calculation Under Provider Relief Fund

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The Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act passed yesterday includes language allowing health care providers to utilize Health & Human Services' June 2020 guidance to calculate "lost revenues" for purposes of the Provider Relief Fund.

HHS significantly changed that guidance this fall leaving many providers concerned they may have to return relief funds. The new legislation will allow providers to calculate "lost revenues" based on the guidance provided by HHS in a June 2020 Frequently Asked Questions article. The legislation specifically references the ability of providers to calculate "lost revenues" based on comparing actual revenues to budgeted revenues as long as the provider's budget was in place prior to March 27, 2020.

The new legislation should be welcome news for health care providers in receipt of Provider Relief Funds; however, it remains to be seen how the new legislation will be implemented by HHS. Providers should continue to monitor the HHS Provider Relief Fund website for new Frequently Asked Questions and Reporting Guidance which is likely to be updated in the coming days based on the new legislation.

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