



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

MEMORANDUM

DATE: December 17, 2021

TO: Louisiana Medicaid Providers

FROM: Louisiana Medicaid

SUBJECT: HHS Is Releasing \$9 Billion in Provider Relief Fund Phase 4 Payments

The U.S. Department of Health and Human Services (HHS), through the Health Resources and Services Administration (HRSA), announced the distribution of approximately \$9 billion in Provider Relief Fund (PRF) Phase 4 payments to health care providers who have experienced revenue losses and expenses related to the COVID-19 pandemic. The average payment for small providers is \$58,000, for medium providers is \$289,000, and for large providers is \$1.7 million. Payments will start to be made this week.

Approximately 75% of Phase 4 funding is being distributed based on expenses and decreased revenues from July 1, 2020 to March 31, 2021. HRSA is reimbursing a higher percentage of losses and expenses for smaller providers – which generally entered into the COVID-19 pandemic on worse financial footing, have historically operated on slimmer financial margins, and typically care for vulnerable populations – as compared to larger providers.

HRSA is distributing 25% of Phase 4 funding as “bonus” payments based on the amount and type of services provided to Medicare, Medicaid, or CHIP patients. Similar to the American Rescue Plan (ARP) Rural payments announced in November 2021, HRSA is using Medicare reimbursement rates in calculating these payments to mitigate disparities due to varying Medicaid reimbursement rates.

HRSA is currently reviewing the remaining Phase 4 applications and will make the remainder of Phase 4 payments in 2022.

For more information about eligibility requirements, the documents and information providers will need to complete their application, and the application process for PRF Phase 4 and ARP Rural payments, visit: <https://www.hrsa.gov/provider-relief/future-payments>.

Providers should call the HHS Provider Support Line at (866) 569-3522 if they have any questions or need additional assistance.