

## Health FAQs on the CARES ACT

### Patients

This bill expands coverage for coronavirus tests and vaccine.

- **No cost-sharing for a coronavirus test.**  
The Families First Coronavirus Act (Supplemental 2.0) required that all private insurance plans, Medicare, Medicare Advantage, Medicaid, TRICARE, federal employee health plans, and the Veteran’s Affairs Administration to cover coronavirus testing without deductibles, coinsurance, or co-pays. That bill also prohibited private plans from using tools like prior authorization to limit access to testing. Insurers also have to cover fees for visits to the ER, an urgent care center, or a doctor’s office associated with getting a test without cost sharing.
- **Insurance coverage of a coronavirus vaccine.**  
The Affordable Care Act required that preventive services and vaccines be covered by private insurance without cost-sharing. This section requires that coverage without cost sharing begin fifteen days after the COVID-19 vaccine getting a favorable rating or recommendation from the United States Preventive Service Task Force.
- **No cost-sharing for telehealth services for consumers with high-deductible plans.**  
The CARES Act allows a high-deductible health plan (HDHP) with a health savings account (HSA) to cover telehealth services prior to a patient reaching the deductible, increasing access for patients who may have the COVID-19 virus and protecting other patients from potential exposure for those plan years beginning on or before December 31, 2021.

### Health Systems, Hospitals, and Health Providers

This bill provides additional financial resources for hospitals, health systems, and health providers on the frontline.

- **Extends liability protections for volunteer health care professionals during this public health emergency.** This bill makes clear that health care providers who provide volunteer medical services during the public health emergency related to COVID-19 have liability protections under specified conditions.
- **Creates a twenty percent add-on payment for Medicare beneficiaries.** This bill increases hospital inpatient payments by twenty percent for services to treat beneficiaries with COVID-19. This will ensure that our seniors will continue to get access to care, and that the resource-intensive services associated with COVID-19 will be compensated adequately. Language was included to allow Maryland hospitals to take advantage of this resource.
- **\$100 billion for a new program, the Public Health and Social Services Emergency Fund (PHSSEF), 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 related to this public health crisis.
  - Who qualifies? “Eligible health providers” are those that provide health care, diagnoses or testing for individuals with possible or actual cases of COVID-19.
    - Eligible health providers must submit an application that includes justification for payment and include a valid tax ID number.

- What can funds be used for? Building or constructing temporary structures, leasing of properties, medical supplies and personal protective equipment (PPE), testing supplies, increased workforce and trainings, and retrofitting ICUs. It is important to note that this fund can only be used for non-reimbursable expenses.
- Can healthcare entities access these funds if they are also eligible for funding from other government programs?
  - Yes. The language states that the funds may not be used for expenses or losses that have been reimbursed from other sources or that other sources are *obligated* to reimburse. Even if qualified expenses are *eligible* for reimbursement from another mechanism, an entity may still apply for funding from the PHSSEF fund while simultaneously applying for funding from other sources. However, should the entity subsequently receive reimbursement for expenses from any other source after receiving funding for the same expenses from the PHSSEF fund, the entity will be required to re-pay the funding it received from the PHSSEF fund.
- How is money distributed? HHS Secretary will review applications and make payments on a rolling basis, in order to get money into the health system as quickly as possible.
- **Small Business Association (SBA) Paycheck Protection Program.** Hospitals, health systems, and health care providers may also apply for and receive funding under the 7(a) SBA Paycheck Protection Program.
  - Who qualifies? Small businesses and 501(c)(3) non-profit organizations, including hospitals, health systems, and health care providers.
    - To be eligible, small businesses and 501(c)(3) non-profit organizations must have fewer than 500 employees, or more if SBA's size standards for the non-profit allows.
    - Small businesses and organizations will be able to apply if they were harmed by COVID-19 between February 15, 2020 and June 30, 2020.
  - What is the program? Through this program, a small business or organization can apply to an SBA-approved lender for a loan of up to 250% of your average monthly payroll costs to cover eight weeks of payroll as well as help with other expenses like rent, mortgage payments, and utilities.
    - This loan can be forgiven based on maintaining employee and salary levels. For any portion of the loan that is not forgiven, the terms include a maximum term of 10 years, a maximum interest rate of 4 percent.
    - This program is retroactive to February 15, 2020, in order to help bring workers who may have already been laid off back onto payrolls. Loans are available through June 30, 2020.
- **\$1.32 billion for Community Health Centers (CHCs) and Federally Qualified Health Centers (FQHCs)** to help frontline workers serving vulnerable populations and low-income communities test and treat patients for COVID-19. In Maryland, there are 17 CHCs and FQHCs providing services at 88 sites of care and serving over 328,000 patients. This funding is in addition to the \$100 million distributed by the Health Resources and Services Administration (HRSA) to CHCs on March 24<sup>th</sup>. Community Health Centers can also access the PHSEFF fund.

- **Expands Reimbursable Telehealth Services.**
  - Allows FQHCs and CHCs to furnish telehealth services to Medicare patients in their homes or other setting from a broader range of health care providers, reducing COVID-19 exposure.
  - Temporarily allows the use of telehealth to conduct face-to-face visits between home dialysis patients and physicians. This section would eliminate a requirement during the COVID-19 emergency period that a nephrologist conduct some of the required periodic evaluations of a patient on home dialysis face-to-face, allowing these vulnerable beneficiaries to get more care in the safety of their home.
  - Temporarily allows the use of telehealth to conduct face-to-face encounter prior to recertification of eligibility for hospice care during emergency period. Under current law, hospice physicians and nurse practitioners cannot conduct recertification encounters using telehealth. This section would allow, during the COVID-19 emergency period, qualified providers to use telehealth technologies in order to fulfill the hospice face-to-face recertification requirement.

### **State and Local Governments and Public Health Departments**

This bill provides state and local governments and public health departments with additional financial resources to prepare their communities for the COVID-19 outbreak.

- **Establishes a national tracking system to determine how many Americans have been tested nationwide for COVID-19.** Requires every lab that performs or analyzes a COVID-19 tests to report their results to HHS.
- **Provides permanent liability protections for manufacturers of personal respiratory protective equipment,** such as masks and respirators, in the event of a public health emergency, to incentivize productions and distribution.
- **\$4.3 billion to support federal, state, and local public health agencies** to prevent, prepare for, and respond to the coronavirus, including for the purchase of personal protective equipment; laboratory testing to detect positive cases; infection control and mitigation at the local level to prevent the spread of the virus; and other public health preparedness and response activities.
  - **\$1.5 billion- State and Local Preparedness Grants-** When combined with the first supplemental, the Congress has provided \$2.5 billion for state and local needs. Maryland will receive at least \$11.4 million
    - What can the funds be used for? Grants can be used to carry out surveillance, epidemiology, lab capacity, infection control, mitigation, communications, and other preparedness and response activities.
- **\$45 billion for FEMA’s Disaster Relief Fund** to provide for the immediate needs of state, local, tribal, and territorial governments to protect citizens and help them recovery from the overwhelming effects of COVID-19. Reimbursable activities may include medical response, personal protective equipment, National Guard deployment, coordination of logistics, safety measures, and community services nationwide.
  - The Maryland Disaster Relief Declaration was approved on Thursday, March 27th. This means Maryland will be eligible for this funding for reimbursement for the Emergency

Protective Measures taken by state and local government agencies and certain non-profit groups.

### **National Supply of Medical Supplies to Address COVID-19**

This legislation provides substantial funding to increase the supplies in the Strategic National Stockpile, which will be released to states, and increases the funding for the Defense Production Act to increase domestic protection of needed medical supplies.

- **\$16 billion to replenish the Strategic National Stockpile** supplies of pharmaceuticals, personal protective equipment, and other medical supplies, which are distributed to State and local health agencies, hospitals and other healthcare entities facing shortages during emergencies.
- **\$1 billion for the Defense Production Act** to bolster domestic supply chains, enabling industry to quickly ramp up production of personal protective equipment, ventilators, and other urgently needed medical supplies, and billions dollars more for federal, state, and local health agencies to purchase such equipment.

### **Research and Development of Treatment and Vaccines for COVID-19**

This legislation provides incredible resources to help our federal agencies to research and develop treatments and vaccines for COVID-19.

- **\$27 billion for the Biomedical Advanced Research and Development Authority (BARDA)** to support research and development of vaccines, therapeutics, and diagnostics to prevent or treat the effects of coronavirus.
- **\$945 million for the National Institutes of Health (NIH)** to support research to expand on prior research plans, including developing an understanding of the prevalence of COVID-19, its transmission and the natural history of infection, and developing countermeasures for the prevention and treatment of its various stages.