

Supporting the American Health Care System in the Fight against the Coronavirus: Health care provisions of the CARES Act stimulus package

The act provides for over \$100 billion in funding for hospitals and other providers for COVID-19 related expenses and lost revenues. It is not clear at this time how the money will be allocated.

The act attempts to address supply shortages, including by requiring the stockpiling of certain supplies, prioritizing drug and device reviews, and requiring drug and device manufactures to provide additional reporting and put in place a risk management plan.

The act appropriates \$1.3 billion for awards for the prevention, diagnosis and treatment of COVID-19 and billions more toward the development of a vaccine.

The act calls for telehealth grants, rural health and small health care provider support, and supplemental awards for health centers and increases funding allocated to those efforts. There are provisions to increase telehealth flexibility, including for rural facilities.

Medicare payment related provisions include (a) a COVID-19 add-on payment in the amount of 20% for inpatient hospital services for a patient with COVID-19, (b) removing the previously scheduled 2% payment reduction on Medicare payments from May 1 through the end of the year, (c) removing the outpatient therapy reimbursement cap during emergencies, and (d) expanding its accelerated payment program.

There are a number of provisions related to health care provider education and employment, including student debt relief when withdrawing from an institution due to an emergency, deferring student debt payments and accrual of interest through September 30, 2020, awarding emergency financial aid grants, and allowing work study payments to be made during the emergency.

The act covers diagnostic testing for COVID-19. During the emergency, the test provider must make the price available on its website.

The act limits liability of volunteer health care professionals during the emergency response.

If you have questions, please contact your Brandon Dalziel at (313) 393-7507 or bdalziel@bodmanlaw.com or Joe Nuyen at (313) 392-1071 or jnuyen@bodmanlaw.com