

The front-line caregivers in the COVID-19 crisis, including nurses, physicians, facilities management personnel, technicians and other health care providers, are working around the clock to care for patients and our communities. These essential workers need, and deserve, additional resources to both continue their work and support themselves and their families after this crisis.

## **We urge Congress to take the following steps to honor our health care heroes:**

- **Provide Tax-free Child Care, Housing, Transportation and Education Benefits for Hospital Workers.**

To make it possible for hospital staff to work, hospitals need to provide child care for those whose regular options (day care centers, schools and family members) are not available, and to take additional measures, such as providing housing and transportation, to minimize risk of infection for the workers and their families. To attract employees, hospitals need to either provide educational opportunities for employee training or pay for other training opportunities. We urge Congress to expand existing tax exemptions for child care, housing, transportation and education benefits for hospital workers, and provide subsidies to hospitals to help fund these benefits.

We encourage Congress to expand existing tax exemptions for certain benefits provided to hospital workers, including all workers employed by hospitals during the public health emergency, either directly or through a temporary agency. In particular, we recommend:

- Increasing the value of dependent care assistance provided to hospital workers during 2020 and 2021 that would be exempt from income.
- Deeming certain housing provided to hospital workers during 2020 and 2021 in buildings (such as a dormitory or a portion of a hotel) that the hospital either owns, rents or reserves for hospital workers as housing provided for the convenience of the employer and, therefore, tax-free under existing law.
- Increasing tax-free transportation benefits provided to hospital workers during 2020 and 2021 so that they may avoid public transportation and minimize exposure to others. Transportation covered would include vouchers or reimbursements for ridesharing, taxis, car or van rental (where a van would be shared by hospital workers only), or parking to allow workers to take their personal vehicles to work.
- Expanding the education expenses and student loan repayments reimbursed to hospital workers that would be tax free through the end of 2025.

In order to help finance these benefits, Congress should provide a Hospital Workforce Tax Credit that would cover 100% of the expenses hospitals incur as employers to provide their employees with any or all of the child care, housing, transportation and education benefits for which employees are exempt from tax. This credit would apply against payroll tax, be refundable and could be advanced so as to generate immediate cash flow for the hospital employer in order to fund the benefit.

- **Provide Bonus Pay Tax Credits to Hospital Workers.** To attract staff to work in hospitals during the pandemic and to show the country's appreciation for these front-line workers, a refundable tax credit of \$5,000 would be provided to all workers employed by hospitals during the public health emergency as well as those employed by temporary agencies or self-employed as temporary hospital workers. This credit would be available in

addition to the economic impact payment already available as a refundable credit under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

- **Establish a Compensation Fund for COVID-19 Health Care Workers and Their Families.** We encourage Congress to compensate front-line health care workers and their families for any health care and other related costs associated with exposure to COVID-19 during the public health emergency that are not otherwise covered, including death benefits for surviving family members.

Front-line workers in health care settings, as well as immediate family members, should be eligible for financial compensation in the event of COVID-19-related illness, injury or death, similar to the 9/11 Victim Compensation Fund and the National Vaccine Injury Compensation Program. To be eligible, an individual must have directly worked with (or in the space used for) patients getting testing or treatment for COVID-19 (whether presumed or confirmed) or be an immediate family member to such individual. "In the space used for" would include areas outside of treatment rooms, such as hallways and entrances, used by presumptive or confirmed COVID-19 patients.

The Secretary of the Department of Health and Human Services (HHS) would define conditions eligible for payment through the fund via regulation and would be required to address both physical and mental health conditions brought on by the individual's (or his/her family member's) role as front-line worker during COVID-19 crisis, including any reasonably related costs not covered by the employer (e.g., such as the cost of alternative housing while in recovery from COVID-19). Immediate surviving family members would be eligible for death benefits. The claims submission process would run through the U.S. Court of Federal Claims for determination within two years of the end of the public health emergency. Subsequent claims for ongoing treatment related to any initial claim filed within the two-year window could be reimbursed throughout the duration of the eligible individual's life.

The HHS Secretary also would determine a formula for compensation, and the fund would be the secondary payer to public/private coverage, workers' compensation insurance and any other collateral sources. Compensation would be capped at \$50,000 for medical treatment and \$50,000 for other related costs, for a potential total of \$100,000. The fund would be financed through congressional appropriation.