



## CORONAVIRUS AID, RELIEF, & ECONOMIC SECURITY ACT

*Summary of CARES (Phase 3 COVID-19 Response)*

### TOPLINE

The CARES Act represents the third Congressional response to the COVID-19 pandemic. The emergency relief package provides tax rebates, expanded unemployment benefits, and numerous tax-relief provisions aimed at shoring up individual, family, and business finances, among other provisions. Highlights Include:

- Direct payments to qualified individuals with checks of \$1,200 for individuals, \$2,400 for couples, and \$500 for children available for those with incomes at or below \$75,000 individual/\$112,500 head of household/\$150,000 filing jointly. Payments are phased out above those thresholds until it is phased out completely for single taxpayers with incomes exceeding \$99,000 and \$198,000 for joint filers.
- Significantly boosts unemployment insurance benefits, expanding eligibility and offering workers an additional \$600 a week for four months, on top of what state unemployment programs pay, and will give Americans four months-worth of their income if they are furloughed or lose their job due to COVID-19. And creates an employee retention tax credit to incentivize businesses to keep workers on payroll during the crisis.
- \$500 billion for a major corporate liquidity program through the Federal Reserve, which will be overseen by an inspector general and an oversight board.
- \$150 billion through a Coronavirus Relief Fund for making payments to States, Tribal governments, and units of local government.
- \$100 billion for hospitals and providers.
- \$16 billion for the Strategic National Stockpile to procure personal protective equipment (PPE), ventilators, and other medical supplies for federal and state response efforts.
- \$11 billion for the Public Health and Social Services Emergency Fund for the manufacturing, production, and purchase of vaccines, therapeutics, diagnostics, and other medical or preparedness needs.
- \$4.3 billion for the Centers for Disease Control and Prevention (CDC).
- \$1 billion for the Indian Health Service.
- \$80 million for the Food and Drug Administration (FDA).
- \$706 million for the National Institute of Allergy and Infectious Diseases (NIAID).
- \$425 million to the Substance Abuse and Mental Health Services Administration (SAMHSA).
- \$367 billion in federally guaranteed loans for small businesses.
- \$25 billion in direct financial aid to struggling airlines and \$4 billion for air cargo carriers.
- \$30 billion in emergency education funding.
- \$25 billion in transit funding.
- \$30 billion for the Disaster Relief fund.

## Additional CARES Resources:

- [Summary](#) Courtesy of Senate Appropriations Committee
- [Section by Section](#) Courtesy of the Senate Majority Leader
- [Additional Background](#) Courtesy of the Senate Majority Leader
- [Frequently Asked Questions](#) Courtesy of House Majority Leader McCarthy
- [One-Pager](#) Courtesy of House GOP Conference
- [Statement](#) from E&C GOP Leader Greg Walden

## PROVISIONS UNDER THE JURISDICTION OF E&C BY SUBCOMMITTEE

### Communications & Technology

- **FCC TELEHEALTH FUNDING:** \$200 million to the FCC for telehealth services and devices in a separate fund from the existing Rural Health Care program.

### Energy and Environment & Climate Change

- **STRATEGIC PETROLEUM RESERVE:** Delays a mandatory 2020 sale of oil from the Strategic Petroleum Reserve (SPR) through 2022.
- **DISINFECTANT REGISTRATION:** \$1.5 million to EPA to expedite the registration of disinfectants for the coronavirus. This will help get disinfectants to market more quickly to protect the public from COVID-19 and prevent its further spread.
- **DOE SUPERCOMPUTING FOR COVID19 RESEARCH:** \$99.5 million dollars for DOE to facilitate access to its facilities and resources (including the National Labs) for research and analysis related to the COVID-19 virus, e.g. supercomputing. This type of research is critical to better understanding the COVID-19 virus and finding treatments for it.
- **CHEMICAL FACILITY ANTI-TERRORISM STANDARDS (CFATS) EXTENSION:** Extended until July 23, 2020. CFATS is critical to our nation's security, and we must continue working to bring more long-term certainty for the program and its participants.

### Health

- **PPE AND VACCINES:** Provides more than \$27 billion to the Public Health and Social Services Emergency Fund for developing and purchasing vaccines, therapeutics, diagnostics, and necessary medical supplies – including Personal Protective Equipment (PPE), improving U.S.-based manufacturing capabilities, improving medical surge capacity, addressing the blood supply chain, and enhancing telehealth access and infrastructure.
- **LIABILITY PROTECTIONS:** Provides permanent eligibility for PREP Act liability protections for manufacturers of personal respiratory protective equipment. The package makes clear that doctors who provide volunteer medical services during the public health emergency related to COVID-19 have liability protections for the period of the public health crisis.
- **EXPANDING & STRENGTHENING TELEHEALTH:** Expands temporary telehealth services during the public health emergency by striking the need for a pre-existing provider relationship, establishes FQHCs and RHCs as sites of care for telehealth, reauthorizes Health Resources and Services Administration (HRSA) grant programs that promote the use of telehealth technologies for health care delivery, education, and health information services, provides a temporary waiver of ESRD face to face requirements and allows certification via telehealth, provides

temporary telehealth coverage of the recertification of hospice under Medicare and encourages the Secretary of HHS to consider telehealth to promote home health.

- **COVERAGE OF TESTING & FUTURE TREATMENTS & VACCINES:** Expands coverage of COVID-19 diagnostics to include tests approved by state labs and developed by CLIA labs before they get an EUA from FDA, and mandates timely commercial insurance coverage of COVID-19 vaccines or preventive treatments in commercial plans. Coverage is provided for any future vaccine under Medicare Part B exempt from the deductible and at no cost in the Medicaid program. Provides a state option to provide vaccine coverage for the uninsured through the Medicaid program. Prevents price gouging by out-of-network providers to ensure affordable access to diagnostic tests for all Americans.
- **U.S. PUBLIC HEALTH SERVICE COMMISSIONED CORPS SURGE CAPACITY:** Explicitly authorizes, with pay and benefits, a Ready Reserve Corps component of the U.S. Public Health Service Commissioned Corps to have additional officers available on short notice (similar to the other uniformed services' reserve programs) in order to improve surge capacity and assist the Regular Corps officers in meet emergency public health response missions.
- **IMPROVED CARE COORDINATION FOR PATIENTS WITH SUBSTANCE USE DISORDER:** Ensures that health care providers can more effectively care for patients with substance use disorders by better aligning the treatment of substance use disorder medical records subject to 42 CFR Part 2 with HIPAA.
- **EXTENTION OF VITAL MEDICARE, MEDICAID AND PUBLIC HEALTH PROGRAMS:** Extends funding for Medicare's Work Geographic Index Floor, Quality Measure endorsement, input, and selection and Outreach Assistance for low income programs. Reauthorizes through November 30, 2020, the Community Health Center Fund, the National Health Service Corps, the Teaching Health Center Graduate Medical Education Program and the special diabetes programs. The bill also extends critical Medicaid extenders such as the Money Follows the Person program, protections against spousal impoverishment, the Excellence in Mental Health Demonstration. In addition, the bill provides \$1.32 billion in supplemental funding, which includes Hyde protections, to community health centers on the front lines of testing and treating patients for COVID-19. The bill also prevents pending cuts to Disproportionate Share Hospitals (DSH).
- **FOSTERING INNOVATION AND COLLABORATION BETWEEN THE GOVERNMENT AND INDUSTRY:** Allows the Biomedical Advanced Research and Development Authority (BARDA) to more easily partner with private sector on research and development by removing the cap on other transaction agreement (OTA) authority.
- **RELIEF FOR HEALTH CARE PROVIDERS:** The package would provide prompt economic assistance to health care providers on the front lines fighting the COVID-19 virus, helping them to furnish needed care to affected patients. Specifically:
  - Temporarily lifts the Medicare sequester, which reduces payments to providers by 2 percent, from May 1 through December 31, 2020, boosting payments for hospital, physician, nursing home, home health, and other care. The Medicare sequester would be extended by one-year beyond current law to provide immediate relief without worsening Medicare's long-term financial outlook.
  - Inpatient Medicare payments would be increased to a hospital for treating a patient admitted with COVID-19 by 20 percent. This add-on payment would be available through the duration of the COVID-19 emergency period.
  - Labs would see relief in providing additional time in their mandated reporting period to allow more time to collect data from a larger selection of applicable labs, labs would also be protected from any payment reductions for 2021.
  - Community health centers on the front lines of testing and treating patients for COVID-19 would be eligible to receive \$1.32 billion in supplemental funding.

- The bill would also waive the 3-hour rule for inpatient rehabilitation facilities and provide the HHS Secretary with enforcement discretion with respects to certain payment rules for discharges from Long-Term Care Hospitals for the duration of this emergency.
  - As part of a \$330 billion surge in emergency funding to combat COVID-19, the bill allocates least \$250 million for hospital preparedness and provides \$100 billion specifically for hospitals/providers and to help cover expenses directly attributable to coronavirus.
  - Of the \$4.3 billion in additional funding appropriated to the Centers for Disease Control and Prevention (CDC), at least \$1.5 billion will be used to support federal, state, and local health agencies along with tribes, tribal organizations and urban Indian organizations to carry out surveillance, epidemiology, laboratory capacity, infection control, mitigation, communications, and other preparedness and response activities.
- **OVER THE COUNTER (OTC) MONOGRAPH:** OTC monograph reform would modernize the regulatory system for over-the-counter drugs, speeding up the antiquated approval process for OTC drugs and creating incentives for companies to bring innovative OTC products to market. Once treatments are available, this legislation could help patients get treatment without seeing a doctor, if appropriate, and help provide better information if OTC drugs increase risks for patients suffering from COVID-19 (i.e. while not confirmed, there have previously been reported concerns raised about NSAIDS worsening symptoms for COVID-19 patients). It could also help get new, innovative products to market faster, like certain disinfectants.
- **PROTECTING THE MEDICAL PRODUCT SUPPLY CHAIN:** The package would require the National Academies of Science to conduct a study to assess the dependence of, and vulnerabilities to, the United States on critical medications, medical devices, and medical equipment that are sourced from or manufactured in foreign countries and to provide recommendations to improve the resiliency of the supply chain for critical drugs, devices, and equipment, including to increase domestic manufacturing capabilities, supplies and stockpiles, and improve information collection and contingency planning. It also includes requirements for additional reporting to FDA by drug manufacturers that make drugs critical during a public health emergency and requires a manufacturer to report to FDA if there is a discontinuance or interruption in the manufacturing of an active pharmaceutical ingredient that may lead to a disruption of supply. Finally, the package requires manufacturers of medical devices that are critical to public health during a public health emergency to report to the FDA if there has been a permanent discontinuance or interruption of their manufacturing that is likely to lead to a disruption of supply.

## PREVIOUS LEGISLATIVE RESPONSES (PHASE 1, PHASE 2, AND PAHPA)

### H.R. 6201, the Families First Coronavirus Response Act

**Topline:** The bill provides an additional **\$2.5 billion** in emergency supplemental appropriations for the U.S. response to coronavirus, ensures free tests for COVID-19, provides emergency paid leave for workers who become sick, or have to care for a loved one who falls ill, food assistance for the needy, strengthens unemployment insurance, and provides, assistance, support and flexibility for small businesses.

- [H.R. 6201 Key Facts](#)
- [House GOP Conference H.R. 6201 Summary](#)
- [House Appropriations H.R. 6201 Summary](#)
- [House Ways & Means H.R. 6201 Summary](#)
- [What Small Businesses Need to Know](#)

Of the items included under Energy and Commerce's jurisdiction:

- **\$1.2 billion** to help cover the costs of COVID-19 testing, including \$142 million to eliminate copay requirements for servicemembers and veterans.
- **\$1 billion** into the Public Health and Social Services Emergency Fund for the National Disaster Medical System to pay provider claims for health services consisting of SARS-CoV-2 or COVID-19 related items and services for uninsured individuals.
- **\$64 million** to the Indian Health Service (IHS) for health services consisting of SARS-CoV-2 or COVID-19 related items and services.
- **\$250 million** to the Administration for Community Living for activities authorized under the Older Americans Act, consisting of Home-Delivered Nutrition Services, Congregate Nutrition Services, and Nutrition Services for Native Americans.
- **Ensures coverage of testing for COVID-19 by requiring all commercial insurance to cover diagnosis of COVID-19 with no cost-sharing**, including the administration of tests and office visits, urgent care center visits, and emergency room (ER) visits related to testing for COVID-19 (Section 6001)
- **Waives cost sharing for seniors under the Medicare Part B and Medicare Advantage Program** relating to testing for COVID-19 (Sections 6002-6003)
- **Ensures coverage of COVID-19 testing under Medicaid and CHIP** at no cost-sharing (Section 6004)
- 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** (Section 6005)
- **Provides coverage of testing for COVID-19 for Indian Health Service (IHS)** at no cost sharing (Section 6007)
- **Provides states with increased Medicaid Funding** for all medical services for the duration of the public health emergency (Section 6008)
- **Provides U.S. territories with increased Medicaid funding** for all medical services for the next two fiscal years (Section 6009)

- Makes technical **improvements to Medicare telehealth authority** to make it easier to waive current prohibitions surrounding telehealth during the current public health emergency (Section 6010)

### **H.R. 6074, the Coronavirus Preparedness and Response Supplemental Appropriations Act**

**Topline:** The bill provides **\$8.3 billion** to increase the availability of tests, support public and private efforts toward developing a vaccine, purchasing essential equipment and supplies, and assisting state and local health departments.

- [House Appropriations H.R. 6074 Summary](#)

Of the items included under Energy and Commerce's jurisdiction:

- **More than \$4 billion** to make diagnostic tests more broadly available; to support treatments to ease the symptoms of those infected with the virus; and to invest in vaccine development and to procure vaccines when they are available. Additionally, funds were made available to the Food and Drug Administration (FDA) to protect the integrity of medical products manufactured overseas and identify and prevent potential shortages.
- **\$2.2 billion** for the Centers for Disease Control and Prevention (CDC) for a robust response, including early \$1 billion exclusively for state and local response efforts; and \$300 million for CDC's Infectious Diseases Rapid Response Reserve Fund.
- The package also includes a bipartisan provision championed by E&C Republican Leader Walden to **improve the use of telehealth during this public health emergency, allowing more patients to get the care they need at home to avoid potentially overcrowded health care facilities especially in rural areas.**

### **Pandemic and All-Hazards Preparedness and Advancing Innovation Act (PAHPAIA)**

On June 24, 2019, President Trump signed the Pandemic and All-Hazards Preparedness and Advancing Innovation Act (PAHPAIA) into law, which modernized the Pandemic and All-Hazards Preparedness Act, or PAHPA. This law sets up the framework to deal precisely with this type of an outbreak.

- Reauthorizes our nation's public health preparedness and response programs.
- Bolsters the nation's health security strategy, strengthens the country's emergency response workforce, helps coordinate multiple health entities, and accelerates the advanced research, development, and federal purchasing of medical countermeasures.

### **Additional Resources:**

- [E&C COVID-19 Updates](#)
- [CDC Coronavirus Updates](#)
- [Coronavirus Guidelines for Americans from the White House](#)
- [Download Graphics from the White House Coronavirus Task Force and More](#)
- [Additional Background from House GOP Conference](#)