




COVID-19

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**Coronavirus / COVID-19
Response Team**


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**The CARES Act:
Considerations for Health
Care Providers**

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Agenda

- Paycheck Protection Program (PPP)
- Medicare Advanced/Accelerated Payment Program
- Public Health And Social Services Emergency Fund
- Other CARES Act provisions
- Other business considerations/opportunities

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Paycheck Protection Program

Paycheck Protection Program (PPP): Conceptual Overview

- \$349 billion in small business loans that may be wholly or partially forgiven
 - Support cash flow to cover payroll costs and keep up with rent, mortgage and utility payments
 - Loans may be forgiven (wholly or partially) based on use of funds and employee/wage retention
 - Available to businesses with fewer than 500 employees (maybe more depending on industry)
 - Also available to self-employed/“gig economy” workers and 501(c)(3) organizations
 - PPP loans will be available through June 30, 2020

Medicare Advanced Payment Program

Medicare Advanced Payment Program

- Overview
 - Interest free loan/cash advance for 4 months
- Eligibility
 - Must have billed Medicare for claims w/in 180 days; not in bankruptcy, not under investigation, have Medicare overpayments
- Amount of Loan
 - Depends on type of provider
 - Physicians- up to 100% of last 3 months of claims
 - Hospital- up to 100% of last 6 months of claims
 - Critical Access Hospital- up to 125% of last 6 months of claims

Medicare Advanced Payment Program

- **Recoupment**
 - Physicians- Recoupment begins on day 120
 - Repayment must occur w/in 210 days
 - Hospitals- Recoupment begins after 120 days
 - Repayment must occur w/in 1 year of advance payment
 - CAH- Recoupment begins after 120 days
 - Repayment must occur w/in 1 year of advance payment
 - Interest (10.25%) charged on balance
 - Since payments are tied to NPI, personal liability is possible
- **Recommend calendaring deadlines**

Medicare Advanced Payment Program

- **How to request payment**
 - Complete form from WPS (or your Medicare Administrative Contractor)
 - Information you should have handy:
 - Business name, individual NPIs, address, amount of loan
 - Be prepared to certify;
 - no plan to cease doing business;
 - no plan to declare bankruptcy; and
 - will use loans in ordinary course of business
 - **Payments are made as remittance advice**
 - Should be separate from payments for claims
 - Keep a close on your RAs

Public Health And Social Services Emergency Fund

Emergency Fund

- CARES Act added \$100 billion to fund
- Not many details
- Eligible health care providers:
 - Medicare enrolled hospitals, physicians, suppliers that provide care for individuals with possible or actual cases of COVID-19
- Grants can be used for “related expenses or lost revenues attributable to coronavirus”
 - Building or construction, leasing properties, medical supplies and equipment, PPE and testing, training, surge capacity
 - Documentation will be important...start now.

Emergency Fund

- Lots of uncertainty
 - Talk of using to pay for uninsured
 - Estimates that could be as high of \$40 billion
 - American Hospital Proposal
 - \$25,000- \$30,000 per hospitals bed
 - CMS Statement
 - Sending out \$30 billion this week
 - Based on Medicare revenue
 - Not a first come first serve basis
 - Will be a second tranche to other providers
- The bill requires HHS to report to Congress in 60 days

Other CARES Act Provisions

Other CARES Act provisions

- Telehealth Expansion
 - For FQHCs, dialysis, no prior relationship needed
 - Grant money to expand and improve in rural areas
- Coverage for COVID-19
 - All lab tests are covered- Not just FDA approved
 - Plans must cover vaccines or treatment w/o cost-sharing
 - Services that results in COVID testing/screening
- Add-on payment for hospital COVID treatment
- Liability protection for volunteers

Other business considerations/opportunities

Other Business Considerations

- CMS Waivers
 - CMS has issued blanket and state specific waivers to providers
- Ramp up telehealth services
 - Medicare, Medicaid and private payors have expanded what they'll pay for
 - Can use FaceTime, Zoom, Skype, etc.
- Options in heavily hit areas
 - Ambulatory Surgery Centers can bill as hospitals
 - Rent offices to hospitals
- Detroit, NY and other areas looking for additional staff

Other Business Considerations

- FEMA Funds
 - Eligible Entities
 - Non-profit- 501(c), (d), or (3)
 - Provide eligible services: clinics, nursing homes, hospitals
 - Eligible Emergency Protective Measures
 - Costs can't be covered by other sources like CMS, CDC
 - Training, disinfection of public facilities
 - Emergency Medical Care, building facilities, transportation
 - PPE, DME, tests, prescriptions
 - Public health and safety communications
- Apply using FEMA portal, submit application



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