

H.R. Coronavirus Aid, Relief, and Economic Security Act, (CARES/ H.R. 748):

Major Provisions Impacting Hospitals:

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

- **Major \$100 billion public health emergency funding related to coronavirus.** The Public Health and Social Services Emergency Fund will be increased by \$100 billion and remain available until expended, to prevent, prepare for, and respond to coronavirus, domestically or internationally, for necessary expenses to reimburse, through grants or other mechanisms, eligible health care providers for health care related expenses or lost revenues that are attributable to coronavirus and not reimbursed through other programs. Recipients will be required to submit reports and maintain documentation as the Secretary determines are needed. Eligible healthcare providers include, among others, Medicare and Medicaid enrolled providers, and for-profit and not-for-profit entities. The Secretary will, on a rolling basis, review applications and make payments. These funds can be available for building or construction of temporary structures, leasing of properties, medical supplies and equipment and testing supplies, increased workforce and training, emergency operation centers, retrofitting facilities, and surge capacity. Payments can be prepayments, prospective payment, or retrospective payment as determined appropriate by the Secretary.

MEDICARE

(Unless otherwise stated, these policies are in effect during the period of the declared national emergency)

- **Medicare Payment Increased 20% for COVID-19.** Provides a 20 percent add-on to the DRG rate for COVID-19 patients treated in all inpatient prospective payment system (IPPS) hospitals.
- **Across-the-board Medicare provider cuts lifted:** Eliminates the current 2 percent sequestration (across the board cuts) to Medicare provider payments from May 1 through December 31, 2020.
- **Post-Acute Care Flexibility.** Provides acute care hospitals flexibility to transfer patients to certain alternative care settings without penalty by waiving (1) the inpatient rehabilitation facility (IRF) 3-hour rule that requires IRF patients to receive 3 hours of therapy five days/week, (2) the LTCH requirement that more than 50 percent of patients are paid at a less intensive rate, and (3) the LTCH site-neutral payment policy of paying IPPS rates for lower-acuity patients.
- **Nurse practitioners and others to certify home health services.** The authority to certify home health services is expanded beyond physicians to nurse practitioners, certified nurse specialists, and physician assistants. This provision is made permanent in law.
- **Telehealth flexibility.** Waives the requirement in the Coronavirus Preparedness and Response Supplemental Appropriations Act that providers can only provide telehealth services if they have treated same patient within the past three years. Also eliminates the requirement for face to face

evaluations for dialysis patients, and allows use of telehealth to fulfill hospice face to face recertification requirements. Requires new guidance encouraging use of telecommunications systems, including remote patient monitoring, to provide home health services.

- **Durable medical equipment (DME) payment cuts lifted.** Prevents through the remainder of 2020 enacted reductions in payments for DME which helps patients transition from hospital to home.
- **Physician payment floor extended.** Extends through December 1, 2020 the Geographic Practice Cost Index (GPCI) floor, a payment increase for the work component of physician fees in areas where labor cost is determined to be lower than the national average.

MEDICAID

- **Restores Medicaid disproportionate share (DSH) payments.** Removes \$8 billion in planned Medicaid DSH cuts: \$4 billion in FY 2020 and \$4 billion (of an overall \$8 billion) in 2021.
- **Money Follows the Person Demonstration extended.** Extends through November 30, 2020 this program that promotes transition from institutional settings to home and community based settings.

ADDITIONAL PUBLIC HEALTH PROVISIONS:

Strategic National Stockpile. Requires the strategic national stockpile to include certain types of medical supplies and clarifies that the Strategic National Stockpile can stockpile medical supplies, such as the swabs necessary for diagnostic testing for COVID-19. Provides \$16 billion for medical supplies for the strategic national stockpile.

Coverage of testing and preventive services for COVID-19. Clarifies that all testing for COVID-19 be covered by private insurance plans without cost sharing, and requires an insurer to pay either the rate specified in a contract between the provider and the insurer, or, if there is no contract, a cash price posted by the provider. 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 United States Preventive Services Task Force or a recommendation from the Advisory Committee on Immunization Practices (ACIP).

Telehealth network and telehealth resource centers grant programs. 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.

Telehealth with High Deductible Health Plans with HSA. Allows a high deductible health plan with an HSA to cover telehealth services before a patient reaches his or her deductible amount

Workforce programs reauthorized. Reauthorizes and updates various health professions workforce programs to support nurse and clinician training, faculty development, including the training of practitioners in family medicine, general internal medicine, geriatrics, pediatrics, and other medical specialties. Directs the Secretary to develop a comprehensive and coordinated plan for health workforce

programs, which may include performance measures and the identification of gaps between the outcomes of such programs and relevant workforce projection needs including as pertains to treating those more vulnerable to COVID-19.