COVID-19 Financial Relief for Practices

Working together is the only way we beat a pandemic. At Besse Medical and IPN Solutions, we recognize the financial risk and economic uncertainty our practices are experiencing all across the U.S. Understanding the opportunities that exist through COVID-19 legislation is a first step in offering support to our practices.

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.

**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 Besse Medical and IPN Solutions leadership will continue to advocate for permanent repeal of Medicare sequestration cuts.

**Temporary suspension of Medicare sequester cuts**

**Paycheck Protection Program (P3) for Small Businesses**
- The CARES Act (Sec. 1103) provides significant relief for small businesses of 500 or fewer employees. 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 (4) percent. To encourage keeping employees or rehiring those laid off due to the pandemic, P3 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.

**Economic Injury Disaster Loans (EIDLs)**
- The CARES Act (Section 1110) injects $10 billion dollars into the already established EIDL option. EIDLs can be up to $2 mil 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 for an EIDL. EIDLS smaller than $200,000 can be approved without a personal guarantee.

**Tax relief and tax credits**
- The CARES Act (Section 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 (Section 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.

This document provides an overview for our customer practices of available economic relief during the COVID-19 pandemic. Please visit cms.gov or sba.gov for requirements and details.