House Passes Paycheck Protection Act Changes

On Thursday the U.S. House passed the Paycheck Flexibility Act (H.R. 7010) 417-1 designed to give employers greater flexibility in obtaining loan forgiveness under the Paycheck Protection Program. The Senate seems likely to also consider changes to the small business loan program, possibly this week. Although there are differences in approach between the two chambers, there seems to be consensus that businesses will require additional flexibility to maximize the effectiveness of the loans.

Why this matters:
- To obtain forgiveness, small businesses that have obtained loans currently face a June 30 deadline by which to hire back employees and still obtain loan forgiveness, which is seen as too soon for many, given the pace or reopening.
- The legislation would also provide more flexibility by allowing businesses to use a larger portion (up to 40 percent) of the loan for non-payroll purposes.
- And the bill provides different scenarios under which borrowers may be eligible for forgiveness.
even if they are unable to retain or reinstate the same number of full-time equivalent employees. It also allows PPP loan borrowers who seek forgiveness of the loan to qualify for deferred payment of the employer’s portion of certain payroll taxes.

- The Paycheck Protection Program can be a lifeline for hospitals and other organizations that are suffering significant economic loss as a result of the COVID-19 public health emergency. This is particularly true for small hospitals that are simultaneously building costly surge capacity while experiencing significant declines in revenue as a result of cancelled non-emergent care.

**Hospital industry position:** The American Hospital Association May 26 sent a letter to bill sponsor Rep. Chip Roy (R-Texas), in support of the act.

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### House Committees Examine COVID-19 Impacts

Two House committees held hearings last week touching on different aspects of the coronavirus pandemic and its impact on American life.

On Wednesday, the House Ways and Means Committee held a virtual hearing looking at health disparities during the COVID-19 pandemic and the disproportionate effect on communities of color.

The discussion was centered on racial biases in the U.S., cultural competency, support for community infrastructure, and the **important role of social determinants of health** in the COVID-19 crisis.

In a statement submitted for the record, the American Hospital Association shared information on hospitals’ and health systems’ work to combat the COVID-19 pandemic, as well as recommendations for additional federal initiatives to address disparities related to COVID-19.

Among other areas, the AHA urged the committee to prioritize maintaining private health benefits for individuals and families and to increase coverage options for those who are already uninsured. Specifically, the AHA urged the committee to:

- Provide employers with temporary subsidies to preserve health benefits;
- Cover individuals’ costs for COBRA benefits;
- Open a special enrollment period for health insurance marketplaces; and
- Increase eligibility for federal subsidies for the marketplaces.

In addition, the AHA said Congress should employ the resources of the National Institute on Minority Health and Health Disparities — which is congressionally-mandated to coordinate the research of the other National Institutes of Health’s centers and institutes related to minority health — to research and develop approaches to specifically address the COVID-19 needs of minority populations.

**Why this matters:** Many minority communities are in need of resources for testing and contact tracing support to manage the day-to-day pandemic response. Looking ahead, demographic data needs to be used effectively so that resources reach these communities to help them recover and rebuild.

On Thursday, the House Education and Labor Committee’s Workforce Protection Subcommittee met for a hearing entitled “Examining the Federal Government’s Actions to Protect Workers from COVID-19.”

The discussion was centered on the safety of employees as states begin to reopen, with a focus on health care workers and critical industries such as meat production.

The Health and Economic Recovery Omnibus Emergency Solutions Act (H.R. 6800), recently passed by the House, included a provision that would require OSHA to promulgate within seven days of enactment an emergency temporary standard to protect health care and other employees from occupational exposure to SARS–CoV–2.

**Hospital industry position:** In a letter submitted for the hearing, the American Hospital Association said key provisions in the bill would be extremely difficult to implement in the midst of a global pandemic and could result in a confusing array of regulations and guidance.

For example, hospitals and health systems have a long history of establishing and supporting infection control programs to maintain an environment safe for patients and workers, and already adhere to Centers for Medicare and Medicaid Services rules based on science-based guidance from the Centers for Disease Control and Prevention, as well as recent CDC guidance to protect health care workers and patients during the pandemic.

**Why this matters:** As opposed to redundant standards, the AHA has proposed several important initiatives to provide support for those on the front lines of health care delivery. These include child care; housing and transportation vouchers; expanded liability protections for health care workers; ensuring coverage of any health care costs not covered otherwise; daily free testing for exposure to COVID-19; education loan pay-down; supportive services to help preserve mental health and wellbeing; and bonus pay rewarding extraordinary actions during the pandemic. Hospitals urge Congress to consider and approve these provisions as quickly as possible instead of provisions hospitals are already following.

**Federal Issues**

**Regulatory**

**White House Rolls Out New Part D Insulin Payment Model, Capping Insulin Copays**
On Tuesday, the Trump administration rolled out the Medicare “Part D Senior Savings Model” – originally announced by CMS on March 11.

Why this matters:

- The new Medicare Part D payment model out of the CMS Innovation Center will start in 2021 and offer enrollees with diabetes in participating Part D and Medicare Advantage/Part D plans a monthly copay of $35 (or less) for on-formulary insulin products offered by participating manufacturers, thereby avoiding the varying cost sharing (due to the initial deductible and coverage gap) in the standard Part D benefit.
- Based on CMS’s estimates, beneficiaries who use insulin and join a plan participating in the model could see average out-of-pocket savings of $446 annually.
- In 2018, 75 percent of Part D beneficiaries who use insulin reached the coverage gap. The cap is expected to increase medication adherence and potentially improve health outcomes for people with diabetes in the participating plans.
- The new model is largely financed by drug manufacturers providing more funding to participating plans for members who progress into the Part D coverage gap; manufacturers have the potential to recover some lost revenue when adherent members take insulin more regularly through the year.
- The largest insulin manufacturers – Eli Lilly, Novo Nordisk, Sanofi – applied to participate, and the administration announced that 1,750 MA and Part D individual plan offerings are also expected to participate. (A large MA or Part D plan sponsor may offer dozens or even hundreds of plans across its service areas.)
- However, the model also doesn't affect the list or net price of any insulin.

Insurer Perspective: Matt Eyles, president & CEO of AHIP, applauded the Administration for “making the affordability of prescription drugs a top priority. Innovative voluntary programs like this Part D Senior Savings Model are an excellent example of public-private partnerships where everyone wins, but especially patients. This program builds on steps the Administration has already taken to empower Medicare Advantage plans to provide additional supplemental benefits for diabetic patients. We are proud to work together to support this bold initiative to sustainably improve the affordability of insulin for seniors and people with disabilities.”

Federal COVID-19 Policy Guidance and Other Developments

The Administration delivered its Congressionally mandated report on its national coronavirus testing strategy. The plan recommends that states test at least 2 percent of their population in May and June and bring their test positivity rates below 10 percent.

The Department of Health and Human Services’ (HHS) Office of Inspector General (OIG) published a strategic plan with four goals that drive OIG’s strategic planning and mission execution with respect to HHS’s COVID-19 response and recovery. These goals include protecting people, protecting funds, protecting infrastructure, and promoting the effectiveness of HHS programs.

CMS Releases Alternate Care Site Payment Resource: The Centers for Medicare & Medicaid Services released a fact sheet for state and local governments seeking Medicare, Medicaid or Children’s Health Insurance Program payment for inpatient and outpatient care provided at hospital alternative care sites.
during the COVID-19 emergency. The fact sheet covers hospital requirements, 1135 waivers, Medicare hospital enrollment and provider flexibilities.

The IRS announced the Agency will postpone additional filing deadlines due to the COVID-19 pandemic. Specifically, the IRS says: “this relief is provided with respect to certain employment taxes, employee benefit plans, exempt organizations, individual retirement arrangements (IRAs), Coverdell education savings accounts, health savings accounts (HSAs), and Archer and Medicare Advantage medical saving accounts (MSAs) that, with certain exceptions, are due to be performed on or after March 30, 2020, and before July 15, 2020.”

HHS Tallies Remdesivir Allocations to States and Territories: For three weeks, beginning May 4 and ending May 24, the Department of Health and Human Services said it delivered to states, territories, and government agencies more than 12,000 cases of 40 vials each of remdesivir to help treat COVID-19 infections.

Every state and territory has received at least one shipment and hospitals are asked to continue inputting data for future allocations. The administration said 80 percent of the allocated drugs was based on the number of confirmed or suspected COVID-19 cases reported in the TeleTracking platform. Less than 10 percent of Gilead Sciences Inc.’s original 600,000 vial donation is being held for emerging hotspots and Gilead said it plans to donate an additional 330,000 vials by the end of June.

Study Finds Evidence of Limited Early Spread of COVID-19 in U.S.: A new Centers for Disease Control and Prevention study shows community transmission of COVID-19 in the U.S. was occurring in February of this year. Retrospective evidence used syndromic surveillance, virus surveillance, phylogenetic analysis and previously identified cases to suggest that a single case traced from China and several from Europe caused some community transmission earlier than originally thought, the authors said. The study also shows that three cases in California and on a cruise ship in February confirm “cryptic circulation of the virus by early February.” Looking forward, the authors said enhanced syndromic and virus surveillance is needed for the duration of the pandemic.

FEMA Issues Preparedness Guidelines for Hurricane Season During a Pandemic: The Federal Emergency Management Agency last month issued COVID-19 pandemic operational guidance for the forthcoming hurricane season. Included in the document are considerations for hospitals in evacuation zones, including the need to develop plans for relocating patients as well as ventilators, dialysis machines and stockpiled personal protective equipment.

FDA Authorizes N95 Decontamination System’s Emergency Use: The Food and Drug Administration May 27 authorized the emergency use of the Stryker Sustainability Solutions VHP N95 Respirator Decontamination System during the COVID-19 pandemic. The device decontaminates compatible N95 respirators for multiple-user reuse to prevent exposure to pathogenic biological airborne particulates when there are insufficient supplies of face-filtering respirators. Hospitals should note that N95 respirators containing cellulose-based materials are incompatible with the SSS VHP N95 RDS and respirators are limited to a maximum of three decontaminations via the device.

HHS Releases Resources on Adjusting Operations to Manage Patient Surge: The Department of Health and Human Services’ Office of the Assistant Secretary for Preparedness and Response released resources focused on establishing, funding and operationalizing medical operations coordination cells and alternative care sites. The agency aims to ensure load-balancing across health care facilities and
systems during the COVID-19 pandemic. Available resources include a toolkit, tip sheet and a pair of webinars.

**FDA Reminds Health Care Facilities to Use Proper N95 Sterilization Processes:** The Food and Drug Administration [issued a reminder](https://www.fda.gov) to health care facilities’ reprocessing staffs to follow the agency-outlined decontamination cycle when using the ASP STERRAD Sterilization System to decontaminate N95 or N95-equivalent respirators for reuse via vaporized hydrogen peroxide. FDA April 11 authorized the device’s emergency use for the duration of the COVID-19 pandemic. To ensure continued safe use of the device, the agency is repeating its sterilization process recommendations, which include material and cycle consideration, as well as agency-developed instructions and a fact sheet.

**FDA Authorizes COVID-19 Emergency Use of Protective Gowns and Other Apparel:** The Food and Drug Administration last week [authorized](https://www.fda.gov) the emergency use of certain personal protective equipment to help address insufficient supply due to the COVID-19 pandemic. FDA is allowing health care personnel to use the following otherwise-unapproved items, provided there is “no adequate, approved, and available alternative” during the COVID-19 public health emergency:

- Conductive shoes and shoe covers;
- Operating-room shoes;
- Surgical apparel accessories;
- Non-surgical isolation gowns;
- Operating-room shoe covers;
- Surgical helmets; and
- Surgical caps.

These gowns and other apparel are authorized under the emergency use authorization when intended for use by health care personnel in health care settings, and in accordance with Centers for Disease Control and Prevention recommendations to protect personnel and patients from the transfer of SARS-CoV-2 in low- or minimal-risk-level situations. This includes authorized gowns and other apparel decontaminated using a decontamination system that has been [issued an EUA](https://www.fda.gov).

**Federal Reserve to Establish Main Street Lending Program:** The Federal Reserve has [announced](https://www.federalreserve.gov) that it is establishing a Main Street Lending Program to support lending to small and medium-sized businesses that were in sound financial condition before the onset of the COVID-19 pandemic.

The program will operate through three facilities: the Main Street New Loan Facility, the Main Street Priority Loan Facility, and the Main Street Expanded Loan Facility. See the [Federal Reserve’s webpage](https://www.federalreserve.gov) for term sheets for each facility and [FAQs](https://www.federalreserve.gov) providing more information regarding eligibility and conditions. The Federal Reserve and the Treasury Department continue to evaluate the feasibility of including nonprofits as eligible organizations. In an [April 12 letter](https://www.federalreserve.gov), the American Hospital Association urged the Federal Reserve and Treasury Department to ensure that access to this critically-necessary loan facility will be attainable for nonprofit hospitals without delay.

**SBA Issues Rule to Clarify Paycheck Protection Program Loan Forgiveness Requirements:** The Small Business Administration released an [interim final rule](https://www.sba.gov) to clarify Paycheck Protection Program loan forgiveness requirements, and the agency’s process for reviewing PPP loan applications and loan forgiveness applications. Topics include the loan forgiveness process; payroll and non-payroll costs eligible for loan forgiveness; reductions to the loan forgiveness amount; and documentation requirements. Effective immediately, the rule was published in the June 1 [Federal Register](https://www.federalregister.gov) with comments accepted for 30 days.
In a second interim final rule, the SBA also published information on the agency's process for reviewing PPP loan applications and loan forgiveness applications. The Coronavirus Aid, Relief, and Economic Security Act created the program to provide forgivable loans to help eligible small businesses keep workers on the payroll during the pandemic.

**CMS Releases Alternate Care Site Payment Resource:** The Centers for Medicare & Medicaid Services released a fact sheet for state and local governments seeking Medicare, Medicaid or Children's Health Insurance Program payment for inpatient and outpatient care provided at hospital alternative care sites during the COVID-19 emergency. The fact sheet covers hospital requirements, 1,135 waivers, Medicare hospital enrollment, and provider flexibilities.

**Lab Offers COVID-19 Return-to-Work Testing Services:** Quest Diagnostics announced new workplace services to aid return-to-work efforts, including access to specimen collection options for COVID-19 testing and on-site temperature checks. The lab said it currently has capacity to perform 200,000 antibody tests per day and is ramping up lab operations with the goal of performing 150,000 molecular diagnostic tests per day by the end of June. The Centers for Disease Control and Prevention warns that antibody tests may not show whether individuals are immune and should not be the sole basis for decisions about a person's return to a workplace.

**FEMA Distributing Infrared Thermometers for Workplace Use:** The Federal Emergency Management Agency is sending more than 438,000 non-contact infrared thermometers from the Strategic National Stockpile to state, territorial and tribal governments to distribute to local authorities and businesses based on their priorities as the nation's workplaces and economy reopen, the agency announced last week. FEMA said the thermometers are intended for use by workplaces with high person-to-person interaction in accordance with Centers for Disease Control and Prevention and Occupational Safety and Health Administration guidance for identifying potentially ill employees and visitors. The agency expects additional thermometers to be available in June.

**HHS Announces Agreement to Speed COVID-19 Vaccine Manufacturing:** The Department of Health and Human Services announced a $628 million agreement with Emergent BioSolutions to advance manufacturing capabilities and capacity for a potential COVID-19 vaccine and therapeutics as part of Operation Warp Speed.

**The Joint Commission to Resume Surveys This Month:** Regular surveys and reviews by The Joint Commission will resume this month, the commission announced last week. TJC, which had suspended surveys during the COVID-19 pandemic, said the surveys will resume with extra safety changes in place, including identifying and prioritizing low-risk areas in which it can safely survey. Specifically, TJC said the process will include social distancing practices, limits on the size of group sessions, the use of masks and personal protective equipment, and when appropriate, the use of technology, such as video conferencing. The surveys' focus will be on how organizations adapted to the COVID-19 pandemic and review current practices; they will not retroactively review compliance.

**FDA Seeks to Spur More Development of At-home, Self-collection COVID-19 Tests:** The Food and Drug Administration Friday took steps to encourage and streamline the development of COVID-19 tests whose specimens are collected at home by patients. To support this effort, the agency issued revised guidance for these tests' development and also offers a voluntary template that developers can use to secure emergency use authorizations.
CMS Releases Proposed Rule Modifying the ACA Risk Adjustment Program Data Validation Requirements (RADV)
The Centers for Medicare & Medicaid Services (CMS) issued a proposed rule to amend the methodology and other requirements for the Affordable Care Act risk adjustment data validation (RADV) program. This rule proposes changes to two aspects of RADV: the error rate calculation and the application of RADV results. Specifically, beginning with the 2019 RADV benefit year, CMS proposes to modify the HCC grouping methodology used in the error rate calculation; refine the error rate calculation in cases where an outlier issuer is only slightly outside of the confidence interval for one or more HCC groups; and modify the error rate calculation in cases where a negative error rate outlier issuer also has a negative failure rate. In addition, CMS also proposes, beginning with the 2021 RADV benefit year, to transition from the current prospective application of HHS-RADV results to an approach that would apply HHS-RADV results to the benefit year being audited.

Comments are due July 2, 2020.

State Issues

Delaware
Regulatory

COVID-19 Updates
Delaware National Guard Assists in Contact Tracing Effort
The Delaware National Guard is supporting the Department of Health and Social Services as DHSS goes through the process of hiring 200 contact tracers, field contact tracers, and field directors. Click here to watch the video explaining the contact tracing process.

Governor Carney Releases Guidance on Summer Camp and Summer School Programs
Governor Carney issued guidance for summer camps and summer school programs as Delaware continues a rolling reopening of the economy. Summer camps and summer school programs will be permitted to open in accordance with Delaware’s guidance effective Phase 2 of the economic reopening. Read the State of Delaware’s guidance on summer camps and summer school programs.

COVID-19 Hospitalizations Continue to Drop
State health officials announced 11 additional deaths* related to COVID-19, bringing Delaware’s cumulative total to 356. The most recent deaths ranged in age from 45 to 95. Ten individuals had underlying health conditions and five were residents of long-term care facilities. There are currently 183 people hospitalized due to complications from COVID-19, down from a peak of 337 recorded on April 27. Thirty-two (32) of the hospitalized are critically ill.

Of the 356 total deaths linked to COVID-19 in Delaware:
- 317 (89.0 percent) had underlying health issues.
- 228 of the fatalities (64.0 percent) resided in long-term care facilities.
- 284 (79.77 percent) were over the age of 64.
Since March 11, the Delaware Division of Public Health (DPH) has recorded 9,236 laboratory-confirmed cases of COVID-19. Of that total, 3,629 were in New Castle County, 1,401 were in Kent County, and 4,155 were in Sussex County. In 51 cases, the county of origin is unknown. The DPH reports the death rate for COVID-19 in Delaware is currently 3.7 per 10,000 people.

State Issues

Pennsylvania
Legislative

Governor Wolf Signs $25.75 Billion Budget, Covers Spending for 12 and Five-Months
Governor Tom Wolf has signed Pennsylvania’s budget – House Bill 2387. The measure fully funds for 12 months education, including Pre-K through higher education, and provides support to sectors of the economy that have been devastated by the COVID-19 pandemic. The $25.75 billion plan also includes an additional $2.6 billion in federal funding provided through the Coronavirus Aid, Relief, and Economic Security Act – the CARES Act – to assist nursing homes, small businesses, counties and local governments.

Other state programs are funded just for five months, which means the Senate and House will complete the remaining 7-months of the Fiscal Year 2020-2021 budget later this year.

Budget highlights include:

- Extends the annual assessment on all managed care organizations to draw down federal funds until June 30, 2025, and assesses a per-member/per month rate of $24.95.
- Directs funds to the Auditor General to be used for conducting audits on the Medical Assistance Program, HealthChoices and other human services programs.
- Tobacco Settlement Fund: Distributes the Tobacco Settlement Fund payments: 4.5 percent for Tobacco Use Prevention and Cessation Programs; 12.6 percent for health and related research; 1 percent for health and related research; 8.18 percent for the Uncompensated Care Payment Program; 30 percent for the purchase of Medicaid benefits for workers with disabilities; and 43.72 percent shall remain in the Fund to be separately appropriated for health-related purposes.
- Funds Departments at 5/12 of the amount appropriated, including those impacting health care:
  - HEALTH – Distributes funds at 5/12 of the amount appropriated in Fiscal Year 2019-2020 to various health related programs (Biotech, Lupus, Diabetes, ALS, etc.). Provides additional support in the Lyme's Disease appropriation for tick testing at East Stroudsburg University.
  - HUMAN SERVICES -
    - Allocates Medical Assistance to community access hospitals, last resort transportation, Women’s Preventative Health, trauma centers, physician practice plans, academic medical centers, diagnostic care, newborn screening, acute care hospitals and nursing homes.
    - Allocates funds at 5/12 of the amount appropriated in Fiscal Year 2019-2020 between Pennsylvania’s two Associations for the blind.
Allocates funding at 5/12 of the amount appropriated in Fiscal Year 2019-2020 for breast cancer screening.
Maintains limits on funds for women’s services programs.
Allocates money at 5/12 of the amount appropriated in Fiscal Year 2019-2020 for Autism programs, community-based family centers, mental health services, and MAWD.

**Federal CARES Act / COVID-19**

*Senate Bill 1122* appropriates federal CARES Act funding and creates the COVID-19 Crisis Fire Company and Emergency Medical Services Grant Program, which creates grants that would provide $200 million to health care systems and hospitals, in order to offset costs related to the COVID-19 pandemic and provide grants to eligible EMS companies (totaling $4.6 million) and fire companies (totaling $26.4 million). The bill also appropriates the Federal CARES Act funding to fire and EMS agencies in the amounts of: Fire Companies - $44,000,000, EMS Companies - $6,000,000

*Senate Bill 1108* provides for a Supplemental Budget for the FY 2019-2020 to appropriate $2.6 billion in federal COVID-19 relief funds for specific agencies and purposes related to core expenses related to Pennsylvania’s COVID-19 Response.

*House Bill 2510* appropriates $2.6 billion in Federal CARES Act funds to create the Regional Response Health Collaborative Act to provide support to improve the readiness of nursing homes, assisted living facilities, and personal care homes in preparing and responding to the COVID-19 virus, in addition to appropriating the following amounts of the Federal CARES Act funds:
- County Block Grants: $625 million to be allocated proportionally by population to counties that did not receive direct funding from the Federal Government.
- Community-Based Health Care Centers: $10 million to be distributed proportionally based on amount of funds received from the Federal CARES Act.
- Community HealthChoices: $50 million to be distributed proportionally based on the number of Medical Assistance participants.
- Critical Access Hospitals: $10 million to be proportionally distributed through the base program according to Fiscal Year 2019-2020 allocations.
- Health Care System Assistance: $50 million to replace the funds transferred from Special Funds as part of Act 10 of 2020.
- Student Loan Interest Forbearance Program: $2.2 million to provide for interest payment relief.
- State System of Higher Education: $30 million to be distributed to institutions based on their 2019 fall enrollment.

**Breast MRI Screening Proposal Clears House Committee**
Legislation that would expand breast cancer screening cleared the House Insurance Committee by a 25-0 vote this week. *Senate Bill 595* amends the Insurance Company Law by requiring full cost coverage of annual and physician-recommended mammographic examinations, including Magnetic Resonance Imaging (MRI) or ultrasound screening, if the treating physician believes the woman is at an increased risk for breast cancer. The committee also approved a technical amendment.

The bill will be referred to the House floor for further consideration.
House Children and Youth Committee Meets to Consider Postpartum Depression Bill, Resolutions

On May 27, the House Children and Youth Committee convened to consider several bills and resolutions. **House Bill 1270** would amend the Early Intervention Services System Act to allow a child to qualify for early intervention services if a parent has been diagnosed with postpartum depression. According to the bill’s sponsor, Rep. Tarah Toohil (R-Luzerne), 15 percent of new mothers experience postpartum depression and their children are at a higher risk for adverse brain development. The bill also makes technical changes regarding several definitions and the Department of Health and Human Services. Senator Camera Bartolotta (R-Washington) is currently working on a pilot program in Washington County that addresses postpartum depression.

The committee also approved two resolutions, including:

- **House Resolution 748**: Designates November 19, 2020, as "Children's Grief Awareness Day" in Pennsylvania; and
- **House Resolution 793**: Designates October 5, 2020, as "Anti-Bullying Awareness Day" in Pennsylvania in support of those working hard to raise awareness of bullying and prevent its occurrence.

House Moves Resolution to Terminate COVID-19 Disaster Emergency

The House voted 117-85 to pass **House Resolution 836**, a measure that would terminate the COVID-19 Disaster Emergency issued by Governor Tom Wolf on March 6 of this year. The resolution was approved along party lines with a few Democrats joining the GOP majority in supporting the directive which:

- Provides a history on the beginnings of the COVID-19 virus in the United States and the Pennsylvania declaration of disaster emergency;
- Provides data, including economic impacts, relative to the COVID-19 pandemic;
- Terminates the portion of the Governor’s declarations and orders directly related to the business closures; and
- Provides for the transmittal of a copy of the resolution upon its passage to specific individuals or agencies and within five days to publish a summary of the resolution to newspapers of general circulation.

This concurrent resolution now heads to the Senate, where it must be adopted in order for the resolution to terminate the disaster declaration issued by the Governor. If the resolution passes in the Senate, it will be sent to Governor Wolf, who has indicated a veto.

House Finance Panel Clears COVID-19 Economic Measures

The House Finance Committee considered several bills related to the COVID-19 pandemic:

- **House Bill 2369** amends the Job Enhancement Act to establish grant and loan programs for businesses impacted by COVID-19. The bill requires the Pennsylvania Economic Development Financing Authority to make funds available to community development financial institutions for grants and loans to COVID-19 impacted businesses. The authority must submit a report to the Senate and House Appropriations Committees to include the amount of money appropriated for the
COVID-19 grant and loan programs, the name and location of community development financial institutions accredited, and the number of grants and loans disbursed to COVID-19 impacted business. The program will limited to 15 years. The Department of Community and Economic Development (DCED) supports the measure.

- House Bill 2386 was amended to create the Business Interruption Insurance Assistance Program under the Department of Community and Economic Development (DCED). The program would assist Pennsylvania businesses affected by COVID-19 as well as other interruptions with the acquisition of business interruption policies. Rep. Thomas Mehaffie (R-Dauphin), prime sponsor of the legislation, expressed support for the amendment and stated determined it would be better for all businesses by helping out through some sort of insurance policy that was not covered in the pandemic now.

Both bills have been referred to full House for further consideration.

State Issues

Pennsylvania

Regulatory

Sixteen Additional Counties to Move into the Green Phase of Reopening on June 5

Three counties in PA within the Highmark footprint will move to green phase of reopening on June 5: Allegheny, Cambria, and Lycoming. They join 18 counties which moved into the green phase on May 29.

The Governor’s Order includes these highlights:

- Continued telework strongly encouraged;
- Large gatherings of more than 250 prohibited;
- Restaurants and bars may open at 50 percent occupancy;
- Personal care services (including hair salons and barbershops) open at 50 percent occupancy and by appointment only;
- Indoor recreation, health and wellness facilities, and personal care services (such as gyms and spas) open at 50 percent occupancy with appointments strongly encouraged;
- All entertainment (such as casinos, theaters, and shopping malls) open at 50 percent occupancy;
- Construction activity may return to full capacity with continued implementation of protocols; and
- Visitation to prisons and hospitals may resume subject to the discretion of the facility. Visitors who interact with residents and patients must be diligent regarding hygiene. Given the critical importance of limiting COVID-19 exposure in nursing homes, personal care home and long-term care facilities, visitation restrictions will initially remain in place.

Business frequently asked questions were also updated and are available here. Businesses, other than healthcare providers, who were operating previously at 50 percent occupancy in the yellow phase can move to 75 percent occupancy during the green phase.

State Issues
**West Virginia**

**Regulatory**

**Reopening of West Virginia Moves into Weeks Five and Six**
West Virginia Strong – the Comeback continues, moves into Weeks 5 and 6:

Week 1: Thursday, April 30 – Sunday, May 3 (underway)
Week 2: Monday, May 4 – Sunday, May 10 (underway)
Week 3: Monday, May 11 – Sunday, May 17 (underway)
Week 4: Monday, May 18 – Sunday, May 24 (underway)

**Week 5: Monday, May 25 – Sunday, May 31 (underway)**
Week 6: Monday, June 1 – Sunday, June 7 (underway)
Week 7: Monday, June 8 – Sunday, June 14

**Saturday, May 30, 2020:**

- Spas and massage businesses;
- Limited video lottery retailers (Guidance documents will be provided when available);
- Swimming pools; and
- Bowling alleys, pool halls, skating rinks, and other indoor amusement.
- Week six will permit casinos and movie theaters to open.

**Free COVID-19 Testing Offered to Minorities and Vulnerable Populations**
The Governor’s Office, the Herbert Henderson Office of Minority Affairs, the West Virginia Department of Health and Human Resources, the West Virginia National Guard and various community partners are joining together to provide free COVID-19 testing.

The testing, which is optional, is being offered to all residents, including individuals who are asymptomatic, in counties with high minority populations and evidence of COVID-19 transmission. While proof of insurance is not required, individuals must present identification.

**Industry Trends**

**Policy / Market Trends**

**AHIP & Other Stakeholders Release Principles to Ensure Patient Access to Medications During COVID-19**
AHIP along with members of America’s pharmaceutical supply and payment chain released new policy **principles** to promote continuous and undisrupted patient access to medications during the COVID-19 pandemic.

Together, the organizations sent a **letter** to Vice President Pence and Congressional leaders outlining principles to facilitate patient access to needed medications. Principles include:

- Patients should have safe, convenient, and reliable access to their medicines;
- Both the private and public sectors should work together to sustain access to care for patients and help to mitigate disruptions and shortages;
The pharmaceutical supply and payment chain, including health care providers, should have timely access to information on disruptions and shortages during a public health emergency; and

Policymaking should prioritize patient needs by balancing clinically appropriate drug supplies, efforts to prevent inappropriate stockpiling, substitution and therapeutic interchangeability if shortages occur, and the need to manage drug shortages already occurring and mitigate future drug shortages risks, among others.

Interested in reviewing a copy of a bill(s)? Access the following web sites:

Pennsylvania Legislation: [www.legis.state.pa.us](http://www.legis.state.pa.us).
West Virginia Legislation: [http://www.legis.state.wv.us](http://www.legis.state.wv.us/).
For copies of congressional bills, access the Thomas website – [http://thomas.loc.gov/](http://thomas.loc.gov/).

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