



To: CHEAC General Membership

From: Betsy Armstrong, Senior Policy Analyst
Michelle Gibbons, Executive Director

Date: April 23, 2020

RE: COVID-19 Federal Funding Update

Congressional leaders have been locked in fierce negotiations the past two weeks over additional assistance related to the COVID-19 pandemic crisis. After coming to agreement on Tuesday afternoon, the Senate passed, via unanimous consent, a \$484 billion fourth aid package (CARES 3.5) that amends the third bill (CARES Act). The House of Representatives returned to Washington, DC, yesterday, and voted this afternoon to approve the bill by a vote of 388 to 5. President Trump is expected to sign the bill later today. CHEAC's memos on the three previous federal packages can be found [here](#).

Major non-health related provisions of the measure include:

- Provides an additional \$321 billion for the Paycheck Protection Program (PPP), with a \$60 billion set aside for smaller community banks and credit unions.
- Adds an additional \$60 billion for the Small Business Administration's disaster relief fund, divided up for \$50 billion in loans and \$10 billion in grants for farms and other agricultural entities.

Of note to local health departments, the following health-related provisions are included in the amended CARES Act package:

- \$75 billion in additional support for hospitals and health care providers. This funding is on top of the \$100 billion for these entities contained within the CARES Act.
- \$25 billion to research, develop, validate, manufacture, purchase, administer, and expand capacity for COVID-19 tests. The \$25 billion will be broken down in the following manner:
 - \$11 billion for States, localities, territories, and tribes for necessary expenses to develop, purchase, administer, process, and analyze COVID-19 tests, including support for workforce, epidemiology, use by employers or in other settings, scale up of testing by public health, academic, commercial, and hospital laboratories, and community-based testing sites, health care facilities, and other entities engaged in COVID-19 testing, conduct surveillance, trace contacts, and other related activities.
 - \$2 billion of the \$11B is to be dispersed via the existing Public Health Emergency Preparedness cooperative agreement (PHEP) to all existing grantees per the FFY 2019 formula.

- \$4.25 billion of the \$11B is to be dispersed to States, localities, territories, and tribes according to a formula based upon relative number of COVID-19 cases (with a minimum of \$750 million of that amount to be directed to tribes).
- Requires each Governor or designee of each state, locality, territory, or tribe to submit to the HHS Secretary a plan for COVID-19 testing, within 30 days of enactment, for the remainder of the 2020 calendar year. This testing plan must include:
 - Number of tests needed on a month by month basis.
 - Month by month estimates of lab and testing capacity for that entity, including related workforce, equipment & supplies, and available tests.
 - Description of how the entity will use these sources for testing including as testing relates to easing any COVID-19 community mitigation policies.
- This funding is to be allocated within 30 days of enactment.
- \$1 billion to the Centers for Disease Control and Prevention (CDC) for surveillance, epidemiology, lab capacity expansion, contact tracing, public health data surveillance and infrastructure modernization, dissemination of testing information and workforce necessary to expand and improve COVID-19 testing.
- \$306 million to the National Institutes of Health, National Cancer Institute to develop, validate, improve, and implement serological testing and associated technologies.
- \$500 million to the National Institutes of Health, National Institute of Biomedical Imaging & Bioengineering to accelerate research, development, and implementation of point of care and other rapid testing related to coronavirus.
- \$1 billion to the National Institutes of Health, Office of the Director to develop, validate, improve, and implement testing and associated technologies to accelerate research, development, and implement point of care and rapid testing.
- \$1 billion to Biomedical Advanced Research and Development Authority (BARDA) for advanced research, development, manufacture, production, and purchase of diagnostic, serologic, or other COVID-19 tests or related supplies.
- \$22 million to the Federal Drug Administration for testing, and this may be used for grants at the State or local level for the rental, lease, purchase, acquisition, construction, alteration, renovation, or equipping of non-federally owned facilities to improve preparedness for diagnostic, serologic, or other COVID-19 tests or related supplies as well as for the production of tests.
- All of these appropriations to federal agencies may be used to purchase PPE and testing supplies for placement into the Strategic National Stockpile (SNS).
- \$600 million to the Health Resources and Services Administration (HRSA) for health centers and an additional \$225 million for additional COVID-19 testing and related expenses for Rural Health Centers.
- \$1 billion in additional funding for the costs of testing the uninsured for COVID-19.
- Requires the Secretary of Health and Human Services to issue a report, 21-days after enactment, on the status of COVID-19 testing including demographic data on race, ethnicity, age, sex, and geographic region for individuals tested for or diagnosed with COVID-19. Must

also include rates of cases, hospitalizations, and deaths. Report to be updated every 30-days until the end of the COVID-19 declared public health emergency.

- Requires the HHS Secretary, 180 days after enactment, to issue a report on the number of positive diagnoses, hospitalizations, and deaths as a result of COVID-19 on a national disaggregated basis including race, ethnicity, age, sex, and geographic region, and must include an epidemiological analysis of such data.
- Requires the HHS Secretary, 30 days after enactment, to provide a report to Congress on a national COVID-19 Strategic Testing plan and updated every 90 days until funds are expended. The plan must include the following:
 - Assist States, localities, territories, and tribes in understanding COVID-19 testing for both active infections and prior exposure including hospital-based testing, high complexity lab testing, point of care testing, mobile testing units, testing for employers and other settings.
 - Provide estimates of testing production that accounts for new and emerging technologies and guidelines for testing.
 - Detail how domestic testing capacity will be increased, including testing supplies, and how to address disparities in communities.
 - Outline federal resources available to support the testing plans of each State, locality, territory, and tribe.