



Federal Policy Report in the Era of COVID-19

NCMHA Meeting

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The only organization working exclusively for the clinical mental health counseling profession.

Summary of Covid-19 Economic Stimulus Packages

- On March 6, a total of \$8.3 billion was first established when the **Coronavirus Preparedness and Response Supplemental Appropriations Act 2020** became law.
- A total of \$3.4 billion was released when the **Families First Coronavirus Response Act** was signed into law on March 18.
- The **CARES Act**—signed on March 27—provides \$2 trillion in funding emergency assistance and health care response for individuals, families, and businesses affected by the 2020 coronavirus pandemic.
- **Paycheck Protection Program and Health Care Enhancement Act** – signed on April 24 – provides \$484 billion in additional small business loans and health care supplies.

The Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 ([P.L. 116-123](#))

Appropriated \$8.3 billion, largely for emergency health and medical supplies/equipment.

- The majority (\$6.2 billion) was for **HHS** including:
 - \$3.4 billion for the **Office of the Secretary – Public Health and Social Services Emergency Fund (PHSSEF)**, which includes more than \$2 billion for the research and development of vaccines, therapeutics, and diagnostics.
 - \$300 million in contingency funding for the purchase of vaccines, therapeutics, and diagnostics to be used if deemed necessary by the Secretary of HHS.
 - \$100 million for HRSA for grants under the Health Center Program, which aims to improve health care to people who are medically vulnerable.

The Coronavirus Preparedness and Response Supplemental Appropriations Act

- \$1.9 billion for **CDC**, which includes \$950 million for state and local response efforts, of which \$475 million must be allocated within 30 days of the enactment of the bill, and \$300 million to support efforts to respond to an infectious disease emergency.
- \$836 million for the **National Institute of Allergy and Infectious Diseases (NIAID)**, which conducts research on therapies, vaccines, diagnostics, and other health technologies, at the National Institutes of Health (NIH).
- \$61 million for **FDA** for the development and review of vaccines, therapeutics, medical devices and countermeasures, address potential supply chain interruptions, and support enforcement of counterfeit products.
- The bill also included a waiver removing restrictions on Medicare providers allowing them to offer **telehealth services** to beneficiaries regardless of whether the beneficiary is in a rural community, at an estimated cost of \$500 million.

The *H.R 6201 Families First Coronavirus Response Act*

- Provides all states a share of \$1 billion in unemployment insurance (UI) administrative funding, payable based on each state's taking actions to expand access to UI benefits.
- Half of the \$1 billion would be available within 30 days to states that expand access to UI in general by requiring employers to provide notice of the availability of UI to separated employees.
- The other half of the \$1 billion would be available only in states that experience at least a 10% spike in UI claims and that also express their "commitment to maintain and strengthen access" to UI in general and have eased UI eligibility requirements for those affected by coronavirus.
- Promotes short-time compensation programs, revives 100% federal funding for the historically 50/50 federal-state extended benefits (EB) program, & provides for interest-free federal loans to states.

The *H.R 6201 Families First Coronavirus Response Act*

- The legislation requires all health plans (including Medicare, Medicaid, and Tricare) to provide for full coverage of testing for coronavirus.
- The legislation increases the federal share of Medicaid costs (known as the FMAP rate) by eight percentage points, but only if states maintain or increase current eligibility and other program standards.
- Funding in the bill was declared emergency spending.

The *H.R 6201 Families First Coronavirus Response Act*

- **Coverage for COVID-19 Testing:** Requires health insurance issuers offering group or individual health insurance coverage to provide coverage & not impose any cost sharing for COVID-19 testing, as well as health care provider office visits, urgent care center visits, and emergency room visits.
- Requires coverage of testing with no cost sharing under the Medicare Advantage Program, Medicaid and the State Children's Health Insurance Program. The bill provides laboratory reimbursements for diagnostic testing of COVID-19 for uninsured individuals, clarified TRICARE coverage rules.
- **Unemployment Insurance:** Provides for the Sec. of Labor to make emergency administration grants to states in the Unemployment Trust Fund. States are directed to demonstrate steps toward easing eligibility requirements & expand access to unemployment compensation for claimants directly impacted by COVID.
- The legislation also appropriates funds for states that aim to establish work-sharing programs that permit employers to reduce employee hours rather than laying them off. Under such programs, employees would receive partial unemployment benefits to offset the wage loss.

CARES Act Totaled over \$2 Trillion Dollars

The package included funding and various provisions focused on expanding mental health services:

- **SAMHSA - (\$425 million):** Funds are provided to address mental health and substance use disorders as a result of the coronavirus pandemic.
- **Certified Community Behavioral Health Clinics:** \$250 million to increase access to mental health care services.

Extension and 2-State Expansion of CCBHCs: The text includes an extension of current demonstration through Nov. 30, 2020.

Expansion of demonstration to two additional states within 6 months. The two states shall be selected based on the applications previously submitted to SAMHSA.

The package included funding and various provisions focused on expanding mental health services:

- **Suicide Prevention:** \$50 million to provide increased support for those most in need of intervention.
- **SAMHSA Emergency Response Grants:** \$100 million in flexible funding to address mental health, substance use disorders, and provide resources and support to youth and the homeless during the pandemic.
- **Confidentiality and Disclosure of SUD Records and Guidance on Protected Health Information:** Modifications have been made to 42 CFR Part 2 protecting SUD records.
- These records may now be shared with prior written consent; once consent is obtained, it is permissible for patient consent to be given once for all future uses for treatment, payment and health care operations.

CARES ACT, cont.

- **Provides for \$1,200 for every taxpayer making \$75,000 per year or less (\$150,000 for couples filing jointly):** Taxpayers making between \$75,000 and \$99,000 per year (and couples over 150,000) will receive smaller direct payments, and those making more than \$99,000 per year will not receive a payment. Families will also receive \$500 per child.
- **The CARES Act provided for \$377 billion in small business loans:** Small businesses can apply for Small Business Administration (SBA) 7(a) loans and tax breaks.
- **\$4.3 billion for the CDC:** This will help prevent, prepare and respond to COVID-19 nationally and internationally. \$1.5 billion is allocated for cooperative agreements between states, localities, territories, tribes and Indian health organizations for preparedness and response activities related to COVID-19.
- \$500 million included for public health data surveillance & analytics infrastructure modernization.

CARES ACT, cont.

- **\$945 million for NIH:** This will support research to expand on prior research plans, including developing a better understanding of the prevalence of COVID and its transmission. The funding will also support novel approaches to diagnosing the disease and help develop countermeasures for prevention & treatment of COVID-19 at various stages.
- **\$15.5 billion for SNAP:** This will ensure all Americans receive the food they need.
- **\$8.8 billion for Child Nutrition Programs:** Ensure children receive meals while school is not in session.
- **A \$150 billion Coronavirus Relief Fund:** This will help state and local governments cover expenditures related to COVID-19. Each state will receive at least \$1.25 billion. **A \$45 billion Disaster Relief Fund will** provide for the immediate needs of state, local, tribal a& territorial governments to protect citizens and help them recover from the overwhelming effects of COVID-19.
- **\$100 billion for Public Health & Social Services Emergency fund:** This will provide direct aid to health care institutions dealing with the front line of the crisis.

CARES ACT, cont.

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- **\$1.032 billion for the Indian Health Service:** This will support critically needed resources for the tribal health system.
 - These resources include expanded support for medical services, equipment, supplies, public health education, tribally owned and operated Indian health care facilities, investments for telehealth services, expanded funding for purchased or referred care, electronic health records improvement.
 - **\$453 million for the Bureau of Indian Affairs (BIA):** This will support aide to tribal governments, welfare assistance, social service programs, expanded public safety and emergency response and teleworking.



CARES ACT, cont.

- **\$100 million for the Re-Connect program:** This will help ensure Americans living in rural areas have access to broadband.
- **\$1 billion for the Community Services Block Grant (CSBG):** This will help communities address the consequences of increased unemployment and economic disruption.
- **\$13.5 billion for elementary and secondary education:** This will support formula-grants to States, which will distribute 90 percent of funds to local educational agencies for use in coronavirus response activities such as planning for and coordinating during long-term school closures and purchasing technology to support online learning.
- **\$3 billion for state governors to allocate to local educational agencies:** This will allow governors, at their discretion, to allocate emergency support grants to local educational agencies that state educational agencies deem to have been most severely impacted by the coronavirus.

CARES ACT, cont.

The CARES Act represents more than \$376 billion in relief for struggling small businesses, which falls into two main buckets: Access to Capital and Small Business Support.

Access to Capital

- **\$349 billion for forgivable loans to small businesses to pay employees and keep them on the payroll.** These loans are open to most businesses under 500 employees, non-profits, the self-employed, startups, and cooperatives.
- **\$17 billion for debt relief for current and new SBA borrowers.** SBA will pay the principal and interest for the next 6-months on SBA-backed loans. Today, that would help 320,000 small businesses and any new borrowers in the 7(a) or 504 programs.
- **\$10 billion in immediate disaster grants.** Using the current economic injury disaster loan program, SBA can provide up to \$10,000 to applicants within 3 days of applicants self-certifying they are eligible.

CARES ACT, cont.

Small Business Support (<https://www.sba.gov/>)

- Requires SBA to provide additional language resources to ensure small business owners can access the resources they need as easily as possible.
- \$265 million in funding for resource partners, including Small Business Development Centers and Women's Business Centers (WBC) to provide training and counseling to businesses impacted by Coronavirus.
- \$10 million for Minority Business Development Agency grants to train and counsel minority-owned firms impacted by Coronavirus.
- Finally, this will increase the number of small businesses that qualify for streamlined bankruptcy process, by nearly tripling the debt cap to \$7.5 million to help American small businesses.

CARES ACT, cont.

UNEMPLOYMENT INSURANCE/WORKFORCE DEVELOPMENT

- **Creation of Pandemic Unemployment Assistance (PUA)** – Individuals that are no longer receiving regular pay from their job, nor qualify for state unemployment assistance, can qualify for PUA. This includes those who are self-employed, gig workers, and those who have exhausted their state or federal benefits.
- **Creation of Pandemic Unemployment Compensation (PUC)** – For those receiving state Unemployment Insurance or PUA, the Federal government will provide additional payments of \$600 per week, beginning the week the bill is signed, and ending on or before July 31, 2020.
- **Expansion of “Work Sharing” Programs** – Employers can voluntarily make an agreement with their state(s) to reduce employee hours to prevent layoffs, but employees would still be eligible for partial state UC benefit, and the state would receive \$100 million.
- **Unemployment Compensation Support for Nonprofits Organizations and State, Tribal, and Local Governments** – During the national emergency, the government would pay for 50% of reimbursement to workers who are furloughed or laid off, instead of these employers needing to pay 100% of the unemployment compensation.

CARES ACT, cont.

NUTRITION SUPPORTS

- **Supplemental Nutrition Assistance Program (SNAP)** – \$15.51 billion to fund additional anticipated SNAP benefits authorized in the second coronavirus package.
- **Child Nutrition Programs** – \$8.8 billion in additional funding for Child Nutrition Programs to support school flexibility to ensure children receive meals while school is not in session due to coronavirus.
- **Other Nutrition Programs**
 - *Food Distribution on Indian Reservations (FDIPR)* - \$100 million for increased needs for food.
 - *Puerto Rico & U.S. Territories* - \$200 million for food assistance.
 - *Emergency Food Assistance Program (TEFAP)* - \$450 million for food banks and commodity distribution.
 - *Assistance for Food Producers* - \$9.5 billion to assist agricultural producers and farmers for schools, restaurant, and farmers markets.

CARES ACT, cont.

HEALTH SERVICES AND EXTENDERS

- **Expansion of Medicare Telehealth Flexibilities** – Flexibilities are expanded in order to ensure beneficiaries receive treatment from their home via telehealth providers and reduce exposure to Covid-19.
- *Temporarily allows Federally Qualified Health Centers and Rural Health Clinics to serve as a distant site for telehealth consultations and requires HHS to issue clarifying guidance encouraging the use of telecommunications systems, including remote patient monitoring. Temporarily eliminates requirements that limit telehealth expansion to situations where a physician has treated a patient within the last three years.*
- **State Access to Enhanced Medicaid FMAP** – This bill amends section 6008 of H.R. 6201 to delay the application of premium requirements. This will ensure states and territories are not ineligible for the increase of the FMAP percentage by 6.2%.
- **Extension of the Temporary Assistance for Needy Families (TANF) Program** – This bill officially extends TANF and other related programs including the Health Profession Opportunity Grants (HPOG), through November 30, 2020.

CARES ACT, cont.

HOUSING & HOMELESSNESS

- **Housing and Rental Assistance**

- *Temporary Foreclosure and Rent Moratorium* – Beginning on March 18, 2020, federally- backed mortgage loans may not pursue foreclosure for a 60-day period. A multi-family borrower may not evict or charge any other rental or late fees for at least 30 days after they renter receives a notice.
- *Elderly Persons and Persons with Disabilities* - \$50 million is appropriated to support housing stability for low-income seniors, and \$15 million to support reduced tenant payment from those who are disabled.

- **Homeless Assistance** – \$4 billion to support state and local governments in addressing the virus in homeless communities.

Economic Stimulus Package 3.5

New Stimulus Package Aimed at Small Businesses and Hospitals

- President Trump signed **Economic Stimulus Package 3.5** into law on April 24, as the unemployment crisis deepened, a stark illustration of how federal policymakers continue trying to rescue an unraveling economy.
- The legislation restarted the small-business loan program that was swamped by early demand last month and allocate more funds for health-care providers and virus testing.
- Policymakers from both parties are already talking about pursuing more large spending bills to try to contain the pandemic's economic fallout, but this recent measure could be the last one for at least several weeks as disagreements are emerging between the parties about how much more relief should be provided to stem the economic pain.

Economic Stimulus Package 3.5

Amendments to the Paycheck Protection Program (PPP), Economic Injury Disaster Loans, and Emergency Grants

- Increase the appropriation level for the Paycheck Protection Program from \$349 billion to \$670 billion (*many experts are saying another \$500 billion will be necessary to address small business payrolls*).
- Increase the authorization level for the Emergency Economic Injury Disaster (EIDL) Grants from \$10 billion to \$20 billion.
- Create a set-aside for Insured Depository Institutions, Credit Unions, and Community Financial Institutions for the PPP. Community Financial Institutions are defined as minority depository institutions, certified development companies, microloan intermediaries, and state or federal credit unions.


Economic Stimulus Package 3.5

New Health and Human Services (HHS) Funding:

- \$75 billion for reimbursement to hospitals and health care providers to support the need for COVID-19 related expenses and lost revenue. Language remains the same as CARES Act. This funding is in addition to the \$100 billion provided in the CARES Act.
- \$25 billion for necessary expenses to research, develop, validate, manufacture, purchase, administer, and expand capacity for COVID-19 tests.
- Specific funding is provided for: \$11 billion for states, localities, territories and tribes to develop, purchase, administer, process and analyze COVID-19 tests, scale-up laboratory capacity, trace contacts and support employer testing. Funds are also made available to employers for testing.
- \$2 billion provided to states consistent with the Public Health Emergency Preparedness grant formula, ensuring every state receives funding \$4.25 billion provided to areas based on the relative number of COVID-19 cases \$750 million provided to tribes, tribal organizations and urban Indian health organizations in coordination with Indian Health Service.

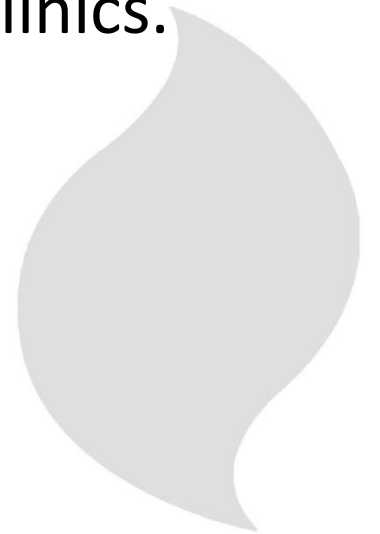
Economic Stimulus Package 3.5

Additional Health and Human Service Funding provisions:

- \$1.8 billion provided to NIH to develop, validate, improve and implement testing and associated technologies; to accelerate research, development, and implementation of point-of-care and other rapid testing.
 - Partnerships with governmental and non-governmental entities to research, develop, and implement the activities.
 - \$1 billion for advanced research, development, manufacturing, production, and purchase of diagnostic, serologic, or other COVID-19 tests or related supplies.
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Economic Stimulus Package 3.5

- \$22 million for the FDA to support activities associated with diagnostic, serological, antigen, and other tests, and related administrative activities.
- \$825 million for Community Health Centers and rural health clinics.
- Up to \$1 billion may be used to cover costs of testing for the uninsured.



Trump Administration Approves 1135 Medicaid Waivers

- CMS has approved 29 emergency Medicaid waivers from states looking to loosen licensing requirements from out-of-state providers, allow services in non-traditional settings and remove prior authorization requirements
- The waivers allowed under President Donald Trump's declaration of a national emergency earlier this month allow states to eschew certain Medicaid requirements on physician enrollment and prior authorization as well as free up where care can be delivered and suspend certain nursing home screening requirements to lower administrative burden.
- Waivers [here](#)



CMS Issues Opportunities for Telehealth Delivery Methods Guidance

- (CMS released an [Informational Bulletin](#) to states that identifies opportunities for telehealth delivery methods to increase access to Medicaid services and federal reimbursement for services and treatment for substance use disorders under Medicaid using services delivered via telehealth, including in school-based health centers
- This Informational Bulletin is composed of two parts: Rural Health Care and Medicaid Telehealth Flexibilities; and Medicaid Substance Use Disorder Treatment via Telehealth
- This [guidance](#) in accordance with section 1009(b) of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act. While this guidance applies to states generally, it includes information useful for states in light of the ongoing response to COVID-19.
- Maximizing telehealth flexibilities will help prevent vulnerable beneficiaries from unnecessarily entering a healthcare facility when their needs can be met remotely.

SAMHSA Emergency Grants to Address Mental and Substance Use Disorders During COVID-19

- The purpose of this program is to provide crisis intervention services, mental and substance use disorder treatment, and other related recovery supports for children and adults impacted by the COVID-19 pandemic.
- Funding will be provided for states, territories, and tribes to develop comprehensive systems to address these needs.
- The purpose of this program is specifically to address the needs of individuals with serious mental illness, individuals with substance use disorders, and/or individuals with co-occurring serious mental illness and substance use disorders.
- The program will also focus on meeting the needs of individuals with mental disorders that are less severe than serious mental illness, including those in the health care profession.



SAMHSA Emergency Grants to Address Mental and Substance Use Disorders During COVID-19

- **Eligibility:** State governments, the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, American Samoa, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.
- Federally recognized American Indian/Alaska Native (AI/AN) tribes, tribal organizations, Urban Indian Organizations, and consortia of tribes or tribal organizations



Members of Congress Send Letter to Leadership Calling on Congress to Include \$38 Billion For BHOs in Next Stimulus

- Seventy-six lawmakers from both chambers of Congress are lobbying leadership to include funding for mental health in the next coronavirus stimulus package.
- [In a letter](#) led by Sen. Elizabeth Warren (D-MA.), the lawmakers called for the next coronavirus stimulus to include at least \$38.5 billion for BHOs, which they say are at risk of being shuttered as part of the pandemic's economic fallout.
- The lawmakers added that a “significant portion” of the funds should be allocated to BHOs that are “enrolled in Medicaid and provide care to underserved groups, or those who otherwise lack coverage for needed behavioral and mental health care.”
- The 76 members said BHOs have not been “sufficiently included” in past economic relief packages, which combined for a total of roughly \$3 trillion, and noted that mental health services will be even more important as families grapple with the hardships related to the coronavirus.

New Survey Shows Majority of People Report Struggling with Mental Health Due to Covid-19

- A [small, new survey](#) of 1200 Americans from finance research and analysis website ValuePenguin finds that more than half of respondents are struggling with their mental health
- Overall trends: 55% of those surveyed said their mental health is suffering due to the Covid-19 outbreak. This was especially the case with millennial respondents, nearly two-thirds of whom reported struggling with their mental health.
- Loneliness: 47% of respondents said they're feeling more lonely than usual. Although half said they spoke to loved ones daily, around 10% of respondents said that video or phone chats exacerbated their feelings of isolation.
- Resources: Nearly 60% said they don't know how to access MH resources from home. More than 20% want to access a virtual therapist, but are unsure if insurance will cover the service.

STATUS

- To date, the success of provider organizations in actually accessing these funds seems to be relatively mixed. With the launch of the program on April 3, in nearly two weeks the entirety of the funding was distributed across more than 1.6 million loans (see [SBA Says It Has Approved 1.6M PPP Loans](#)).
- And according to a U.S. Small Business Administration (SBA) report, as of April 16, the health care and social assistance subsector received 11.65% of the total funds—nearly \$40 billion distributed across 183,542 approved loans (see [Paycheck Protection Program \(PPP\) Report](#)).
- Three of the largest health systems in the publicly-traded space—HCA Healthcare, Universal Healthcare Services, and Community Health Systems—together announced receiving over \$1.1 billion in stimulus money (see [Here's A Look At Just How Much HCA, UHS & CHS Took In CARES Act Cash](#)). But the first round of funding drying up so quickly left many other small businesses lacking in support (see [Some Small-Business Owners Got \\$0, While Lenders Got Billions In Fees](#)).

STATUS

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- And concerns have been raised around the quick (and chaotic) pace of the application process (see [Frenzy & Desperation As Small Businesses Grab For Government Aid](#)).
 - In a process where the right timing means everything, banks were left scrambling as provider organizations, along with thousands of other small businesses, were desperately seeking to access funds in the first round of relief (see [Many Small Businesses Are Being Shut Out Of A New Loan Program By Major Banks](#)).
 - Bank of America received 250,000 loan applications over the span of four days—with JP Morgan receiving 375,000 requests to apply for nearly \$40 billion in PPP loans in the same time frame (see [Small Business Stimulus Loans: JPMorgan Has Received 375,000 Requests Worth \\$40 Billion](#)).
 - Running into problems like these in the initial launch isn't surprising—but it will be interesting to see how this latest round of funding will play out.

STATUS

- If your organization hasn't applied and is planning to apply, time is of the essence.
- The main advice for provider organizations is simple: Take advantage of those resources—now... time is of the essence for new applications and should be filed through an existing SBA Lender as soon as possible as this new round of funding is expected to be exhausted quickly, with no guarantee of additional funding of these programs with future legislation.
- However, eligibility for the loans is still limited to businesses (including non-profit organizations) with 500 or fewer employees. And all hospitals are eligible if less than 50% of their funding is from state or local governments (excluding Medicaid payments).

Thank You & Questions

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