



Assistance for Physicians, their Practices, and their Patients
(updated as of March 26, 2020)

Congress and the Administration have heard from physician practices nationwide regarding the impact COVID-19 has had on their businesses, employees, and patients. Below are some the legislative and regulatory provision to-date that would provide financial assistance or regulatory flexibility for physician practices and their patients.

A complete summary of these provisions can be found <http://cutt.ly/FtmN3gJ>

The full text of the CARES Act, can be found <http://cutt.ly/ktmMuas>

Should you have any questions, please don't hesitate to contact any on the CHCG health team.

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Health Legislative Relief for Physicians:

- **Federal Funding for Health Care Providers** \$100 billion for a new program to provide direct aid to health care institutions on the front line of this crisis – hospitals, public entities, not-for profit entities, and Medicare and Medicaid enrolled suppliers and institutional providers – to cover costs or lost revenue related to the public health crisis
- **Section 3213. Rural health care services outreach, rural health network development, and small health care provider quality improvement grant programs.** Reauthorizes HRSA grant programs to strengthen rural community health by focusing on quality improvement, increasing health care access, coordination of care, and integration of services. Rural residents are disproportionately older and more likely to have a chronic disease, which could increase their risk for more severe illness if they contract COVID19. Appropriates \$79.5 million through 2025.
- **Section 3215. Limitation on liability for volunteer health care professionals during COVID-19 emergency response.** Makes clear that doctors who provide volunteer medical services during the public health emergency related to COVID-19 have liability protections.
- **Section 3513. Temporary Relief for Federal Student Loan Borrowers** Requires the Secretary to defer student loan payments, principal, and interest for 6 months, through September 30, 2020, without penalty to the borrower for all federally owned loans. This provides relief for over 95 percent of student loan borrowers.

- **Section 3709. Increasing Provider Funding through Immediate Medicare Sequester Relief** This section would provide prompt economic assistance to health care providers on the front lines fighting the COVID-19 virus, helping them to furnish needed care to affected patients. Specifically, this section would temporarily lift the Medicare sequester, which reduces payments to providers by 2 percent, from May 1 through December 31, 2020, boosting payments for hospital, physician, nursing home, home health, and other care. The Medicare sequester would be extended by one-year beyond current law to provide immediate relief without worsening Medicare's long-term financial outlook

Small Business Relief

- **Section 1110. Emergency EIDL Grants** Expands eligibility for access to Economic Injury Disaster Loans (EIDL) to include businesses with fewer than 500 employees or any individual operating as a sole proprietor or an independent contractor.
 - Establishes an Emergency Grant to allow an eligible entity who has applied for an EIDL loan due to COVID-19 to request an advance on that loan, of not more than \$10,000, which the SBA must distribute within 3 days. Establishes that applicants shall not be required to repay advance payments, even if subsequently denied for an EIDL loan.
 - Outlines that advance payment may be used for providing paid sick leave to employees, maintaining payroll, meeting increased costs to obtain materials, making rent or mortgage payments, and repaying obligations that cannot be met due to revenue losses.
- **Section 1106. Loan Forgiveness** Establishes that the borrower shall be eligible for loan forgiveness of certain Small Business Administration loans under equal to the amount spent by the borrower during an 8-week period after the origination date of the loan on payroll costs, interest payment on any mortgage incurred prior to February 15, 2020, payment of rent on any lease in force prior to February 15, 2020, and payment on any utility for which service began before February 15, 2020.
- **Section 1112. Subsidy for Certain Loan Payments** Defines a covered loan as an existing 7(a) (including Community Advantage), 504, or microloan product. Requires the SBA to pay the principal, interest, and any associated fees that are owed on the covered loans for a six month period starting on the next payment due. Loans that are already on deferment will receive six months of payment by the SBA beginning with the first payment after the deferral period. Loans made up until six months after enactment will also receive a full 6 months of loan payments by the SBA
- **Section 230. Employee retention credit for employers subject to closure due to COVID-19** The provision provides a refundable payroll tax credit for 50 percent of wages paid by employers to employees during the COVID-19 crisis. The credit is available to employers whose (1) operations were fully or partially suspended, due to a COVID-19-related shut-down order, or (2) gross receipts declined by more than 50 percent when compared to the same quarter in the prior year.
- **Section 2302. Delay of payment of employer payroll taxes** The provision allows employers and self-employed individuals to defer payment of the employer share of the Social Security tax they otherwise are responsible for paying to the federal government

with respect to their employees. The provision requires that the deferred employment tax be paid over the following two years, with half of the amount required to be paid by December 31, 2021 and the other half by December 31, 2022.

- **Section 2303. Modifications for net operating losses** The provision relaxes the limitations on a company's use of losses. Net operating losses (NOL) are currently subject to a taxable-income limitation, and they cannot be carried back to reduce income in a prior tax year. The provision provides that an NOL arising in a tax year beginning in 2018, 2019, or 2020 can be carried back five years. The provision also temporarily removes the taxable income limitation to allow an NOL to fully offset income. These changes will allow companies to utilize losses and amend prior year returns, which will provide critical cash flow and liquidity during the COVID-19 emergency.

Provisions to Support Displaced Employees

- **Section 2104. Emergency Increase in Unemployment Compensation Benefits** This section provides an additional \$600 per week payment to each recipient of unemployment insurance or Pandemic Unemployment Assistance for up to four months.
- **Section 2201. 2020 recovery rebates for individuals** All U.S. residents with adjusted gross income up to \$75,000 (\$150,000 married), who are not a dependent of another taxpayer and have a work eligible social security number, are eligible for the full \$1,200 (\$2,400 married) rebate. In addition, they are eligible for an additional \$500 per child. This is true even for those who have no income, as well as those whose income comes entirely from non-taxable means-tested benefit programs, such as SSI benefits.
- **Section 2107. Pandemic Emergency Unemployment Compensation** This section provides an additional 13 weeks of unemployment benefits through December 31, 2020 to help those who remain unemployed after weeks of state unemployment benefits are no longer available.
- **Section 2108. Temporary Financing of Short-Time Compensation Payments in States with Programs in Law** This section provides funding to support "short-time compensation" programs, where employers reduce employee hours instead of laying off workers and the employees with reduced hours receive a pro-rated unemployment benefit. This provision would pay 100 percent of the costs they incur in providing this short-time compensation through December 31, 2020.

CMS Regulatory Relief for Physicians:

- You can read about the blanket waivers for COVID19 in the [Emergency Declaration Health Care Providers Fact Sheet \(PDF\)](#). (3/13/20)
- **CMS issued recommendations for adult elective surgery and procedures** (<https://www.cms.gov/files/document/31820-cms-adult-elective-surgery-and-procedures-recommendations.pdf>) (3/19/20)
- **CMS Lessening Provider Financial Burdens:** CMS announced modifications to its accelerated /advanced payment programs for health care providers and suppliers

experiencing cash flow concerns due to COVID-19. This guidance allows CMS to streamline the payment calculations and eliminates regional office approval and review of supporting documents in an effort to further help providers and lessen their financial hardships. (<https://www.cms.gov/newsroom/press-releases/cms-announces-relief-clinicians-providers-hospitals-and-facilities-participating-quality-reporting>) (3/22/20)

COVID-related Regulatory Relief for Patients:

- **CMS has waived the following provisions for Medicare Advantage**
 - Waiving cost-sharing for COVID-19 tests
 - Waiving cost-sharing for COVID-19 treatments in doctor's offices or emergency rooms and services delivered via telehealth
 - Removing prior authorizations requirements
 - Waiving prescription refill limits
 - Relaxing restrictions on home or mail delivery of prescription drugs
 - Expanding access to certain telehealth services

- CMS issues FAQ on catastrophic plan coverage for COVID-19 - <https://www.cms.gov/CCIIO/Resources/Files/Catastrophic-Coverage-of-COVID-19.pdf>

COVID-related Legislative Relief for Patients:

The CARES Act

- **Section 3201.** Coverage of diagnostic testing for COVID-19 Clarifies that all testing for COVID-19 is to be covered by private insurance plans without cost sharing, including those tests without an EUA by the FDA.

- **Section 3202.** Pricing of diagnostic testing. For COVID-19 testing covered with no cost to patients, requires an insurer to pay either the rate specified in a contract between the provider and the insurer, or, if there is no contract, a cash price posted by the provider.

- **Section 3203.** Rapid coverage of preventive services and vaccines for coronavirus. Provides free coverage without cost-sharing of a vaccine within 15 days for COVID-19 that has in effect a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force or a recommendation from the Advisory Committee on Immunization Practices (ACIP).

- **Section 3713.** Eliminating Medicare Part B Cost-Sharing for the COVID-19 Vaccine This section would enable beneficiaries to receive a COVID-19 vaccine in Medicare Part B with no cost-sharing.

- **Section 3714.** Allowing Up to 3-Month Fills and Refills of Covered Medicare Part D Drugs This section would require that Medicare Part D plans provide up to a 90-day supply of a prescription medication if requested by a beneficiary during the COVID-19 emergency period.