

CMS Guidance on COVID-19 FMAP Increase

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CMS COVID-19 Infectious Disease Medicaid

The Centers for Medicare & Medicaid Services (CMS) issued a frequently asked questions (FAQ) document on how the agency will implement enhanced Medicaid funding during the COVID-19 pandemic.

President Trump on March 19 signed the Families First Coronavirus Response Act (H.R. 6201), which provides a 6.2 percent increase in the Medicaid Federal Medical Assistance Percentage (FMAP) to states. Texas' federal share increases to 66%.

The increased FMAP is retroactive to Jan. 1, 2020, and is effective through the end of the quarter in which the COVID-19 emergency ends. All states and U.S. territories are eligible for the increased FMAP, as long as they **do not:**

- enact more restrictive eligibility standards, methodologies, or procedures than what was in place on Jan. 1, 2020;
- impose premiums higher than the amount in place on Jan. 1, 2020;
- impose cost-sharing for any testing services and treatments for COVID-19, including vaccines, specialized equipment, and therapies; and
- terminate beneficiaries enrolled at the beginning or during the emergency period.

The FAQ document outlines when these funds will be available, the eligible costs for the enhanced match, documentation required to access funds, and answers other questions from states. Of note for essential hospitals, the enhanced FMAP is available for Medicaid disproportionate share hospital expenditures.

CMS is making the enhanced funding to states almost immediate, with a priority on the increased funding for Jan. 1 through March 31. CMS intends to distribute that funding to states this week.