

AMERICAN RESCUE PLAN ACT OF 2021

May 5, 2021

The American Rescue Plan Act of 2021 (the “Act”) was signed into law on March 11, 2021, with the intent to provide economic relief to families and workers impacted by the COVID-19 crisis. While the Act will touch many sectors of the United States economy, it includes provisions directed to health care providers. Among many other health care related sections in the Act, the following are some of the benefits available to health care providers:

FUNDING FOR PROVIDERS RELATED TO COVID-19

The Act has allotted \$8.5 billion to eligible health care providers for health care related expenses and lost revenues attributable to COVID-19, each as defined in the Act. Among other requirements, eligible health care providers are rural providers or suppliers that provide diagnoses, testing or care for individuals with actual or possible cases of COVID-19 and that are participating providers under Medicare, Medicaid, or CHIP. An eligible rural provider or supplier is any of the following:

1. A provider or supplier that is located in a rural area, or treated as located in a rural area;
2. A provider or supplier located in any other area that serves rural patients (as determined by the Secretary of Health and Human Services (“Secretary”)), which may include metropolitan statistical areas of less than 500,000;
3. A rural health clinic;
4. A provider or supplier that furnishes home health, hospice, or long-term care services and support in an individual’s home located in a rural area; or
5. Any other rural provider or supplier as defined by the Secretary.

FUNDING FOR COMMUNITY HEALTH CENTERS AND COMMUNITY CARE

The Act also has allotted \$7.6 billion for various categories of community care, including grants and cooperative agreements for community health centers and grants to federally qualified health centers. These funds can be used:

1. To plan, prepare for, promote, distribute, administer, and track COVID-19 vaccines, and to carry out other vaccine-related activities;

2. To detect, diagnose, trace, and monitor COVID-19 infections and related activities necessary to mitigate the spread of COVID-19, including activities related to, and equipment or supplies purchased for, testing, contact tracing, surveillance, mitigation, and treatment of COVID-19;
3. To purchase equipment and supplies to conduct mobile testing or vaccinations for COVID-19, to purchase and maintain mobile vehicles and equipment to conduct such testing or vaccinations, and to hire and train laboratory personnel and other staff to conduct such mobile testing or vaccinations, particularly in medically underserved areas;
4. To establish, expand, and sustain the health care workforce to prevent, prepare for, and respond to COVID-19, and to carry out other health workforce-related activities;
5. To modify, enhance, and expand health care services and infrastructure; and
6. To conduct community outreach and education activities related to COVID-19.

FUNDING FOR GRANTS FOR HEALTH CARE PROVIDERS TO PROMOTE MENTAL AND BEHAVIORAL HEALTH AMONG THEIR HEALTH PROFESSIONAL WORKFORCE

The Health Resource & Services Administration (“HRSA”) can award \$40 million in grants or contracts to entities providing health care, including health care provider associations and Federally qualified health centers, to establish, enhance, or expand evidence-informed programs or protocols to promote mental health among their providers, other personnel, and members. HRSA shall take into consideration the needs of rural and medically underserved communities in awarding the grants and contracts.

MANDATORY COVERAGE OF COVID-19 VACCINES, ADMINISTRATION AND TREATMENT UNDER MEDICAID AND CHIP

State Medicaid and CHIP programs are required to cover a COVID-19 vaccine, administration of the vaccine, and testing and treatments for COVID-19. Such coverage includes specialized equipment and therapies including preventive therapies for individuals diagnosed with or presumed to have COVID-19 as well as treatment of a condition that may seriously complicate the treatment of COVID-19 so long as it would otherwise be covered under the state plan or waiver program. This coverage shall continue until one year after the end of the COVID-19 public health emergency period.

AUTHORITY TO WAIVE TRANSPORT REQUIREMENT FOR MEDICARE TO PAY FOR AMBULANCE SERVICES DURING THE COVID-19 PUBLIC HEALTH EMERGENCY

Typically, Medicare will only reimburse ambulance providers if the ambulance transports and delivers a patient to the hospital or other facility. Under the Act, Medicare has the authority to waive this requirement if the ambulance services are furnished in response to a 911 call and the transport did not occur as a result of community-wide emergency service protocols due to the public health emergency.

For questions on this or other COVID-19 related issues, please contact a member of Hancock Daniel's [COVID-19 Task Force](#).

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