

## Vizient Office of Public Policy and Government Relations

### Families First Coronavirus Response Act – Legislative Summary

March 24, 2020

#### Overview:

On March 18, President Trump signed into law the Families First Coronavirus Response Act, [H.R. 6201](#). Among other provisions, the law provides for a temporary 6.2 percentage point increase in states' Federal Medical Assistance Percentage (FMAP), eliminates patient cost sharing for COVID-19 testing and related services (excluding treatment) and establishes an emergency paid leave program.

#### *Key Health Provisions:*

- **Increase in Federal Medicaid Funds:** The law provides states and territories with a temporary 6.2 percentage point increase in their regular Federal Medical Assistance Percentage (FMAP), while also raising the federal Medicaid allotment for territories. To receive the FMAP increase, states must maintain certain requirements, such as: Medicaid eligibility requirements that are not more restrictive than those in place on January 1, 2020; ensuring premium amounts do not exceed those in place on January 1, 2020; and ensuring coverage “without the imposition of cost sharing, during such quarter for any testing services and treatments for COVID–19, including vaccines, specialized equipment, and therapies.”
- **Coverage of COVID-19 Testing –** The law requires private insurers to cover COVID-19 diagnostic testing, including the cost of providers, urgent care centers, and emergency room visits, at no cost to the patient. Additional sections of the law also waive testing-related cost sharing for those enrolled in Medicare Part B, Medicare Advantage, Medicaid or CHIP, TRICARE, Veterans Affairs Health Care, the Federal Employee Health Benefits Program, the Defense Health Program and certain covered American Indians and Alaskan Natives. Additionally, the law provides states with the option to extend Medicaid eligibility to uninsured populations for the purposes of COVID-19 diagnostic testing with the federal government matching state expenditures at 100% for this population.
- **Personal Respiratory Protective Devices as Covered Countermeasures:** In relation to Secretary Azar’s declaration of COVID-19 as a Public Health Emergency, the law expands the types of personal respiratory protective devices (i.e., National Institute for Occupational Safety and Health-approved) that can be recognized as covered countermeasures for the purposes of emergency use.
- **Clarification of Telehealth Authority:** The law provides a technical change to the recently passed Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (H.R. 6074) to clarify that the Secretary’s emergency authority allows new Medicare beneficiaries to access telehealth services.

#### *Employee Leave Provisions:*

- **Emergency Paid Sick Leave:** The law requires employers with fewer than 500 employees to provide employees paid sick time under certain circumstances related to coronavirus. Eligible full-time employees will receive two weeks of fully paid time off (up to \$511/day) to either seek a

diagnosis, self-quarantine, or receive treatment for COVID-19. Eligible part-time employees are entitled to this same benefit for the typical number of hours that they usually work in a two-week period. Additionally, eligible full-time employees can receive two weeks of partial paid time off (2/3 of regular pay, up to \$200/day) to care for a family member or to care for a child whose school has closed, or if their child care provider is unavailable due to COVID-19. Part-time employees are similarly eligible for this benefit for the typical number of hours that they work in a two-week period. Health care workers and emergency responders may be exempt from this benefit at the discretion of their employer. The law provides a refundable tax credit for all qualified paid sick leave wages paid by an employer for each calendar quarter as a result of COVID-19. The Secretary of Labor will be permitted to promulgate regulations to exempt small businesses with fewer than 50 employees from compliance. This benefit will expire on December 31, 2020.

- **Emergency Paid Family Leave:** Eligible full and part-time employees at companies with fewer than 500 employees are entitled to 12 weeks of job-protected leave under the Family and Medical Leave Act. However, employees are eligible if they have been employed for at least 30 days, versus one year. Employees may use this leave to care for children in the event of a school closure or if their child care provider is unavailable. The 12 weeks of leave includes: two weeks of unpaid leave followed by 10 weeks of paid leave. Employees may be required to overlap the first two weeks of unpaid leave with two weeks of other paid leave they may have available. Employees are entitled to no less than 2/3 of their usual pay. Similar to the paid sick leave, the law grants “An employer of an employee who is a health care provider or an emergency responder” the discretion to exclude their health care workers and emergency responders from this benefit. Employers will pay for the cost of this leave up front but will be fully reimbursed by the federal government within three months. This benefit similarly expires on December 31, 2020.

#### ***Supplemental Nutritional Assistance Program (SNAP) Benefit Provisions:***

- The law provides certain SNAP waivers in response to the COVID-19 outbreak. Work and work training requirements are lifted for SNAP beginning in April, 2020, and lasting throughout the end of the month following the month when the public health emergency declaration is lifted. States will also receive additional flexibilities in administering SNAP throughout the public health emergency, including the ability to disregard, for eligibility purposes, any period that individuals received SNAP benefits during the emergency.

#### ***Additional Domestic Nutritional Assistance Programs***

- Emergency funding will be made available for certain domestic nutrition assistance programs in order for them to remain adequate during the COVID-19 crisis. This includes \$500 million in access to nutritious foods for low-income pregnant women or mothers with young children who lose their jobs or are laid off during the outbreak. The law also provides funding for The Emergency Food Assistance Program (TEFAP), with \$400 million specifically for local food banks to meet increased demand during the public health emergency.

#### ***Unemployment Insurance Provisions:***

- The law provides \$1 billion in emergency grants to states for activities related to processing and paying unemployment insurance benefits. Half of that amount, \$500 million, provides immediate additional funding to all states for staffing, technology and other systems. While an additional \$500 million would be reserved for, and provided to, states that have experienced at least a 10% increase in unemployment. States will also have access to specific interest-free loans designated to help fund regular unemployment benefits through the end of 2020.