

PUBLICATION

New Readiness Grant for Small and Rural Hospitals in Tennessee

Authors: Kenneth Scott Newman, Andrew J. Hermandorfer
April 9, 2020

On Monday, April 6, Tennessee Governor Bill Lee announced in COVID-19 Bulletin #13 that the State of Tennessee will allocate \$10 million to support small and rural hospitals that are facing financial strain due to the ongoing response to COVID-19. These funds will be distributed by the State's Department of Finance & Administration in the form of small and rural hospital grants. These grants are available up to \$500,000 per hospital as patient volumes decline and new federal funds become available. The applications for these grants are currently active, and the State plans to accept applications until early May or until funds are expended – whichever occurs first.

For interested hospitals, the State encourages applicants to provide a comprehensive picture of their organization including, but not limited to, providing key performance indicator tracking systems, executive dashboard or other facility operations information. To be eligible, hospital applicants must demonstrate that they are "actively pursuing federal relief."

If you are a small or rural Tennessee hospital interested in submitting a competitive and timely application, please contact [Scott Newman](#) or [AJ Hermandorfer](#). Federal relief is not specifically defined but likely refers to assistance from FEMA or assistance available under the CARES Act. If you have questions about navigating these programs, our [Health Law team](#) can help you simultaneously apply for federal and state grant applications and requests. For more information and general guidance on how to address legal issues related to COVID-19, please visit the [Coronavirus \(COVID-19\): What you Need to Know information page](#) on our website.