Talking Points for Congressional Engagement Outlining UC’s Priorities in New Federal Coronavirus Legislation

• At the onset of the pandemic, the University of California (UC) took swift action to protect our 285,000 students and 227,000 faculty, researchers and staff from COVID-19.

• Our ten campuses have taken unprecedented actions to ensure that social distancing is possible and our students and employees are safe.

• And, our campuses are serving California communities by housing first responders, hosting blood drives and developing new diagnostic tests to detect who has contracted the virus and may need treatment.

• UC’s researchers have quickly stepped in to find ways to confront the virus. They are working on developing treatments and a vaccine.

• And our five medical centers – Davis, Irvine, Los Angeles, San Diego and San Francisco – are treating COVID-19 patients and have invested in adding new beds and clinical staff to prepare for a possible surge in patients. The direct and indirect costs of the COVID-19 epidemic to our medical centers could easily exceed $1 billion by the end of our fiscal year in June.

• UC is deeply grateful to the California congressional delegation for advocating on behalf of our entire state and for the UC system. Because of their efforts, the legislative package of bills Congress passed directed much-needed funding to help UC support our students, researchers, faculty, staff, health care professionals and patients.

• Resources are already beginning to reach UC, and we, in turn, are using them to begin to cover the costs of the health care we are delivering and to support our students.

• But this pandemic is far from over. And UC continues to call on our partnership with the federal government to help us continue to confront COVID-19 and its effects on California.

• As you continue to develop legislation, we ask that you consider the following requests.

Health Care:

• UC asks that Congress ensure that the administration takes no action to reduce Medicaid payments at a time when we need them most by blocking implementation of the Medicaid Fiscal Accountability Rule (MFAR).
• In fact, far from making cuts to Medicaid, we need to be strengthening Medicaid financing and making sure that states have every tool at their disposal to fight this pandemic. To that end, UC advocates that any state with an expiring 1115 Medicaid demonstration waiver be granted a one-year extension, and that the Federal Medical Assistance Percentage (FMAP) be increased to 12 percent.

• We also ask that Congress bolster the $100 billion Public Health and Social Services Emergency Stabilization fund created in the CARES Act to ensure that hospitals can fully cover the costs of this pandemic. While $100 billion was a good start, it is clear that it is not enough to get us through this crisis.

• UC also asks Congress to double the Indirect Medical Education (IME) add-on payment adjustment and lift the Medicare Graduate Medical Education (GME) cap that restricts our ability to sustain and grow our physician workforce.

• UC asks for Congress to provide access to no-interest loans for capital projects related to expanding the number of beds, addressing deferred maintenance and undertaking life-saving medical facility construction.

**Education:**

• UC seeks an additional $48 billion to the existing $14 billion State Stabilization Fund carved out in the CARES Act for higher education. Students need the financial support to weather this economic downturn, as do public higher education institutions themselves given both the need to absorb expenses – such as transitioning to remote learning – and the significant loss of revenue from campus events and conferences that UC and institutions across the country were experiencing.

• Public higher education institutions would also benefit from the creation of two additional funds:
  
  o One to ensure that students have access to broadband or hotspots to allow for full exposure to online courses;
  
  o And another to ensure campuses have access to low cost capital to meet their financial obligations.

• We also ask that Deferred Action for Childhood Arrivals (DACA) students be granted an extension to remain in the country, given that they have had difficulty renewing their expiring applications due to the closure of U.S. Citizenship and Immigration Services offices.
• Finally, we ask that priority be given to addressing the myriad of visa issues that will come up this year as students begin to apply to enter undergraduate and graduate programs, in the United States, as well as postdoctoral fellowships.

Research:

• UC asks that Congress provide additional emergency supplemental funding to grantees to mitigate the impact of COVID-19 disruptions on federally funded lab research that is not COVID-19 related and was therefore shut down. The additional funding will be used to cover the cost of ramping back up the research.

Tax, Capital and Other:

• UC asks that public institutions – including universities – be allowed to benefit from tax credits given to non-public entities in the Families First Coronavirus Response Act:
  - Payroll tax credits for certain paid sick leave and Family Medical Leave Act (FMLA) benefits; and
  - Employee Retention Tax Credit, established under the CARES Act.

• We also seek the reinstatement of Advance Refunding Bonds to ensure that certain bonds can be refinanced to take advantage of lower interest rates.

• Measures should also be taken to provide entities such as public universities with greater access to low-cost capital.

• Finally, UC asks that additional funding be directed to the U.S. Department of Agriculture to transition cooperative extension programs to remote learning.