

# Key Provisions of the CARES Act Impact Health Care Providers

The Coronavirus Aid, Relief and Economic Security Act (CARES Act) was signed into law March 27, 2020 in response to the impact of COVID-19. While the foundation of the Act economically supports individuals, small businesses and hard-hit industries, key provisions directly affect the health care industry. Summarized below are select sections of which providers should be aware.

Section	Summary	Effective Date
Sec. 3201. Coverage of diagnostic testing for COVID-19.	Refines the definition of “an in vitro diagnostic test” under the FFCRA*.	Relevant effective date is under FFCRA*: March 18, 2020
Sec. 3202. Pricing of diagnostic testing.	Group health plan/insurer shall reimburse provider of diagnostic testing either (1) in accordance with negotiated rate in effect already or (2) amount that equals cash price for such service as listed by provider on public website or may negotiate with provider for less than such cash price.  Providers required to make public the cash price of the test on a public website.	Relevant effective date is under FFCRA*: March 18, 2020
Sec. 3203. Rapid coverage of preventive services and vaccines for coronavirus.	Group health plan/insurer must cover, without cost-sharing, any “qualifying coronavirus preventive service,” which is an item, service, or immunization intended to prevent or mitigate coronavirus.	Approximately 15 business days after the date on which a recommendation is made relating to the qualifying coronavirus preventive service.
Sec. 3215. Limitation on liability for volunteer health care professionals during COVID-19 emergency response.	Limiting the liability for any harm caused by a volunteer professional providing health care services during the COVID-19 public health emergency, under specified circumstances.	March 27, 2020



*\*FFCRA=Families First Coronavirus Response Act, signed into law March 18, 2020, and covers many aspects of the federal government’s response to the COVID-19 pandemic.*

Section	Summary	Effective Date
Sec. 3221. Confidentiality and disclosure of records relating to substance use disorder.	Conforming confidentiality requirements relating to substance use disorder to those under HIPAA, including to allow re-disclosures without prior identification of recipient.	“The Secretary of Health and Human Services, in consultation with appropriate Federal agencies, shall make such revisions to regulations as may be necessary for implementing and enforcing the amendments made by this section, such that such amendments shall apply with respect to uses and disclosures of information occurring on or after the date that is 12 months after the date of enactment of this Act.”
Sec. 3701. Exemption for telehealth services.	Adding a safe harbor allowing a plan to be treated as a high deductible health plan regardless of its failure to have a deductible for telehealth and other remote care services.	For plan years beginning on or before Dec. 31, 2021, effective as of March 27, 2020.
Sec. 3704. Enhancing Medicare telehealth services for federally qualified health centers and rural health clinics during emergency period.	Requiring the Secretary to pay for telehealth services provided by a federally qualified health center or a rural health clinic to a Medicare beneficiary even if such provider is not at the same location as the beneficiary.	March 27, 2020
Sec. 3709. Adjustment of sequestration.	From May 1, 2020 to Dec. 31, 2020, Medicare programs are exempt from reduction under any sequestration order issued before, on, or after enactment of the CARES Act.	May 1, 2020 until Dec. 31, 2020
Sec. 3710. Medicare hospital inpatient prospective payment system add-on payment for COVID-19 patients during emergency period.	For discharges of individuals diagnosed with COVID-19, the weighting factor that would otherwise apply to the DRG to which the discharge is assigned is increased by 20 percent.	For discharges during the emergency period.
Sec. 3713. Coverage of the COVID-19 vaccine under Part B of the Medicare Program without any cost-sharing.	Requiring coverage of the COVID-19 vaccine without cost-sharing, including under Medicare Advantage, effective as of the date of enactment of this Act and applicable once the vaccine is listed under the Public Health Service Act.	Effective on date of enactment, March 27, 2020, and apply to a COVID-19 vaccine beginning on the date that it is licensed under the Public Health Service Act.
Sec. 3714. Requiring Medicare prescription drug plans and MA-PD plans to allow during the COVID-19 emergency period for fills and refills of covered part D drugs for up to a three-month supply.	Requiring MA-PD plans to permit enrollee to obtain a single fill or refill for the total day supply prescribed for such individual (not to exceed 90 days).	During the emergency period.
Sec. 3715. Providing home and community-based services in acute care hospitals.	Allows home and community-based services to be provided in an acute care hospital for individuals needing services that cannot be met through hospital services.	March 27, 2020
Sec. 3717. Clarification regarding coverage of COVID-19 testing products.	Striking language requiring that the COVID-19 testing products are authorized under the FDA.	Relevant effective date is under the FFCRA*: March 18, 2020

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