

The following is a resource for healthcare providers operating small businesses and are interested in loans or financial assistance related to COVID-19. Additional information will be added to this document as new developments arise.

SBA Paycheck Protection Program

- A new round of funding was made available on April 27, 2020.
- This initiative provides 100% federally guaranteed loans to small businesses (generally 500 or fewer employees).
- Loans may be forgiven if borrowers maintain their payrolls during the crisis or restore their payrolls afterward.
- Loans can be up to 2.5 times the borrower's average monthly payroll costs, not to exceed \$10 million.
- Loans will be made available through local lenders in conjunction with the U.S. Small Business Administration. A significant amount was made to small and regional banks.
- If you completed an application with your bank during the first funding cycle but weren't funded, please contact your bank immediately.
- For additional details and application information: <https://www.ncmedsoc.org/wp-content/uploads/2020/03/Paycheck-Protection-Program-SBA.pdf>

Medicare Advanced/Accelerated Payment Program

The Centers for Medicare & Medicaid Services (CMS) announced that it is reevaluating the amounts that will be paid under this program to Part B providers and suppliers effective April 26, 2020. The program is suspended effective immediately until further notice.

- CMS approved over 21,000 applications totaling \$59.6 billion in payments to Part A providers and 24,000 applications totaling \$40.4 billion to Part B providers (doctors).
- The AAP funds are not grants and are required to pay back the funding within one year or less.
- CMS will not accept new applications at this time. CMS is reevaluating all pending and new applications.

CARES Act Provider Relief Fund

This program distributes payments (not loans) via direct deposit beginning April 10th to eligible providers' TIN. All facilities and providers that received Medicare FFS reimbursement in 2019 are eligible. Providers must agree not to seek collection of out of pocket payments from a COVID-19 patient that are greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider.

- Quick dispersal of funds will provide relief to providers heavily impacted by COVID-19 and who are struggling to remain open due to patients delaying care and cancelled elective services.

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- If the provider ceased operation as a result of COVID-19, the provider may receive funds as long as the provider diagnosed, treated or cared for individuals with possible or actual cases of COVID-19.
- Providers will be distributed a portion based on their share of total Medicare FFS payment in 2019.
- US HHS partnered with UnitedHealth Group (UHG) to provide rapid payment to eligible providers via Automated Clearing House account information on file with UHG or CMS. Automatic payments will come to providers via Optum Bank with "HHSPAYMENT" as the payment description. Providers who normally receive a paper check reimbursement by CMS will receive a paper check within a few weeks.
- Within 30 days of receiving payment, providers must sign an attestation confirming receipt and agreeing to the terms and conditions of payment. A portal for signing the attestation will be open the week of April 13th.
- More information is available at www.hhs.gov/provider-relief.

Medicare Merit-Based Incentive Payment System (MIPS)

For MIPS participating providers, the data submission deadline was extended to April 30th, 2020 at 8pm, EST if there is interest in submission.

- If there is no submission made by this deadline, the automatic Extreme and Uncontrollable Policy will be applied.
- Providers will receive a neutral payment adjustment for the 2021 payment year.
- If the provider already submitted and wants an exception, the provider still can with the exception of groups and virtual groups who fully submitted data. The provider must apply by April 30th, 2020.
- More information is available at: <https://qpp.cms.gov/mips/exception-applications>.

SBA Economic Injury Disaster Loan & Grant

- The U.S. Small Business Administration (SBA) offers low-interest federal disaster loans for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19).
- These loans are available statewide to small businesses and private, non-profit organizations.
- SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance and can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact.
- The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%.
- SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.

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NC AHEC PRACTICE SUPPORT

- To apply for assistance online, go to: <https://www.sba.gov/funding-programs/disaster-assistance>
- The SBA also provides emergency economic injury grants to eligible healthcare practices applying for the economic injury disaster loan. These grants are up to \$10,000, do not need to be repaid even if the applicant is denied the loan, are available to applicants within 3 business days of the loan application.
- The grant may be used to provide paid sick leave to employees, maintain payroll, meet increased operating costs due to supply chain disruptions or pay business obligations (debt, rent, mortgage payments included). Eligible recipients must have been in operation on January 31st, 2019.
- For questions, please contact the SBA disaster assistance customer service center at 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail disastercustomerservice@sba.gov.
- More information is available at: <https://www.sba.gov/disaster-assistance/coronavirus-covid-19>

North Carolina COVID-19 Rapid Recovery for Small Businesses (Supported by Golden Leaf Foundation):

- The NC Rapid Recovery Program is a loan program for small businesses including healthcare providers.
- The program is supported by the Golden Leaf Foundation and other lending partners.
- The loans are granted up to \$50,000, based on the business' current revenue, and capped at two months of current revenue.
- Terms are six months of 0% interest and no payments, followed by 48 months of principal and interest payment of 5.5%.
- Eligibility criteria include the following: applicant must be a NC small business affected by COVID-19, must have at least one employee (can be the self-employed owner), start-up operations must have begun prior to March 23, 2020.
- To apply for assistance online or for more information: <https://ncrapidrecovery.org/>

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