



CARES Act Summary

CARES Act Programs

Program Summaries

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Public Health and Social Services Emergency Fund

- ❑ **Overview.** The Public Health and Social Services Emergency Fund received additional funding under the CARES Act. *The specific details can be found on pages 750 to 752 of the CARES Act PDF.*
- ❑ **Administration.** Health and Human Services.
- ❑ **Financial Allotment.** \$100 billion.
- ❑ **Purpose.** Reimburse eligible healthcare providers for coronavirus-related expenses and lost revenues.
- ❑ **Grant Uses.** (i) Building or construction of temporary structures, (ii) leasing of properties, (iii) medical supplies and equipment, including PPE and testing supplies, (iv) increased workforce and trainings, (v) emergency operation centers, (vi) retrofitting facilities and (vii) surge capacity.
- ❑ **Application Process.** Eligible healthcare providers shall submit to the Secretary of Health and Human Services an application that includes a statement justifying the need of the provider for the payment. *[Full application instructions yet to be provided].*

Medicare Advance Payments (CMS Fact Sheet Attached)

- ❑ **Overview.** The Accelerated and Advance Payment Program is intended to provide emergency funds to providers and suppliers when there is a disruption in claims submission or claims processing. This expansion is available across the United States.
- ❑ **Administration.** Centers for Medicare & Medicaid Services.
- ❑ **Financial Allotment.** Most providers and suppliers will be able to request up to 100% of the Medicare payment amount for a three-month period.
- ❑ **Qualification/Eligibility.** Any qualified Medicare Part A or Part B provider or supplier that submits a request to the appropriate Medicare administrative contractor. In order to be eligible, the provider / supplier must have billed for Medicare claims within 180 days prior to the request, not be in bankruptcy, not be under active medical review and not have any outstanding delinquent Medicare overpayments.
- ❑ **Application Process.** An application is available on the Medicare administrative contractor website. A link is available in the attached CMS Fact Sheet. Applications will be reviewed and payments issued within 7 days of receiving the request.

Economic Injury Disaster Relief Loan Program

- ❑ **Overview.** Working capital loans to small businesses in order to offer support to help overcome the temporary loss of revenue associated with the coronavirus.
- ❑ **Administration.** Small Business Administration.
- ❑ **Financial Allotment.** \$50 billion.
- ❑ **Qualifications.** Based on need and businesses must show that they are unable to access credit through traditional lending channels and have substantial economic injury. The standard SBA size limitations and affiliation restrictions apply.
- ❑ **Loan Terms.** Up to \$2 million with an annual interest rate of 3.75%.
- ❑ **Loan Uses.** Paying fixed debts, payroll, accounts payable and other bills that cannot otherwise be paid due to the economic impact of coronavirus.
- ❑ **Emergency Advance Option.** Businesses are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000 that will not need to be repaid. The funds will be made available within a few days of a successful application.
- ❑ **Forgiveness.** None.
- ❑ **Application Process.** Eligible small businesses may apply on the SBA website for a loan. *This program is available immediately.*

Paycheck Protection Program

- ❑ **Overview.** The Paycheck Protection Program ("PPP") has been established to ensure small businesses have enough capital to continue paying payroll and other necessary business expenses. *Specific details on page 9 of the CARES Act PDF.*
- ❑ **Administration.** Small Business Administration.
- ❑ **Financial Allotment.** \$350 billion (available from February 15, 2020 to June 30, 2020).
- ❑ **Loan Amounts.** Small businesses are able to receive a maximum loan amount of the lesser of \$10 million or 2.5x the average monthly payroll, with up to \$100,000 received per employee.
- ❑ **Qualifications.** Small businesses must have under 500 employees or its employees do not exceed 500 per physical location. The SBA's affiliation rules have been waived for the PPP for certain businesses, including franchises and businesses that receive financial assistance from an SBIC. *Specific details in the PPP Question and Answer Section.*
- ❑ **Loan Uses.** Salary / payroll expenses and eligible operating expenses, including interest payments on covered mortgages, payments on covered rent obligations, utilities and previously incurred debt.
- ❑ **Forgiveness.** Loans made through PPP are forgivable when spent on certain expenses, including payroll costs, mortgage interest, rent and utility obligations. The amount forgiven is the lesser of the loan amount or sum of the above expenses incurred for eight weeks, beginning on the start date of the loan.
- ❑ **Application Process.** Businesses must fill out SBA Form 2483. *Specific details in the PPP Question and Answer Section.*

Deferred Tax Options

- ❑ **Overview.** Temporary changes to federal tax laws in order to provide immediate and short-term economic relief.
- ❑ **Payroll Tax Relief.** Employers paying sick leave and family leave wages starting on April 1, 2020 under the FFCRA are eligible to receive refundable tax credits equal to the entire amount of those wages. Employers are also able to defer payment of these taxes.
 - **Credits Calculation.** Tax credits of up to \$5,000 per employee equal to 50% of the following wages paid to employees as follows:
 - ◆ *Greater than 100 Employees.* Employers can be reimbursed for wages paid to employees who were not able to provide services due to the coronavirus emergency as a result of government closure orders.
 - ◆ *100 or Less Employees.* Employers can also receive a tax credit for wages paid to any employees in 2020 from and after the date that the employer's gross receipts fall to 50% of gross receipts in the same month in the previous year.
 - **Payroll Tax Deferral.** Companies with payroll taxes due from March 27, 2020 to the end of the year will be able to defer 50% of payment to December 31, 2021.
- ❑ **Qualifications.** Employers who receive a loan under the PPP are not eligible to receive a payroll tax credit.

Other Healthcare Related Provisions

- ❑ **Overview.** Provisions for loans to providers delivering care in rural areas and through telehealth were included in the CARES Act.
- ❑ **Financial Allotment.** \$1.32 billion of grants are available for the detection of COVID or prevention, diagnosis and treatment of coronavirus in rural areas and through telehealth. \$79.5 million per year for the next four years are also being made available to services provided in rural areas. The CARES Act also reauthorizes and provides \$29 million per year for the next four years for a HRSA grant program supporting the use of telehealth technologies.
- ❑ **Provision Changes.** Providers are now able to deliver care through telehealth to patients without having a prior relationship, as well as be reimbursed for these services under Medicare. Current law also includes a "distant site" requirement, which dictates where the eligible provider must be located in order to be reimbursed under Medicare. Rural health clinics and federally-qualified health centers are not currently eligible as distant sites, however the CARES Act allows them to serve as such. Additional details can be found on page 366 of the CARES Act PDF.

SBA Debt Relief

- ❑ **Overview.** The SBA is providing a financial reprieve to small businesses during the coronavirus pandemic.
- ❑ **Debt Relief.** The SBA's debt relief efforts include: (1) the SBA will automatically pay the principal, interest and fees of current 7(a), 504 and microloans for a period of six months and (2) the SBA will automatically pay the principal, interest and fees of new 7(a), 504 and microloans issued prior to September 27, 2020.
- ❑ **Additional Relief Provisions.** For current SBA Serviced Disaster (Home and Business) loans in "regular servicing" status on March 1, 2020, the SBA is providing automatic deferments through December 31, 2020. Interest will continue to accrue on the loans, however businesses may defer payments each month until after December 31, 2020.

SBA Express Bridge Loans

- ❑ **Overview.** The SBA is allowing small businesses that currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.
- ❑ **Loan Terms.** Small businesses that currently have a business relationship with SBA Express Lenders are able to quickly access up to \$25,000. The SBA Express Bridge Loan will be repaid in full or in part by proceeds from the Economic Injury Disaster Loan.
- ❑ **Qualifications.** Small businesses that have an urgent need for cash while waiting for decision and disbursement on an Economic Injury Disaster Loan may qualify for an SBA Express Disaster Bridge Loan.

FAQ / Application

SBA

Paycheck Protection Program
Frequently Asked Questions
And Application

Payroll Protection Program Application Process

Key Items to Note

- ❑ **Application Deadline.** Applications for the Payroll Protection Program ("PPP") are due by June 30, 2020. *The applications are processed on a first come, first serve basis until the \$350 billion set aside for the PPP runs out, so it is recommended that a business apply prior to the June 30, 2020 deadline.*
- ❑ **Loan Forgiveness Program.** PPP loans may be eligible for forgiveness based on how a business uses the funds of the loan. Businesses must spend 75% of the PPP loan on eligible payroll expenses in order to qualify for loan forgiveness. *Additional details are available in the FAQ on pages 6 and 7.*

Step 1: Determine Eligibility

- ❑ **Overview.** Businesses should determine if they are eligible to apply for a PPP loan. Basic eligibility requirements for medical practices consist of employing 500 employees or less, as well as having been in operation on February 15, 2020.
- ❑ **Eligibility Requirements.** Additional eligibility requirements can be found in the FAQ on page 5, as well as on page 9 in the CARES Act.

Step 2: Contact Local Lenders

- ❑ **Overview.** Once businesses have determined they meet basic eligibility requirements, a local lender should be contacted. Local lenders may be used as a resource on the application process.
- ❑ **Local Lenders.** Businesses should utilize the Small Business Association ("SBA") website to find lenders eligible to issue a loan under the PPP. Any existing SBA 7(a) lender, federally insured depository institution, federally insured credit union and Farm Credit System institution that is participating in the PPP is allowed to make loans.

Step 3: Review Application

- ❑ **Overview.** Businesses should use Form 2483 from the SBA in order to apply for PPP. Additionally, each business will need to submit certain payroll and tax information to verify eligibility with the application.
- ❑ **Application Documents.** Additional information surrounding the application documents necessary is provided in the FAQ on page 6. Note that the requirements will vary by lender.
- ❑ **Application Process.** Businesses can apply for PPP loans through their local lenders identified in step 2.

Paycheck Protection Program – SBA Loans

What Borrowers Need to Know

April 6, 2020

What do Borrowers Need to Know?

Eligibility:

- Borrowers are eligible for a PPP loan if they have 500 or fewer employees whose principal place of residence is in the United States, or are a business that operates in a certain industry and meet the applicable SBA employee-based size standards for that industry, and:
 - A small business concern as defined in section 3 of the Small Business Act (15 USC 632), and subject to SBA's affiliation rules under 13 CFR 121.301(f) unless specifically waived in the Act;
 - A tax-exempt nonprofit organization described in section 501(c)(3) of the Internal Revenue Code (IRC), a tax-exempt veterans organization described in section 501(c)(19) of the IRC, Tribal business concern described in section 31(b)(2)(C) of the Small Business Act, or any other business; and; they were in operation on February 15, 2020 and either had employees for whom they paid salaries and payroll taxes or paid independent contractors, as reported on a Form 1099-MISC.
 - Borrowers are also eligible for a PPP loan if they are an individual who operates under a sole proprietorship or as an independent contractor or eligible self-employed individual, and were in operation on February 15, 2020.
 - Borrowers must also submit such documentation as is necessary to establish eligibility such as payroll processor records, payroll tax filings, or Form 1099 MISC, or income and expenses from a sole proprietorship. For borrowers that do not have any such documentation, the borrower must provide other supporting documentation, such as bank records, sufficient to demonstrate the qualifying payroll amount.

Determining Ineligibility:

- Businesses that are not eligible for PPP loans are identified in 13 CFR 120.110 and described further in SBA's Standard Operating Procedure (SOP) 50 10, Subpart B, Chapter 2, except that nonprofit organizations authorized under the Act are eligible. (SOP 50 10 can be found at: (<https://www.sba.gov/document/sop-50-10-5-lender-development-company-loan-programs>.)

Affiliate Rules:

- In most cases, borrowers will be considered together with its affiliates for purposes of determining eligibility for the PPP. Under SBA rules, entities may be considered affiliates based on factors including stock ownership, overlapping management and identity of interest. An entity, combined with its affiliates, is eligible for PPP if it meets the above eligibility requirements. Borrowers are subject to the affiliation rules under 13 CFR 121.203.
 - In order to help potential borrowers identify other businesses with which they may be deemed to be affiliated under the common management standard, the Borrower Application Form, SBA Form 2483, released on April 2, 2020, requires applicants to list other businesses with which they have common management. The information supplied by the applicant in response to that information request should be used by applicants as they assess whether they have affiliates that should be included in their number of employees reported on SBA Form 2483.
 - If the applicant is not a franchise or receives financial assistance from a company licensed under section 301 of the Small Business Investment Act of 1958, they should answer the below:
 - Does the applicant have affiliates under 13 C.F.R. 121.301(f)?
 - Does the applicant control or have the power to control third parties?
 - Does another entity or individual have the power to control the applicant as well as to control other third-parties?
 - Please note that the above questions are a detailed, fact-specific analysis for which companies should consult with counsel, particularly if unfamiliar with the SBA requirements.

How much can be borrowed:

- Under the PPP, the maximum loan amount is the lesser of \$10 million or an amount that the borrower will calculate using a payroll-based formula specified in the Act. *Please see pages eight through eleven (8 - 11) in the Interim Final Rule for a calculation example of the maximum amount that can be borrowed. The discussion includes a discussion on payroll costs to include/exclude.*

Forms required and submission of an application:

- The applicant must submit SBA Form 2483 (Paycheck Protection Program Application Form) and payroll documentation. The lender must submit SBA Form 2484 (Paycheck Protection Program Lender's Application for 7(a) Loan Guaranty) electronically in accordance with program requirements and maintain the forms and supporting documentation in its files.

Do independent contractors count as employees for purposes of PPP loan calculations? Do they count as employees for purposes of PPP loan forgiveness?

- No, independent contractors have the ability to apply for a PPP loan on their own so they do not count for purposes of a borrower's PPP loan calculation or loan forgiveness.

How can PPP loans be used:

- The proceeds of a PPP loan are to be used for: i. payroll costs (as defined in the Act and in 2.f.); ii. costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums; iii. mortgage interest payments (but not mortgage prepayments or principal payments); iv. rent payments; v. utility payments; vi. interest payments on any other debt obligations that were incurred before February 15, 2020; and/or vii. refinancing an SBA EIDL loan made between January 31, 2020 and April 3, 2020. ***However, at least 75 percent of the PPP loan proceeds shall be used for payroll costs.*** If a borrower uses PPP funds for unauthorized purposes, SBA will direct them to repay those amounts. If a borrower knowingly uses the funds for unauthorized purposes, they will be subject to additional liability such as charges for fraud.

Certifications required for a PPP loan:

- On the Paycheck Protection Program application, an authorized representative of the applicant must certify in good faith to all of the below:
 - i. The applicant was in operation on February 15, 2020 and had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on a Form 1099-MISC.
 - ii. Current economic uncertainty makes this loan request necessary to support the ongoing operations of the applicant.
 - iii. The funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments;
 - iv. Documentation verifying the number of full-time equivalent employees on payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight week period following this loan will be provided to the lender.
 - v. Loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities. *Not more than 25 percent of the forgiven amount may be for non-payroll costs. 75 percent must be used for payroll costs.*
 - vi. During the period beginning on February 15, 2020 and ending on December 31, 2020, the applicant has not and will not receive another loan under this program.
 - vii. Further certify that the information provided in this application and the information provided in all supporting documents and forms is true and accurate in all material respects. Understand that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law.
 - viii. Borrowers must acknowledge that the lender will confirm the eligible loan amount using tax documents they have submitted. They must affirm that these tax documents are identical to those submitted to the Internal Revenue Service. They must also acknowledge, and agree that the Lender can share the tax information with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.

Lenders and borrower documentation for loan forgiveness:

- The lender does not need to conduct any verification if the borrower submits documentation supporting its request for loan forgiveness and attests that it has accurately verified the payments for eligible costs. The Administrator will hold harmless any lender that relies on such borrower documents and attestation from a borrower.

Fees paid to lenders:

- SBA will pay lenders fees for processing PPP loans in the following amounts:
 - i. Five (5) percent for loans of not more than \$350,000;
 - ii. Three (3) percent for loans of more than \$350,000 and less than \$2,000,000; and
 - iii. One (1) percent for loans of at least \$2,000,000

Loan terms and conditions:

- Loans will be guaranteed under the PPP under the same terms, conditions and processes as other 7(a) loans, with certain changes including but not limited to:
 - i. The guarantee percentage is 100 percent.
 - ii. No collateral will be required.
 - iii. No personal guarantees will be required.
 - iv. The interest rate will be 100 basis points or one percent.
 - v. All loans will be processed by all lenders under delegated authority and lenders will be permitted to rely on certifications of the borrower in order to determine eligibility of the borrower and the use of loan proceeds.

Fee waivers:

- Below is a list of the fee waivers.
 - i. There will be no up-front guarantee fee payable to SBA by the Borrower;
 - ii. There will be no lender's annual service fee ("on-going guaranty fee") payable to SBA;
 - iii. There will be no subsidy recoupment fee; and
 - iv. There will be no fee payable to SBA for any guarantee sold into the secondary market.

PPP loans and the secondary market:

- A PPP loan may be sold on the secondary market after the loan is fully disbursed. A PPP loan may be sold on the secondary market at a premium or a discount to par value. SBA will issue guidance regarding any advance purchase for loans sold in the secondary market.

****Note:**

The SBA will be issuing forthcoming guidance on issues such as affiliation analysis, loan forgiveness, advance purchase for loans sold in the secondary market, and religious liberty protections under the PPP.



Paycheck Protection Program Borrower Application Form

OMB Control No.: 3245-0407
Expiration Date: 09/30/2020

Check One:	<input type="checkbox"/> Sole proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> C-Corp <input type="checkbox"/> S-Corp <input type="checkbox"/> LLC <input type="checkbox"/> Independent contractor <input type="checkbox"/> Eligible self-employed individual <input type="checkbox"/> 501(c)(3) nonprofit <input type="checkbox"/> 501(c)(19) veterans organization <input type="checkbox"/> Tribal business (sec. 31(b)(2)(C) of Small Business Act) <input type="checkbox"/> Other	DBA or Tradename if Applicable	
Business Legal Name			
Business Address			
		Business TIN (EIN, SSN)	Business Phone
			() -
		Primary Contact	Email Address

Average Monthly Payroll:	\$	x 2.5 + EIDL, Net of Advance (if Applicable) Equals Loan Request:	\$	Number of Employees:	
Purpose of the loan (select more than one):					
<input type="checkbox"/> Payroll <input type="checkbox"/> Lease / Mortgage Interest <input type="checkbox"/> Utilities <input type="checkbox"/> Other (explain): _____					

Applicant Ownership

List all owners of 20% or more of the equity of the Applicant. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN, SSN)	Address

If questions (1) or (2) below are answered "Yes," the loan will not be approved.

Question	Yes	No
1. Is the Applicant or any owner of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the Applicant, any owner of the Applicant, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is currently delinquent or has defaulted in the last 7 years and caused a loss to the government?	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the Applicant or any owner of the Applicant an owner of any other business, or have common management with, any other business? If yes, list all such businesses and describe the relationship on a separate sheet identified as addendum A.	<input type="checkbox"/>	<input type="checkbox"/>
4. Has the Applicant received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.	<input type="checkbox"/>	<input type="checkbox"/>

If questions (5) or (6) are answered "Yes," the loan will not be approved.

Question	Yes	No
5. Is the Applicant (if an individual) or any individual owning 20% or more of the equity of the Applicant subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, or on probation or parole? Initial here to confirm your response to question 5 → _____	<input type="checkbox"/>	<input type="checkbox"/>
6. Within the last 5 years, for any felony, has the Applicant (if an individual) or any owner of the Applicant 1) been convicted; 2) pleaded guilty; 3) pleaded nolo contendere; 4) been placed on pretrial diversion; or 5) been placed on any form of parole or probation (including probation before judgment)? Initial here to confirm your response to question 6 → _____	<input type="checkbox"/>	<input type="checkbox"/>
7. Is the United States the principal place of residence for all employees of the Applicant included in the Applicant's payroll calculation above?	<input type="checkbox"/>	<input type="checkbox"/>
8. Is the Applicant a franchise that is listed in the SBA's Franchise Directory?	<input type="checkbox"/>	<input type="checkbox"/>



Paycheck Protection Program Borrower Application Form

By Signing Below, You Make the Following Representations, Authorizations, and Certifications

CERTIFICATIONS AND AUTHORIZATIONS

I certify that:

- I have read the statements included in this form, including the Statements Required by Law and Executive Orders, and I understand them.
- 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 Small Business Administration (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).
- The Applicant (1) is an independent contractor, eligible self-employed individual, or sole proprietor or (2) employs no more than the greater of 500 or employees or, if applicable, the size standard in number of employees established by the SBA in 13 C.F.R. 121.201 for the Applicant's industry.
- I will comply, whenever applicable, with the civil rights and other limitations in this form.
- All SBA loan proceeds will be used only for business-related purposes as specified in the loan application and consistent with the Paycheck Protection Program Rule.
- To the extent feasible, I will purchase only American-made equipment and products.
- The Applicant is not engaged in any activity that is illegal under federal, state or local law.
- 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 Paycheck Protection Program Rule.

For Applicants who are individuals: I authorize the SBA to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, as amended.

CERTIFICATIONS

The authorized representative of the Applicant must certify in good faith to all of the below by **initialing** next to each one:

_____ The Applicant was in operation on February 15, 2020 and had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC.

_____ Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.

_____ The funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments, as specified under the Paycheck Protection Program Rule; I understand that if the funds are knowingly used for unauthorized purposes, the federal government may hold me legally liable, such as for charges of fraud.

_____ The Applicant will provide to the Lender documentation verifying the number of full-time equivalent employees on the Applicant's payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight-week period following this loan.

_____ I understand that loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities, and not more than 25% of the forgiven amount may be for non-payroll costs.

_____ During the period beginning on February 15, 2020 and ending on December 31, 2020, the Applicant has not and will not receive another loan under the Paycheck Protection Program.

_____ I further certify that the information provided in this application and the information provided in all supporting documents and forms is true and accurate in all material respects. I understand that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law, including under 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

_____ I acknowledge that the lender will confirm the eligible loan amount using required documents submitted. I understand, acknowledge and agree that the Lender can share any tax information that I have provided with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.

Signature of Authorized Representative of Applicant

Date

Print Name

Title



Paycheck Protection Program Borrower Application Form

Purpose of this form:

This form is to be completed by the authorized representative of the Applicant and *submitted to your SBA Participating Lender*. Submission of the requested information is required to make a determination regarding eligibility for financial assistance. Failure to submit the information would affect that determination.

Instructions for completing this form:

With respect to “purpose of the loan,” payroll costs consist of compensation to employees (whose principal place of residence is the United States) in the form of salary, wages, commissions, or similar compensation; cash tips or the equivalent (based on employer records of past tips or, in the absence of such records, a reasonable, good-faith employer estimate of such tips); payment for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payment for the provision of employee benefits consisting of group health care coverage, including insurance premiums, and retirement; payment of state and local taxes assessed on compensation of employees; and for an independent contractor or sole proprietor, wage, commissions, income, or net earnings from self-employment or similar compensation.

For purposes of calculating “Average Monthly Payroll,” most Applicants will use the average monthly payroll for 2019, excluding costs over \$100,000 on an annualized basis for each employee. For seasonal businesses, the Applicant may elect to instead use average monthly payroll for the time period between February 15, 2019 and June 30, 2019, excluding costs over \$100,000 on an annualized basis for each employee. For new businesses, average monthly payroll may be calculated using the time period from January 1, 2020 to February 29, 2020, excluding costs over \$100,000 on an annualized basis for each employee.

If Applicant is refinancing an Economic Injury Disaster Loan (EIDL): Add the outstanding amount of an EIDL made between January 31, 2020 and April 3, 2020, less the amount of any “advance” under an EIDL COVID-19 loan, to Loan Request as indicated on the form.

All parties listed below are considered owners of the Applicant as defined in 13 CFR § 120.10, as well as “principals”:

- For a sole proprietorship, the sole proprietor;
- For a partnership, all general partners, and all limited partners owning 20% or more of the equity of the firm;
- For a corporation, all owners of 20% or more of the corporation;
- For limited liability companies, all members owning 20% or more of the company; and
- Any Trustor (if the Applicant is owned by a trust).

Paperwork Reduction Act – You are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. The estimated time for completing this application, including gathering data needed, is 8 minutes. Comments about this time or the information requested should be sent to : Small Business Administration, Director, Records Management Division, 409 3rd St., SW, Washington DC 20416., and/or SBA Desk Officer, Office of Management and Budget, New Executive Office Building, Washington DC 20503.

Privacy Act (5 U.S.C. 552a) – Under the provisions of the Privacy Act, you are not required to provide your social security number. Failure to provide your social security number may not affect any right, benefit or privilege to which you are entitled. (But see Debt Collection Notice regarding taxpayer identification number below.) Disclosures of name and other personal identifiers are required to provide SBA with sufficient information to make a character determination. When evaluating character, SBA considers the person’s integrity, candor, and disposition toward criminal actions. Additionally, SBA is specifically authorized to verify your criminal history, or lack thereof, pursuant to section 7(a)(1)(B), 15 USC Section 636(a)(1)(B) of the Small Business Act (the Act).

Disclosure of Information – Requests for information about another party may be denied unless SBA has the written permission of the individual to release the information to the requestor or unless the information is subject to disclosure under the Freedom of Information Act. The Privacy Act authorizes SBA to make certain “routine uses” of information protected by that Act. One such routine use is the disclosure of information maintained in SBA’s system of records when this information indicates a violation or potential violation of law, whether civil, criminal, or administrative in nature. Specifically, SBA may refer the information to the appropriate agency, whether Federal, State, local or foreign, charged with responsibility for, or otherwise involved in investigation, prosecution, enforcement or prevention of such violations. Another routine use is disclosure to other Federal agencies conducting background checks but only to the extent the information is relevant to the requesting agencies’ function. See, 74 F.R. 14890 (2009), and as amended from time to time for additional background and other routine uses. In addition, the CARES Act, requires SBA to register every loan made under the Paycheck Protection Act using the Taxpayer Identification Number (TIN) assigned to the borrower.

Debt Collection Act of 1982, Deficit Reduction Act of 1984 (31 U.S.C. 3701 et seq. and other titles) – SBA must obtain your taxpayer identification number when you apply for a loan. If you receive a loan, and do not make payments as they come due, SBA may: (1) report the status of your loan(s) to credit bureaus, (2) hire a collection agency to collect your loan, (3) offset your income tax refund or other amounts due to you from the Federal Government, (4) suspend or debar you or your company from doing business with the Federal Government, (5) refer your loan to the Department of Justice, or (6) foreclose on collateral or take other action permitted in the loan instruments.

Right to Financial Privacy Act of 1978 (12 U.S.C. 3401) – The Right to Financial Privacy Act of 1978, grants SBA access rights to financial records held by financial institutions that are or have been doing business with you or your business including any financial



Paycheck Protection Program Borrower Application Form

institutions participating in a loan or loan guaranty. SBA is only required provide a certificate of its compliance with the Act to a financial institution in connection with its first request for access to your financial records. SBA's access rights continue for the term of any approved loan guaranty agreement. SBA is also authorized to transfer to another Government authority any financial records concerning an approved loan or loan guarantee, as necessary to process, service or foreclose on a loan guaranty or collect on a defaulted loan guaranty.

Freedom of Information Act (5 U.S.C. 552) – Subject to certain exceptions, SBA must supply information reflected in agency files and records to a person requesting it. Information about approved loans that will be automatically released includes, among other things, statistics on our loan programs (individual borrowers are not identified in the statistics) and other information such as the names of the borrowers (and their officers, directors, stockholders or partners), the collateral pledged to secure the loan, the amount of the loan, its purpose in general terms and the maturity. Proprietary data on a borrower would not routinely be made available to third parties. All requests under this Act are to be addressed to the nearest SBA office and be identified as a Freedom of Information request.

Occupational Safety and Health Act (15 U.S.C. 651 et seq.) – The Occupational Safety and Health Administration (OSHA) can require businesses to modify facilities and procedures to protect employees. Businesses that do not comply may be fined, forced to cease operations, or prevented from starting operations. Signing this form is certification that the applicant, to the best of its knowledge, is in compliance with the applicable OSHA requirements, and will remain in compliance during the life of the loan.

Civil Rights (13 C.F.R. 112, 113, 117) – All businesses receiving SBA financial assistance must agree not to discriminate in any business practice, including employment practices and services to the public on the basis of categories cited in 13 C.F.R., Parts 112, 113, and 117 of SBA Regulations. All borrowers must display the "Equal Employment Opportunity Poster" prescribed by SBA.

Equal Credit Opportunity Act (15 U.S.C. 1691) – Creditors are prohibited from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

Debarment and Suspension Executive Order 12549; (2 CFR Part 180 and Part 2700) – By submitting this loan application, you certify that neither the Applicant or any owner of the Applicant have within the past three years been: (a) debarred, suspended, declared ineligible or voluntarily excluded from participation in a transaction by any Federal Agency; (b) formally proposed for debarment, with a final determination still pending; (c) indicted, convicted, or had a civil judgment rendered against you for any of the offenses listed in the regulations or (d) delinquent on any amounts owed to the U.S. Government or its instrumentalities as of the date of execution of this certification.

FACT SHEET

CMS

Accelerated and Advanced Payments Program
for Providers and Suppliers
During COVID-19 Emergency

FACT SHEET: EXPANSION OF THE ACCELERATED AND ADVANCE PAYMENTS PROGRAM FOR PROVIDERS AND SUPPLIERS DURING COVID-19 EMERGENCY

In order to increase cash flow to providers of services and suppliers impacted by the 2019 Novel Coronavirus (COVID-19) pandemic, the Centers for Medicare & Medicaid Services (CMS) has expanded our current Accelerated and Advance Payment Program to a broader group of Medicare Part A providers and Part B suppliers. The expansion of this program is only for the duration of the public health emergency. Details on the eligibility, and the request process are outlined below. The information below reflects the passage of the CARES Act (P.L. 116-136).

Accelerated/Advance Payments

An accelerated/advance payment is a payment intended to provide 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.

Eligibility & Process

- **Eligibility:** To qualify for advance/accelerated payments the provider/supplier must:
 1. Have billed Medicare for claims within 180 days immediately prior to the date of signature on the provider's/supplier's request form,
 2. Not be in bankruptcy,
 3. Not be under active medical review or program integrity investigation, and
 4. Not have any outstanding delinquent Medicare overpayments.
- **Amount of Payment:** Qualified providers/suppliers will be asked to request a specific amount using an Accelerated or Advance Payment Request form provided on each MAC's website. Most providers and suppliers will be able to request up to 100% of the Medicare payment amount for a three-month period. Inpatient acute care hospitals, children's hospitals, and certain cancer hospitals are able to request up to 100% of the Medicare payment amount for a six-month period. Critical access hospitals (CAH) can request up to 125% of their payment amount for a six-month period.
- **Processing Time:** Each MAC will work to review and issue payments within seven (7) calendar days of receiving the request.
- **Repayment:** CMS has extended the repayment of these accelerated/advance payments to begin 120 days after the date of issuance of the payment. The repayment timeline is broken out by provider type below:

- Inpatient acute care hospitals, children’s hospitals, certain cancer hospitals, and Critical Access Hospitals (CAH) have up to one year from the date the accelerated payment was made to repay the balance.
- All other Part A providers and Part B suppliers will have 210 days from the date of the accelerated or advance payment was made to repay the balance.

The payments will be recovered according to the process described in number 7 below.

- ***Recoupment and Reconciliation:***

- The provider/supplier can continue to submit claims as usual after the issuance of the accelerated or advance payment; however, recoupment will not begin for 120 days. Providers/ suppliers will receive full payments for their claims during the 120-day delay period. At the end of the 120-day period, the recoupment process will begin and every claim submitted by the provider/supplier will be offset from the new claims to repay the accelerated/advanced payment. Thus, instead of receiving payment for newly submitted claims, the provider’s/supplier’s outstanding accelerated/advance payment balance is reduced by the claim payment amount. This process is automatic.
- The majority of hospitals including inpatient acute care hospitals, children’s hospitals, certain cancer hospitals, and critical access hospitals will have up to one year from the date the accelerated payment was made to repay the balance. That means after one year from the accelerated payment, the MACs will perform a manual check to determine if there is a balance remaining, and if so, the MACs will send a request for repayment of the remaining balance, which is collected by direct payment. All other Part A providers not listed above and Part B suppliers will have up to 210 days for the reconciliation process to begin.
- For the small subset of Part A providers who receive Period Interim Payment (PIP), the accelerated payment reconciliation process will happen at the final cost report process (180 days after the fiscal year closes).

A step by step application guide can be found below. More information on this process will also be available on your MAC’s website.

Step-by-Step Guide on How to Request Accelerated or Advance Payment

1. ***Complete and submit a request form:*** Accelerated/Advance Payment Request forms vary by contractor and can be found on each individual MAC’s website. Complete an Accelerated/Advance Payment Request form and submit it to your servicing MAC via mail or email. CMS has established COVID-19 hotlines at each MAC that are operational Monday – Friday to assist you with accelerated payment requests. You can contact the MAC that services your geographic area. To locate your designated MAC, refer to <https://www.cms.gov/Medicare/Medicare-Contracting/Medicare-Administrative-Contractors/Downloads/MACs-by-State-June-2019.pdf>.

CGS Administrators, LLC (CGS) - Jurisdiction 15 (KY, OH, and home health and hospice claims for the following states: DE, DC, CO, IA, KS, MD, MO, MT, NE, ND, PA, SD, UT, VA, WV, and WY) **DME B & C** (AL, AR, CO, FL, GA, IL, IN, KY, LA, MI, MN, MS, NM, NC, OH, OK, SC, TN, TX, VA, WI, WV, PR, US VI)
The toll-free Hotline Telephone Number: 1-855-769-9920
Hours of Operation: 7:00 am – 4:00 pm CT

First Coast Service Options Inc. (FCSO) - Jurisdiction N
(FL, PR, US VI)
The toll-free Hotline Telephone Number: 1-855-247-8428
Hours of Operation: 8:30 AM – 4:00 PM ET

National Government Services (NGS) - Jurisdiction 6 & Jurisdiction K (CT, IL, ME, MA, MN, NY, NH, RI, VT, WI, and home health and hospice claims for the following states: AK, AS, AZ, CA, CT, GU, HI, ID, MA, ME, MI, MN, NH, NV, NJ, NY, MP, OR, PR, RI, US VI, VT, WI, and WA).
The toll-free Hotline Telephone Number: 1-888-802-3898
Hours of Operation: 8:00 am – 4:00 pm CT

Novitas Solutions, Inc. - Jurisdiction H & Jurisdiction L
(AR, CO, DE, DC, LA, MS, MD, NJ, NM, OK, PA, TX, (includes Part B for counties of Arlington and Fairfax in VA and the city of Alexandria in VA))
The toll-free Hotline Telephone Number: 1-855-247-8428
Hours of Operation: 8:30 AM – 4:00 PM ET

Noridian Healthcare Solutions - Jurisdiction E & Jurisdiction F (AK, AZ, CA, HI, ID, MT, ND, NV, OR, SD, UT, WA, WY, AS, GU, MP). **DME A & D** (CT, DE, DC, ME, MD, MA, NH, NJ, NY, PA, RI, VT, AK, AZ, CA, HI, ID, IA, KS, MO, MT, NE, NV, ND, OR, SD, UT, WA, WY, AS, GU, MP)
The toll-free Hotline Telephone Number: 1-866-575-4067
Hours of Operation: 8:00 am – 6:00 pm CT

Palmetto GBA - Jurisdiction J & Jurisdiction M
(AL, GA, NC, SC, TN, VA (excludes Part B for the counties of Arlington and Fairfax in VA and the city of Alexandria in VA), WV, and home health and hospice claims for the following states: AL, AR, FL, GA, IL, IN, KY, LA, MS, NM, NC, OH, OK, SC, TN, and TX)
The toll-free Hotline Telephone Number: 1-833-820-6138
Hours of Operation: 8:30 am – 5:00 pm ET

Wisconsin Physician Services (WPS) - Jurisdiction 5 & Jurisdiction 8
(IN, MI, IA, KS, MO, NE)
The toll-free Hotline Telephone Number: 1-844-209-2567
Hours of Operation: 7:00 am – 4:00 pm CT

2. ***What to include in the request form:*** Incomplete forms cannot be reviewed or processed, so it is vital that all required information is included with the initial submission. The provider/supplier must complete the entire form, including the following:
 - a. Provider/supplier identification information:
 - i. Legal Business Name/ Legal Name;
 - ii. Correspondence Address;
 - iii. National Provider Identifier (NPI);
 - iv. Other information as required by the MAC.
 - b. Amount requested based on your need:
 - i. Most providers and suppliers will be able to request up to 100% of the Medicare payment amount for a three-month period. However, inpatient acute care hospitals, children’s hospitals, and certain cancer hospitals are able to request up to 100% of the Medicare payment amount for a six-month period. Critical access hospitals (CAH) can now request up to 125% of their payment amount for a six-month period.
 - c. Reason for request:
 - i. Please check box 2 (“Delay in provider/supplier billing process of an isolated temporary nature beyond the provider’s/supplier’s normal billing cycle and not attributable to other third party payers or private patients.”); and
 - ii. State that the request is for an accelerated/advance payment due to the COVID-19 pandemic.
3. ***Who must sign the request form?*** The form must be signed by an authorized representative of the provider/supplier.
4. ***How to submit the request form:*** While electronic submission will significantly reduce the processing time, requests can be submitted to the appropriate MAC by fax, email, or mail. You can also contact the MAC provider/supplier helplines listed above.

5. ***What review does the MAC perform?*** Requests for accelerated/advance payments will be reviewed by the provider or supplier's servicing MAC. The MAC will perform a validation of the following eligibility criteria:
 - Has billed Medicare for claims within 180 days immediately prior to the date of signature on the provider's or supplier's request form,
 - Is not in bankruptcy,
 - Is not under active medical review or program integrity investigation,
 - Does not have any outstanding delinquent Medicare overpayments.

6. ***When should you expect payment?*** The MAC will notify the provider/supplier as to whether the request is approved or denied via email or mail (based on the provider's/supplier's preference). If the request is approved, the payment will be issued by the MAC within 7 calendar days from the request.

7. ***When will the provider/supplier be required to begin repayment of the accelerated/advanced payments?*** Accelerated/advance payments will be recovered from the receiving provider or supplier by one of two methods:
 - For the small subset of Part A providers who receive Period Interim Payment (PIP), the accelerated payment will be included in the reconciliation and settlement of the final cost report.
 - All other providers and suppliers will begin repayment of the accelerated/advance payment 120 calendar days after payment is issued.

8. ***Do provider/suppliers have any appeal rights?*** Providers/suppliers do not have administrative appeal rights related to these payments. However, administrative appeal rights would apply to the extent CMS issued overpayment determinations to recover any unpaid balances on accelerated or advance payments.