

**FOR IMMEDIATE RELEASE****August 14, 2020****Contact: HHS Press Office****202-690-6343****[media@hhs.gov](mailto:media@hhs.gov)**

## Trump Administration to Begin Distributing \$1.4 Billion in Relief Funds to Certain Children's Hospitals

Today, under the leadership of President Trump, the U.S. Department of Health and Human Services (HHS), through the Health Resources and Services Administration (HRSA), is announcing an additional \$1.4 billion in targeted distribution funding to almost 80 free-standing children's hospitals nationwide. As the healthcare system continues to grapple with the financial hardships caused by the coronavirus disease 2019 (COVID-19), children's hospitals have been uniquely impacted. Children's hospitals have seen decreasing patient visits and increased costs. This distribution will help to ensure children's hospitals receive relief proportional to other hospitals across the nation and providers caring for children are able to continue operating safely in some of our most vulnerable communities. This funding is made possible through the bipartisan CARES Act and the Paycheck Protection Program and Health Care Enhancement Act, which allocated \$175 billion in relief funds to hospitals and other healthcare providers, including those disproportionately impacted by this pandemic.

"Children's hospitals have pitched in to our all-of-America COVID-19 response by providing backup capacity, extra supplies of PPE, and other support" said HHS Secretary Alex Azar. "Throughout the distribution of the Provider Relief Fund, we have sent these funds as quickly as we can to those who have been hardest hit by the virus, and this distribution recognizes the contributions of children's hospitals helping to meet the challenges of this pandemic."

Safety net hospitals, particularly children's hospitals, have played a unique role in the whole-of-America approach to combatting the COVID-19 pandemic. Children's hospitals suspended nonemergency surgeries, purchased additional personal protective equipment (PPE), and offered their capacity as a backup to other hospitals in support of local preparedness planning for COVID-19 patient surges. Consequently, like other hospitals, they too have faced lost revenues and increased expenses due to COVID-19. In response, HHS has tried to provide relief to a broad category of safety net hospitals serving vulnerable adult and children populations through two rounds of targeted allocations beginning in June when \$10 billion was announced and again in July in the amount of \$3 billion under an expanded

threshold. Today's announcement of \$1.4 billion will ensure that certain free-standing children's hospitals, not affiliated with larger hospital systems, also receive the financial relief they urgently need to offset revenue losses.

## Methodology

Qualifying free-standing children's hospital must either be an exempt hospital under the Centers for Medicare and Medicaid Services (CMS) inpatient prospective payment system (IPPS) or be a HRSA defined Children's Hospital Graduate Medical Education facility. Eligible hospitals will receive 2.5 percent of their net revenue from patient care. Qualifying free-standing children's hospitals will begin receiving funds next week.

HHS is committed to administering the Provider Relief Fund Program in a way that is fast, fair and transparent. Today's announcement builds on that commitment. HHS will continue to maintain an open line of communication with providers as well as congressional, state and local leaders to ensure as many providers as possible receive some-level of funding in these difficult times. All payment recipients must accept HHS's terms and conditions and may be subject to auditing to certify the data provided to HHS for payment calculation are accurate.

A preliminary state-by-state breakdown on validated distributions for next week can be found [here - PDF](#). HHS will update this file once validation review of an additional 24 children's hospitals are complete.

For updates and to learn more about the Provider Relief Program, visit: [hhs.gov/providerrelief](https://hhs.gov/providerrelief).

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Note: All HHS press releases, fact sheets and other news materials are available at <https://www.hhs.gov/news>.

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