



**Summary Charts
of
Grants, Loans, and Other Cashflow Options
for Health Centers, PCAs, and HCCNs
during the Covid-19 Pandemic**

As of 4/15/2020

Important: This is an evolving document, and will be updated as new information becomes available. The most up-to-date version of this document will always be available on the NACHC COVID-19 webpage and Noddlepod.

Grant funding provided directly by HHS to Health Centers during the COVID-19 emergency

As of April 15, page 1 of 2

| Amount | Established | Who is eligible? | LALs eligible? | Who distributes? | Date distributed | Allowable Uses | Other |
|---|---|------------------------|----------------|------------------|---|---|--|
| \$100 million | COVID Supplemental Approps (signed 3/4) | Health center grantees | No | BPHC/HRSA | Around 3/27 | Expenses, including personnel, associated with COVID prevention, preparedness & response. Pre-award costs are permitted back to 1/20/2020. Cannot use to pay providers not working on COVID-19. | BPHC formula: base of \$50,464, plus \$0.50 per patient, plus \$2.50 per uninsured patient (data from 2018 UDS). |
| \$1.32 billion | CARES Act (third bill – signed 3/27) | Health center grantees | No | BPHC/HRSA | 4/7 & 4/8 | Substantial flexibility. To "support the detection and/or prevention, diagnosis, and treatment of COVID-19, including maintaining or increasing health center capacity and staffing levels" | BPHC formula: \$503K base; \$15 per patient; \$30 per uninsured patient (using 2018 UDS.) |
| Remaining Section 330 mandatory funds for FY2020 - not directly | CARES Act (third bill) | Health center grantees | No | BPHC/HRSA | FQHCs whose budget periods start 5/1 & 6/1 will get full 12 months of funding about 15 days in advance; | All allowable in-scope activities (funds are not directly tied to COVID-19) | |

| | | | | | | | |
|---------------------|--|--|--|--|---|--|--|
| related to COVID-19 | | | | | others have received 9 months of funding so far, and will receive final 3 months' worth once HRSA can process NOAs. | | |
|---------------------|--|--|--|--|---|--|--|

Grant funding provided directly by HHS to Health Centers during the COVID-19 emergency

As of April 15, page 2 of 2

| Amount | Established | Who is eligible? | LALs eligible? | Who distributes? | Date distributed | Allowable Uses | Other | For more info |
|--|------------------------|--|----------------|---|---|---|---|---|
| Portion of \$100 Billion for health care providers | CARES Act (third bill) | All providers, including hospitals & for-profits | Yes | HRSA has the lead. United Health distributed the first \$30 billion | First \$30B distributed on 4/10 based on each providers' 2019 Medicare FFS claims. HHS says future installments will focus on providers who are: heavily-impacted; rural; low Medicare FFS; <i>predominantly serve Medicaid populations; and care for uninsured.</i> | Per the statute, may be used "for health care related expenses or lost revenue that are attributable to" COVID-19. Additional guidance forthcoming. | NACHC wrote HHS on 4/3 re: amount of funds to FQHCs; requested extra 20% for LALs, FQHCs in "hot spots", and those with over 500 employees. Writing 4/14 re: need to prioritize funding to providers serving underserved, uninsured, and Medicaid patients. | See next page, HHS CARES Provider Relief Fund and HHS Terms & Conditions Note that standard rules for HHS grants apply; also, reporting requirements forthcoming |

Cashflow Options (beyond HHS grants) open to Health Centers, PCAs and HCCNs with less than 500 employees during the Covid-19 Emergency

As of April 15, 2020

| | What is it? | Who is eligible? | What are the terms? | What to do? | Experience, Suggestions, etc. |
|---|---|--|---|---|--|
| Paycheck Protection Loans | Fully-forgivable, Federally-backed loans. For any aspect of employee compensation, as well as mortgage, rent, and utilities. May take out up to 2.5 months of payroll up to \$10 million. | Employers with up to 500 employees. | Payments and interest deferred for 6 months to 1 year. After that, 1%. Principal may be fully forgivable with documentation. No fees. | Call your bank or find SBA-approved lenders in your area through SBA's Lender Match tool. Call your local Small Business Development Center | Widely considered the best form of support available for those who are eligible. However, application experience varies. Some CHCs received loans quickly; others are still waiting. Generally better to work through a smaller bank that you already have a relationship with. If you are having difficulty finding a lender, ask CapLink |
| Federal Tax Credit to cover Emergency Paid and Family Leave | Employer receives tax credit to cover: <u>Paid leave:</u> Up to 80 hours of paid sick leave to \$511/day. For caregiver leave, 80 hours to \$200/day. <u>Family leave:</u> 10 weeks at \$200/day max. To care for a child whose school or care provider is unavailable. | Employers with under 500 employees must offer. Exceptions available for health centers and firms under 50 employees. | Employers receive a refundable tax credit for 100% of the eligible leave costs. Credit applied as refund against employer's total portion of Social Security taxes for the period. Health centers (but not PCAs/ HCCNs) may deny leave to all employees. | General information on leave programs Questions and answers on leave provisions | |

Cashflow options (beyond HHS grants) open to all Health Centers, PCAs and HCCNs during the Covid-19 Emergency

As of April 15, page 1 of 2

| | What is it? | Who is eligible? | What are the terms? | What to do? | Experience, Suggestions, etc. |
|--|---|--|---|--|--|
| Main Street Loans | Federally-backed loans between \$1 million - \$25 million with favorable terms. NOT forgivable. | All businesses with less than 10,000 staff | Four years; no principal due or interest incurred for first year; low interest | Applications not yet being accepted. Interested CHCs should review requirements once finalized; gather needed paperwork now. | Many key requirements – e.g., to retain and rehire staff – are still forthcoming. |
| Economic Injury Disaster Loans | Small Business Administration (SBA) loan for up to \$2 million, including a \$10,000 grant up front. May be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. | All health centers, PCAs, and HCCNs, regardless of size. | Interest rate of 2.75%, payable over up to 30 years. Can defer initial payments for up to a year. | Apply directly at the SBA. Applicants may apply online or call 1-800-659-2955. | System is overwhelmed. Actual loans being limited to \$15,000 per month. Wait times on hold are extremely long. SBA staff may not be well trained that non-profits with over 500 staff are eligible. |
| Federal tax credits for employee retention | Refundable credits of up to \$5,000 per quarter for each employee who is not actively “providing services” due to COVID-19. | All employers who can demonstrate financial harm. | Employee must be unable to “provide services” due to COVID-19. Unclear if reassigned employees qualify. | Either deduct credit from tax deposits or request an IRS advance using Form 7200 . | |

Cashflow Options (beyond HHS grants) open to all Health Centers, PCAs and HCCNs during the Covid-19 Emergency

As of April 15, page 2 of 2

| | What is it? | Who is eligible? | What are the terms? | What to do? | Experience, Suggestions, etc. |
|---|--|---|--|--|---|
| Deferral of employer share of FICA | Employers can defer paying the employer share of FICA taxes from now through 12/31/20. | All employers | All deferred FICA taxes must ultimately be repaid – half by 12/31/2021 and half by 12/31/2022. | See IRS Notice 2020-22 | |
| Advanced Medicare Payments | FQHCs can receive up to 3 months' worth of Medicare payments in advance, within 7 days of applying. | All health centers | Any excess must be repaid within 4 to 7 months. Interest rates after 7 months can be high. | Contact your MAC | Also called “accelerated payments”. Medicare disbursed over \$50 billion in advanced payments by mid-April. |
| Expanded Unemployment Insurance for Fully and Partly Laid-off Staff | Expanded benefits for laid-off staff, including first week paid, additional \$600 per week, and 13 additional weeks if needed. States encouraged to create/expand programs to staff who have been partly or fully furloughed | All employees and contractors. May be additional state flexibilities. | Details vary significantly by state. CHCs that self-insure for UI will be reimbursed for half their costs; CHCs that pay state UI taxes <u>may not</u> have their taxes increase due to employees receiving COVID-19-related UI. | Contact your state unemployment office . | |
| FEMA Public Assistance Grants | 75% reimbursement for “eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of public health officials” | All health centers | Federal government will pay 75% of total costs. | Must apply through your state or territorial government. | FEMA does not make Public Assistance grants directly to health centers. See FEMA Fact Sheet and detailed FEMA guide |

