Coronavirus preparedness and response supplemental appropriations act, 2020 (Public Law 116-123; enacted March 6, 2020)

On March 4, 2020, the U.S. Congress approved US$8.3 billion in emergency aid providing funding to federal public health agencies for vaccines, tests and potential treatments and to help state and local governments prepare and respond to the threat. The Bill was signed into law on March 6, 2020.

Key points:

— $7.8 billion in discretionary funding with approximately 85 percent of the total appropriated funds are for domestic program and $500 million in associated costs to waive certain Medicare telehealth requirements

— State and local governments are to receive $950 million in grants; at least $475 million must be allocated within 30 days.

— U.S. Department of Health & Human Services (HHS) and Centers for Disease Control & Prevention (CDC) are the primary federal agencies through which funding will flow to state and local governments

— The Secretary of HHS will provide a detailed spend plan of the funds (including estimated personnel and administrative costs) within 30 days after enactment

— The new law is effectively a combination of emergency disaster relief and the earliest stages of disaster recovery with additional funding expected as a second emergency measure within FY 2020 and/or as a feature of FY 2021 appropriations.

— The statute itself, any statements of congressional intent for previous germane appropriations, and current agency regulations and programmatic guidance are the keys to understanding where and how and funds will flow.
High level summary of the $8.3 billion supplemental appropriation

Allocation of total funding to various entities (US$8.3 billion)\(^{(a)}\)

<table>
<thead>
<tr>
<th>Department of Health and Human Services (HHS) (US$6.5 billion)(^{(a)})</th>
<th>Other agencies (US$1.3 billion)(^{(a)})</th>
<th>Medicare providers for telemedicine services (US$500 million)(^{(a)})</th>
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<td>78.3%</td>
<td>15.7%</td>
<td>6.0%</td>
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- **Department of Health and Human Services (HHS) (US$6.5 billion)\(^{(a)}\):**
  - Public Health and Social Services Emergency Fund (US$3.4 billion)
  - Centers for Diseases Control and Prevention (US$2.2 billion)
  - National Institutes of Health (US$836 million)
  - Food and Drug Administration (US$61 million)

- **Other agencies (US$1.3 billion)\(^{(a)}\):**
  - U.S. Agency for International Development (US$986 million)
  - Department of State (US$264 million)
  - Small Business Administration (US$20 million)

- **Medicare providers for telemedicine services (US$500 million)\(^{(a)}\):**

**Note:** (a) Sum total of funding provided to various departments might not match to the total due to rounding off error

The following agencies and other gov’t entities are projecting potential entry points for entities that can supply vaccinations, medical equipment, and other resources to be used in the testing, monitoring, and treatment of COVID-19 pandemic.

### Centers for Disease Control (CDC) / State & Local Gov’t’s

- **A** CDC grants to state and local governments enable these entities to directly procure therapeutics, diagnostics, medical supplies, medical surge capacity, and related administrative activities.

- **B** Given national stockpile shortages relative to anticipated demand, state health agencies are being encouraged by the federal government to directly procure medical equipment such as ventilators, masks, gloves, and other treatment related assets.

- **C** Supply chain concerns are growing at local levels relative to non-COVID-19 related medical supplies and pharmaceuticals.

### U.S. Food & Drug Administration (FDA)

FDA activated its statutory “Emergency Use Authorization” (EUA) to facilitate the availability and use of medical countermeasures against COVID-19. This allows unapproved medical products or unapproved uses of approved medical products to be used to diagnose, treat, or prevent COVID-19 when there are no adequate, approved, and available alternatives.


### Biomedical Advanced Research and Development Authority

HHS is using a single-entry portal for COVID-19 medical countermeasures market research package and meeting request submittals.

Priority is products and technologies that have progressed into or beyond non-clinical trials, have established large-scale cGMP manufacturing capability, or utilize an approved platform. Information regarding diagnostics, therapeutics, vaccines, and other products or technologies relevant to addressing this outbreak are sought.

[https://www.medicalcountermeasures.gov/Request-BARDA-TechWatch-Meeting/](https://www.medicalcountermeasures.gov/Request-BARDA-TechWatch-Meeting/)

Submittals should include brief description of product or technology, accompanied by slide deck, manuscript, publications, or other non-confidential information.

[https://www.medicalcountermeasures.gov/Request-BARDA-TechWatch-Meeting/](https://www.medicalcountermeasures.gov/Request-BARDA-TechWatch-Meeting/)

Funding opportunities for testing, monitoring and treatment
Federal COVID-19 Funding Programs

A
Health & Human Services/ Centers for Disease Control: Public Health and Social Services
Emergency Fund (US$3.4 billion)

Deadline: Available until Sept 30, 2024

Rationale: To support development of necessary countermeasures, prioritizing platform-based technologies with US-based manufacturing capabilities, and purchase of vaccines, therapeutics, diagnostics, medical supplies, medical surge capacity and related administrative activities

— Products must be made available for purchase by the government “in accordance with Federal Acquisition Regulation guidance on fair and reasonable pricing” and “affordable in the commercial market.”
— **$100 million** will be transferred to the Health and Resources Services Administration to support community health centers.
— Further, it includes **$300 million** apportioned to ensure that all Americans receive a coronavirus vaccine once it has been developed regardless of their ability to pay

B
Centers for Diseases Control and Prevention (US$2.2 billion)

Deadline: Available until Sept 30, 2022

Rationale: To help federal, state and local public health agencies prepare with testing and containment efforts, including funds for lab testing, infection control and tracing individuals who might have had contact with infected people

— **$950 million** for grant funding to or cooperative agreements with States, localities, territories, tribes, tribal organizations, urban Indian health organizations, or health service providers to tribes. As of March 11, 2020, $560 of the $950 million had been allocated. [https://www.hhs.gov/about/news/2020/03/11/cdc-to-award-over-560-million-to-state-local-jurisdictions-in-support-of-covid-19-response.html](https://www.hhs.gov/about/news/2020/03/11/cdc-to-award-over-560-million-to-state-local-jurisdictions-in-support-of-covid-19-response.html)
— Funding can be used for surveillance, epidemiology, laboratory testing, infection control, mitigation, communications, facility improvement, and other preparedness/response efforts.
  — Half of the money must be allocated within 30 days of enactment, and each state will receive at least $4 million.
  — States must submit spending plans to the CDC within 45 days.
  — States/local governments may be reimbursed for costs between January 20th and March 6th.
— not less than **$300 million** for global disease detection and emergency response.
— **$300 million** for the Infectious Diseases and Rapid Response Reserve Fund.
Federal COVID-19 Funding Programs (continued)

C National Institutes of Health ($836 million)

- **Deadline:** Available until Sept 30, 2024
- **Rationale:** For the National Institute of Allergy and Infectious Diseases to prevent, prepare for, and respond to coronavirus, domestically or internationally
  - Not less than $10 million for worker-based trainings to prevent and reduce exposure of hospital employees, emergency first responders, and others at risk of exposure through work duties

D Food and Drug Administration ($61 million)

- **Deadline:** Available until Sept 30, 2020
- **Rationale:** To prevent, prepare for, and respond to coronavirus, domestically or internationally as well as boost manufacturing of vaccines and medical devices and related administrative activities. Further, it also aims to monitor medical product supply chains.

E Response: Staffing, Supplies, Data Management, etc. ($25 million)

- **Purpose:** HHS/CDC has allocated $25 million to 21 state and local jurisdictions that have borne the largest burden of response and preparedness activities to date with emergency funding for activities such as monitoring of travelers, data management, lab equipment, supplies, staffing, shipping, infection control, and surge staffing. Similar support will be provided to other state and local jurisdictions with similar needs at a later point in time.
  
  - Source: [https://www.hhs.gov/about/news/2020/03/11/cdc-funding-information.html](https://www.hhs.gov/about/news/2020/03/11/cdc-funding-information.html)

F Monitoring: Virus Surveillance (US$10 million)

- **Purpose:** HHS/CDC has allocated $10 million to 14 state and local jurisdictions with funding to begin implementation of coronavirus surveillance across the U.S., building on existing influenza activities and other surveillance systems. Once initial funding is provided, additional support will be provided to all states and local jurisdictions to enhance testing and surveillance.
  
  - Source: [https://www.hhs.gov/about/news/2020/03/11/cdc-funding-information.html](https://www.hhs.gov/about/news/2020/03/11/cdc-funding-information.html)

G “Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation’s Health“ Grants (Amount NA)

- **Purpose:** CDC is to award grants ranging from $100,000 to $3 million among a limited number of governmental public health departments, public health focused nonprofits, and workforce focused segments of public health departments that were previously awarded funding under CDC’s “Strategy 1 of CDC-RFA-OT18-1802: “Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation’s Health” grant program in FY18. Funding is intended to support the following program strategies for the following: public health systems infrastructure; leadership and workforce; data and information systems; communication and information technology; partnerships; laws and policies; and programs and services to perform activities building capacity in the following emergency/crisis response areas. Specific eligible entities are listed at:
  
  - [https://www.cdc.gov/publichealthgateway/docs/partnerships/OT18-1802-Initiative-Overview.pdf](https://www.cdc.gov/publichealthgateway/docs/partnerships/OT18-1802-Initiative-Overview.pdf)