COVID-19: Surviving the Impact to GI Practices
An update on the latest developments and tips for your practice

MONDAY, APRIL 13, 9PM EDT
Hosted by:
ACG President Mark B. Pochapin, MD, FACP
ACG President-Elect David A. Greenwald, MD, FACP
The ACG Board of Governors

Hear from ACG consultants and subject-matter experts on the latest policy developments related to small businesses and GI practices, and learn how to implement these opportunities into your practice. ACG Governors will walk members through what GI practices are doing to manage patient care, expand services, and protect your employees.

Participating in the Webinar

Listen using your computer audio. A headset is recommended but not required.

All attendees will be muted and will remain in Listen Only Mode.

Type your questions here so that the moderator can see them. Not all questions will be answered but we will get to as many as possible.
How to Receive CME and MOC Points

LIVE VIRTUAL GRAND ROUNDS WEBINAR
ACG will send a link to a CME & MOC evaluation to all attendees on the live webinar.

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MOC QUESTION
If you plan to claim MOC Points for this activity, you will be asked to: Please list specific changes you will make in your practice as a result of the information you received from this activity.

Include specific strategies or changes that you plan to implement. THESE ANSWERS WILL BE REVIEWED.
Disclosures:

Moderators:
Mark B. Pochapin, MD, FACG
David A. Greenwald, MD, FACG

Speakers:
Angela B. Styles
Robert Siggins
Neil H. Stollman, MD, FACG
Vonda G. Reeves, MD, MBA, FACP, FACG
Costas H. Kefalas, MD, MMM, FACG

According to ACCME guidance, because there are no current preventive or specific treatments for coronavirus infection, there are no relevant conflicts of interest for any speakers or moderators.

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And
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COVID-19: Surviving the Impact to GI Practices

COVID-19: Public Policy Updates

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$100 Billion in Grants to Health Care Providers

- CARES Act provided funding to the Public Health and Social Services Emergency Fund
  - Funding available until expended for “necessary expenses to reimburse, through grants or other mechanisms, eligible health care providers for health care related expenses or lost revenues that are attributable to coronavirus”

  - “Eligible health care providers” means public entities, Medicare or Medicaid enrolled suppliers and providers, and such for-profit entities and not-for-profit entities as the Secretary may specify that provide diagnoses, testing, or care for individuals with possible or actual cases of COVID-19
  - Funds may not be used to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse
  - Recipients must submit reports and maintain documentation (determined by the Secretary) needed to ensure compliance
  - To be eligible for payment, an eligible health care provider will submit to HHS an application that includes a statement justifying the need and have a valid TIN
  - Payments will be made in consideration of “the most efficient payment systems practicable to provide emergency payment”
  - OIG will transmit a final report on audit findings no later than 3 years after final payments are made
    - OIG or GAO may conduct audits at an earlier date

$100 Billion in Grants to Health Care Providers (cont’d)

- Wave 1: $30 billion – direct deposit to providers based on Medicare revenue
  - Distributions began April 10, 2020 based on percentage of Medicare fee-for-service revenue in 2019 of the total program spend of 484b
    - All facilities and providers receiving Medicare FFS reimbursement in 2019 are eligible
    - Why this method? Best way to get $5 out quickly to the most providers. Will take more time to target and thoughtfully distribute the remaining $70B.
  - Providers paid via Automated Clearing House account information on file with UnitedHealth Group (UHG) or CMS
    - Should come in via Optum Bank with “HHSPAYMENT” as the description
    - Or will be delivered via paper check within a few weeks
  - Within 30 days of receipt of payment providers must:
    - Sign an attestation confirming receipt
    - Review and accept the Terms and Conditions *
    - Note: the web portal will be available the week of 4/13
$100 Billion in Grants to Health Care Providers (cont’d)

- Key Considerations Regarding the first $30 billion
  - Check your Medicare FFS payments received in 2019 to estimate expected payment amount
  - Maintain thorough records and document costs/uses of payment received
  - Check for additional updates and be sure to submit reports as requested

- Future priorities for the remaining $70 billion:
  - COVID-19 hotspots
  - Rural providers
  - Providers with lower shares of Medicare FFS reimbursement (e.g., pediatricians, children’s hospitals, OB/GYNs, nursing homes, those serving significant # Medicare Advantage enrollees)
  - Providers who predominantly serve the Medicaid population
  - Providers treating the uninsured
    - The Kaiser Family Foundation estimated this could range from $13.9 to $41.8 billion

Medicare Accelerated and Advance Payment Program (AAPP)

- This is an *advance* on Medicare payments for up to 3 months of anticipated Medicare revenue (hospitals can get up to 6 months of Medicare revenue)

- To apply:
  - Go to your Medicare Administrative Contractor (MAC)’s website for the application form (find your MAC [here](https://www.cms.gov/Medicare/Medicare-Contracting/Medicare-Administrative-Contractors/Downloads/MACs-by-State-June-2019.pdf))
  - What you will need to provide:
    - Relevant provider identification information
    - The amount requested based on need (providers can request up to 100% of Medicare payment for the three-month period; hospitals can request more)
    - Reason for the request
  - Payments expected to be issued within seven calendar days
Medicare AAPP (cont’d)

- Repayment (for providers):
  - 120 days after payment, recoupment will begin for up to 90 days
    - Every claim submitted will be offset from the new claims to repay the accelerated/advance payment
    - After the 90 days (on day 210), any unpaid outstanding amount on the advance will be due and payable to the Medicare Administrative Contractor
    - Any remaining balance may be subject to 10.25% interest

- Key Considerations and Remaining Uncertainties
  - CMS has not issued any formal guidance on whether interest will be charged, what the rate will be, or when interest may start to accrue
  - A group Senators sent a letter to HHS and CMS expressing concern about the AAPP and potential 10.25% interest rate; House members (led by the GOP Doctors Caucus) are drafting a similar letter.
  - As of April 9, $51 billion had been distributed through the AAPP

Potential Next Actions

- Additional guidance from HHS on application process for PHSSEF
- COVID 3.5/4.0
  - Replenishing the SBA PPP – 250b
  - Replenishing the PHSSEF fund – 100b (looks for Dems to look for ways to try and direct this spending instead of leaving this solely to HHS/CMS)
  - Additional funding for state and local governments – 150b
  - Increased Medicaid FMAP
  - Provisions to address coverage for the uninsured/underinsured
  - Federal backstop for insurers to cover possible catastrophic losses
  - Additional direct funding for health care workers/providers?
    - Tuition/federal student loan relief?
    - Hazard pay?
    - Increased Medicaid payments?
    - Additional liability protections?
  - 5.0?
    - Infrastructure?
Paycheck Protection Program

Angela B. Styles
Partner
Akin Gump Strauss Hauer & Feld LLP

Overview – Paycheck Protection Program

• Provides $349 billion for expedited individual loans up to $10 million through approved lenders that are guaranteed 100% by the U.S. government.

• Proceeds can be used to cover payroll support, such as employee salaries; paid sick or medical leave; insurance premiums; and mortgage, rent and utility payments incurred from February 15, 2020 through June 30, 2020.
  • The maximum amount of a loan equals 2.5 months of average payroll expenses (last 12 months or calendar year 2019), subject to certain exclusions.

• Provides loan forgiveness as long as:
  • Loan proceeds are used for allowable expenses; and
  • Employee and compensation levels are maintained.
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**Benefits for Borrowers and Lenders**

**Benefits for borrowers:**

- Eligibility for loan forgiveness equal to the amount spent by the borrower during an 8-week period after the origination date of the loan on payroll costs, interest payment on any mortgage incurred prior to February 15, 2020, payment of rent on any lease in force prior to February 15, 2020, and payment on any utility for which service began before February 15, 2020.
- All borrower and lender fees, collateral and personal guarantee requirements are waived.
- The fixed interest rate is 1% and loan maturity is two years.
- No prepayment fees will be charged.
- Loan payments can be deferred for six months.

**Eligible Businesses**

- Businesses with fewer than 500 employees (calculated as discussed below).
- Includes 501(c)(3) nonprofits, 501(c)(19) veteran’s organization and Tribal business concern described in section 31(b)(2)(C) of the Small Business Act.
- Small businesses as defined the Small Business Administration Size Standards at 13 C.F.R. 121.201.
- Hotels, motels and restaurants with fewer than 500 employees at each physical location, or in the aggregate, without regard to affiliation under 13 C.F.R. 121.103.
- Franchises listed in the Small Business Administration (SBA) Franchise Directory (available at [https://www.sba.gov/sba-franchise-directory](https://www.sba.gov/sba-franchise-directory)) without regard to affiliation under 13 C.F.R. 121.103.
- Sole proprietors, independent contractors, gig economy workers and self-employed individuals are all eligible.
Ineligible Businesses

- Employers who elect to take advantage of the payroll tax deferral or “Employees Retention Tax Credit for Employers subject to closure due to COVID-19” are not eligible to take advantage of these loans.
- Financial businesses primarily engaged in the business of lending, such as banks, finance companies and factors (pawn shops, although engaged in lending, may qualify in some circumstances).
- Passive businesses owned by developers and landlords that do not actively use or occupy the assets acquired or improved with the loan proceeds (except Eligible Passive Companies under 13 C.F.R. § 120.111).
- Life insurance companies.
- Businesses located in a foreign country (businesses in the United States owned by aliens may qualify).
- Pyramid sale distribution plans.
- Businesses deriving more than one-third of gross annual revenue from legal gambling activities.
- Businesses principally engaged in teaching, instructing, counseling or indoctrinating religion or religious beliefs, whether in a religious or secular setting.
- Loan packagers earning more than one third of their gross annual revenue from packaging SBA loans.
- Businesses primarily engaged in political or lobbying activities.
- Other businesses listed at 13 C.F.R. 120.110.

Counting Employees & Affiliation Rules

- Counts all individuals employed on a full-time, or part-time basis.
- Method for determining size includes:
  - Average number of employees (including the employees of its domestic and foreign affiliates) for each of the pay periods for the preceding completed 12 calendar months or for calendar year 2019.
  - Part-time and temporary employees are counted the same as full-time employees.
  - The average number of employees of a business with affiliates is calculated by adding the average number of employees of the business with the average number of employees of each affiliate.
  - SBA's affiliation rules for loans substantially impact the ability of many entities to qualify for small business loans. On April 3, 2020 an interim final rule on affiliation was released confirming this except for certain religious institutions.
Certifications, Fees, and Allowable Uses

- Lenders must consider whether the borrower was in operation before February 15, 2020 and had employees for whom the borrower paid salaries or payroll taxes. Borrowers also must make a good faith certification on the PPP application form that:
  - Current economic uncertainty makes this loan request necessary to support the ongoing operations of the applicant.
  - The applicant is eligible to receive a loan under the rules in effect at the time this application is submitted that have been issued by the SBA implementing the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (the Paycheck Protection Program Rule).
  - Funds will be used to retain workers and maintain payroll, or make mortgage payments, lease payments and utility payments.
  - Any loan received by the applicant under Section 7(b)(2) of the Small Business Act between January 31, 2020 and April 3, 2020 was for a purpose other than paying payroll costs and other allowable uses loans under the PPP Rule.
  - The recipient has not received loan amounts under the same subsection for the same purpose between February 15, 2020 and December 31, 2020.

Use of Loan Proceeds, Forgiveness and Reduction in Forgiveness Amount

- Loan proceeds may only be used to pay (1) payroll costs; (2) costs related to the continuation of group health care benefits during periods of paid sick, medical or family leave, and insurance premiums; mortgage interest payments; (4) rent payments; (5) utility payments; (6) interest on any debt obligation incurred before the covered period; or (7) refinancing EIDL made between January 31, 2020 and April 3, 2020.
- Loan amounts expended during the eight-week period following the loan origination will be forgiven, up to the total amount of the loan, if used for payroll costs (up to an annualized rate of $100,000 per employee).
- No more than 25 percent of the loan forgiveness amount may be attributable to qualifying non-payroll costs including (1) interest on a mortgage obligation; (2) rent; or (3) covered utilities.
- The forgiveness amount will be reduced if the employer reduces the number of full-time equivalent employees, or reduces employees' salary and wages beyond a certain amount during the eight-week period.
- The forgiveness amount will be reduced by multiplying the amount of forgivable costs by:
  - the average number of full-time equivalent employees (FTEs) employed during the eight weeks following the loan origination, divided by
  - the average number of FTEs employed between February 15, 2019 to June 30, 2019, OR January 1, 2020 to February 29, 2020 (the employer may elect the period used).
- *Seasonal employers must measure the average number of FTE employees for the period of February 15, 2019 to June 30, 2019.
Use of Loan Proceeds, Forgiveness and Reduction in Forgiveness Amount (cont’d)

• The forgiven amount also will be reduced by the amount of any reduction in total salary or wages during the eight weeks after origination that exceeds 25 percent of an employee’s total salary or wages during most recent full quarter during with the employee was employed. Employees that earned annualized pay in excess of $100,000 in 2019 are not counted for these purposes.
• Borrowers may “cure” reductions in FTEs or compensation for purposes of forgiveness in certain circumstances. Specifically, these reductions will not reduce the forgiveness amount if:
  - The borrower reduces the number of FTEs between February 15, 2020 and the date 30 days after the enactment of the Act, and eliminates that reduction no later than June 30, 2020.
  - The borrower reduces the salary and wages of employees between February 15, 2020 and the date 30 days after enactment of the Act, and eliminates the reduction no later than June 30, 2020.
• Borrowers must provide sufficient documentation to demonstrate compliance with these requirements, including: (1) payroll tax filings reported to the Internal Revenue Service; (2) state income, payroll and unemployment insurance filings; and (3) other documentation, including cancelled checks, receipts or account transcripts to verify mortgage interest, rent and utility payments.
• Borrowers also must certify that the amounts for which forgiveness is requested were used to retain employees and make covered mortgage interest, rent or utility payments.
• SBA intends to issue additional guidance on the loan forgiveness provisions of the PPP loan.

Application Process

• Beginning on April 3, 2020, you can apply at any lending institution that is approved to participate in the SBA’s 7(a) lending program.
• You will not have to visit any government institution to apply for the loan.
• Applicants are eligible to apply for the PPP loan until June 30, 2020.
• For eligibility purposes, lenders will not be determining eligibility based repayment ability, but rather whether the business was operational on February 15, 2020, and had employees for whom it paid salaries and payroll taxes, or a paid independent contractor.
COVID-19: How can you survive the impact to your practice?

Costas H. Kefalas, MD, MMM, FACG
Trustee, ACG Board of Trustees

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Economic Relief for GI Practices

Costas H. Kefalas, MD, MMM, FACG
Akron Digestive Disease Consultants, Inc.
Akron, Ohio
Trustee, ACG Board of Trustees
Key Federal Programs

- Paycheck Protection Program
- CMS Accelerated and Advanced Payment Program
- CARES Act Provider Relief Fund
- Other programs

Paycheck Protection Program

- **Who:** Small businesses < 500 employees, self-employed individuals or independent contractors
- Covers payroll, healthcare benefits, rent, utilities, mortgage interest
- **Loan** administered by Small Business Administration via local bank
- Up to $10 million per entity, based on average monthly payroll from prior year
- Loan payment deferred for 6 months; 1% interest accrues; 2 year loan maturity
- Loan forgiveness based on employer maintaining or rehiring employees and maintaining salary levels; forgiveness will be reduced if full-time employees or salaries and wages decrease
- Limited funds available
- Contact local bank to apply
CMS Medicare Accelerated and Advanced Payment Program

- **Who**: Part A or Part B providers and suppliers: Hospitals, physicians, ASC facility fees, infusion fees, pathology, durable medical equipment suppliers, etc.
- **Advanced payment** from CMS; must be repaid to CMS
- Must have billed Medicare for claims within 180 days, not in bankruptcy, not under medical review/investigation, no outstanding delinquent Medicare overpayments
- Funds received are 3-month estimate of usual earnings based on historical data
- After 120 days, CMS will start recollecting funds; interest-free for 90 days, then interest will accrue; physicians have 210 days since receiving funds to repay them
- Application is required; obtained from regional Medicare Administrative Contractor

CARES Act Provider Relief Fund

- **Who**: Providers and all facilities (including ASCs) that received Medicare fee-for-service payments in 2019
- Employed providers will not receive funds; they will go to employer organization
- Funds for group practice or solo physicians deposited to organization’s TIN
- **Grant** that does not require repayment
- Automatic payment from HHS/CMS administered by UnitedHealth Group
- Either electronic deposit from Optum Bank with description “HHSPAYMENT” or paper check in mail, for providers normally receiving paper checks
- May be used for health care related expenses or lost revenue due to coronavirus
- Within 30 days of receiving payment, providers must sign attestation confirming reception of funds and agreement to terms and conditions
Other Programs

- Economic Injury Disaster Loans and Loan Advance
  - Loan, required repayment, 3.75% interest
  - Must demonstrate substantial economic injury from declared disaster

- FCC Funds for COVID 19 Telehealth Program
  - For eligible providers to purchase telecommunications, devices, broadband connections for telehealth

- Federal Student Loan Deferment of Payments/Interest
  - Payments to Dept. of Education will stop 3/13/2020 to 9/30/2020

Cost Mitigation: Reducing the Impact of COVID-19

Vonda Reeves, MD, MBA, FACP
ACG Governor, State of Mississippi
ACG Practice Management Committee
Gastrointestinal Associates, PA
Flowood, Mississippi
KEY CONCEPTS:

• Reduce cost from an undesirable event: COVID-19
• Develop strategies to reduce impact of COVID-19
• Eliminate any unnecessary expenses
• Be prepared to negotiate ALL existing contracts

HOW DOES COST MITIGATION OCCUR?

• Know both historical and actual practice financial performance
• Know key issues: composition of workforce, supply chain, expenses, etc.
• Review employment policies: sick leave, PTO, FMLA, furlough, etc.
• Create BEST/WORST case scenarios: rent, bankers, working capital, etc.
CRISIS MANAGEMENT: COVID-19

• Review workforce: how many MD's, APP's, nurses, managers, etc.

• Review physical locations: how many ASC's, clinics, infusion centers, path labs, etc.

• Know every monthly contract with vendors such as computer support, endoscopes rentals, copiers, printers, etc.

CONCLUSIONS:

• Plan to cut cost in every area to reduce overhead

• List every debt/expense that can be NEGOTIATED,

• "IF YOU DON'T ASK, YOU WILL NEVER RECEIVE"

• Consolidate workforce and offices.

• Cut nonessential, supplies.

• Aggressively increase use of TELEMEDICINE.

• Review your strategic plan for cost mitigation weekly.

• BE FLEXIBLE!!! BE CREATIVE!! SHARE YOUR KNOWLEDGE WITH OTHERS!!!!
Re-opening (re-expanding) your ASC

Neil Stollman MD, FACG
Chairman, ACG Board of Governors
East Bay Center for Digestive Health
Oakland CA

- Is it too soon to be talking about opening?
- *My* experience and opinions, not formal recommendations
  - 7 MD, 3 room AmSurg-partnered ASC
  - Building closed, as did our center, on 3/20 (hospital cases and telehealth)
  - Planning a ‘soft’ reopening, tentatively 4/20
- Echoed by PMC survey results (mostly med/large GI-only):
  - >75% of patient encounters telehealth
  - >50% have retained <75% of staff
  - >50% of ASCs CLOSED
- https://www.surveymonkey.com/r/9YTMDKN
HOW to ‘re-open’???

Moving target. Depends on your locale’s time curve

“Open soon, but slowly”

Case triage: urgent / semi-urgent / elective (red / yellow / green)

Initially, one room with protocols similar to winding down weeks;
  - Patient temp/Sx screening
  - Alternating rooms
  - Full PPE
  - A/B teams etc

Longer case times

Increased spacing pre/post

No visitors

Coordination with multiple recommendations (CMS, local, society)
Given limited availability of N95s to many ASCs, this may be a rate-limiting step. How do we define ‘areas of community spread’ and for how long? ACG working on refinements to this.
CONCLUSIONS

- It is NOT too early to plan, you need an SME for this too
- Start aligning your people (staff, providers)
- Start aligning your stuff (supplies, PPE)
- Start triaging your patients (and communicate this to them!)
- Continue communicating your status with your referring docs
- Continue communicating with your hospital (overflow in some areas)?
- Be pro-active, but flexible

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COVID "101" FOR THE CLINICAL GASTROENTEROLOGIST

Clinical pearls needed by any gastroenterologist on the medicine floor treating COVID-19.

FRIDAY, APRIL 17, 12 NOON EDT

Hosted by:
ACG President Mark B. Pochapin, MD, FACP
ACG President-Elect David A. Greenwald, MD·FACP

Hear from experts in New York, the current U.S. epicenter of COVID-19, with clinical insights in pulmonology, hepatology and the hospitalist’s perspective. Learn how to prepare for the COVID-19 storm and create an army of COVID specialists.