

# Federal Response to COVID-19 and State Opportunities

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# Agenda

● Introductions

● Federal Legislative Overview

● What is missing from Federal efforts?

● State Opportunities

● Q&A

# What is the Federal Response to COVID-19?

## PHASE 1

Allocated funds for HHS, CDC, medical equipment, and grants for state, local, and tribal public health agencies and organizations - and some for small business loans.

## PHASE 2

Provides paid sick leave, free coronavirus testing, expanded unemployment benefits, and food insecurity measures.

## PHASE 3

Provides emergency assistance and health care response for individuals, families, and businesses. Includes cash assistance for individuals and families and lending for businesses.

# Highlights of Federal Legislation (Phase 1-3)

- Health System Investment
- Medicaid funding
- Testing and Treatment Cost Sharing
- Paid Leave and Unemployment
- Cash Support for Families
- Food, Housing and Child Care Assistance
- State Stabilization Funds - Coronavirus Relief Fund
- Corporate Bail Out - Support to Small Business
- Worker Protections, Safety and Support
- Student Loans and Elections



# A Deeper Dive: Health System Investment

- Community Health Center (CHC) funding - \$1.32 billion (C3)
- Community mental health services demonstration extension (C3)
- \$100 billion in grants and unreimbursed care to hospitals (C3) and delay in Disproportionate Share Hospital (DSH) payments
- Telehealth support to rural access hospitals - \$185 million (C3)
- State, local and tribal governments have access to \$150 billion relief fund (C3)
- Medical supplies - \$16 billion (C3)
- Over \$4 billion in CDC investment (C3)
- Rural hospitals - \$185 million in support (C3)



# A Deeper Dive: Medicaid Changes

- Increases Medicaid funds to states and territories through an enhanced match of 6.2 percentage points, but not for ACA expansion populations. (C2)
- Receipt of funds is conditioned on maintaining eligibility levels and must provide Medicaid coverage without cost-sharing for testing and testing related services. (C2) - Maintenance of Effort (MOE)
- States may extend Medicaid eligibility to uninsured populations for the purposes of COVID-19 testing. State Medicaid costs for associated medical and administrative expenditures would be matched fully by the federal government. (C2)

# A Deeper Dive: Testing and Treatment

- Private insurance must cover testing for COVID-19 with no cost-sharing and any future vaccine. (C3)
- Permits states to extend Medicaid eligibility to uninsured populations for the purposes of COVID-19 testing. State Medicaid costs for associated medical and administrative expenditures would be matched fully by the federal government (C2)
- In the CARES Act, there is language that attempts to shield people from surprise bills but is insufficient. (C3)

# A Deeper Dive: Food & Housing Assistance

- No SNAP work requirements until a month after the emergency declaration is lifted. In states that have declared an emergency or disaster, emergency allotments to SNAP households. (C2) And \$500 million for WIC. (C3)
- Low-Income Home Energy Assistance Program (LIHEAP): \$900 million and \$5 billion in HUD grants and rental assistance.(C3)
- Eviction and foreclosure protections for federally backed loans. (C3)
- Child care block grant increases - \$3.5 billion and \$750 million for Head Start. (C3)



# A Deeper Dive: Paid Leave and Unemployment Insurance

- Up to 12 weeks of paid leave for employees in need of child care due to public health emergency (C2) - does not apply to companies with 500 or more employees and employer not responsible for first 10 days (C2)
- 80 hours of paid sick leave if unable to telework - tax credits available for 100 percent of payroll tax (C2)
- \$1 billion in emergency grants to states to provide and process unemployment insurance, including 100 percent federal funding for extended benefits in states with a 10 percent or higher unemployment rate. (C2)



# A Deeper Dive: Cash Support

- \$1,200 payment per eligible adult and \$500 per eligible dependent child under age 17 (\$75,000 for individuals, \$112,500 for head of households, and \$150,000 for joint filers).
- Taxable income not required to claim benefit, but must have a work-eligible social security number (SSN) and not be a dependent of another tax filer. Payment based on 2019 tax return, if filed, or 2018 return.(C3)



# Federal Action Recap

01	H.R. 6074: Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020	<ul style="list-style-type: none"><li>• Delivered \$8.3 billion in emergency supplemental appropriations</li><li>• Allows HHSt to waive certain Medicare telehealth restrictions &amp; some small biz supports.</li></ul>
02	H.R. 6201: Families First Coronavirus Response Act, 2020	<ul style="list-style-type: none"><li>• Provides \$100 billion in worker assistance, including emergency paid sick leave, food assistance, Medicaid boost and unemployment payments.</li></ul>
03	H.R. 748: CARES Act	<ul style="list-style-type: none"><li>• Provides \$2 trillion in support including individual checks, corporate bailouts, small business support and state and local aid.</li></ul>

Is it enough?



# What Holes Remain in the Federal Response?



# Package C4: What Do States Need?

## More State Financial Support. And...

- **Workforce protections.**
- **Financial security for consumers.**
- **Increased access to coverage and care.**
- **Focus on special populations and those most at risk.**
- **Social service expansion.**
- **Health justice - data collection.**

# Digging Deeper: Medicaid and Financial Security...a few recommendations

- Increased Medicaid funding tied to unemployment rate
- Restore 100 percent funding for Medicaid Expansion
- Essential workers - access to paid leave and to PPE
- Medicaid flexibility to extend coverage to immigrants
- Protection from medical debt - and collections
- Cost of testing, treatment and vaccines covered with no cost-sharing
- Funding for social service providers
- SNAP boost and housing protections



# Responding to the COVID-19 Public Health Crisis

## Options for State Medicaid Programs



# What can state Medicaid programs do?

- **Preserve coverage by streamlining eligibility/enrollment**
- **Expand eligibility**
- **Expand access to providers and services via telehealth**

# How can they do it?

- **1135 Emergency Waiver**
- **Appendix K to Medicaid Section 1915(c) waivers**
- **Medicaid Section 1115 waivers**
- **State Plan Amendments**
- **Regulations/Guidance**



# What can advocates do?

- Push for states to use all of these available levers to:
  - Preserve coverage and protect individuals from out-of-pocket costs
  - Ensure access to care for vulnerable populations
  - Reach the remaining uninsured
  - Ensure health equity/health justice



# Additional Resources

- **Kaiser Family Foundation Section 1135 Waiver Tracker**
- **State Health and Value Strategies**
- **Center For Health Care Strategies**
- **National Conference of State Legislatures**



# Q&A



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**Thank you!**

