

**March 26, 2020**

**MEMORANDUM**

**TO: Sleep Research Society**

**FR: Dale Dirks & Dane Christiansen**

**RE: Congressional Phase 3 Coronavirus Response Package**

Following swift negotiations, Congress and the administration reached agreement on a “phase 3” legislative package responding to coronavirus (COVID-19). The final package, H.R. 748, totals nearly \$2 billion and represents a compromise between the competing bills recently put forward by Senate Republicans and House Democrats. The phase 3 response package remains a combination of emergency supplemental appropriations, health policy provisions, and economic stimulus measures.

Late last night, the Senate unanimously passed H.R. 748. The House is expected to pass the package in the near future and the president has indicated he will sign the measure when it reaches his desk.

Key provisions within the phase 3 COVID-19 response package/H.R. 748 include:

**Appropriations**

- \$172 billion for Labor, Health and Human Services (HHS), and Education (Ed).
  - \$127 billion for the Public Health and Social Services Emergency Fund.
    - \$100 billion to address lost revenue and expenses for hospitals and healthcare providers responding to COVID-19.
    - \$16 billion for the Strategic National Stockpile for personal protective equipment, ventilators, and other related medical supplies.
    - \$3.5 billion for vaccines, therapeutics, diagnostics, and other medical preparedness.
    - \$275 million for the Health Resources and Services Administration (HRSA) to support related activities through rural health, community health centers, and the Ryan White program.
  - \$4.3 billion for the Centers for Disease Control and Prevention (CDC).
    - \$1.5 billion for State and Local Preparedness (\$2.5 billion in total additional funding when combined with previous supplemental funding).
    - \$500 million for Global Health (\$800 million in total additional funding when combined with previous supplemental funding).
    - \$300 million for the Infectious Disease Funds (\$600 million in total additional funding when combined with previous supplemental funding).

- \$945.5 million for the National Institutes of Health (NIH), this brings total additional funding for NIH up to \$1.78 billion when combined with previous supplemental funding.
- \$425 million for the Substance Abuse and Mental Health Services Administration to conduct core activities that respond to COVID-19.
- \$30.9 billion for Ed.
  - \$14.25 billion for institutes of higher education to support both institutions and students impacted by COVID-19 with specific funding for historically black colleges and universities (HBCUs).
  - \$13 million in direct support for Howard University.
- \$35 billion for Agriculture, Rural Development, Food and Drug Administration (FDA) and Related Agencies.
  - \$25 million for a new grant program to support distancing learning and telemedicine (through rural development activities).
  - \$80 million for FDA to support development of therapies, diagnostic tools, vaccines, and medical countermeasures.
- \$10.5 billion for the Department of Defense (DoD).
  - \$1 billion for the Defense Production Act to support production of personal protective equipment and other critical items.
  - \$1.8 billion for the Defense Health Program to support to address additional medical costs as well as the acquisition of countermeasures and related equipment.
  - \$1.6 billion for the Defense Health Program to expand care capacity and bolster treatment facilities.
  - \$415 million for the development of vaccines, lab operations, and the procurement of diagnostic tests.
  - \$628 million for non-medical protective equipment and other supplies.
- \$2 billion for Interior, Environment, and Related agencies.
  - \$7 million to assist the Environmental Protection Agency with responding to COVID-19.
- \$20 billion for Military Construction, Veterans Affairs (VA), and Related Agencies.
  - \$14.4 billion to support the delivery of VA medical services.
  - \$606 million for the VA to advance alternative sites of care and mobile treatment centers.

### Healthcare

- Seeks to mitigate shortages of emergency products by prioritizing review of drug applications and providing additional incentives.

- Places further reporting requirements on manufacturers related to drug shortages or production challenges (mainly related to products needed for the emergency response).
- Provides specific guidance for the coverage, reimbursement, and pricing related to COVID-19 diagnostic tests.
- Supports an awareness campaign and related activities related to the safety of the blood supply and importance of blood donation.
- Provides rapid coverage by third party-payers for preventative services and vaccines.
- Reauthorizes the Health Professions Workforce Programs (Title VII).
- Enhanced reporting requirements for the discontinuation of medical devices needed for the emergency response.
- Provides access to telehealth services for individuals with high deductible plans and health savings accounts (without incurring out of pocket costs).
- Further expands access to telehealth services to ensure patients have access to a broad range of providers.
- Provides flexibility to allow community health centers and rural health clinics to provide telehealth services.
- Provides flexibility for patients to access home health services.
- Removes Medicare sequester through the end of the calendar year, but then extends the sequestration for an additional year.
- Blocks scheduled reductions in Medicare payments for durable medical equipment.
- Eliminates Medicare Part B cost-sharing requirements for COVID-19 vaccines.
- Allows for a 90-day supply of medications under Medicare Part D.
- Ensures Medicaid patients can receive a COVID-19 test and related services with no cost-sharing requirements.
- Ensures Medicare beneficiaries can receive a test for COVID-19 under Medicare Part B with no cost-sharing requirements.
- Prevents 2021 scheduled reductions in Medicare diagnostic tests for clinical laboratories.
- Provides an extension of the Medicare accelerated payment programs for hospitals.

- Extends funding for the National Quality Forum to carry out ongoing quality management and performance improvement measures.
- Delays scheduled reductions to Medicaid payments for disproportionate share hospitals.
- Extends the Health Careers Opportunity Grant program.
- Extends authorization for and enhances funding for; 1) Community Health Centers, 2) the National Health Service Corps, and 3) Teaching Health Centers that operate GME programs.

### Education

- Provides campus based aid waivers.
- Deploys supplemental education opportunity grants for emergency aid to assist students with unexpected expenses.
- Facilitates continuing education through distance learning at affected foreign institutions.
- Provides national emergency educational waivers.
- \$62 million to provide capital financing to HBCUs.
- Provides interest and payment relief for student loan borrowers.

### Taxes

- Creates a COVID-19 unemployment assistance program through the end of the calendar year and provides an overall increase to unemployment benefits.
- Provides emergency unemployment relief to non-profits and government entities.
- Provides a recovery rebate for individuals and families.
- Provides flexibility to withdraw funds from retirement accounts.
- Enhances deductions to charitable organizations (whether deductions are itemized or not). Further incentivizes individuals and organizations to make charitable donations.
- Provides an employee retention credit to business forced to shut down or reduce operations as a result of COVID-19.
- Provides a variety of additional adjustments to the tax code.

- Numerous modifications are made to the *Family and Medical Leave Act*, the *Emergency Paid Family Leave Act*, and the unemployment insurance program.

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