Overview of Coronavirus Response Legislation as of 6/18/20

While the nation’s response to COVID-19 is a fluid situation, Congress has responded with a series of legislation. We have already seen two supplemental appropriations bills signed into law, and Congress is on the verge of passage of a third bill that would provide larger economic relief.

NHC Priorities
The National Health Council (NHC) is working with patient advocates to urge Congress to include provisions that would help patients including:

- Ensuring patients have access to COVID-19 testing and treatment at no or low out-of-pocket costs.
- Expanding the number of workers eligible for paid and protected leave during the pandemic.
- Promoting health coverage through expedited Medicaid enrollment and initiate a special enrollment period for Affordable Care Act exchange coverage.
- Expanding the availability of telemedicine services to facilitate social distancing and prevent disruption of necessary, especially emergency, care.
- Modifying refill policies to allow patients to obtain needed supplies of medicines and medical products, while balancing the need to prevent shortages.

In addition, The NHC is working with other nonprofit advocates to drive solutions that will mitigate the economic impact of the crisis on nonprofit organizations, including:

- Making tax credits and deductions applicable not just to income taxes, but to the taxes nonprofits pay.
- Including nonprofits in grants offered to small businesses, particularly to account for lost revenue and expenses related to canceled meetings and other activities or reduced giving from economic downturn.
- Including patient organizations in any economic stimulus proposals aimed at helping adversely affected industries and geographic areas.
- Creating a temporary giving incentive that enables everyone, regardless of whether they itemize deductions, to receive a tax incentive for giving to the work of charitable nonprofits.

The following is a summary of the COVID-19 response bills that have been passed/introduced as of 3/27/20:

First Bill – Ramping up Response Infrastructure
Status: Signed by the President on March 6, 2020
Provisions: $7.76 billion to federal, state, and local agencies to combat the coronavirus and authorizes an additional $500 million in waivers for Medicare telehealth restrictions.

June 18, 2020
Second Bill – Access to Testing and Relief for Individuals and Employers
Bill #: HR 6201 - The Families First Coronavirus Response Act
Status: Signed by the President on March 18, 2020.
Provisions: H.R. 6201 contains important provisions that expand the ability of patients to get tested for COVID-19 and encourage “social distancing” that could reduce transmission. These provisions include:

- Supplemental funding for the Supplemental Nutrition Program for Women Infants and Children (SNAP), senior nutrition programs, and food banks to meet increased eligibility and demand.
- Suspension of work requirements for SNAP benefits.
- No-cost coronavirus testing for all patients, regardless of insurance type or status, including $1 billion for testing of uninsured patients.
- Increased federal support for Medicaid spending to ease financial strain on state budgets during this crisis.
- Funding for paid time off to allow some symptomatic or exposed workers, or parents of children with school closures, to stay home through Family and Medical Leave Act (FMLA) leave. However, this provision only applies to employers with fewer than 500 employees and government employers and The Department of Labor can also issue exemptions for employers of fewer than 50 employees. Employers are reimbursed through a payroll tax credit for this expanded leave, which applies to for-profit and non-profit employers.
- Federal support to states to underwrite unemployment benefits in states where unemployment enrollment spikes.

Third Bill – Broad Economic Stabilization
Status: Signed by the President on March 27, 2020.
Provisions: The CARES Act is a $2 trillion bipartisan deal on a third package of COVID-19 relief. Provisions in the final version of the CARES Act include:

- Expansion of unemployment insurance;
- A $500 Billion small business loan package;
- $150 Billion in funds for health care providers and front-line workers;
- Required coverage for qualifying coronavirus preventive services;
- Direct payments to individuals and families that are scaled based on income;
- Extension until November 30 of several health-related programs that were set to expire on May 22; and

Specifically, for the nonprofit sector, the bill:

- Includes nonprofits in targeted assistance to affected sectors, though does not carve out any portion of the funding, as the nonprofit community requested;
• Allows individuals to deduct up to $300 of charitable donations if they do not itemize their taxes; and
• Allows nonprofits with fewer than 500 employees to participate in the small business loans, and a provision in the original bill that excluded nonprofits that received Medicaid reimbursements was removed. There are also low interest loans for larger organizations.

Fourth Bill – Amendment to CARES Act
Bill #: S.Amdt.1578 to H.R.748
Status: Signed by the President on April 24, 2020.
Provisions: This amendment enhances the CARES Act by adding the following funding amounts:
  • $321 billion for Paycheck Protection Program
  • $60 billion in disaster relief
  • $75 billion for hospitals
  • $25 billion for testing ($11b of which will go to states)

Fifth Bill - Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act
Bill#: HR 6800
Status: Passed by the House on May 15, 2020
Provisions: The bill totals $3 trillion and includes $1 trillion for States and Local Governments.
Provisions in the HEROES Act include:
  • The prohibition of cost sharing for treatment, testing, and vaccines in any kind of coverage;
  • Medicaid Federal contribution Increases;
  • Suspending finalization of the Medicaid Supplemental Payment Reporting rule;
  • Support for individuals continuing employer health insurance coverage if they lose their job or purchasing insurance in the federal marketplace;
  • Creating a risk corridor program for health insurance in all markets;
  • Drug refill policy clarification;
  • Oversight and strengthening of vaccine development and personal protective equipment supply lines;
  • Public health data system enhancements;
  • A national system for COVID-19 testing, contact tracing, surveillance, containment, and mitigation;
  • Expands Small Business Administration loan eligibility to all 501(c) organizations;
  • Opening eligibility for the Federal Reserve’s Main Street Lending Program (MSLP) to nonprofits;
  • Sets aside 25% of the additional Paycheck Protection Program (PPP) funds for nonprofits; and
  • Allows up to half of the nonprofit PPP funds to go to nonprofits with more than 500 employees.
**Next Steps**
There are still issues that the NHC and our membership will continue to advocate for in COVID-19 relief legislation that were not included in this package. Specifically, we are asking for stimulus money earmarked to offset nonprofit losses and expenses due to COVID-19, allowing a greater number of nonprofits to participate in small business loan programs, the ability for taxpayers to deduct more charitable donations, and public health provisions to help prevent and treat COVID-19 and facilitate access and continuity of care for people with chronic conditions. We fully expect that there will be additional rounds of relief legislation in the coming weeks and months and will continue to advocate for the priorities of patients and our membership.

**Sixth Bill – Paycheck Protection Program Flexibility Act**
Bill#: HR 7010
Status: Signed by the President on June 5, 2020.
Provisions: This bipartisan bill is aimed at easing restrictions on how businesses use PPP loans. Specifically, the bill:
- Allows forgiveness for expenses beyond the 8-week covered period;
- Limits non-payroll expenses to 60% of loan proceeds;
- Eliminates restrictions that limit loan terms to 2 years;
- Ensures full access to payroll tax deferment for businesses that take PPP loans; and
- Extends the rehiring deadline to offset the effect of enhanced unemployment Insurance.