

IMPORTANT COVID-19 UPDATE

CONGRESS REACHES NEW SPENDING PLAN ON COVID-19 RELIEF PACKAGE

Late yesterday Congressional leaders came to agreement on a new federal budget that avoids a government shutdown and includes a new round of COVID-19 relief. The \$900 billion COVID-19 relief plan is a part of a broader spending package that would fund the federal government through the end of September 2021.

From a “benefits perspective” the plan also includes a provision that would apparently end “surprise” medical billing for consumers. According to media accounts, patients would be required to receive a “true and honest cost estimate” three days prior to any scheduled procedure and that billing disputes would be subject to arbitration. A bill to address “surprise” billing has long eluded federal lawmakers so this provision may be beneficial to employers, plan sponsors and patients. We will need to see the final details of the plan to measure its impact. Unfortunately, the plan does not address key liability issues nor does it include relief for COBRA premium payments.

Below is a summary of the bills major provisions. The bill may be voted on as early as today and is expected to be signed by the President. As more details emerge, we will share updates accordingly.

HEADLINES OF THE NEW COVID-19 RELIEF ACT

The Vaccine

- The plan includes \$68 billion to purchase and distribute coronavirus vaccines and help states conduct testing. \$20 billion of that funding will make the vaccine available at no cost for anybody needing the vaccine.

Individual Benefits

- \$600 direct payment checks for every adult and child earning up to \$75,000.
- Individuals earning between \$75,000 and \$99,000 would get smaller checks. The benefit cuts out entirely for individuals earning over \$99,000.
- **Unemployment benefits:** There is an extension to the enhanced unemployment benefits for jobless workers; they will receive up to \$300 per week through mid-March. Self-employed people and “gig” workers will also receive extended assistance.
- **Rental Assistance:** The measure includes \$25 billion to help families pay their rent, and it extends the eviction moratorium now in effect until January 31st.
- The measure includes an additional \$13 billion for the Supplemental Nutrition Assistance Program.

Small Business Assistance

- The agreement includes \$284 billion more for Paycheck Protection Program (“PPP”) loans. This apparently includes expanded eligibility for the loans to include non-profits, local newspapers plus TV and radio stations. This also includes \$15 billion that will be available for live venues, independent movie theaters, cultural institutions and childcare centers.
- It further includes \$10 billion for childcare centers to help providers safely re-open.

Broadband Access

- The measure contains \$7 billion to increase access to broadband internet access to support remote workers and students, including a new Emergency Broadband Benefit.

Transportation Aid

- \$45 billion in transportation related assistance for the air and rail industries.

Education

- \$82 billion in funding for schools and universities to assist with re-opening, including \$2.75 billion for private K-12 education.

Agriculture

- \$13 billion for farmers and agriculture, including money under the Coronavirus Food Assistance Program for growers and livestock, dairy and poultry producers.

Conner Strong & Buckelew will provide alerts and updates as new information becomes available. Please contact your Conner Strong & Buckelew account representative toll-free at 1-877-861-3220 with any questions.

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