

Private Pay Assisted Living Providers Are Eligible for HHS Provider Relief Payments – But Only Briefly

Key Points

- HHS Provider Relief Fund payments are being extended to private pay assisted living facilities under Phase II. Relief will be equal to 2 percent of annual gross revenue from resident care.
- Interested providers must act swiftly: the deadline to submit basic information to HHS is **Sept. 13**
- Provider relief funds need not be repaid if recipients comply with the program criteria.

HHS Announcement:

On Sept.1, the U.S. Department of Health and Human Services (HHS) announced that private pay assisted living providers are eligible for financial assistance from HHS in the form of Provider Relief Fund payments. This was a hard-won victory and the product of a concerted effort over several months by senior living trade associations, including American Seniors Housing Association, Argentum, LeadingAge, and the National Center for Assisted Living. Somewhat belatedly, after multiple distributions were made to skilled nursing facilities, HHS recognized the devastating financial effects of COVID-19 on assisted living providers and their essential role in assuring older adults' safety.

Purpose of Funds:

The Provider Relief Fund payments are designed to cover healthcare-related expenses or lost revenues resulting from the COVID-19 pandemic. Authorized expenses include those related to providing diagnoses, testing, or caring for individuals with possible or actual cases of COVID-19. The care need not be provided to a person who actually has COVID-19, as HHS assumes that all residents could become COVID-19 patients.

In addition to costs incurred to buy diagnostic tests and report test results to regulatory bodies, eligible expenses include, without limitation, ventilators, personal protective equipment, additional nursing staff, additional housekeeping staff, and sanitizing supplies. They also include workforce training, building temporary structures, and developing and staffing emergency operation centers.

by Pamela S. Kaufmann



The funds will be provided through the CARES Act and the Paycheck Protection Program and Health Care Enhancement Act, measures specifically designed to protect businesses and workers in the face of the pandemic. The distribution is expected to resemble the Phase II Medicaid distribution and will provide payments equal to 2 percent of annual gross revenue from resident care for eligible providers, provided they submit a timely application and are validated by HHS.

Eligibility:

To be eligible for these funds, providers must:

1. be licensed or certified by their state to provide assisted living services, by whatever name (e.g., "personal care" or "supportive living");
2. be private pay or partially private pay;
3. not have previously received relief equal to 2 percent of their annual gross revenue from patient or resident care under the Provider Relief Fund (such as payments for assisted living under the Medicaid waiver program); and
4. timely apply for the relief. The assisted living portion of a continuing care retirement community (CCRC) is eligible for this relief. So is an "independent living" facility or "independent living" portion of a CCRC, provided in each case it is licensed as assisted living.

Tight Timeline:

The application process is extremely truncated: providers must initiate the process, including providing their taxpayer identification number (TIN), **on or before Sept. 13**. Applications can be submitted to hhs.gov/providerrelief. Providers that previously provided their data on the secure Senior Living Trade Association Portal (closed in early August) must submit an application but will receive expedited review. Note that financial data can be submitted after Sept. 13.

Attestation:

Within 90 days of receiving the funds, providers that wish to keep the funds must sign an attestation on the [Provider Relief Fund Application and Attestation Portal](#) confirming receipt of the funds and agreeing to HHS's [Terms and Conditions](#). (Even if they opt to reject the funds, providers must complete the attestation to state this fact.)

Reports:

Recipients of \$10,000 or more will be required to submit reports as to the use of their distribution.

Next Steps:

To enjoy this valuable benefit, assisted living providers should immediately log on at hhs.gov/providerrelief. It would be best to access this website early in case the site encounters technical difficulties. This site will doubtless receive a large volume of visitors.

For more information about the Provider Relief Program, please contact [Pam Kaufmann](#).

For more information, please contact:

Pamela S. Kaufmann, Partner
415-995-5043
pkaufmann@hansonbridgett.com