

Congressional Relief Legislation in Response to COVID-19

In response to the COVID-19 crisis, Congress has passed multiple relief packages to date. We will update this document as additional information becomes available, such as relevant information from agencies on the implementation of these provisions or if Congress enacts additional relief.

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2021

The American Rescue Plan Act of 2021 (H.R. 1319)

Enacted March 12, 2021. This \$1.9 trillion dollar package provides funds to promote COVID-19 vaccine distribution and testing, improve public health infrastructure, expand access to mental health care and substance use disorder treatment, extend health coverage through the Medicaid program, and numerous other purposes.

Medicaid

- **Mandatory COVID-19 vaccine coverage** – Provides for Medicaid and CHIP coverage with no cost-sharing for COVID-19 vaccines and treatment. This coverage for Medicaid beneficiaries would extend for one year and one quarter after the public health emergency ends. Additionally, provides 100% federal medical assistance percentage (FMAP) for COVID-19 vaccines and administration.
 - **CHIP-specific provisions** – The state FMAP for coverage and administration of COVID-19 vaccines would be increased to 100% for one year after the public health emergency ends and state CHIP allotments would be adjusted to account for the 100% FMAP.
- **Medicaid drug rebate cap** – Removes the cap on Medicaid drug rebates (currently 100% of average manufacturer price) beginning Jan. 1, 2024.
- **Mobile crisis intervention services** – Provides incentives for states to cover crisis intervention services for individuals experiencing a mental health or substance use disorder crisis through an enhanced FMAP of 85% for those intervention services. Provides **\$15 million** in planning grants for mobile crisis intervention programs.
- **FMAP increase for Medicaid expansion** – Provides states a 5% FMAP increase for two years if a state elects to cover individuals up to 133% of the federal poverty level and have not yet done so already. The increase would not apply to certain other payments, such as disproportionate share hospital (DSH) payments.

- **State option to extend Medicaid and CHIP postpartum coverage** – Allows states to provide full Medicaid and CHIP coverage for pregnant women throughout pregnancy, during the 60-day postpartum period and an additional 12-month postpartum period. States would have this option for a five-year period.
- **Home and community-based services FMAP** – Increases FMAP for home and community-based services by 10%, not to exceed 95%.
- **Disproportionate Share Hospital Allotment Technical Fix** – Allows the Secretary to recalculate DSH allotments when the state received 6.2 percentage point increase in FMAP. This is intended to ensure that total DSH payments that a state makes would be equal to the total DSH payments the state would have made for the fiscal year without the FMAP increase.

Mental Health

- Provisions under the Substance Abuse and Mental Health Services Administration (SAMHSA)
 - Provides **\$1.5 billion** for the Community Mental Health Services Block Grant (MHBG) for fiscal year (FY) 2021.
 - Provides **\$1.5 billion** for the Substance Abuse Prevention and Treatment Services Block Grant (SABG) for FY 2021.
 - Provides **\$50 million** in new grant funding for community-based funding for local behavioral health needs. Funding will support grants to state, local, tribal and territorial governments, tribal organizations, nonprofit community-based entities and primary and behavioral health organizations to address increased community behavioral health needs due to COVID-19. Funds may be used to promote care coordination among local entities; training behavioral health workforce, relevant stakeholders and community members; expanding evidence-based integrated models of care; addressing surge capacity for mental and behavioral health needs; providing behavioral health services via telehealth; and supporting, enhancing or expanding behavioral health preventive and crisis intervention services.
 - Provides **\$30 million** for community-based funding to support local substance use disorder services.
 - Provides **\$10 million** for the National Childhood Traumatic Stress Network. The program works to develop and promote effective community practices for children and adolescents exposed to traumatic events.
 - Provides **\$30 million** for Project AWARE, which supports youth mental health wellness and resiliency in education.
 - Provides **\$20 million** for existing grant programs that support youth suicide prevention efforts.
 - Provides **\$420 million** for grants for Certified Community Behavioral Health Clinics
- Provisions under the Health Research and Services Administration (HRSA)
 - Provides **\$80 million** for the [Pediatric Mental Health Care Access Program](#) to promote behavioral health integration into pediatric primary care using telehealth.
 - Provides **\$80 million** for mental and behavioral health training for health care professionals, paraprofessionals and public safety officers.
 - **\$40 million** for grants for health care providers to promote mental and behavioral health among their health professional workforce.
 - Provides **\$100 million** for the Behavioral Health Workforce Education and Training Program to expand access to behavioral health services through focused training for behavioral health paraprofessionals. An existing special focus of this program is on children, adolescents and transitional-aged youth at risk for behavioral health disorders.
- Provides **\$20 million** to CDC for a national evidence-based education and awareness campaign targeting health care professionals and first responders.

Telehealth

- Provides **\$500 million** to the Secretary of Agriculture for the establishment of an emergency pilot program to provide grants to cities, counties and districts; non-profit corporations and districts; and federally recognized Indian tribes in rural areas to support rural health care, including increasing telehealth capabilities and underlying information technology systems.

Private Insurance

- Increases and expands the subsidies for ACA Exchange coverage for calendar years 2021 and 2022.
 - Provides “no-premium” coverage for those with incomes at 100-150% of the federal poverty level (FPL) so they pay \$0 for their premiums. For individuals with incomes above 150% of the FPL, premium subsidies will continue to be provided on a sliding scale with a cap on out-of-pocket premium costs at 8.5% of household income.
 - Expands the availability of premium subsidies to individuals whose income is above 400% of the FPL when their premium costs exceed 8.5 % of their overall household income.
 - Provides maximum subsidies to those who receive unemployment benefits in 2021 so they pay \$0 for their premiums.
- Subsidizes 100% of the cost of premiums for COBRA continuation coverage for workers who are laid off or have reduced hours, extends the COBRA election period and revises employer notice requirements beginning the first month after enactment and extending through Sept. 30, 2021.
 - Provides **\$10 million** for the Department of Labor for implementation funding.

Provider Relief

- Provides HHS **\$8.5 billion** to allocate to rural hospitals and other rural provider for health care-related expenses and lost revenues attributable to COVID-19 not reimbursed by other sources. Note: these funds are not directed to the existing Provider Relief Fund (PRF).

Vaccines and Therapeutics

- Provides **\$7.5 billion** to the CDC to plan, prepare for, promote, distribute, administer, monitor and track COVID-19 vaccines.
- Provides **\$1 billion** to the CDC to strengthen vaccine confidence, provide further information and education on vaccines and improve vaccination rates.
- Provides **\$6.05 billion** to HHS for research, development, manufacturing, production and the purchase of vaccines, therapeutics and ancillary medical products and supplies to prevent, prepare or respond to COVID-19 or any disease with potential for creating a pandemic.
- Provides **\$500 million** to the FDA to evaluate the performance, safety and effectiveness of the vaccines, therapeutics and diagnostics; facilitate advanced continuous manufacturing of vaccines and related materials; conduct inspections related to the manufacturing of vaccines and related materials delayed or cancelled for reasons related to COVID-19; review devices authorized for the treatment, prevention or diagnosis of COVID-19; and oversee the supply chain and mitigate the shortage of COVID-19 vaccines, therapeutics and devices.

Testing, Contact Tracing/Surveillance and Supply Chain

- Provides **\$47.8 billion** to HHS to detect, diagnose, trace, and monitor spread of COVID-19.
- Provides **\$1.75 billion** to the CDC for genomic sequencing, analytics and disease surveillance, including with respect to strains of SARS-CoV-2.
- Provides **\$750 million** to the CDC to combat COVID-19 and other emerging infectious diseases globally.

Public Health Infrastructure

- Provides **\$500 million** to the CDC to support public health data surveillance and analytics infrastructure modernization initiatives at the CDC, and to support efforts to modernize the US disease warning system to forecast and track COVID-19 hotspots and other emerging biological threats.
- Provides **\$7.6 billion** to HHS for efforts related to establishing, expanding and sustaining a public health workforce, and to make awards to state, local and territorial public health departments. Funds would also support necessary technology and supplies, such as PPE, for use by the public health workforce.
- Provides **\$7.6 billion** for Community Health Centers to carry out COVID-19 vaccine-related activities, conduct COVID-19 testing, contact tracing, surveillance, mitigation and treatment; purchase COVID-19 equipment and supplies; support health care workforce; expand health care services and infrastructure; and conduct COVID-19 community outreach and education activities.
- Provides **\$5 million** to the Office of the Inspector General for oversight of activities related to funds provided to HHS for COVID-19.

Schools/Child Care

- **\$24 billion** for Child Care Stabilization grants
- Nearly **\$15 billion** for the Child Care and Development Block Grant (CCDBG) program
- **\$122.75 billion** for the Elementary and Secondary School Emergency Relief Fund.
- **\$2.75 billion** for assistance to non-public schools
- **\$1 billion** for Head Start programs.
- **\$3 billion** for Individuals with Disabilities Education Act
- **\$7.17 billion** to expand internet access connectivity for students and teachers without internet access.
- Increases annual funding for the Child Care Entitlement to States to **\$3.55 billion** per year.
- **\$1.25 billion** for evidence-based summer enrichment
- **\$1.25 billion** for afterschool programs
- **\$3 billion** for education technology.
- Provides a permanent increase in childcare assistance of **\$130 million** per year.

Nutrition

- Temporarily boosts the cash value voucher (CVV) in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) to \$35/month.
- **\$390 million** for outreach, innovation and modernization efforts to improve participation and benefit redemption in WIC program
- **\$490 million** for WIC recipients with special dietary needs
- Allows the Pandemic Electronic Benefit Transfer (P-EBT) program to be implemented for any school year in which the COVID-19 public health emergency designation is in effect and allows for P-EBT benefits to be extended to the summer.

Workforce Programs

- Provides **\$800 million** for the National Health Service Corps and **\$200 million** for the Nurse Corps Loan Repayment Program.
- Provides **\$330 million** to expand the number of Teaching Health Centers (THC) Graduate Medical Education (GME) sites nationwide and increase the per resident allocation.
- Allocates **\$100 million** for the Medical Reserves Corps to support emergency response efforts and community health activities.

Child Welfare

- **\$250 million** for child abuse and neglect programs under CAPTA.
- **\$100 million** for the child abuse and neglect treatment and response state grant program.
- **\$800 million** in dedicated funding to support the identification and provision of wraparound services for children and youth experiencing homelessness.

Tax Credits/Relief Checks

- Expands the Child Tax Credit to \$3,000 per child (\$3,600 for children under 6) and makes it fully refundable and advanceable.
- Helps families access high quality childcare by expanding the Child and Dependent Tax Credit (CDCTC) to allow families to claim up to half of their childcare expenses.
- Each family receiving a relief check receives \$1,400 per child.

Medicare

- Restores the Area Wage Index “rural floor” for three all-urban states.
- Allows CMS to waive restrictions on payment for ambulance services where the individual was not transported to the closest appropriate facility during PHE.

Funding for State, Local, and Tribal Governments

- Provides an additional **\$350 billion** through the Coronavirus State and Local Fiscal Recovery Funds, established in CARES Act. State, Territory and Tribal governments would receive \$220 billion; local governments would receive approximately \$130 billion. Funding can be used for public health efforts to respond to the COVID-19 pandemic, the COVID-19 pandemic’s economic impact, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality. It can also be used to make investments in public health infrastructure and respond to decreases in revenue due to the COVID-19 pandemic.

2020

COVID-19 Relief and Consolidated Appropriations Act (H.R. 133/P.L.116-260)

Enacted Dec. 27, 2020, this legislation combined several bills, including a COVID-19 relief package, FY 2021 omnibus appropriations, the “No Surprises Act” and numerous other pieces of legislation. Approximately \$900 billion was specifically dedicated to COVID-19 relief. Highlighted below are legislative provisions of interest to children’s hospitals within the final legislation.

COVID-19 Provisions

- **Provider Relief Fund (PRF)** – Includes an additional **\$3 billion** in funding for the PRF. The bill also includes language directing 85% of unobligated PRF balances or funds recovered for future distributions based on applications that consider financial losses and changes in operating expenses occurring in the third or fourth quarter of CY 2020 or the first quarter of CY 2021. The bill also includes changes around PRF reporting requirements we had sought such as an explicit statement that providers may calculate lost revenues using the FAQs released by HHS in June 2020, including a budgeted-to-actual comparison, if the budget had been established and approved prior to March 27, 2020. Also states that hospital systems can transfer COVID-19 funds among hospitals in their system.
- **Public Health and Social Services Emergency Fund – \$22.4 billion** for testing, contact tracing and other activities necessary to effectively monitor and suppress COVID-19.

- **Vaccine distribution** – Provides **\$8.75 billion** to the CDC to support federal, state, local, territorial and tribal public health agencies to distribute, administer, monitor and track coronavirus vaccination to ensure broad-based distribution, access and vaccine coverage. Includes **\$4.5 billion** for state, local and territorial public health departments and **\$300 million** for targeted distribution efforts to high-risk and underserved populations.
- **NIH Research** – Provides **\$1.25 billion** to the National Institutes of Health (NIH) to support research and clinical trials related to the long-term effects of COVID-19, in addition to continued support for rapid acceleration of diagnostics for COVID-19.
- **Mental Health** – Provides **\$4.25 billion** to the Substance Abuse and Mental Health Services Administration (SAMHSA) to provide increased mental health and substance abuse services and support.
 - **\$1.65 billion** for the Substance Abuse and Prevention Services Block Grant
 - **\$1.65 billion** for the Community Mental Health Services Block Grant
 - **\$600 million** for Certified Community Behavioral Health Clinics
 - **50 million** for suicide prevention programs
 - **\$100 million** for Project AWARE to support school-based mental health for children
 - **\$240 million** for emergency grants to states
 - **\$10 million** for the National Child Traumatic Stress Network
- **Telehealth** – Provides **\$7 billion** to support expanded broadband access for low-income families and rural areas, including **\$250 million** for the Federal Communication Commission’s COVID-19 telehealth program.
- **Medicare** – Provides a one-year increase in the Medicare physician fee schedule of 3.75% to support physicians and other professionals in adjusting to changes in the Medicare physician fee schedule during 2021, and to provide relief during the COVID-19 public health emergency. Provides for a three-month delay of the Medicare sequester payment reductions through March 31, 2021.
- **Schools/Child Care**
 - **\$10 billion** for childcare, including direct support for child care providers for fixed costs and operating expenses, to help ensure working parents have access to child care so they can work or return to work
 - **\$250 million** to help Head Start programs address additional costs related to COVID-19
 - **\$54.3 billion** for the Elementary and Secondary School Emergency Relief (ESSER) Fund
 - **\$4.1 billion** for the Governors Emergency Education Relief (GEER) Fund
- **Drugs/Supply Chain**
 - Provides **\$55 million** for continued work on FDA efforts to facilitate the development and review of medical countermeasures, devices, therapies and vaccines to combat the coronavirus. In addition, funds will support medical product supply chain monitoring and other public health research and response investments.
 - Provides **\$19.695 billion** for the Biomedical Advanced Research and Development Authority (BARDA) for manufacturing and procurement of vaccines and therapeutics, as well as ancillary supplies necessary for the administration of vaccines and therapeutics.
 - Provides **\$3.25 billion** for the Strategic National Stockpile.
- **Nutrition**
 - **\$13 billion** in increased SNAP and child nutrition benefits to help relieve the hunger crisis.
 - Partially (55%) reimburses school food authorities and covered daycare centers for costs incurred during sudden COVID-19 emergency school closures in Spring 2020.
 - Clarifies “Pandemic EBT” covers each child under six years old in SNAP households where a local school or covered daycare has been closed or has reduced hours.

- Provides emergency relief to help school meal and child and adult care food programs, which are in dire need of financial assistance, to continue serving children and families. Provides as much funding as needed to carry out these payments.
- **Child Welfare**
 - Provides older foster youth who would normally “age out” with the assurance that they may continue to receive foster care supports and services during the pandemic, or, if they left, may return.
 - Provides flexibilities to home visiting programs funded by the Maternal, Infant, and Early Childhood Home Visiting program, to allow them to serve at-risk pregnant women and families during the pandemic, for the duration of the public health emergency period.
- **Paycheck Protection Program (PPP)** – Includes **\$284 billion** for the program, extends PPP through March 31, 2021, and includes policy changes to support small business access to funding.

Medicaid, Medicare and Public Health Extenders

- **Medicaid**
 - **Delay to Medicaid DSH Cuts** – Delays the onset of pending Medicaid Disproportionate Share Hospital (DSH) payment cuts until FY 2024. Cuts due to start this month will not occur in FY 2021, 2022 or 2023. The bill eliminates \$4 billion in cuts scheduled to occur in FY 2021 and adds two additional years of a potential \$8 billion in cuts in FY 2026 and 2027.
 - **Definition of Medicaid shortfall** – Includes a definition of Medicaid shortfall for purposes of third-party payments. This addresses the treatment, for purposes of calculating DSH, of Medicaid-eligible individuals who have another source of coverage, such as private insurance or Medicare. In 2017, CMS released a final rule on how the Medicaid DSH payment program determines uncompensated care costs for Medicaid-eligible patients who also have a third-party source of coverage. Given the number of children treated at children’s hospitals who are eligible for Medicaid and have private insurance, in many cases, this policy has eliminated or significantly reduced children’s hospitals’ DSH payments. The Medicaid and CHIP Access and Payment Commission (MACPAC) recommended that Congress change the definition of “Medicaid shortfall” in statute to exclude costs and payments for all Medicaid-eligible patients for whom Medicaid is not the primary payer. This provision implements that recommendation.
 - **Supplemental payment reporting requirements** – Establishes a system for states to report supplemental payments to CMS, including the amounts of supplemental payments made to eligible providers and the criteria used to determine which providers are eligible to receive the supplemental payment. DSH payments are excluded from the definition of supplemental payments. The reports will be made publicly available.
 - **Money Follows the Person** – Provides **\$450 million** per fiscal year through FY 2023 to extend the Medicaid Money Follows the Person Rebalancing Demonstration. Makes additional program improvements including a report on best practices, among others.
 - **Spousal impoverishment** – Extends protections against spousal impoverishment through FY 2023.
 - **Community mental health services demonstration** – Extends the community mental health services demonstration program through FY 2023.
 - **Medicaid coverage of nonemergency transportation** – Ensures state Medicaid programs cover necessary transportation for beneficiaries and comply with certain program integrity standards.
 - **Freely Associated States** – Restores Medicaid eligibility for citizens of Micronesia, the Marshall Islands, and Palau lawfully residing in the U.S. under the Compacts of Free Association.
 - **Coverage for of routine clinical trial costs** – Requires state Medicaid programs to cover routine patient costs associated with participating in a qualifying clinical trial for a life-threatening or serious disease beginning Jan. 1, 2022.

- **Telehealth**
 - **Expanding access to mental health services via telehealth in Medicare** – Lifts Medicare geographic site restriction to allow for greater access to mental health care services furnished via telehealth and allows the beneficiary's home as an originating site for these services. The bill includes requirements for establishing a patient-provider relationship to receive payment for telemental health services.
 - **Rural emergency hospitals** – Allows rural emergency hospitals to be an originating site eligible for reimbursement in Medicare.
- **Medicare Graduate Medical Education (GME)**
 - **Distribution of additional residency positions** – Provides for the distribution of an additional 1,000 Medicare-funded GME residency positions over five years. Rural hospitals, hospitals that are already above their Medicare cap for residency positions, hospitals in states with new medical schools, and hospitals that serve Health Professional Shortage Areas will be eligible for these new positions. Individual hospitals could receive up to 25 new slots.
 - **Promoting rural hospital GME funding opportunity** – Incorporates changes to Medicare GME Rural Training Tracks (RTT) to provide greater flexibility for rural and urban hospitals that participate in RTT programs.
 - **Medicare GME treatment of hospitals establishing new medical residency training programs after hosting medical resident rotators for short durations** – Allows hospitals to host a limited number of residents for short-term rotations without being negatively impacted by a set permanent full-time equivalent (FTE) resident cap or a Per Resident Amount (PRA).

FY 2021 Omnibus Appropriations

- **Children's Hospital Graduate Medical Education (CHGME)** – Includes \$350 million in FY 2021 funding, an increase of \$10 million over FY 2020.
- **Mental Health**
 - **SAMHSA funding** – funds SAMHSA at **\$6 billion**, an increase of \$133 million above the FY 2020 enacted level, which includes increased support for the following:
 - **Crisis care** – Includes a new **\$35 million** crisis care initiative within the Community Mental Health Services Block Grant.
 - **Children's mental health resources** – Provides expanded services and supports for mental health care for children and youth, including **\$107 million** for Project AWARE and **\$72 million** for the National Child Traumatic Stress Initiative.
 - **Suicide prevention** – Includes **\$21 million** for the Zero Suicide program and **\$24 million** for the Suicide Lifeline.
 - **Substance abuse prevention and treatment** – Includes **\$208 million** for prevention services and **\$3.8 billion** for treatment services, including continued funding for opioid prevention and treatment services.
 - **School-based mental health** – Provides **\$106 million** for the School-Based Mental Health Services Grant Program, an increase of \$1 million over the FY 2020 level.
- **National Institutes of Health (NIH)** – The bill provides a total of **\$42.9 billion** for NIH, an increase of \$1.25 billion above the 2020 enacted level.
 - **Pediatric Cancer** – Provides **\$30 million** for the implementation of the STAR Act (Public Law 115-180) to expand existing biorepositories for childhood cancer patients enrolled in NCI-sponsored clinical trials to collect and maintain relevant clinical, biological and demographic information on all children, adolescents and young adults with cancer.
 - **Gabriella Miller Kids First Research Act** – Provides **\$12.6 million** to support the seventh year of the ten-year pediatric research initiative.

- **Public Health**
 - **HRSA** – Includes **\$7.5 billion** to fund HRSA, which is \$151 million above the FY 2020 enacted level. The amount includes:
 - **\$1.7 billion** for community health centers
 - **\$2.4 billion** for the Ryan White HIV/AIDS program
 - **\$975 million** for programs to improve maternal and child health
 - **CDC** – Includes **\$7.9 billion** for CDC funding, an increase of \$125 million above FY 2020. This includes \$856 million in transfers from the Prevention and Public Health Fund.
 - Funding focuses on investments in public health infrastructure, including **\$695 million** for public health emergency preparedness cooperative agreements with state and local health departments.
 - Includes **\$6 million** for the Pediatric Disaster Care Centers of Excellence.
- **Schools/Child Care**
 - An increase of **\$5 million** for school-based health centers.
- **Child Welfare**
 - **\$1 million** for a study focused on the implementation of screening protocols and evidence-based interventions for those who have experienced adverse childhood experiences.
 - **\$60 million** for Child Abuse Prevention and Treatment Act Infant Plans of Safe Care.
 - **\$1 million** to continue the National Adoption Competency Mental Health Training Initiative.
 - **\$1 million** for a pilot program to enhance state multi-disciplinary child advocacy studies training to improve identifying and responding to instances of child abuse.
- **Maternal/Child Health**
 - **\$9 million** for Alliance for Maternal Health Safety Bundles.
 - **\$3.5 million** within SPRANS for another year of funding the study focused on improving child health through a statewide system of early childhood development screenings.
 - **\$3 million** for the establishment of a Maternal Mental Health hotline.
 - **\$10 million** for a regional pediatric pandemic network comprised of five children’s hospitals to aid with global health threats and disasters.
 - **\$15 million** within the Healthy Start Program to reduce maternal mortality.

Private Insurance and Public Health Provisions

- **Surprise billing** – Incorporates the “No Surprises Act.” Protects patients from surprise bills and uses an arbitration approach, rather than a benchmark payment standard, to settle payment disputes between payers and providers in cases of out-of-network care, a significant improvement from prior proposals that addresses a number of concerns that children’s hospitals and other providers had expressed. We have prepared a [detailed summary](#) of the provisions of the “No Surprises Act.” Key elements include:
 - A prohibition on balance billing in emergency situations or when care is provided by an out-of-network provider at an in-network facility, unless the patient has been notified that the provider is out-of-network and they have consented to that out-of-network care.
 - The ability of plans and providers to reach a negotiated agreement on payment in instances of out-of-network care with an arbitration process as a backstop if those negotiations fail. The arbitration process requires the arbiter to choose between the payer’s and provider’s payment offers, taking into consideration the median contracted rate for similar services and providers in the geographic area and other factors such as facility type, prior payment history, patient acuity, case mix, quality measurements and provider training.
 - A requirement that providers confirm a patient’s network status and provide them with a “good faith estimate” in clear and understandable language of the expected charges for scheduled items and services.

The final act does not include new timely billing requirements and specifically excludes public payers (Medicare, Medicaid, CHIP and TRICARE) from the determination of the median payment rate for the arbitration process.

- **Transparency Provisions**
 - **Prohibition on gag clauses in plan/provider contracts** – Bans clauses in payer-provider contracts that prevent enrollees, plans or referring providers from seeing cost and quality data on providers, as well as contract clauses that prevent plans from accessing de-identified claims data that could be shared with third parties for plan administration and quality improvement purposes.
 - **Reporting on drug and pharmacy costs** – Requires insurers to report information on medical costs under the plan and plan prescription drug spending to the Secretaries of HHS, Labor and Treasury. Requires HHS to publish a report on prescription drug pricing trends and their impact on health insurance premiums every two years.
 - **Mental health parity** – Requires insurers to conduct comparative analyses of nonquantitative treatment limits (e.g., prior authorization requirements) that are used for medical and surgical benefits compared to mental health and substance use disorder benefits. HHS must also finalize any related mental health parity guidance or regulations to assist with parity compliance. Requires the Secretaries of HHS, Labor and Treasury to request comparative analyses of at least 20 plans per year to identify instances of noncompliance and to release an annual report with a summary of findings.
- **Public Health and Other Provisions**
 - **Extension for community health centers, the National Health Service Corps and teaching health centers under GME programs** – Extends mandatory funding for community health centers, the National Health Service Corps and the Teaching Health Center Graduate Medical Education Program at current levels FY 2021 through FY 2023.
 - **Rare pediatric disease priority review voucher extension** – Allows the FDA to continue to award priority review vouchers for drugs that treat rare pediatric diseases and are designated no later than Sept. 30, 2024, and approved no later than Sept. 30, 2026.
 - **Improving awareness of disease prevention** – Authorizes a national campaign to increase awareness and knowledge of the safety and effectiveness of vaccines for the prevention and control of diseases, to combat misinformation and to disseminate scientific and evidence-based vaccine-related information. Directs HHS to expand and enhance and establish and improve programs and activities to collect, monitor and analyze vaccination coverage data.
 - **Public health data system modernization** – Requires HHS to expand, enhance and improve public health data systems used by the CDC. Also requires HHS to award grants to state, local, tribal or territorial public health departments for modernization of public health data systems to assess current data infrastructure capabilities and gaps.
 - **Reauthorization of school-based health centers** – Reauthorizes the School-Based Health Center program FY 2022 through FY 2026.
 - **Preventing online sales of e-cigarettes to children** – Requires in-person age verification upon delivery of e-cigarette and other vaping products that are purchased online.

Paycheck Protection Program Increase Act of 2020 (H.R. 266/P.L. 116-139)

Signed by the president on April 24, provides nearly \$500 billion for small businesses, health care providers and COVID-19 testing.

Public Health and Social Services Emergency Fund:

- Provides **\$75 billion** additional funds to the (PHSSEF) for reimbursement to hospitals and health care providers to support the need for COVID-19 related expenses and lost revenue.

Research & Testing:

- Provides **\$25 billion** to research, develop, validate, manufacture, purchase, administer and expand capacity for COVID-19 tests.
 - \$11 billion for states, localities, territories, and tribes to develop, purchase, administer, process and analyze COVID-19 tests, scale-up laboratory capacity, trace contacts and support employer testing.
 - \$1 billion provided to the CDC for surveillance, epidemiology, laboratory capacity expansion, contact tracing, public health data surveillance and analytics.
 - \$1.8 billion provided to the NIH to develop, validate, improve and implement testing and associated technologies; to accelerate research, development, and implementation of point-of-care and other rapid testing; and for partnerships with governmental and non-governmental entities to research, develop, and implement the activities.
 - \$1 billion for the Biomedical Advanced Research and Development Authority (BARDA) for advanced research, development, manufacturing, production and purchase of diagnostic, serologic or other COVID-19 tests or related supplies.
 - \$22 million for the FDA to support activities associated with diagnostic, serological, antigen and other tests, and related administrative activities.
 - \$825 million for health centers and rural health clinics
 - Up to \$1 billion may be used to cover costs of testing for the uninsured.
- Requires plan from states, localities, territories and tribes on how resources will be used for testing and easing COVID-19 community mitigation policies.
- Requires strategic plan related to providing assistance to states for testing and increasing testing capacity.

Oversight:

- Includes **\$6 million** for HHS Office of Inspector General for oversight activities.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748/P.L. 116-136)

Signed by the president on March 27, the CARES Act included approximately **\$2 trillion in emergency** funding to respond to the public health and economic impact of the pandemic.

Public Health and Social Services Emergency Fund:

- Provides **\$100 billion** for a Public Health and Social Services Emergency Fund (PHSSEF) intended to reimburse eligible hospitals, including children's hospitals, and other providers for health care related expenses attributable to COVID-19 not covered through other sources of funding—including lost revenues. Eligible providers will directly submit applications to the Secretary that include a statement justifying the need of the provider for the payment. The bill does not provide extensive details on the precise allocation method for the funding, noting that that the Secretary of Health and Human Services shall make payment on a rolling basis, and payments shall be made “in consideration of the most efficient payment systems practicable.”

Medicaid:

- Eliminates Medicaid Disproportionate Share Hospital (DSH) cuts for FY 2020, **a total of \$4 billion**, and reduces the cuts in FY 2021 from \$8 billion to \$4 billion. The onset of any FY 2021 cuts is delayed from Oct. 1, 2020, to Dec. 1, 2020. Congress will need to act by Dec. 1 to prevent the start of FY 2021 cuts.
- Delays the application of the maintenance of effort (MOE) requirement that restricted states from increasing premiums as a condition of receiving the temporary FMAP increase, as authorized by Families First Coronavirus Response Act. The MOE would not take effect for 30 days from date of enactment if a state had in effect a premium increase as of the date of enactment.

- Clarifies a section of the Families First Coronavirus Response Act that ensures uninsured individuals can receive a COVID-19 test and related services with no cost-sharing in any state Medicaid program that chooses to offer the option.
- Extends funding for the Medicaid Money Follows the Person demonstration program, spousal impoverishment provisions, and Community Mental Health Services demonstration program through Nov. 30, 2020. The Community Mental Health Services demonstration will also be authorized to expand to two additional states.
- Directs the GAO to issue a study and report on the Community and Mental Health Services Demonstration Program within 18 months of enactment of this legislation.
- Allows state Medicaid programs to provide home and community-based support services in a hospital setting through payment for direct support professionals and caregivers trained to assist with activities of daily living with a focus on reducing length of stay.
- Clarifies that federal pandemic unemployment compensation will not affect eligibility for Medicaid or CHIP.

Relevant Health Provisions:

- Extends funding for community health centers, the Special Diabetes Program, the National Health Service Corps, and teaching health centers through Nov. 30, 2020.
- Provides **\$27 billion** for the Biomedical Advanced Research and Development Authority (BARDA) for research and development of vaccines and therapeutics to fight the virus and other medical needs.
- Provides **\$100 million** for the Substance Abuse and Mental Health Services Administration (SAMHSA) Emergency Response Grants to address mental health, substance use disorders, and provide resources and support to youth and the homeless during the pandemic.
- Provides **\$4.3 billion** to the CDC—includes **\$1.5 billion** in grants to state and local governments and tribes to carry out surveillance and laboratory testing, infection control and other activities, and **\$500 million** for public health data surveillance and analytics infrastructure modernization.
- Provides **\$706 million** to the National Institute of Allergy and Infectious Diseases—includes **\$156 million** in dedicated funds to construction, renovation and acquisition of equipment for vaccine and infectious disease facilities.
- Provides **\$1.32 billion** in supplemental funding to community health centers to help treat COVID-19 patients.
- Provides **\$45 billion** for the Federal Emergency Management Agency Disaster Relief Fund designed to support state and local efforts to recover from the pandemic, including medical response and protective equipment.

Aid to States:

- Provides a **\$150 billion** Coronavirus Relief Fund for state, territorial, tribal and local governments—\$11 billion will go to tribal government and territories. States may use these funds to cover costs for necessary expenditures incurred due to the public health emergency and for expenses not accounted for in the most recent past state budget. These expenses must be incurred during March 1, 2020, through Dec. 30, 2020.

Telehealth:

- Reauthorizes HRSA grant programs that promote the use of telehealth technologies for health care delivery, education, and health information services.
- Allows health savings accounts with a high deductible plan to be used to pay for telehealth services prior to a patient reaching that deductible
- Requires HHS to issue clarifying guidance to encourage the use of telecommunications systems—including remote patient monitoring—to provide home health services under the Medicare program consistent with the patient's care plan.

COVID-19 Coverage:

- Clarifies that non-expansion states can use the Medicaid program to cover COVID-19 related services for uninsured adults who would have qualified for Medicaid if the state had chosen to expand. It also clarifies that other populations with limited Medicaid coverage, such as impoverished pregnant women and individuals who are eligible because they have certain health conditions, also are eligible for coverage under this state option.
- Clarifies that all testing for COVID-19 is to be covered by private insurance plans without cost sharing, including tests provided by labs on an emergency basis, state-developed tests, and any other tests determined appropriate by HHS. Requires private insurers to reimburse a test provider the negotiated in-network rate. In cases where the test provider is out-of-network, the plan must pay the “cash price” listed on a public website. Establishes a \$300/day monetary penalty for providers that do not make their prices for testing public.
- 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 U.S. Preventive Services Task Force or a recommendation from the Advisory Committee on Immunization Practices (ACIP).

Workforce Provisions:

- Reauthorizes health professions workforce programs included in Title VII of the Public Health Service Act.
- Establishes a “Ready Reserve Corps” to ensure there are trained doctors and nurses to respond to COVID-19 and additional public health emergencies.
- Allows the secretary of HHS to reassign members of the National Health Service Corps in order to respond to the COVID-19 public health emergency.
- Clarifies that health care professionals who provide volunteer medical services during the public health emergency related to COVID-19 have liability protections.
- Reauthorizes and updates nurse workforce training program included in Title VIII of the Public Health Service Act.
- Extends the Health Professions Opportunity Grants program until Nov. 20, 2020. These grants provide education and training to TANF recipients and other low-income individuals for occupations in the health care field that pay well and are expected to experience labor shortages or be in high demand.
- Requires the secretary of HHS to consult the Advisory Committee on Training in Primary Care Medicine and Dentistry and the Advisory Council on Graduate Medical Education to develop a comprehensive plan with respect to health care workforce development programs, including education and training programs.

Drug and Device Provisions:

- Provides up to **\$16 billion** to be used to replenish the Strategic National Stockpile with medical supplies, including drugs and protective equipment.
- Clarifies that the Strategic National Stockpile can stockpile medical supplies, such as the swabs necessary for diagnostic testing for COVID-19.

Includes provisions of the MEDS Act (CHA has been supportive of this legislation and actively lobbied on it), proving the FDA additional authority to address drug shortages through:

1. Prioritizing and expediting the review of drug applications and inspections to prevent or mitigate shortages.
2. Strengthening manufacturing reporting requirements when there is an interruption in supply, including rationale, expected duration, and information about active pharmaceutical ingredients (APIs) when APIs are the cause of the interruption—including source and known alternative sources.

3. Requiring manufacturers to maintain contingency, or “redundancy risk management plans,” to ensure a backup supply of products. Furthermore, requires manufacturers to provide information about drug volume, i.e., amount of each drug for commercial distribution.
- Provides **\$80 million** to the FDA for work related to shortages of critical medicines, emergency use authorizations and pre- and post-market work on medical countermeasures, therapies, vaccines and research.
- Provides **\$1 billion** to the Department of Defense to invest in manufacturing capabilities in order to increase production of personal protective equipment and medical equipment to meet the demand of healthcare workers nationwide.
- Directs the National Academies to study the manufacturing supply chain of drugs and medical devices and provide Congress with recommendations to strengthen the U.S. manufacturing supply chain. The report would emphasize critical drugs and devices and provide recommendations on redundancy, domestic manufacturing and improved information sharing to mitigate disruptions in the future.
- Establishes an over-the-counter drug user fee to increase FDA oversight. This provision is supported by the FDA and will allow for additional drug monographs to be approved—the current process is outdated. Many current labels are confusing for parents and can easily lead to incorrect dosing for kids.
- Requires an annual update to Congress regarding FDA’s progress in evaluating certain pediatric indications for certain cough and cold monograph drugs for children under age 6. Pediatric experts have long raised concerns around the dangers of cough medicine and this provision is a positive step.
- Clarifies that medical device manufacturers are required to submit information about a device shortage or device component shortage upon FDA request. Also allows for expedited inspection and review to curb any potential shortages.
- Provides Breakthrough Therapy designations for animal drugs that can prevent human diseases.
- Allows patients to use funds in HSAs and Flexible Spending Accounts for the purchase of over-the-counter medical products, including those needed in quarantine and social distancing, without a prescription from a physician.

Medicare Sections of Interest:

- Eliminates the Medicare sequester from May 1 through Dec. 31, 2020.
- Includes a **20% increase** in Medicare hospital payments for care of COVID-19 patients.
- Allows acute care hospitals flexibility during the COVID-19 emergency period to transfer patients out of their facilities and into alternative care settings in order to prioritize resources needed to treat COVID-19 cases.
- Expands the Medicare accelerated payments program for a number of hospital types as defined in Medicare statute, including children’s hospitals. Qualified facilities would be able to request up to a six-month advanced lump sum or periodic payment. Most hospitals could elect to receive up to 100% of the prior period payments, or up to 125% in the case of Critical Access Hospitals. Hospitals would have at least 12 months to complete repayment with interest requirements.
 1. [Medicare Fact Sheet: Expansion of the Accelerated and Advance Payments Program for Providers and Suppliers During COVID-19 Emergency](#) – Provides accelerated and advance Medicare payments provide emergency funding and addresses cash flow issues based on historical payments when there is disruption in claims submission and/or claims processing. 3/28
 2. [Overview of CMS Announcement of Expansion of Medicare’s Accelerated and Advance Payment Program](#) – CMS released on 3/28. This was included in the latest COVID-19 congressional relief package and the language explicitly included children’s hospitals as an eligible hospital type for the advanced payments related to Medicare claims. 3/30

Privacy Provisions:

- Requires HHS to issue guidance on what is allowed to be shared of patient records during the public health emergency related to COVID-19.
- Allows records pertaining to substance use disorder (SUD) treatment or activities to be used or disclosed to covered entities for the purposes of treatment, payment or health care operations as permitted by HIPAA once a patient's written consent is obtained. Also allows disclosures of de-identified health information from these records to public health authorities as defined by HIPAA. Will prohibit the use of this information for any civil, criminal, administrative or legislative proceedings—except as otherwise authorized—and contains an antidiscrimination clause ensuring information may not be used in decisions around treatment, employment, housing, access to courts or social services. Patients still have the right to request restrictions on use or disclosure of their SUD treatment records. Requires an update to regulations in no less than a year so covered entities are required to provide notice in plain language on privacy practices to patients.
 - The Confidentiality of SUD Patient Records Final Rule is currently at OMB. We provided a [summary](#) of the proposed rule. This legislation goes beyond the revised regulation.

Nutrition Programs:

- Provides **\$8.8 billion** to be used for food purchases and gives schools greater flexibility.
- Extends Temporary Assistance for Needy Families through Nov. 30, 2020.
- Provides **\$15.5 billion** for the Supplemental Nutrition Assistance Program to accommodate increased need for food stamps.

Child Care:

- Provides **\$3.5 billion** for the Child Care Development Block Grant, allowing childcare programs to maintain critical operations.

Families First Coronavirus Response Act ([H.R. 6201/P.L. 116-127](#))

Signed into law on March 18. Estimated by Congressional Budget Office increase spending by \$192 billion.

Health Provisions:

- Temporary **6.2% increase** to each state's Federal Medical Assistance Percentage (FMAP) effective Jan. 1, 2020, through the end of the last quarter of the public health emergency. States may not receive the FMAP increase if they choose to restrict eligibility standards, methodologies or procedures for beneficiaries during the emergency period.
- Requirement of private health plans to provide coverage for COVID-19 testing and waive cost-sharing and prior authorization requirements for testing and certain related treatment services. Similar cost-sharing waivers also included for Medicare, Medicaid, CHIP and TRICARE. Includes a state plan option to provide Medicaid coverage to uninsured patients for the purpose of diagnostic testing and treatment related to COVID-19.
- Provides **\$1 billion** for the National Disaster Medical System for reimbursement of testing costs for those without insurance.
- Codifies HHS administrative action to provide temporary liability protections for approved personal respiratory devices under the Public Readiness and Emergency Preparedness (PREP) Act to help increase the supply of respirators.
- Provides U.S. territories with increased Medicaid funding for all medical services for the next two fiscal years.

School Lunch Provisions:

- MEALS Act: provides the secretary of Agriculture the authority to issue waivers for state plans that increase costs to the federal government. Waivers can be applied to both breakfast and lunch.
- COVID-19 Child Nutrition Response Act: allows all child and adult care centers to operate as non-congregate, i.e., allows children to take food to go. Allows the secretary of Agriculture to waive meal pattern requirements in child nutrition programs if there is a disruption to the food supply as a result of the COVID-19 emergency. Provides the secretary of Agriculture the authority to issue nationwide school meal waivers during the COVID-19 emergency, which will eliminate paperwork for states and help more schools quickly adopt and utilize flexibilities.
- SNAP benefits: if a school is closed for five consecutive days during a health emergency when school would otherwise be in session, each household containing one child benefitting from school lunch is eligible to receive assistance. This funding does not have a finite cap.

Coronavirus Preparedness and Response Supplemental Appropriations Act ([H.R. 6074/P.L. 116-123](#))

Signed into law March 6, the Coronavirus Preparedness and Response Supplemental Appropriations Act provided **\$8.3 billion**, including funding to support vaccine development, support for state and local governments, and assistance for affected small businesses.

Health Provisions:

- Provides **\$3.1 billion** to the HHS Office of the Assistant Secretary for Preparedness and Response capacity issues—includes **\$300 million** for hospital and health systems' efforts to prepare and respond, e.g., vaccine purchase and accessibility, necessary medical supplies, and medical surge capacity.
- Waives certain telehealth Medicare requirements so that the recipient does not need to be in a rural community. Requirements that are waived include those related to what qualifies as an originating site and the definition of a qualified provider.
- Provides **\$2.2 billion** to the CDC to support federal, state and local public health agencies—includes **\$300 million** for global disease detection and emergency response along with **\$300 million** for the Infectious Diseases Rapid Response Reserve Fund.
- Provides **\$61 million** to FDA for the development and review of vaccines, therapeutics, medical devices and countermeasures, as well as addressing potential supply chain interruptions, and supporting enforcement of counterfeit products.
- Provides **\$100 million** for Community Health Centers. Each center will receive between \$50,000 and \$320,000 depending on their caseloads and how many patients are uninsured to use for expanding screening and testing, purchasing medical supplies, hiring more staff and expanding telehealth capacity.
- Provides **\$836 million** to the National Institute of Allergy and Infectious Diseases for research and development of vaccines and diagnostic tools.