



President Trump Signs Third Coronavirus Response Bill into Law

Legislation waives Medicare sequester cuts through 2020

Today, President Trump signed into law H.R. 748, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, a third legislative package aimed at providing relief during the COVID-19 public health emergency. The law will provide approximately \$2 trillion in economic stimulus to businesses and individuals affected by COVID-19, including tax benefits, expanded unemployment benefits, and targeted relief for hospitals, healthcare providers, air carriers, and small businesses, as well as \$150 billion to states, territories, and tribal governments.

The law also waives the 2% Medicare sequester through the remainder of 2020, delays scheduled reductions in Medicare payments for clinical lab tests through 2021, and removes previous requirement for providers to have a prior relationship with a patient for [telehealth](#) under Medicare.

The following is a brief summary of the provisions of most interest to community cancer providers; we encourage you to review the details with your human resource and finance teams:

Health Care

- Temporarily lifts the 2% Medicare sequester payment reduction from May 1, 2020 to December 31, 2020; extends sequestration through FY 2030.
- Prevents scheduled reductions in Medicare payments for clinical diagnostic laboratory tests in 2021, provides a one-year delay in the upcoming reporting period during which laboratories are required to report private payer data.
- Removes the previous Medicare telehealth requirement that providers have a prior relationship with the patient.
- Requires Medicare Part D plans to provide up to a 90-day supply of prescription medication if requested by a beneficiary during the COVID-19 emergency period.
- Creates a Public Health and Social Services Emergency Fund, providing \$100 billion for eligible health care providers to cover costs related to the crisis, although it is unclear at this time how this funding will be disseminated and the extent of providers that are eligible.
- Provides \$16 billion for the Strategic National Stockpile to procure personal protective equipment, ventilators, and other medical supplies, and \$11 billion for vaccine, therapeutics, and diagnostics.
- Clarifies that Medicare beneficiaries can receive tests for COVID-19 with no Part B cost-sharing and enables Medicare beneficiaries to receive a COVID-19 vaccine with no Part B cost-sharing.
- Temporarily increases the IPPS payment that would otherwise be made to a hospital for treating a patient admitted with COVID-19 by 20%.
- Clarifies that doctors who provide volunteer medical services during the COVID-19 public health emergency have liability protections.
- Reauthorizes health extender programs previously scheduled to expire on May 22, 2020 through November 30, 2020, maintaining the opportunity to address other health care priorities, such as drug pricing reforms, in must-pass health care legislation this year.

Assistance for American Workers, Families, and Businesses

- Provides a one-time check of \$1,200 for individual Americans (\$2,400 for couples) earning up to \$75,000 (\$150,000 for couples), including individuals with little or no tax liability, and \$500 per child. This refund is reduced as income increases and phases out for income above \$99,000 (\$198,000 for couples).
 - Provides an additional \$600 per week payment to each recipient of unemployment insurance or Pandemic Unemployment Assistance for up to four months.
 - Provides an additional 13 weeks of unemployment benefits through December 31, 2020 to help those who remain unemployed after state unemployment benefits are no longer available.
 - Allows employers to defer payroll tax payments for up to two years, with half of the amount required to be paid by December 31, 2021 and the other half by December 31, 2022.
 - Increases the amount of interest expense businesses are allowed to deduct on their tax returns, from 30% to 50% of taxable income for 2019 and 2020.
 - Provides a refundable payroll tax credit for 50% of wages paid by employers to employees during the COVID-19 crisis for employers whose (1) operations were fully or partially suspended, due to a COVID-19- related shut-down order, or (2) gross receipts declined by more than 50% when compared to the same quarter in the prior year.
 - Provides funding to support state-based “short-time compensation” programs, where employers reduce hours instead of laying off workers and the employees with reduced hours receive a pro-rated unemployment benefit.
 - Provides \$350 billion to support loans through a new Paycheck Protection Program providing eight weeks of cash-flow assistance through 100% federally-guaranteed loans to small employers with 500 employees or fewer. If the employer maintains its payroll during this emergency, the portion of the loan used for covered payroll costs, interest on mortgage obligations, rent, and utilities will be forgiven.
 - Expands eligibility for Economic Injury Disaster Loans (EIDL), which are available to small businesses with fewer than 500 employees to provide sick leave, maintain payroll, or pay business obligations, and provides \$10 billion for emergency EIDL grants.
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- To view the text of the law, [CLICK HERE](#).
 - To view the section-by-section summary, [CLICK HERE](#).