

116TH CONGRESS
2D SESSION

S. 3559

To provide emergency financial assistance to rural health care facilities and providers impacted by the COVID-19 emergency.

IN THE SENATE OF THE UNITED STATES

MARCH 21, 2020

Mr. BENNET (for himself, Mr. BARRASSO, Ms. SMITH, Mr. GARDNER, Mr. JONES, and Mrs. HYDE-SMITH) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide emergency financial assistance to rural health care facilities and providers impacted by the COVID-19 emergency.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Immediate Relief for
5 Rural Facilities and Providers Act of 2020”.

6 **SEC. 2. RURAL HEALTH CARE FACILITY GRANTS.**

7 (a) PURPOSE.—It is the purpose of this section to
8 provide funding to stabilize rural hospitals and provide im-

1 mediate financial relief to prepare and respond to the
2 COVID-19 emergency.

3 (b) GRANTS.—The Secretary, acting through the Ad-
4 ministrator of the Centers for Medicare & Medicaid Serv-
5 ices, shall establish an emergency operating grant pro-
6 gram and shall award an emergency operating grant to
7 an eligible Medicare participating health care facility.

8 (c) ALLOTMENTS AND PAYMENTS.—

9 (1) ALLOTMENTS.—The Secretary shall, from
10 amounts appropriated under subsection (i), allot to
11 each facility eligible for a grant under this section
12 the sum of—

13 (A) an amount equal to the number of pa-
14 tient days (including acute, swing-bed, and ob-
15 servation days) from January 1, 2019, to April
16 1, 2019, with respect to the facility, multiplied
17 by \$1,000; and

18 (B) an amount equal to the total amount
19 of reimbursements from all payer sources to the
20 facility from January 1, 2019, to April 1, 2019.

21 (2) PAYMENTS.—The Secretary shall make pay-
22 ments under grants awarded to eligible facilities
23 under this section in the amount of the allotments
24 described in paragraph (1).

1 (3) TIME OF GRANT.—A one time payment
2 shall be made under a grant awarded under this sec-
3 tion not later than 14 days after the date of enact-
4 ment of this Act.

5 (d) ELIGIBLE FACILITIES.—

6 (1) IN GENERAL.—To be eligible to receive a
7 grant under subsection (b), a Medicare participating
8 health care facility shall submit to the Secretary an
9 application described in paragraph (2).

10 (2) APPLICATION.—An application under this
11 paragraph shall be submitted to the Secretary not
12 later than 180 days after the date of enactment of
13 this Act and shall contain such information that the
14 Secretary may require, including—

15 (A) a certification that—

16 (i) the facility will suffer financial
17 losses as a result of the COVID-19 emer-
18 gency; and

19 (ii) in the absence of an emergency
20 grant under this section, the facility would
21 be forced to either reduce staffing or oper-
22 ations;

23 (B) an assurance that the amount re-
24 quested under the grant exceeds 130 percent of
25 the amount of revenue collected by the facility

1 during the same period of the year preceding
2 the year for which the request under this sec-
3 tion is made;

4 (C) the amount of spending incurred by
5 the facility as a result of the COVID-19 emer-
6 gency;

7 (D) a description on how the facility will
8 use grant funds; and

9 (E) an assurance that the facility followed
10 the Secretary's recommendations related to the
11 COVID-19 emergency.

12 (e) RECONCILIATION.—

13 (1) IN GENERAL.—Not later than 2 years after
14 the date on which the COVID-19 emergency ends
15 (as determined by the Secretary), the Secretary shall
16 promulgate regulations under which a facility that
17 receives an emergency grant under this section shall
18 reconcile the amount of the emergency grant with—

19 (A) the entire amount of the grant allotted
20 to the facility in the case of a facility that was
21 determined not to be eligible under subsection
22 (d);

23 (B) any reimbursements received by the
24 facility from third parties for services provided
25 during such emergency; and

1 (C) any portion of the grant funds that ex-
2 ceeds 130 percent of the amount of revenue col-
3 lected by the facility during the same 90-day
4 period of the year preceding the year for which
5 the grant is being made as determined through
6 such reconciliation to have been recovered by
7 the facility through third-party payors, in addi-
8 tion to any additional spending incurred by the
9 facility as a result of the COVID-19 emergency,
10 with the Federal Government.

11 (2) RECOUPMENT.—The regulations under this
12 subsection shall include procedures through which
13 the Federal Government may recoup any portion of
14 grant funds described in paragraph (1).

15 (f) LIMITATIONS ON USE OF FUNDS.—

16 (1) CONSTRUCTION OF FACILITIES.—

17 (A) LIMITATIONS.—Grants awarded under
18 this section shall not be used by the facility for
19 the purchase or improvement of land, or the
20 purchase, construction, or permanent improve-
21 ment of any building.

22 (B) WAIVER.—The Secretary may waive
23 the limitation contained in subparagraph (A)
24 upon a facility request for such a waiver, if the
25 Secretary finds that the request describes cir-

1 cumstances that justify the purchase of land or
2 the constrictive of facilities (or the making of
3 permanent improvements) related to the
4 COVID-19 emergency.

5 (2) POLITICAL ACTIVITIES.—Grants awarded
6 under this section shall not be used in a manner in-
7 volving the use of grant funds, provisions of services,
8 or the employment or assignment of personnel, in a
9 manner supporting or resulting in the identification
10 of such programs with any partisan or nonpartisan
11 political activity or any political activity associated
12 with a candidate, or contending faction or group, in
13 an election for public or party office.

14 (g) LEGAL ACTION.—A facility that receives an emer-
15 gency grant under this section shall be prohibited from
16 commencing any legal action against a patients to recover
17 any costs associated with care provided to the patient dur-
18 ing the COVID-19 emergency.

19 (h) DEFINITIONS.—In this section:

20 (1) COVID-19 EMERGENCY.—The term
21 “COVID-19 emergency” means the national emer-
22 gency declared by the President under the National
23 Emergencies Act (50 U.S.C. 1601 et seq.) with re-
24 spect to the Coronavirus Disease 2019 (COVID-19).

1 (2) MEDICARE PARTICIPATING HEALTH CARE
2 FACILITY.—The terms “Medicare participating
3 health care facility” and “facility” mean—

4 (A) an entity designated as—

5 (i) a Critical Access Hospital under
6 section 485 of subpart F of title 42, Code
7 of Federal Regulations; or

8 (ii) a subsection (d) hospital (as de-
9 fined in paragraph (1)(B) of section
10 1886(d)(1)(B) of the Social Security Act
11 (42 U.S.C. 1395ww(d)(1)(B))) that is lo-
12 cated in a rural area (as defined in para-
13 graph (2)(D) of such section); and

14 (B) a provider of services enrolled in the
15 Medicare program under section 1866(j) of the
16 Social Security Act (42 U.S.C. 1395cc(j)).

17 (3) SECRETARY.—The term “Secretary” means
18 the Secretary of Health and Human Services.

19 (i) AUTHORIZATION OF APPROPRIATIONS.—There is
20 authorized to be appropriated such sums as may be nec-
21 essary to carry out this section.

1 **SEC. 3. REIMBURSEMENT ADJUSTMENT FOR SWING BED**
2 **PROGRAM.**

3 (a) PURPOSE.—It is the purpose of this section to
4 improve the health care system to prepare and respond
5 to the COVID-19 emergency (as defined in section 2).

6 (b) ADJUSTMENT.—The Secretary of Health and
7 Human Services, acting through the Administrator of the
8 Centers for Medicare & Medicaid Services, shall increase
9 reimbursements for rural hospitals under the swing bed
10 program for the duration of the COVID-19 emergency.

11 (c) AMOUNT.—The amount of an increase under sub-
12 section (b) shall equal 20 percent of the amount of the
13 swing bed reimbursement that a rural hospital involved
14 would otherwise receive under the swing bed program.

15 (d) TERMINATION.—This section shall not apply be-
16 ginning on the date that is 30 days after the date on which
17 the COVID-19 emergency ends (as determined by the Sec-
18 retary).

19 **SEC. 4. EMERGENCY GRANTS FOR PHYSICIANS' AND**
20 **HEALTH CARE PROVIDERS' PRACTICES.**

21 (a) PURPOSE.—It is the purpose of this section to
22 provide funding to provide immediate relief and stabiliza-
23 tion for physicians' and health care providers' practices
24 through emergency grants to prepare and respond to the
25 COVID-19 emergency.

1 (b) AMENDMENT.—Title III of the Public Health
2 Service Act is amended by inserting after section 330A–
3 1 (42 U.S.C. 254e–1a) the following:

4 **“SEC. 330A-2. EMERGENCY GRANTS FOR PHYSICIANS’ AND**
5 **HEALTH CARE PROVIDERS’ PRACTICES.**

6 “(a) IN GENERAL.—The Secretary shall establish a
7 program to support physicians’ and health care providers’
8 practices by awarding emergency grants to eligible health
9 care practices and ambulatory surgery centers.

10 “(b) ALLOTMENTS AND PAYMENTS.—

11 “(1) ALLOTMENTS.—The Secretary shall, from
12 amounts appropriated under subsection (e), allot to
13 each eligible health care practice or ambulatory sur-
14 gery center an amount equal to the actual payroll
15 for the eligible health care practice or ambulatory
16 surgery center during the period beginning January
17 1, 2019, and ending April 1, 2019.

18 “(2) PAYMENTS.—The Secretary shall make
19 payments under grants awarded under this section
20 to each eligible health care practice or ambulatory
21 surgery center in the amount of the allotment de-
22 scribed in paragraph (1) with respect to each such
23 practice or center.

24 “(3) TIME OF GRANT.—Not later than 14 days
25 after the date of enactment of this section, the Sec-

1 retary shall make a one-time payment under a grant
2 under this section to each eligible health care prac-
3 tice or ambulatory surgery center.

4 “(c) UTILIZATION OF PAYMENTS.—Payments made
5 under subsection (b) shall be utilized, with respect to the
6 grantee involved, to compensate—

7 “(1) all hourly staff up to \$25 per hour and
8 salaried staff up to \$75,000 in full; and

9 “(2) all hourly staff above \$25 per hour and
10 salaried staff above \$75,000 at a rate of \$25 per
11 hour or \$75,000 in annual salary.

12 “(d) DEFINITIONS.—In this section:

13 “(1) AMBULATORY SURGERY CENTER.—The
14 term ‘ambulatory surgery center’ has the meaning
15 given such term in section 1833(i) of the Social Se-
16 curity Act.

17 “(2) ELIGIBLE HEALTH CARE PRACTICE.—The
18 term ‘eligible health care practice’ means a corpora-
19 tion, limited liability company, or unincorporated
20 personal entity that provides health care services of
21 a physician or a health care provider as licensed
22 under State law.

23 “(3) HEALTH CARE PROVIDER.—The term
24 ‘health care provider’ means an individual providing

1 health care services under State law as determined
2 by the Secretary.

3 “(4) PHYSICIAN.—The term ‘physician’ means
4 an individual that meets the definition under section
5 1861(r) of the Social Security Act.

6 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
7 is authorized to be appropriated such sums as may be nec-
8 essary to carry out this section.”.

9 **SEC. 5. EMERGENCY LOW-INTEREST LOANS FOR PHYSI-**
10 **CIANS’ AND HEALTH CARE PROVIDERS’ PRAC-**
11 **TICES.**

12 The Small Business Act is amended by inserting after
13 section 32 (15 U.S.C. 657b) the following:

14 **“SEC. 33. 2020 EMERGENCY LOW-INTEREST LOANS FOR**
15 **PHYSICIANS’ AND HEALTH CARE PROVIDERS’**
16 **PRACTICES.**

17 “(a) PURPOSE.—It is the purpose of this section to
18 provide low-interest loans for physicians’ and health care
19 providers’ practices or ambulatory surgery centers, which
20 as a result of the COVID-19 emergency, have suffered a
21 significant financial impact.

22 “(b) LOW-INTEREST LOANS.—The Administrator
23 shall provide any eligible health care practice or ambula-
24 tory surgery center, which as a result of the COVID-19
25 emergency, has suffered a significant financial impact, a

1 loan in such amount as may be necessary to enable such
2 enterprise to maintain or resume operations in order to
3 assist in maintaining and restoring the economic viability
4 of the practice or center. Loans authorized by this section
5 shall be made without regard to limitations on the size
6 of loans which may otherwise be imposed by any other
7 provision of law or regulations promulgated pursuant
8 thereto.

9 “(c) INTEREST.—Any loan made under this section
10 shall be subject to not to exceed .25 percent interest, and
11 the President, if determined necessary, may defer pay-
12 ments of principal for a period not to exceed 3 years after
13 the date of such loan.

14 “(d) DEFERRED INTEREST ACCRUAL.—Interest on a
15 loan under this section shall not begin to accrue until the
16 date that is 24 months after the date on which the
17 COVID-19 emergency officially ends (as determined by
18 the Administrator).

19 “(e) OTHER FEDERAL ASSISTANCE.—Loans made
20 under this section shall be in addition to any other Federal
21 emergency assistance available, except that such other as-
22 sistance may be adjusted or modified to the extent deter-
23 mined appropriate by the Administrator.

24 “(f) DEFINITIONS.—In this section:

1 “(1) AMBULATORY SURGERY CENTER.—The
2 term ‘ambulatory surgery center’ has the meaning
3 given such term in section 1833(i) of the Social Se-
4 curity Act.

5 “(2) ELIGIBLE HEALTH CARE PRACTICE.—The
6 term ‘eligible health care practice’ means a corpora-
7 tion, limited liability company, or unincorporated
8 personal entity that provides health care services of
9 a physician or a health care provider as licensed
10 under State law.

11 “(3) HEALTH CARE PROVIDER.—The term
12 ‘health care provider’ means an individual providing
13 health care services under State law as determined
14 by the Administrator.

15 “(4) PHYSICIAN.—The term ‘physician’ means
16 an individual that meets the definition under section
17 1861(r) of the Social Security Act.

18 “(g) SUNSET.—Low-interest loans under this section
19 to eligible health care practices and ambulatory surgery
20 centers shall only be made during the duration of the
21 COVID-19 emergency.

22 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
23 is authorized to be appropriated such sums as may be nec-
24 essary to carry out this section.”.

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