

IHA COVID Resources and Advocacy

June 2, 2020

The latest about COVID-19 from IHA

Revenue Estimating Conference reduces state's revenue estimates for FY20 and FY21

The Iowa Revenue Estimating Conference convened today for an unprecedented review of Iowa's revenue and to determine estimates for the upcoming budget process. Based on a decline in revenue because of COVID-19, the conference reduced March revenue estimates by \$149.5 million for the current fiscal year (FY2020) and by \$360.1 million for the upcoming fiscal year (FY2021). Legislators will have one month to make cuts to the FY2020 fiscal year, which ends Tuesday, June 30. They also must finalize cuts to next year's budget during this time. The budgets must be at or below the conference's estimates according to Iowa law.

State general fund revenue estimates are generated by the Iowa Revenue Estimating Conference to arrive at consensus estimates to be used by the governor and legislature for the budget process. The three-member conference is comprised of the governor or the governor's designee, the director of the Legislative Services Agency and a third person agreed to by the other members. The conference typically meets three times annually in March, October and December, but it can convene for exceptional circumstances.

Gov. Reynolds details how state will use CARES Act funds

Today, during her press conference, Gov. Kim Reynolds announced how the \$1.25 billion the state received through the CARES Act will be used. The state will hold \$550 million of the funds for future COVID-19 needs while the other \$700 million will be distributed to provide relief to health care providers, businesses and families, farmers, and cities and counties. This portion of the funds also will be used to expand access to broadband services and other state response needs. The breakdown of the \$700 million distribution is:

- \$50 million – Relief for Iowa health care providers
 - Home- and community-based providers
 - Mental health providers
 - Substance use providers
- \$215 million – Relief for Iowa businesses and families
 - Feeding Iowa
 - Housing assistance
 - Small business relief
 - Workforce initiatives
- \$100 million – Relief for Iowa farmers
- \$125 million – Relief for Iowa communities
 - Reimbursement program for cities and counties
- \$85 million – Expanding access to telework, telehealth and telelearning
 - Broadband expansion and information technology upgrades

- \$125 million – State response to COVID-19

Gov. Reynolds also reported moving back to working at the Capitol next week to continue preparing for the legislative session. The State Emergency Operation Center, of which IHA has been a part of, will continue to meet. Finally, Gov. Reynolds' press conferences will now be scheduled 11-11:30 am Tuesdays and Thursdays starting next week.

Wellmark extends COVID-19 benefits through Aug. 31

Wellmark Blue Cross and Blue Shield [announced Wednesday](#) it will extend its previously announced COVID-19 benefits, which would have expired Tuesday, June 16, now through Monday, Aug. 31. The benefits include member cost-share waivers for COVID-19 testing and treatment, virtual visits and support for business customers. The extension also includes payment parity for providers of virtual health care visits. The extensions apply to all Wellmark fully insured and Medicare supplement members. Wellmark is working with self-funded groups that want to extend similar benefits for their members.

House passes bill to improve small business COVID-19 relief program

Today, the US House of Representatives passed legislation that will improve Iowa small business owners' ability to use COVID-19 relief programs. The Paycheck Protection Program Flexibility Act makes critical changes to the Paycheck Protection Program that will provide businesses trying to stay afloat with additional flexibilities, including:

- Adjusting restrictions limiting non-payroll expenses to 25% of loan proceeds, allowing smaller Iowa businesses to cover higher relative costs for rent, mortgage or utilities.
- Allowing forgiveness for expenses beyond the eight-week covered period, ensuring businesses can spread their program loans over the full course of the crisis as it affects their revenue.
- Ensuring full access to payroll tax deferment for businesses that take program loans, allowing businesses access to both forms of relief without penalty.
- Extending the term of the loan to five years, to allow for the possibility that businesses in sectors like entertainment and event planning experience longer recovery periods.

The legislation has been endorsed by the National Restaurant Association, National Small Business Association, National Federation of International Business and Small Business Roundtable.

SBA, Treasury release Paycheck Protection Program interim final rules

The Small Business Administration (SBA) and the US Department of the Treasury recently released two interim final rules concerning [loan forgiveness requirements](#) and [SBA loan review procedures and related borrower and lender responsibilities](#) with the Paycheck Protection Program. For more information, email [Erin Cubit](#) at IHA.

COVID-19 FAQs published for Medicare fee-for-service billing

CMS released additional [frequently asked questions](#) about their recent COVID-19-related waivers. The FAQs are designed to help providers, including physicians, hospitals and rural health clinics, find answers to questions about:

- Federally qualified health centers.
- Outpatient therapy.
- Telehealth and appropriate coding.

New unemployment benefit programs now available to Iowans

Iowa Workforce Development today released information about two new unemployment benefit programs available to Iowans. Pandemic emergency unemployment compensation was created by the CARES Act and provides an additional 13 weeks of federally funded benefits to people who have exhausted their 26 weeks of regular state unemployment benefits. The program is available beginning on or after March 29, 2020, through the week ending Dec. 26, 2020. The weekly benefit amount is the same as what someone would receive for regular unemployment benefits. Payments will include all back payments for which someone is eligible, besides the \$600 weekly federal pandemic unemployment compensation payments through the end of July.

Additionally, because of the increased number of unemployment benefits since the middle of March, state extended benefits

have been triggered. Unemployed workers who exhaust their allotted weeks of regular state unemployment and the 13 weeks of federal pandemic unemployment compensation benefits now are eligible for state extended benefits, which provide up to an additional 13 weeks of regular unemployment benefits while extended benefits are still triggered in Iowa. The weekly extended benefits amount is the same as what someone would receive for regular unemployment benefits and federal pandemic unemployment compensation. **No additional action is needed by individual claimants. They will automatically be moved to the two new programs as they exhaust regular unemployment benefits.**

Iowans will not be eligible for state extended benefits until federal pandemic unemployment compensation has been exhausted. Iowa Workforce Development notify claimants when they exhaust this compensation and become eligible for state extended benefits. The availability of extended benefits is dependent on a rolling 13-week unemployment rate. As the state reopens and more people return to work, the rate will decline, and the extended benefits program will end. Iowa Workforce Development will provide additional details as guidance is received from the US Department of Labor.

CEO update call

The next CEO update call is scheduled from **1-2 pm Wednesday, June 3**. Register [here](#).

Free webinar opportunities

- 10-11 am Tuesday, June 2, **Access Physicians' Telemedicine Services**. ServiShare partner Access Physicians will discuss its approach to working with hospitals to build and scale financially sustainable telemedicine programs. The webinar will focus on a telemedicine program's ability to increase revenue, deliver high-quality patient outcomes, and enhance staff satisfaction and professional development. Register [here](#).
- 10-11 am Thursday, June 4, COVID-19 Relief Funding/Recovery Management. Geared for hospitals and health care systems seeking to leverage federal funding opportunities for COVID-19 financial recovery, this webinar by Hagerty Consulting provides advice and help with short-term liquidity and long-term recovery funding. The company's experience includes understanding how the suite of federal recovery programs facilitates a comprehensive recovery in a community. Register [here](#).
- Noon-1 pm, Thursday, June 4, **Noons in June: Leading Culture in Times of Crisis**. Communication and culture expert Hannah Ubl will help attendees understand that the best ways to lead in hard times can be the difference between a culture of isolation and misunderstanding, and one of connection, unity and, perhaps most importantly, calm. Register [here](#).
- 2-3 pm Tuesday, June 9, **The Times They are a-Changing: Thriving in Uncertainty**. For the health of our communities, it is important for health care workers to thrive and succeed. But COVID-19 places additional stressors on health care workers. This webinar provides information and practical tools that health care workers can use to improve patient care by improving the resilience and well-being of employees and their employers. Register [here](#).
- 11 am-Noon Wednesday, June 10, **COVID-19 Investment Implications for Health Care Organizations**. Speakers will share valuable insights into the macroeconomic and capital markets and offer views on where areas of investment risk and opportunity may lie. They also will discuss the investment implications of COVID-19 and best practices for managing health care investment funds in a time of uncertainty. Register [here](#).

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COVID-19
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ASSOCIATION

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