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CARES ACT: RELIEF FOR THE PRIMARY CARE PHYSICIAN

OUR SPEAKERS

GARY JACOBS
President of Village
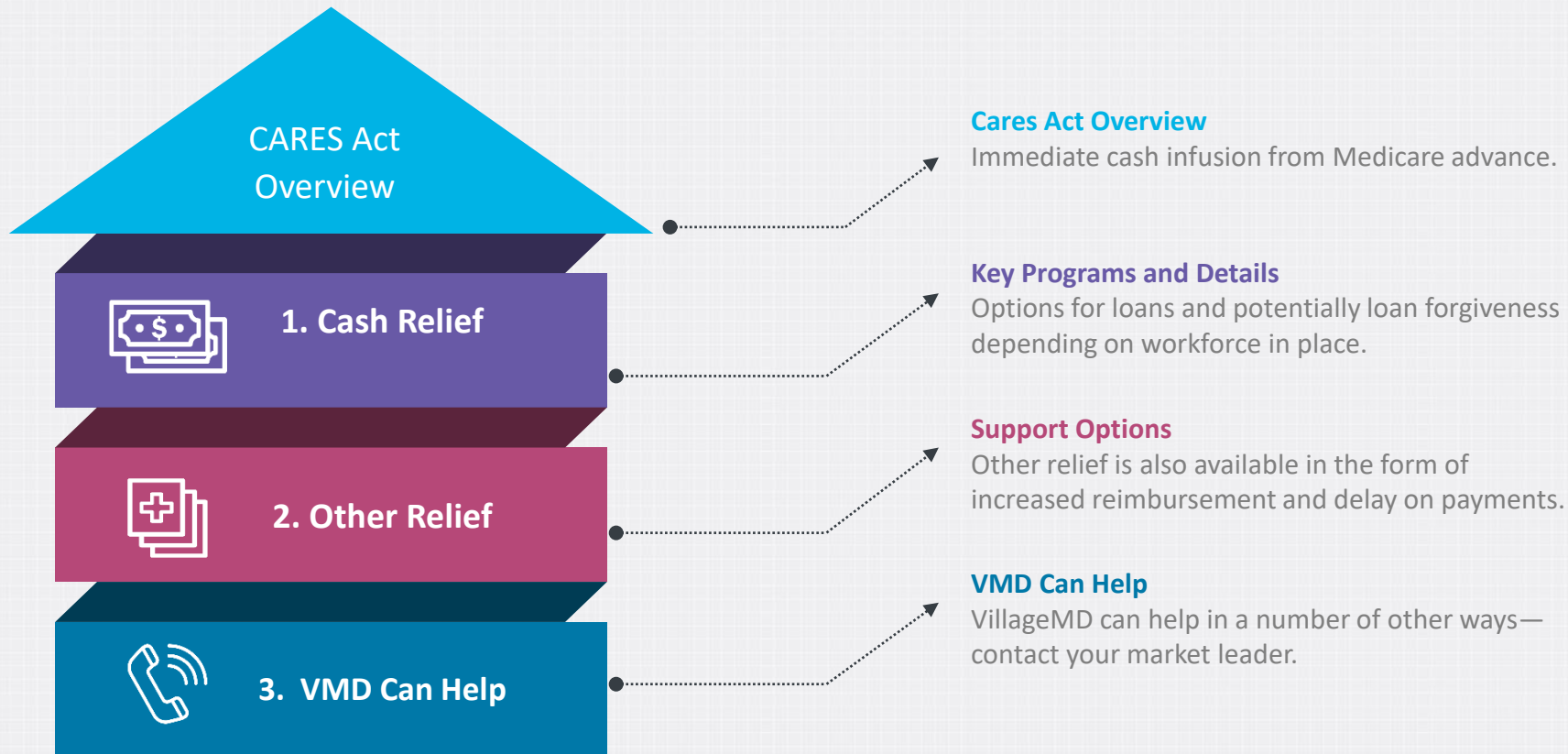Medical at Home

WENDY RUBAS
VMD General Counsel

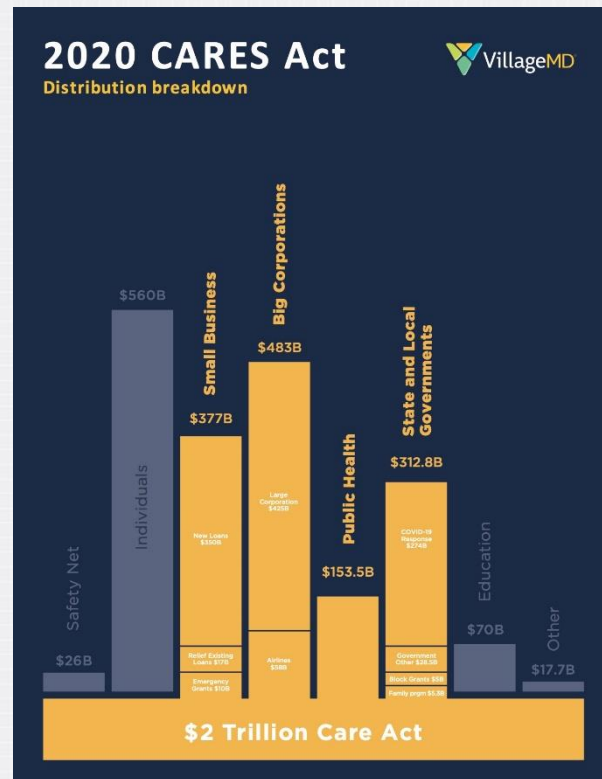**SUSAN ZOOK**
Founder of Mason
Street Consulting

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CARES Act—Relief for Primary Care Physicians

CARES Act Overview

1. Cash Relief

2. Other Relief

3. VMD Can Help

Cares Act Overview
Immediate cash infusion from Medicare advance.

Key Programs and Details
Options for loans and potentially loan forgiveness depending on workforce in place.

Support Options
Other relief is also available in the form of increased reimbursement and delay on payments.

VMD Can Help
VillageMD can help in a number of other ways—contact your market leader.

Key Things to Know

- **Relief:** The Act provides $2T to help avert economic disaster by providing relief to individuals and businesses impacted by the coronavirus outbreak.

- **Evolving:** Things are fluid and changing rapidly. More will be known in the coming days. We are considering future updates as details emerge and the program is clarified.

- **Fast:** Some of the relief is available quickly and providers may have opportunities for immediate financial support.

1. Cash Relief

1. Immediate Financial Relief – Medicare Advance

Cash advance

3 months of Medicare payments
Paid in advance.

Paid quickly

7 days
The Act requires CMS to pay this seven days from the Date of your application.

Apply online

Refer to your MAC website
Your revenue cycle people can help you. Each MAC has instructions on their website for online filing. If you're already working with VMD and need help, contact your market representative.
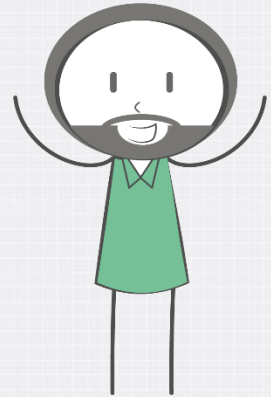
Offset

Recoupment of the advance
Medicare will recoup the advance through an offset that starts 120 days out and ends around Halloween.

Pro tip from Gary Jacobs:

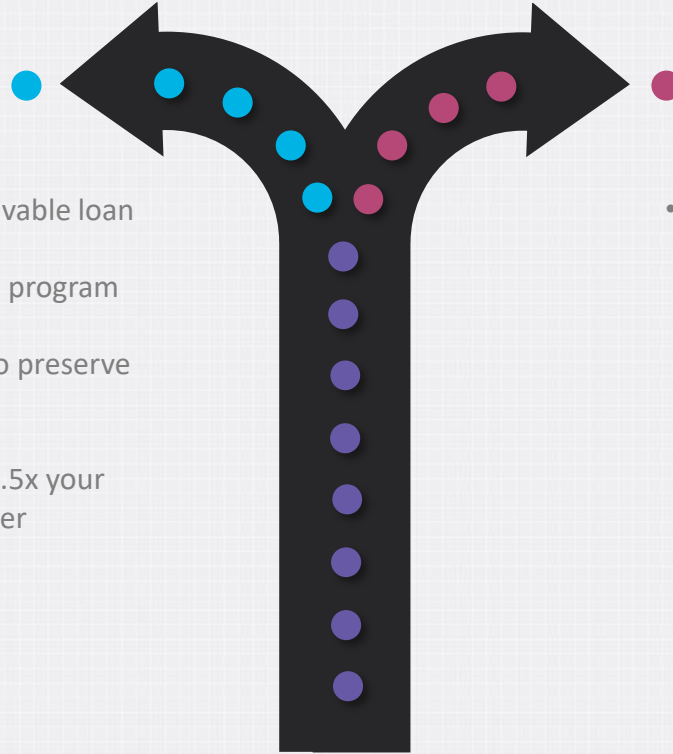This is your best option for a quick cash infusion, with minimal risk.

2. More Relief is Available – Depending on Your Need

If you can keep your workforce in place

- You may be able to get a forgivable loan

- You will hear this called a PPP program

- The point of this program is to preserve jobs – by covering payroll

- Can apply for forgiveness of 2.5x your "payroll" for eight weeks (other limitations apply)

If you cannot keep your workforce in place

- You may qualify for a $10,000 emergency grant and an emergency loan

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Quick Comparison Across Programs

Program	Funding	Timing	Uses	Stipulations	Application
Advanced Medicare Payments	Up to 100% of Medicare receivables for 3 months based on historical data	Payments issued within 7 days	Discretionary	Repayment (offset) will begin after 120 days and should be fully received after 210 days *Medicare sequester reductions are also being waived through the end of 2020 (additional 2%)*	Your Medicare Administrative Carrier (MAC) website
Economic Injury Disaster Loan (EIDL)	Grants up to $10K Loans up to $2M	Grants payable in 3 days	Use for debt, payroll expenses and other bills that cannot be paid because of COVID-19	Grant does not need to be repaid Obtaining $10K immediate grant disqualifies you from applying for PPP No loan forgiveness for funds beyond $10K	https://disasterloan.sba.gov/ela/
Paycheck Protection Program (PPP)	Up to 2.5x average monthly payroll or $10M (whichever is less)	Subject to lender processing time	Payroll, health care benefit-related costs, rent, utilities, mortgage payments and business loan interest Amounts paid for sick leave or FMLA related to COVID-19 included in payroll Loan forgiveness applies to the cost of payroll continuity for 8 weeks after the start of the loan	Loan forgiveness administered by SBA. Forgiveness is offset by changes to the workforce Loan forgiveness applies to the cost of payroll continuity for 2.5 months (through end of June 2020) No specific requirement for revenue loss; a good faith attestation that the economic conditions warrant it will apply	https://home.treasury.gov/policy-issues/top-priorities/cares-act/assistance-for-small-businesses

2. Other Relief - Delayed Payments & Taxes

Other Relief

Delayed taxes
Tax filings due during the period are delayed until October.

SBA loans
SBA loans can be deferred.

Reimbursement increase
Medicare sequester reductions are also being waived through the end of 2020. Thus, the 2% that is usually withheld from payments will not be withheld.

Payroll tax payment
- 2020 Social Security payroll tax payments are deferred, with no interest incurred on account of the deferral.
  - 50% owed on 12/31/2021
  - 50% owed on 12/31/2022

Tax credits
Through the Family First Act, employers are eligible to received tax credits for qualified sick leave wages and family leave paid through 12/31/2020.

VillageMD is Preparing a Strategy to Apply for Other Grant Funds

Public Health and Social Services Emergency Fund

Home Health Provision for Post Acute Care

HRSA Rural Health Initiatives

3. How Can We Help?

Support During COVID -19—and Every Day

COVID-19
- ➢ Virtual health solution
- ➢ Best practice resources
- ➢ CARES Act legislation—simplified and supported

Financial
- ➢ Performance in value-based contracts
- ➢ Market competitive payer contracts
- ➢ Retirement planning/strategy

Operations
- ➢ Population health and practice management support
- ➢ Expert, accurate documentation and coding support
- ➢ Risk management expertise

Clinical
- ➢ Embedded care management team
- ➢ Clinical best practice protocols
- ➢ Cognitive ancillary program
- ➢ Home-based primary care

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