

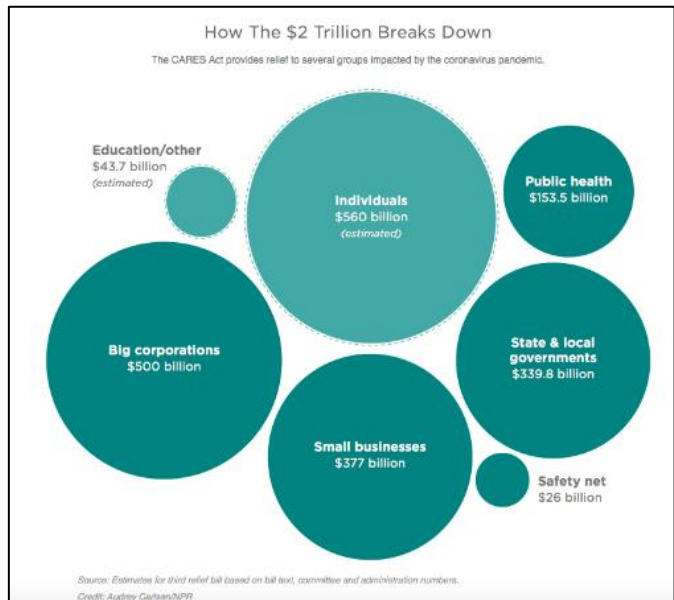


Congress Responds to Coronavirus: Stimulus Funding Policy Digest

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Well-being and Equity (WE) in the World

Congress has passed three bills in response to COVID-19, known as the three phases of economic relief:

[H.R. 6074: Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020](#) — Enacted March 4, 2020. Provided \$8.3 billion in emergency funding for federal agencies to respond to the coronavirus outbreak related to developing a vaccine, medical supplies, grants for public health agencies, small business loans, and assistance for health systems in other countries. Allowed for temporarily waiving Medicare restrictions and requirements regarding telehealth services.



[H.R. 6201: Families First Coronavirus Response Act](#) — Enacted March 18, 2020. Guaranteed free coronavirus testing, established paid leave, enhanced unemployment insurance, expanded food security initiatives, and increased federal Medicaid funding.

[H.R.748, \(CARES\) Coronavirus Aid, Relief, and Economic Security Act](#) – Enacted March 27, 2020. Includes direct payments to Americans, an aggressive expansion of unemployment insurance, billions of dollars in aid to large and small businesses, and a new wave of significant funding for the health care industry.

How will the CARES Act impact different groups and sectors?

Individuals

- Cash payments of up to \$1,200 per individual and \$500 per child, based on 2018 or 2019 adjusted gross income.
- Increased unemployment benefits and eligibility, variable by state. Federal funds to add \$600/week on top of state benefit for 4 months – until July 2020. Adds 13 weeks of additional unemployment insurance up to total of 39 weeks. Allows self-employed or gig workers, freelancers and contractors to temporarily apply for unemployment if that lose work as a direct result of the public health emergency. For the purposes of Medicaid and CHIP, the additional unemployment compensation is not considered income.
- Extends IRS filing deadline to July 15.
- Allows employers to provide up to \$5,250 in tax free student loan repayment benefits.
- Requires annual risk management plans from manufacturers of drugs and devices critical to a public health emergency and subjects some manufacturers to shortage-related inspections. Drug manufacturers must report disruption and discontinuation of the sources of pharmaceutical ingredients.

Students

- Provides temporary relief for all federally owned student loans, deferring loan and interest payments through Sept. 30 without penalty. Collection activities are suspended for this 6-month period.
- Allows schools to turn work-study funds into supplemental grants and continue paying work-study wages while schools are suspended.
- Students who drop out of school as a result of the coronavirus have loan protections and are not required to pay back any grants or aid.

Public Health and Healthcare

- \$4.3B for CDC
- \$16B to Strategic National Stockpile to increase availability of equipment, including ventilators and masks,
- \$100B for hospital response
- \$1.32B for community health center response in FY 2020
- \$11B for diagnostics, treatments and vaccines

- \$80M for FDA to expedite approval of new drugs
- \$20B for veterans
- Requires all private insurance plans to cover COVID-19 treatments and vaccine and makes all coronavirus tests free. Requires price transparency from providers of COVID-19 diagnostic testing and limits prices to those in the pre-emergency period.
- Authorizes new telehealth program, including expansion of Medicare services not related to COVID-19. Provides more flexibility in the types of Medicare providers who can provide telehealth services. Provides \$25M to Distance Learning and Telemedicine program in rural areas. Funds \$100M to the ReConnect program to ensure broadband access for rural Americans.
- Boosts hiring for new health care jobs during the public health crisis and provides funding for health professions-related programs, with an emphasis on those serving medically underserved populations (rural and geriatric).
- Speeds the development of a vaccine, treatments and faster diagnostics.
- Limits liability for volunteer health professionals for any harm caused to patients related to COVID-19 volunteer services.
- Amends confidentiality regulations related to substance use disorder records, allowing certain disclosures with patient consent.
- Requires new HIPAA guidance on the sharing of protected health information related to COVID-19.
- Allows state or area agency on aging to transfer funds without prior approval to meet needs, including nutritional needs of homebound seniors.
- Funds NASEM report on security of the U.S. medical supply product chain.
- Requires national awareness campaign to encourage blood donation.

Food Security Measures

- \$15.5B for SNAP to cover new applications for nutrition assistance.
- \$8.8B for Child Nutrition Programs to ensure children receive meals while school is not in session.
- Includes additional funds and access to federal nutrition programs for American Indian reservations (\$100M) and for Puerto Rico and the territories (\$200M).
- \$450B to expand food banks and community food distribution programs.

State and Local Governments

- \$274B for COVID-19 response efforts, including direct aid for governments running out of cash due to high number of cases.
- \$5B for Community Development Block Grants
- \$13B for K-12 schools
- \$4B for higher education
- \$5.3B for children and families, including assistance to child care centers.
- Provides flexibility in Workforce Innovation Opportunity Act program or statewide rapid response activities or for local boards impacted by the coronavirus.

Small Businesses

- Grants of up to \$10,000 to cover immediate operating costs for small businesses.
- Loans of up to \$10 million per business; if used to maintain payroll, keep on workers, pay rent, mortgage and debt the loan could be forgiven if workers stay employed through the end of June. This \$349B loan program includes non-profits and physician practices.
- Funds relief – 6 months of payments – for small businesses with SBA loans.
- Funds education for small businesses regarding COVID-19 federal resources available and best practices in teleworking.
- Provides grants to minority business centers and minority chambers of commerce for education, training and advising related to accessing federal resources.
- Provides \$9.5B to assist agricultural producers impacted by the coronavirus, including specialty crop producers, livestock producers and those who support local food systems such as farmers markets, schools and restaurants.

Big Businesses

- Funds airline employee wages, salaries and benefits of up to \$25 billion for passenger air carriers, up to 4 billion for cargo air carriers and up to \$3 billion for airline contractors. Bars any company receiving such a loan from making stock buybacks for the term of the loan plus one year. Loans must be publicly disclosed.
- Creates a special inspector general to oversee pandemic recovery, including oversight of all loans and other uses of taxpayer dollars.

- The president, vice president, members of the Cabinet and members of Congress are barred from benefiting from the money carved out for corporations as are members of their families.
- Establishes refundable tax credit for closed or distressed businesses to help keep their workers on payroll – either hired back or on paid furlough. Credit of up to 50% of payroll on first \$10,000 of total compensation for each employee.

Other

- Arts programs
- Universities
- Other institutions

Sources:

Summary here: <https://www.foley.com/en/insights/publications/2020/03/coronavirus-cares-act-enacted-into-law>

Figure here: <https://www.npr.org/2020/03/26/821457551/whats-inside-the-senate-s-2-trillion-coronavirus-aid-package>

Telehealth provisions here: <https://www.healthleadersmedia.com/innovation/president-trump-signs-2-trillion-stimulus-package-telehealth-gets-another-boost>

<https://info.americantelemed.org/covid-19-cares-act-summary>