



**STATE OF WASHINGTON
HEALTH CARE AUTHORITY**

626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

December 22, 2020

Dear Hospital Administrator:

Following the enactment of the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136) (CARES), the federal government distributed Coronavirus Relief Funds to the State. The Governor's Office has now authorized the Health Care Authority (HCA) to distribute a portion of the Coronavirus Relief Funds to hospitals to help them respond to the surge of cases, hospitalizations, and longer stays needed to treat COVID-19 patients.

The Office of Financial Management (OFM), in conjunction with the Washington State Hospital Association (WSHA), identified eligible hospitals as well as the methodology for calculating payments.

Your hospital will receive an electronic payment through HCA's ProviderOne payment system. The payment will appear on your remittance advice with adjustment reason code: *70 – Cost outlier – Adjustment to compensate for additional costs*. HCA will begin processing payments to eligible hospitals during the week of December 28, 2020.

Eligible Expenditures & Acceptance of Payment

The payment that your hospital will receive must be used for expenditures directly related to impacts of the COVID-19 pandemic and for the following purposes:

- Personal protective equipment for hospital staff
- COVID-19 testing supplies
- Medical supplies
- Health care worker pay

The requirement that expenditures be directly related to impacts of the COVID-19 pandemic means that the Coronavirus Relief Funds must be used for actions taken to respond to the public health emergency. The hospital must not use this payment as a revenue replacement.

Additionally, this payment must be used for expenditures incurred during the period that began on March 1, 2020, and ends on December 30, 2020.

By accepting this payment, your hospital will certify that all uses of the proceeds meets all requirements set forth in this letter. The hospital's expenditures will be subject to audit by HCA and other appropriate agencies.

Thank you for your continued commitment to providing essential health care services in your community.

If you have questions about the payment your hospital will be receiving, or if you choose not to accept payment, please contact HCA at: CoronavirusRelief@hca.wa.gov.