



An Independent Licensee of the Blue Cross Blue Shield Association

Blue Cross Blue Shield of Arizona Cash Flow Relief Program Claim Payment Advance for Acute-Care Hospital Providers

Supporting Our Hospital Partners

Blue Cross Blue Shield of Arizona (BCBSAZ) recognizes that its contracted hospitals—those we count on to serve and treat our members—may face unique financial strain in these unprecedented times. Although we are just beginning to see a decline in overall claim volume, we expect that some acute-care hospitals are already experiencing decreases in patient volume and cash flow because of directives related to the COVID-19 pandemic. Federal financial assistance and other funding sources may not be sufficient, or readily and timely available to all hospitals facing immediate financial difficulty. That's why BCBSAZ has established a voluntary program that is ready to provide cash flow relief to qualifying hospitals, should the need arise. The goal of this program is to support hospitals that need temporary help with cash flow as a result of the pandemic, and can't obtain it from other sources. Under this program, BCBSAZ will advance a portion of a hospital's anticipated claim reimbursements, to be paid back in full by October 31, 2020.

About the BCBSAZ Claim Payment Advance Program

- Our Claim Payment Advance Program gives BCBSAZ contracted hospitals the opportunity to request advance claim payments to cover shortfalls in cash flow due to the COVID-19 pandemic.
- For qualifying hospitals, BCBSAZ will issue the claim payment advance in equal increments, once per month, in June, July, and August. (Or prorated in July and August for hospitals that may need to apply later.) The last date to submit an application is July 20, 2020.
- Hospitals must use claim payment advances for maintenance of ongoing healthcare operations and cash flow, not for business expansion.
- Hospitals must sign a Cash Flow Relief Agreement and repay the claim payment advance by October 31, 2020, but will not be charged interest unless there is a default event. For some loans, the hospital may also be required to execute a security agreement.
- BCBSAZ will issue one claim payment advance per hospital system, even though the system may have multiple facilities and contracts. The applicant will need to include the tax identification number for the hospital system to be associated with the cash advance. BCBSAZ will use claims data associated with that tax identification number to measure decline in claim payments.
- Failure to repay by October 31st is a default. The Agreement will permit BCBSAZ to recover unpaid amounts, plus interest, through offset of funds due from BCBSAZ to any NPI listed on Exhibit B and affiliated with the hospital system.

Cash Flow Relief Program Application: Hospitals

I. APPLICANT INFORMATION

Applicant (Name of Hospital System)

Hospital Name and Tax ID Number used to bill BCBSAZ

(This is the acute-care hospital and TIN that will be used to measure decline in claims volume and to receive any cash advance payment. The hospital system must list all hospitals in the hospital system in Exhibit B.)

Organizational NPI # (national provider identifier)

Main Office Address

City

ZIP Code

Arizona

Primary Contact for Loan Application

(Name and title)

Primary Contact Email Address

Primary Contact Phone

EXHIBIT B. For each hospital in the system credentialed to bill under a Facility Participation Agreement with BCBSAZ, provide the information requested in Exhibit B. Add additional lines or a separate list if needed.

II. ADVANCE CLAIM PREPAYMENT INFORMATION

Purpose of the Claim Advance/Use of Funds

III. ATTESTATIONS AND CERTIFICATIONS

This completed application is part of the Cash Flow Relief Agreement. By initialing and signing below, you certify that all information provided in this application is true and correct. (Initial next to each statement):

Hospital System meets the eligibility criteria set forth in Exhibit A to this Application.

Hospital System has listed all participating hospitals on Exhibit B.

THE UNDERSIGNED CERTIFIES THAT HE/SHE IS LEGALLY AUTHORIZED TO EXECUTE THIS APPLICATION ON BEHALF OF THE APPLICANT HOSPITAL.

/s/

Electronic Signature of Authorized Signer/Applicant

Date

Printed Name

Title

NOTE: Be sure to include a completed [W-9 form](#) with your application. Email all application materials to contracts@azblue.com.

EXHIBIT A Eligibility Criteria

To be eligible to receive a monthly payment advance, the hospital must meet all criteria.

- Be a qualified and participating Hospital System for which claim payments from BCBSAZ to the identified applicant hospital tax ID, for fully insured products (not self-funded, FEP, worker's compensation, limited benefit coverage, short term medical, or Medicare) (collectively "excluded business") have decreased by 33% or more, for at least two consecutive weeks prior to the date of application, as compared to the Provider's average weekly payment received from BCBSAZ from January 1, 2020 until the two week period**;
- Agree to use the Advance Payments for maintenance and ongoing operations and cash flow of the hospital and not for business expansion;
- Be in full compliance with the Participation Agreement with BCBSAZ;
- Be in "good standing" with its licensing agency, applicable accreditation requirements, and with BCBSAZ;
- Be an in-network participating hospital with BCBSAZ;
- Be financially solvent, not in bankruptcy and not currently contemplating making a filing for bankruptcy protection;
- Not under active regulatory review or program integrity investigation; and
- Free of outstanding delinquent BCBSAZ overpayments.

BCBSAZ reserves the right, in its sole and absolute discretion, to consider other factors and information, including but not limited to: (i) Hospital's financial needs for operations; (ii) Provider's access to other funding sources, including government payments, private capital, and bond markets; (iii) community Provider serves (urban/rural); (iv) Provider's organizational status (non-profit/for-profit); and (v) BCBSAZ resources related to funding and efficient administration of the program. BCBSAZ may contact the Provider to request supplemental information related to these other factors.

****THE HOSPITAL SYSTEM IS RESPONSIBLE TO MONITOR PAYMENTS RECEIVED AND CONTACT BCBSAZ TO OPT-IN TO THIS PROGRAM IF THE HOSPITAL MEETS THE FINANCIAL ELIGIBILITY AND OTHER CRITERIA LISTED ABOVE. BCBSAZ WILL NOT AUTOMATICALLY ISSUE ANY ADVANCE PAYMENTS.**

