



Executive Orders on COVID-19: What Healthcare Providers Need to Know

March 26, 2020

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Introduction

- **Today's Goal:** Provide an overview of the recent Executive Orders and related changes in the laws/regulations affecting healthcare providers / employers to address some of the issues that you are currently facing and try to answer as many of your questions as time permits.
- Understand that the laws are changing almost daily and may impact future advice.
- Recognize that our advice is based upon Michigan law (check with your applicable state law).
- Remember we are lawyers and not medical professionals.
- Finally, we are only one piece of the puzzle – please refer to the Butzel Long **Coronavirus (COVID-19) Resource Center** on Butzel.com for the impact of COVID-19 on other areas of your business:



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Roadmap

- Relevant Executive Orders, including EO 2020-21: “Stay Home, Stay Safe” and the Critical Infrastructure of Healthcare
- Telehealth Options for Continued Services
- Families First Coronavirus Response Act (FFCRA) components
- Employer responsibilities during closure (benefits and health insurance).
- Staffing considerations (hours, reduced schedules, unemployment)
- Sick time policies, effect on PTO plans, FMLA
- Intermittent Leave
- Tax credits to businesses
- Interplay between FFCRA and unemployment
- Small business loans and other funding supports
- Coordination of state and federal orders and legislation
- Donations/loans of disposable and capital equipment

COVID-19 Executive Orders*

- EO 2020-4: Declaration of State of Emergency (March 10, 2020)
- EO 2020-7: Temporary Restrictions on entry into health care facilities, residential care facilities, congregate care facilities, and juvenile justice facilities (March 14, 2020)
- EO 2020-10: Temporary expansions in Unemployment Eligibility and Cost-Sharing (March 16, 2020)
- EO 2020-13: Temporary enhancements to operational capacity and efficiency of health care facilities (includes waiver of certain CON requirements; allow CE credits for COVID-19 response hours and waiver CE credit requirements for license renewals; temporary registration of CNA students; and expand services allowed by non-nursing assistants (March 17, 2020)
- EO 2020-16: Expanding Child Care Access During the COVID-19 Emergency (allows for disaster relief child care centers without a license, including employer-provided) (March 18, 2020)
- EO 2020-17: Temporary Restriction on Non-Essential Medical and Dental Procedures. Exempts medical services related to cardiovascular disease, oncology testing, treatment and procedures, pregnancy-related visits and procedures (labor and delivery), organ transplant , dialysis procedures and trauma (March 20, 2020)
- **EO 2020-21: Temporary requirement to Suspend Activities that are not Necessary to Sustain or Protect Life, aka, the “Stay Home, Stay Safe” Order (March 23, 2020)**

Executive Order 2020-21

“Stay Home, Stay Safe”



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

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LT. GOVERNOR

EXECUTIVE ORDER

No. 2020-21

Temporary requirement to suspend activities that are not necessary to sustain or protect life

The novel coronavirus (COVID-19) is a respiratory disease that can result in serious illness or death. It is caused by a new strain of coronavirus not previously identified in humans and easily spread from person to person. Older adults and those with chronic health conditions are at particular risk, and there is an increased risk of rapid spread of COVID-19 among persons in close proximity to one another. There is currently no approved vaccine or antiviral treatment for this disease.

On March 10, 2020, the Michigan Department of Health and Human Services identified the first two presumptive-positive cases of COVID-19 in Michigan. On that same day, I issued Executive Order 2020-4. This order declared a state of emergency across the state of Michigan under section 1 of article 5 of the Michigan Constitution of 1963, the Emergency Management Act, 1976 PA 390, as amended, MCL 30.401-.421, and the Emergency Powers of the Governor Act of 1945, 1945 PA 302, as amended, MCL 10.31-.33.

EO 2020-21



- EO to be construed broadly to prohibit in-person work that is not necessary to sustain or protect life.
- Adopt Social Distancing practice (CDC) and other mitigation measures (cleaning, PPE, handwashing, etc.).
- Leave allowed if necessary to sustain or protect life (“Critical Infrastructure Workers”) or to conduct minimum basic operations
- “Critical Infrastructure Worker” Designation Letter.
 - Exception: Health care and public health workers

IDENTIFYING CRITICAL INFRASTRUCTURE DURING COVID-19



Critical Infrastructure Sectors

- **Health care and public health.**
- Law enforcement, public safety, and first responders.
- Food and agriculture.
- Energy.
- Water and wastewater.
- Transportation and logistics.
- Communications and information technology, including news media.
- Public works.
- Other community-based government operations and essential functions.
- Critical manufacturing.
- Hazardous materials.
- Financial services.
- Chemical supply chains and safety.
- Defense industrial base.

Healthcare Critical Infrastructure Workers

- COVID-19 Workers (testing and research)
- Direct Care providers
- Hospital and Lab Personnel
- Workers in Other Medical Facilities (ASCs, CORFs, ESRD, FQHC, HHA, Hospice, etc.)
- Manufacturers, logistics, warehouse operators for supplies and equipment
- Public Health Workers
- Workers that cannot practically work remotely, including **billing**, health information, cybersecurity/IT, security/incident management and emergency operations functions
- Pharmacy employees necessary for filling prescriptions
- Mortuary services and support services to family

What You Can / Cannot Do

- Can DO:

- Go to the grocery store or pick up take-out food.
- Go to the pharmacy to pick up a needed prescription.
- Engage in outdoor activities like walking, hiking, running, biking.
- Go to the hospital or secure any care necessary to address a medical emergency or to preserve your health or the health of a loved one.
- Fill your car with gas.
- Return to Michigan to a home or place of residence from outside the State.
- Leave the State for a home or residence elsewhere.
- Walk your pets and take them to the veterinarian for needed medical care.

- Cannot DO:

- Leave the home to work unless your employer designates you as a critical infrastructure worker.
- Participate in any public gatherings.
- Visit someone in the hospital, nursing home, or other residential care facilities (with limited exceptions).
- Go to the mall or to restaurants.

EO 2020-17 on Non-essential procedures vs. EO 2020-21 “Stay Home, Stay Safe”

- 2020-17 “procedure-based”; applies to hospitals, freestanding surgery centers, dentists
- Entities to develop “non-essential procedure postponement plan”; Even with EO 2020-21 exceptions for healthcare workers, providers should address 2020-17 and develop plan
- Should also have patient communication plan

EO 2020-17 on Non-essential procedures vs. EO 2020-21 “Stay Home, Stay Safe”

- Emergency/trauma treatment OK; procedure to preserve patient health/safety as determined by licensed provider
- Various exceptions for pregnancy/L&D; advanced cardio disease, organ transplants, dialysis
- Would postponement “*significantly impact the health, safety, and welfare of the patient*”?

EO 2020-17 on Non-essential procedures vs. EO 2020-21 “Stay Home, Stay Safe”

- Consider scenarios for:
 - ASCs, Dentists: emergency vs. routine/elective procedures
 - Eye care: emergency vs. routine/elective procedures (replacement/repairs for critical workers?)
 - Primary care: see telehealth info, phone consultations, availability of prescription renewals
 - Mental/behavioral health; drug/alcohol rehab: more like to be “health and safety” concerns?

EO 2020-17 on Non-essential procedures vs. EO 2020-21 “Stay Home, Stay Safe”

- Consider scenarios for:
 - Elder care: “medical” vs. “companion”? Preserve safety, avoid worsening conditions requiring hospitalization/SNF
 - Home and community based services for people with disabilities: Preserve safety and independence; avoid worsening conditions requiring hospitalization/SNF
 - Balance needed services vs. infection risk

EO 2020-17 on Non-essential procedures vs. EO 2020-21 “Stay Home, Stay Safe”

- Consider scenarios for:
 - Home health/PT/OT:
 - Home or facility-based?
 - Urgency? Preserve safety and independence; avoid worsening conditions requiring hospitalization/SNF
 - Balance needed services vs. infection risk
 - Veterinarians (and exceptions under EO 2020-21)
 - Telehealth options for continued services

Telemedicine / Telehealth Medicare

TYPE OF SERVICE	WHAT IS THE SERVICE?	HCPCS/CPT CODE	Patient Relationship with Provider
MEDICARE TELEHEALTH VISITS	A visit with a provider that uses telecommunication systems between a provider and a patient.	<p>Common telehealth services include:</p> <ul style="list-style-type: none"> • 99201-99215 (Office or other outpatient visits) • G0425-G0427 (Telehealth consultations, emergency department or initial inpatient) • G0406-G0408 (Follow-up inpatient telehealth consultations furnished to beneficiaries in hospitals or SNFs) <p>For a complete list: https://www.cms.gov/Medicare/Medicare-General-Information/Telehealth/Telehealth-Codes</p>	<p>For new* or established patients.</p> <p>*To the extent the 1135 waiver requires an established relationship, HHS will not conduct audits to ensure that such a prior relationship existed for claims submitted during this public health emergency</p>
VIRTUAL CHECK-IN	A brief (5-10 minutes) check in with your practitioner via telephone or other telecommunications device to decide whether an office visit or other service is needed. A remote evaluation of recorded video and/or images submitted by an established patient.	<ul style="list-style-type: none"> • HCPCS code G2012 • HCPCS code G2010 	For established patients.
E-VISITS	A communication between a patient and their provider through an online patient portal.	<ul style="list-style-type: none"> • 99421 • 99422 • 99423 • G2061 • G2062 • G2063 	For established patients.

Telehealth and HIPAA

- OCR Notification: Will not enforce HIPAA telehealth requirements for good faith provision of telehealth services (applies to 42 CFR Part 2)
 - Non-public facing platforms **ALLOWED** (Facetime, Facebook Messenger video chat, Google Hangouts video, Skype) and common texting applications (Jabber, iMessage, Whatsapp, Facebook Messenger, etc).
 - Public-facing platforms **PROHIBITED** (Tik-Tok, Facebook Live, Twitch)

Telehealth and Routine Waivers of Co-Pay

- OIG Directive: Will not subject providers to administrative sanctions for waiving cost-sharing responsibilities of Medicare beneficiaries for telehealth services (CMPL and AKS penalties)
- March 24, 2020 Guidance
 - Applies to a broad range of non-face-to-face services, and not only Medicare “telehealth codes”
 - Applies to Hospital reimbursements under reassignment

Telehealth in Michigan

Medicaid

- March 12, 2020—Governor expands access to telemedicine for Medicaid beneficiaries to receive virtual care services in their homes while waiving co-pays for COVID-19 testing.
- Commercial insurers also waived cost-sharing for COVID-19 testing and telehealth services

Donations of Critical Supplies

- March 24, 2020: Governor Calls for Donations of Essential Medical Supplies and PPE to Hospitals
- Tax Consequence/Impact
 - Nonprofit recipients; reporting of donations
 - Donors; tax-deductibility
- Accounting: as donations (supplies or equipment); as loans (equipment)
- Liability considerations



LABOR & EMPLOYMENT

COVID-19 and the Implications on Employee Relations

Families First Coronavirus Response Act (FFCRA)

- March 19, 2020 [HR 6201] signed into law
 - Effective April 1, 2020 and continues through December 31, 2020
 - Two Important Acts within
 - FMLA Expansion Act
 - Emergency Paid Sick Leave Act

Which employers are covered?

- FMLA Expansion
 - Fewer than 500 employees **and** public agencies covered under FMLA
 - Small Businesses (under 50 employees) may be exempt under future DOL regulations if complying with the Act would “jeopardize the viability of the business as a going concern”
 - 50 employee / 75 mile radius rule intact for traditional FMLA but does not apply to expanded FMLA
 - Special Rule for Health Care Providers—health care providers or emergency responder may elect to exclude employees from these benefits
- Emergency Paid Sick Leave
 - Fewer than 500 employees **and** public agencies that employ 1 or more employees
 - Small Businesses (under 50 employees) may be exempt under future DOL regulations if complying with the Act would “jeopardize the viability of the business as a going concern”
 - The DOL may issue regulations allowing employers of health care providers and emergency responders to opt-out of the benefits.

How to count number of employees

- Expanded FMLA
 - DOL issued guidance to Employers, Employees and FAQs on 3/25/2020
 - Fact Sheet for Employers: https://www.dol.gov/agencies/whd/pandemic/ffcra-employer-paid-leave#_ftnref6
 - Fact Sheet for Employees: <https://www.dol.gov/agencies/whd/pandemic/ffcra-employee-paid-leave>
 - FAQ: <https://www.dol.gov/agencies/whd/pandemic/ffcra-questions>
 - FMLA for guidance—Integrated employer test
 - Factors:
 - Common management;
 - Interrelation between operations;
 - Centralized control of labor relations;
 - Common ownership
- Emergency Paid Sick Leave Act
 - DOL issued guidance to Employers, Employees and FAQs on 3/25/2020
 - FLSA for guidance –Single Enterprise and Joint Employer Tests
 - Single Enterprise: Companies must engage in in relate activities, have unified operations or common control, and have a common business purpose (i.e., share related actives and common control).
 - Joint Employer: highly fact specific
 - If the only connection between two affiliates is ultimate common ownership, they should NOT be aggregated to meet 500 employee threshold
 - If the entities share a common HR function and hiring/firing authority they MAY be aggregated

Which employees are covered?

- FMLA Expansion (eFMLA)
 - Employees working for at least 30 days
 - Must be unable to work (or telework) AND
 - Must caring for a minor son or daughter because the child's school or place of care is closed or unavailable due to a declared health emergency for COVID-19 by a Federal, State, or local authority
- Emergency Paid Sick Leave
 - All employees—it doesn't matter how long they have been working
 - Must be unable to work (or telework) AND
 - Must fall into one of six categories
 - (1) Employee subject to quarantine from government
 - (2) Employee subject to quarantine from health care provider
 - (3) Employee has COVID-19 symptoms and seeking diagnosis
 - (4) Employee is caring for individual subject to quarantine
 - (5) Employee is caring for child because school or childcare is closed for COVID-19
 - (6) Employee has another similar condition specified by DHHS

FMLA Expansion—Benefits

- Partially paid and partially unpaid
- Unpaid leave
 - First 10 days of leave
 - But employee may use any accrued vacation leave, personal leave, or medical or sick leave
 - Employers cannot require employee to use accrued PTO
- Paid leave
 - 10 weeks are paid at least two-thirds of the employee's regular rate of pay
 - Capped at \$200 per day and \$10,000 in the aggregate for entire duration

Expanded FMLA hour calculation for employee with varying schedule

- The average number of hours the employee was scheduled per day (including hours the employee took for any leave) over the previous 6 months before leave
- If the employee did not work in past 6 months, use the reasonable expectation of the employee at the time of hiring of the average number of hours per day that the employee would normally be scheduled to work

FMLA Expansion – Hourly Medical Assistant

- Hourly employee's 12 year old child's school closed down by Gov. Whitmer since March 16
- Employee is still allowed to work under shelter-in-place order
- Employee earns \$18/hour and works 8 hours/day and 40 hours/week
- Employee is unable to work at home
- Employee's 10 day waiting period starts April 1 and goes through April 11 — during this time the employee can use PTO available
- Starting April 12, the employer must pay the employee \$96/work day
- The child's school is closed through the end of the year, but child care remains closed—the employer must pay the full 10 weeks, for a total of \$4,800

FMLA Expansion—Salaried Occupational Therapist

- Employee's 12 year old child's school closed down by Gov. Whitmer since March 16
- Employee earns \$80,000/year (\$38.46 an hour for 40 hr/week)
- Employee is still allowed to work under shelter-in-place order
- Employee cannot work from home
- Employee's 10 day waiting period starts April 1 and goes through April 11 — during this time the employee can use PTO available
- Starting April 12, the employer must pay the employee \$200/work day (hit the cap)
- The child's school is closed through the end of the year, but child care remains closed—the employer must pay the full 10 weeks, for a total of \$10,000 (cap)

Employers other Obligations under eFMLA

- Must restore the employees job when the employee returns
 - Employers with fewer than 25 employees—if the employee’s position no longer exists due to economic conditions or other changes in operating conditions caused by a public health emergency during leave THEN the employer does NOT have to restore the employee’s employment, but must make reasonable efforts to restore the employee to an equivalent position.
 - Employer must make reasonable efforts to restore the employee to position and if those fail, must contact the person within 1 year beginning the earlier of the date of the qualifying need concludes or 12 weeks after the date on which the employee’s leave commences, if an equivalent position becomes available.
- Must continue health care benefits

Obligations under Emergency Paid Sick Leave Act

- Must pay employees immediately—no waiting period!
- EE must be unable to work (or telework) AND
- Break down the reasons for leave—determine duration and rate of compensation

Reasons for Leave

1. The employee is subject to a Federal, State or local quarantine or isolation order related to COVID-19.
 - This covers the recent shelter-in-place order (unless employer is exempt)
2. The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
 - Doctor tells employee to self quarantine because she may have the virus or was in contact with someone who had it
 - Employer could require a note from doctor providing for such a recommendation if it feels that employees may abuse the system
3. The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis.
 - and is key here; fair to ask for doctor's note

Obligations under Emergency Paid Sick Leave Act

4. The employee is caring for an individual subject to a local quarantine or isolation order or who has been advised by a health care provider to self-quarantine (“bona fide need”)
5. The employee is caring for the employee’s child if the child’s school or childcare provider has been closed or is unavailable due to COVID-19 precautions.
6. The employee is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services.

Duration of Leave under FFCRA

- Full-time: 80 hours paid sick time.
- Part-time: paid leave for number of hours that the employee works, on average, over a 2-week period.
- Contingent or “variable” – average hours over 6 months or expected average schedule.

Amount of Pay Under FFCRA

- Reasons 1 – 3: For leave having to do with the employee themselves (self care)—100% regular rate of pay
 - Cap: \$511 per day or \$5,100 (total)
- Reasons 4-6: For leave relating to care for another, or for self care for a substantially similar condition “specified by HHS”—regular rate of pay
 - Reasons 4 & 6 Cap: \$200 per day or \$2,000 (total)
 - Reason 5 Cap: \$200 per day or \$12,000 (total over 12-week period: 2 weeks paid sick leave followed by 10 weeks eFMLA)

Other considerations for Emergency Paid Sick Leave Act

- Employers are prohibited from requiring—as a condition of giving sick pay—that the employee look for or find a replacement employee
- Employers are prohibiting from requiring an employee to use other paid leave *before* the employee uses the paid sick time under the Act
- Employer cannot discriminate against employee who takes leave under the act or files a complaint/institutes any proceeding related to the Act
- Penalty for not providing sick leave under the Act: the same penalties under FLSA
 - Minimum wage penalty,
 - Owed amount of leave plus the same amount in liquidated damages,
 - Attorney fees,
 - Injunctive relief
- Employer must post a notice approved by DOL (model to be provided)
- Employer may require employees to follow reasonable notice procedures to continue to receive paid sick time

FMLA Expansion and Emergency Paid Sick Leave working together

- Employee cannot work because child's school is closed
- Emergency Paid Sick Leave could cover 2/3rds of the employee's wages for first 10 days / 80 hours
- FMLA Expansion would cover 2/3rds of the employee's wages for up to 10 weeks

Intermittent Leave

- Expanded FMLA
- Emergency Paid Sick Leave

Front the costs – Tax credits on back end

- Payroll tax credit to help employers cover the cost of wages under the FFCRA
- If the amount of credit exceeds payroll taxes for the quarter, the excess amount is refundable
- 3 components to the credit
 - Wages – 100% of the wages paid under the Emergency Paid Sick Leave Act and the Expanded FMLA is eligible for the credit.
 - Hospital Insurance Tax – The credit is increased by the amount of the Hospital Insurance Tax paid on eligible wages.
 - Health Plan Expenses – The credit is increased by the health plan expenses allocable to the employee during the period of leave. Health plan expenses are amounts incurred to provide and maintain a group health plan, but only to the extent they are excludible from the employee wages.

FFCRA and Unemployment

- The two do not work together
- FFCRA benefits under either Expanded FMLA or Emergency Paid Sick Leave Act are for employees only
- Unemployment is for former employees (layoff, furlough, termination)

State Law Considerations

Paid Medical Leave Act (PMLA)

- NOT Preempted by Federal eFMLA or ePSLA: PMLA does not alter an employer's obligations under the FMLA, ADA or PWDCRA, except that an eligible employee may use the paid medical leave available under the law.
- Covers only employers with at least 50 employees
- Applies to "Eligible Employees"
- Requires 40 hours paid medical leave per year
- "Paid Leave" not only medical. Also includes:
 - paid vacation days
 - paid personal days
 - paid time off

State Law (cont.)

- Permissible Uses
- Accrual v Frontloading Methods
 - 1 hour for every 35 “hours worked” up to 40 hours per benefit year
 - Employer can limit carry over and use to 40 hours per year
 - Employers who “frontload” (provide 40 hours of PML at beginning of year) need not allow carry-over to following year

The Pregnant Critical Infrastructure Worker

- **WHO:** “at present there is no evidence that they are at higher risk of severe illness than the general population. However, due to changes in their bodies and immune systems, we know that pregnant women can be badly affected by some respiratory infections.”
- **CDC:** “We do not currently know if pregnant women have a greater chance of getting sick from COVID-19 than the general public nor whether they are more likely to have serious illness as a result. Pregnant women experience changes in their bodies that may increase their risk of some infections. With viruses from the same family as COVID-19, and other viral respiratory infections, such as influenza, women have had a higher risk of developing severe illness. It is always important for pregnant women to protect themselves from illnesses.”
- **American College of Obstetricians and Gynecologists ([ACOG](#)):** “pregnant women may be at higher risk of severe illness, morbidity, or mortality compared with the general population,” likely due to physiologic changes that happen during pregnancy, and because pregnancy constitutes a state of relative immunosuppression as compared to non-pregnancy.

COVID-19 & FINANCIAL ASSISTANCE TO SMALL BUSINESSES

Small Business Relief Resources

- Federal COVID-19 Economic Stimulus Package
- U.S. Small Business Administration – Economic Injury Disaster Loans (EIDL)
- Wayne County / TCF Bank – Small Business Relief Loan Fund
- Michigan Small Business Relief Fund

COVID-19 Stimulus Package

\$2 Trillion Federal Rescue

- Deal reached by US Senate March 25, 2020
- Bipartisan agreement projected to be approved in the Senate March 25, 2020 and in the House as early as March 26, 2020
- Projected to provide \$2 TRILLION in economic relief from the Coronavirus – largest in American history

Highlights For Big Businesses

- \$500 billion fund for corporations, state and local government that have been hit hard by the Coronavirus
 - \$425 billion for the Federal Reserve to leverage loans to help a broad group of distressed companies
 - \$75 billion for industry-specific loans (airlines, cruises, etc.)
 - Fund will be overseen by new IG and 5 person panel appointed by Congress
- Run by the Treasury Department
- Also allows Federal Reserve to inject more than \$4 trillion into the economy and credit markets (so \$6 TRILLION...)

Highlights for Healthcare & Small Business

- Projected to provide \$150 billion for hospitals and other health-care providers for equipment and supplies.
- Projected to provide \$367 billion in federally guaranteed loans for small businesses suffering from COVID-19
 - Generally Small Businesses with < 500 employees
 - Non-profits also eligible for loans
 - Maximum loan of \$10M
 - Cannot combine with EIDL (same purpose)
 - Uses include payroll, mortgage/rent, paid sick leave, supply chain disruptions and other debt obligations

Other Highlights of Stimulus Package

- Bans stock buybacks for anyone that accepts government loans for length of assistances plus one year.
- Direct payments to qualified individuals and families
 - \$1,200 individual and \$2,400 couples
 - \$500 per child
 - Make up to \$75,000 and phasing out for those over \$99,000

SBA Economic Injury Disaster Loans (EIDL)

- The U.S. Small Business Administration has designated COVID-19 as a qualifying event for the provision of Economic Injury Disaster Loans (EIDL) for businesses and private non-profits in declared zones
- The EIDL is a low-interest, fixed-rate loan that can provide up to \$2 million in assistance for a small business
- Actual loan amounts are based on the amount of economic injury, but do not replace lost sales or revenue
- Eligible Businesses include:
 - Businesses directly affected by the disaster
 - Businesses that offer services directly related to the businesses in the declaration
 - Other businesses indirectly related to the industry that are likely to be harmed by losses in their community
- Businesses that qualify as a “Small Business” under the SBA Table of Size Standards
- The definition of “Small Business” in the Health Care and Social Assistance Industry (Sector 62) varies from a maximum of annual revenue of \$8 million to \$41.5 million

SBA EIDL (cont.)

- Use of EIDL Funds can be used for the following:
 - Fixed debts
 - Payroll
 - Accounts payable
 - Other bills that can't be paid because of the disaster's impact
- Lending Criteria includes the following:
 - Credit history
 - Repayment ability
 - Collateral
- When applying for loans greater than \$25,000, the business must provide collateral. The SBA requires borrowers to pledge what is available including real estate. Loans under \$25,000 can be unsecured.
- EIDL Terms
 - Interest of 3.75% for small businesses & 2.75% for non-profits
 - Up to 30 year repayment term
 - EIDL Application Link: <https://disasterloan.sba.gov/ela/>

Wayne County / TCF Bank

Small Business Relief Loan Fund

- Loan Eligibility
 - Business has been established for at least one year
 - Credit approval guidelines are met
 - Business size and other qualifications (i.e., < 100 employees, revenues ≤ \$1M; located in Wayne County)
 - Hardship due to COVID-19
- Loan Terms
 - Up to 12 months ranging from \$5,000 to \$50,000, depending on number of employees
 - Interest rate of 2% or less
 - Loan to be secured by business collateral, with guaranties by individuals with at least 20% ownership

Michigan Small Business Relief Fund

MI Economic Development Corporation

- Up to \$10 million in small business grants and \$10 million in small business loans available for Michigan small businesses.
- Used for working capital in the ordinary course of business
- Grants: \$10,000 / business
 - Industry impacted by closure as a result of COVID-19 per EO 2020-09 (i.e., gymnasiums, fitness centers, recreation centers, indoor sports facilities, indoor exercise facilities, exercise studios, and spas)
- Loans: Between \$50,000 - \$200,000 to eligible borrowers

ADDITIONAL RESOURCES

- CDC: <https://www.cdc.gov/coronavirus/2019-ncov/index.html>
- World Health Organization: <https://www.who.int/emergencies/diseases/novel-coronavirus-2019>
- State of Michigan: <https://www.michigan.gov/coronavirus/>
- Governor Whitmer EOs and FAQs: https://www.michigan.gov/coronavirus/0,9753,7-406-98178_98455-521682--,00.html
- Butzel Long COVID-19 Resource Center: <https://www.butzel.com/coronavirus-covid-19-resource-page.html>
- Small Business Administration: www.sba.gov
- US Department of Labor COVID-19: www.dol.gov/whd/pandemic



QUESTIONS

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