

**Working Together in Response to COVID-19**  
**CARES Act Resource Guide**

This resource guide outlines our understanding of the information in the CARES Act as of April 1, 2020. Information and resources are rapidly evolving on this legislation and on Phase 4 of legislative relief efforts. Please visit [cms.gov](https://www.cms.gov) or [sba.gov](https://www.sba.gov) for the latest updates, program requirements and additional details.

Working together is the only way we beat a pandemic. At AmerisourceBergen, we recognize the financial risk and economic uncertainty our practices are experiencing all across the U.S. We are united in our responsibility to create healthier futures for the practices we serve - working together to beat the COVID-19 pandemic and minimize the operational and economic effects on practices. Below is an overview of how we are fighting alongside you.



# Understanding the CARES Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act allocated \$350 billion to help small businesses sustain and keep workers employed amid the pandemic and economic downturn.



## Expanded telehealth services in Medicare



The CARES Act (Sec. 3703) eliminates the requirement in Phase 2/Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020 that limits the Medicare telehealth expansion authority during the COVID-19 emergency period to situations where the physician or other professional has treated the patient in the past three years.

## Temporary suspension of Medicare sequester cuts



The CARES Act (Sec. 3709) temporarily lifts the Medicare sequester from May 1 through December 31, 2020. AmerisourceBergen Government Affairs along with our Specialty Physician Services leadership will continue to advocate for permanent repeal of Medicare sequestration cuts.

## Paycheck Protection Program for Small Businesses



The CARES Act (Sec. 1103) provides significant relief for small businesses of 500 or fewer employees of up to \$10 million. It specifies allowable uses of the loan to include payroll support, such as employee salaries, paid sick or medical leave, insurance premiums, and mortgage, rent, and utility payments. The loan would have a maximum interest rate of four percent. To encourage keeping employees or rehiring those laid off it provides a process by which borrowers are eligible for loan forgiveness on payroll costs, interest payment on any mortgage incurred. The covered period during which expenses can be forgiven extends from February 15, 2020 to June 30, 2020. **Online enrollment begins Friday, April 3.**

## Economic Injury Disaster Loans (EIDLs)



The CARES Act (Sec. 1110) injects \$10 billion dollars into the already established EIDL option. EIDLs can be up to \$2 million per small business with low interest rates. EIDL Advance loans allow borrowers to receive \$10,000 in an emergency grant cash advance that can be forgiven if spent on paid leave, maintaining payroll, increased costs due to supply chain disruption, mortgage or lease payments or repaying obligations that cannot be met due to revenue loss. Applicants can get the emergency cash even if they don't qualify for the additional funds in the EIDL. CARES also waives the requirement that you be unable to obtain credit elsewhere. EIDLs smaller than \$200,000 can be approved without a personal guarantee.

## Tax relief and tax credits



The CARES Act (Sec. 2301) establishes a fully refundable tax credit, tied to the payment of employee wages, against the employer's share of Social Security taxes. The CARES Act (Sec. 2302) allows employers (and self-employed individuals) to defer payment of the 6.2 percent employer-side Social Security payroll tax, effective for wages paid between the date of enactment and December 31, 2020.

## Expansion of the Medicare Accelerated & Advance Payments Program



The CARES Act (Sec.3719) provides necessary funds when there is a disruption in claims submission and/or claims processing. These expedited payments can also be offered in circumstances such as national emergencies or natural disasters, in order to accelerate cash flow to the impacted health care providers and suppliers. CMS is authorized to provide accelerated or advance payments during the period of the public health emergency to any Medicare provider/supplier who submits a request to the appropriate Medicare Administrative Contractor (MAC) and meets the required qualifications.

## The CARES Act Paycheck Protection Program Checklist

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>

- Complete loan application forms 7a (SBA Form 1919) and 7b (SBA Form 5)**  
*We are not saying either of these actual forms will be required, but if you have these complete you would likely have the information requested on the actual application when it becomes available.*
  
- Prepare a detailed list of all of your company liabilities including current balance, payment amount, interest rate, origination date, number of payments, original amount borrowed.**
  
- Prepare copies of:**
  - your business license
  - your lease
  - 3 years corporate returns
  - 3 years personal returns
  - current personal financial statement
  
- In order to advise you regarding the needed payroll hours in the coming months to be eligible for loan forgiveness, please provide the number of hours per your payroll reports (assuming salaried employees would be counted at 40 hours/week) for the periods listed below:**
  - February 15, 2019 to February 28, 2019
  - March 2019
  - April 2019
  - May 2019
  - June 2019
  - January 2020
  - February 2020