

## **COVID-19 RESPONSE PHASE 3: FAQs**

### **INDIVIDUALS**

#### **Q: Unemployment Insurance – are the self-employed, gig workers, and contractors eligible?**

*A: Yes, the bill expands unemployment benefits to cover more workers including self-employed and independent contractors, like gig workers and Uber drivers, who do not usually qualify for unemployment. Overall, the bill provides \$250 billion in funding for expansion of unemployment benefits, the largest increase ever.*

### **SMALL BUSINESS**

#### **Q: Are non-profits, chambers, physician practices, eligible for 7(a) loans?**

*A: 501(c)3 non-profits are eligible. No other 501(c) organizations are eligible, including chambers structured as 501(c)6s.*

*Physician practices are eligible, no matter how they are structured.*

#### **Q: Can small businesses can hire back previously fired employees and still have the loans forgiven? If so, what is the hire-back date?**

*A: Yes. There is flexibility in the program to allow businesses to hire new, or returning employees, by June, 30, 2020, and still qualify under the headcount requirements.*

#### **Q: How quickly will business be able to access loans?**

*A: We are working with the SBA on capacity issues, including onboarding new lenders. The SBA is assuring the Small Business Committee that they are ready to stand up all of the requirements within the Senate bill as quickly as possible.*

#### **Q: What does this bill do to provide relief for rural communities and farmers?**

*A: The bill includes a number of small business provisions designed to help farmers stay in business and take care of their employees during this difficult time. These include provisions that allow farmers to work with their trusted farm credit institutions for the purposes of securing payroll tax loans, along with 1-year deferrals, 100% guarantees, and low rates. The bill provides \$14 billion for the Commodity Credit Corporation (CCC), the funding mechanism for all major USDA programs. It also appropriates an additional \$9.5 billion to specifically respond to losses due to COVID-19.*

*Additional funding is provided for USDA agencies that are on the front lines of responding to COVID-19, including the Food Safety Inspection Service (FSIS), the Animal and Plant Health Inspection Service (APHIS), and the Farm Service Agency (FSA).*

*The bill also includes \$100 million to provide financing for rural broadband through the ReConnect program, and \$25 million for the Distance Learning and Telemedicine program to provide grants for equipment and connectivity improvements.*

**Q: Employee retention credit – how will this work?**

*A: The Employee Retention Credit provides a refundable payroll tax credit equal to 50 percent of up to \$10,000 in wages per employee (including health benefits) paid by certain employers during the coronavirus crisis.*

*The credit is available to employers:*

- whose operations were fully or partially shut down by government order limiting commerce, travel, or group meetings due to coronavirus, or*
- whose quarterly receipts are less than 50% for the same quarter in the prior year.*

*Wages paid to employees during which they are furloughed or otherwise not working (due to reduced hours) as a result of their employer's closure or economic hardship are eligible for the credit.*

*However, for employers with 100 or fewer employees, all employee wages qualify for the credit, regardless of whether they are furloughed or face reduced hours.*

*To prevent double dipping, employers that receive Small Business interruption loans are not eligible for the credit. Additionally, wages that qualify for the required paid leave credit are not eligible for the credit.*

*The credit is for wages paid by eligible employers from March 13, 2020 through December 31, 2020.*

**AIRLINES AND DISTRESSED INDUSTRIES**

**Q: Regional airports/airlines – what assistance are they eligible to receive?** *A: Passenger airlines are eligible for \$25 billion in loan authority and \$25 billion in grants to maintain their operations, employee payroll, and contracts around the country. The bill also includes \$4 billion in loan authority and \$4 billion in grants for cargo air carriers.*

*The bill also provides \$10 billion in grants through the Airport Improvement Program to support projects and operations at airports around the country. It also provides \$3 billion in grants for contractors employed by the airlines, to ensure that airlines can maintain existing operations*

contracts. The bill also includes \$56 million for the Essential Air Service to maintain existing air service to rural communities.

**Q: Within the tourism industry, who is eligible and how are the funds accessed?**

*A: All industries and firms are eligible to benefit from the broad financing from the Treasury fund to the extent they don't receive sufficient assistance from other programs. How to access this support will depend on the size and model of the business and the exact facility used.*

**Q: What does this bill do to put restrictions on the airlines accepting grants and loans?**

*A: The loans come with conditions including: restrictions on executive compensation; prohibition on stock buybacks and the prohibition on paying dividends for the duration of the loan plus 12 months; the airline or business must maintain its existing employment levels through September 30, 2020 to the extent practicable, and in no case reduce it by more than 10%.*

**Q: How does it support airports and affiliated contractors?**

*A: The bill provides \$10 billion in grants to airports to help them maintain employment, continue operations, clean and sanitize to prevent the spread of coronavirus, and service airport construction debt.*

*The bill also provides \$3 billion in payroll support grants to airline contractors, including baggage handlers, wheelchair pushers, and caterers. These grants can only be used for paying employees and contractors that receive grants must maintain current employment levels through September 2020.*

**HEALTH CARE**

**Q: How does bill address the PPE and COVID-19 testing shortage?**

*A: The bill provides \$16 billion explicitly for the National stockpile. This funding can purchase medical supplies, equipment, and medicine to be distributed to states.*

**Q: How does the bill help individuals with mental health needs?**

*A: EXPANDS TELEHEALTH SERVICES: Opens up expanded telehealth services in the Medicare program, allowing seniors across the nation to receive any current telehealth approved service (not just COVID related services), including mental health and substance abuse services. This will allow seniors to receive critically important mental health and substance use disorder services in their homes without having to forgo care or risk infection by entering the community.*

*IMPROVED CARE COORDINATION FOR PATIENTS WITH SUBSTANCE USE DISORDER: Ensures that health care providers can more effectively care for patients with substance use disorders (especially those with comorbid mental illness and other chronic diseases) by better aligning the treatment of substance use disorder medical records subject to 42 CFR Part 2 with HIPAA.*

**REAUTHORIZES THE EXCELLENCE IN MENTAL HEALTH DEMONSTRATION PROGRAM:**

*Reauthorizes and expands Certified Community Behavioral Health Clinics, which provide critical services both in person and via telemedicine to tens of thousands of vulnerable Americans with suffering with mental health or addiction issues.*

**PROVIDES ADDITIONAL FUNDING TO THE SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION (SAMHSA):** *Provides a total of \$425 million for SAMHSA to be used to support grants to address suicide prevention, mental and behavioral health priorities for tribes and tribal organizations, Certified Community Behavioral Health Clinics, and other emergency substance use disorder or mental health needs in local communities.*

*Specifically:*

- *Certified Community Behavioral Health Clinics: \$250 million to increase access to mental health care services.*
- *Suicide Prevention: \$50 million to provide increased support for those most in need of intervention.*
- *SAMHSA Emergency Response Grants: \$100 million in flexible funding to address mental health, substance use disorders, and provide resources and support to youth and the homeless during the pandemic.*

**Q: Will emergency service providers be eligible for telehealth provisions?**

*A: Emergency service providers are still required to respond to the scene if they are dispatched through a 911 emergency call. However, emergency service providers will be able to use funds from the Public Health and Social Services Emergency Fund in order to authorize treatment in place and alternative destinations of care besides the hospital for ground ambulance responders. These emergency service providers should be able to use telehealth tools and capabilities in order to treat patients on site or determine if they require care at an alternative site. These concepts of treatment in place and alternative destinations of care for emergency responders are found in the Administration's Emergency Triage, Treat, and Transport (ET3) Model released last year aimed at providing greater flexibility for first responders and patients.*

**Q: Why aren't phone calls – which are low-tech and easier than video conferencing – eligible for telehealth reimbursement?**

*A: We understand that seniors may have issues with video conferencing for telehealth purposes, particularly in areas where there is a lack of broadband, especially rural areas. The limitation on telemedicine was originally included as a guardrail by House Democrats in package 2 to ensure unscrupulous providers didn't start reaching out to beneficiaries, they had no relationship with to bill for unneeded or non-provided services. But we all realize how important keeping our vulnerable seniors out of the community setting is during this public health emergency. We can only assume the Senate did not include phone calls to be eligible for telehealth reimbursement*

*because doctors already complete many regular calls with seniors that are currently not billable. Without a clear delineation between those standard calls and new COVID authority related telehealth calls, there is not a good way to cover audio-only telehealth without a massive expansion in costs, even without patients receiving new services.*

## **APPROPRIATIONS**

### **Q: Are state and local governments are eligible for relief funds?**

*A: Yes, Eighty percent of funding provided by Division B, the appropriations section, goes out through existing grants to support state, local, tribal, and community grantees. Funding is provided to numerous programs within the Agriculture; Labor-Health-Education; Interior; Homeland Security; Commerce-Justice-Science; and Transportation and Housing subcommittees. For additional questions on Division B, please contact the Appropriations Committee. Some programs included within the appropriations division are:*

- *Community Development Block Grants – \$5 billion*
- *Homelessness Grants – \$4 billion*
- *Transit Agencies – \$24 billion*
- *Airports – \$10 billion*
- *Assistance to Tribal Communities (Indian Health Service, Bureaus of Indian Education/Affairs, and Food Distribution) – \$1.7 billion*
- *Disaster Relief Fund – \$45 billion*
- *Emergency Food and Shelter Grants – \$200 million*
- *First Responder (FIRE) Grants – \$100 million*
- *Emergency Management Program Grants – \$100 million*
- *Byrne Justice Assistance Grants – \$850 million*
- *Economic Assistance Development Grants – \$1.5 billion*
- *Manufacturing Extension Partnership Grants – \$50 million*
- *Child nutrition – \$8.8 billion*
- *Supplemental Nutrition Assistance Program – \$15.8 billion*
- *Community Services Block Grant – \$1 billion*
- *Low Income Home Energy Assistance Program – \$900 million*
- *Child Care and Development Block Grant – \$3.5 billion*
- *CDC Funding for State Public Health Departments – \$1.5 billion*

**Q: Are the DOD and VA eligible for relief funds?**

*A: The bill provides a total of \$10.5 billion for DOD functions and programs, including \$1 billion to expand availability of necessary supplies through the Defense Production Act, \$3.4 billion for defense health care programs, and \$1.5 billion to support the deployment of the National Guard.*

*The bill provides a total of \$19.6 billion for the Department of Veterans Affairs and veterans programs. In addition, if VA is called upon by the federal emergency coordination council to care for non-Veterans, it will be reimbursed through the Public Health and Social Security Emergency Fund. Funding provided in the bill for the PHSSEF assumes VA will be reimbursed approximately \$4 billion.*

**Q: How will funds be distributed to hospitals, including rural hospitals?**

*A: The bill appropriates \$100 billion to hospitals and other health care providers. We believe HHS will hire a third-party claims processor, similar to a Medicare Administrative Contractor. This processor will use criteria, outlined by HHS, to determine (1) eligibility of provider, (2) justifiability of amount, (3) amount of claim, (4) payment, and any other information determined by HHS. We also assume there will be an administrative appeals process. We do not know specifics yet as this is a new program. The bill provides wide latitude to the Administration to determine program parameters.*

*Additionally, the bill provides money for providers through Medicare:*

*Allows for accelerated Medicare payments. This will help hospitals, especially those facilities in rural and frontier areas, get the reliable and stable cash flow they need to help them maintain an adequate workforce, buy essential supplies, create additional infrastructure, and keep their doors open to care for patients.*

*Creates a 20 percent add on payment for inpatient treatment*

*Delays the sequester until the end of this calendar year, which gives providers both money and certainty.*

**Q: Will nursing homes be able to access the same account as hospitals?**

*A: Nursing homes may be eligible, but that remains an open issue. Significant parameters will need to be issued by HHS on the process, information, and eligibility.*