

Bill Summary: H.R. 1319

American Rescue Plan Act, 2021

Key Highlights for Health Providers:

- Provides funding for health providers to assist in the COVID-19 response. This includes funds to expand the health care workforce, expand COVID-19 vaccine and testing availability and access to Personal Protective Equipment (PPE).
- Appropriates additional funds to federal agencies for the provision of grants to address mental health and substance use disorders.
- Although the legislation does not contain funds for the Provider Relief Fund, it appropriates \$8.5 billion for rural health providers.
- Provides an incentive for states to expand Medicaid by temporarily increasing the state's Federal Medical Assistance Percentage (FMAP) for two years.
- Requires Medicaid coverage of COVID-19 vaccines administration and treatment.
- Provides states the option to extend Medicaid and CHIP eligibility to women during pregnancy and throughout a 12-month postpartum period.
- Increases federal subsidies for COBRA coverage and tax credits provided in the Health Insurance Exchanges.

What's Included?

Public Health Funding

Funding for Public Health Workforce: Provides \$7.66 billion to HHS to maintain and expand U.S. public health workforce, including grant support to public health departments to recruit and hire new public health workers, as well as provide PPE and other supplies to workers.

Funding for Medical Reserve Corps: Provides \$100 million for the Medical Reserve Corps.

Funding for Community Health Centers and Community Care: Provides \$7.6 billion to HHS for grants and cooperative agreements to community health centers and qualified Hawaiian health entities for COVID-19 vaccine distribution, testing, contract tracing, equipment, staff infrastructure, and community education and outreach.

Funding for National Health Services Corps and Nurse Corps: Provides \$800 million to HHS for state loan repayment programs for the National Health Service Corps and \$200 million to HHS for loan repayment programs for the Nurse Corps.

Funding for Teaching Health Centers that Operate Graduate Medical Education: Provides \$330 million to HHS for new and existing graduate medical residency training programs, staffing and program expansion.

Additional Financial Relief for Rural Providers: Provides \$8.5 billion to reimburse rural health care providers for health care-related expenses and lost revenues attributable to COVID-19. The legislation defines rural providers as those treating patients in rural areas or in Metropolitan Statistical Areas (MSAs) with less than 500,000 people.

Mental Health and Substance Use Disorders

Grant Funding to Promote Mental Health Among Health Professional Workforce: Provides \$40 million to HHS/HRSA for grant or contracts with health care entities, including provider trade associations and Federally Qualified Health Centers.

Funding for Expansion Grants for Certified Community Behavioral Health Clinics: Provides \$420 million to HHS for grants to certified Community Behavioral Health Clinics.

Funding for Medicaid Mobile Crisis Service Program. Provides \$15 million for planning grant funds for states to develop a mobile crisis service program. States that implement such program will receive an enhanced FMAP.

Medicaid

Mandatory Coverage of COVID-19 Vaccine Administration and Treatment: Requires Medicaid and Children's Health Insurance Program (CHIP) coverage of COVID-19 vaccines and treatment, including prescription drugs and treatment of conditions that complicate COVID-19 treatment, without the imposition of cost-sharing charges.

Modifications to Coverage Under Medicaid for Pregnant and Postpartum Women: Provides states, for five years, the *option* to extend Medicaid and CHIP eligibility to women during pregnancy and throughout the 12-month postpartum period, or up to a year after the last day of her pregnancy.

Temporary Increase in FMAP for Medical Assistance Under State Medicaid Plans: States that newly expand Medicaid will receive a 5% increase in their regular FMAP for two years.

Health Insurance Coverage

Temporary Expansion of Health Insurance Tax Credits: Increases the dollar value of the tax credits for individuals making between 100% and 400% of the federal poverty level. It also expands eligibility for the tax credits to individuals with incomes above 400% of the federal poverty level, with no one paying more than 8.5% of their household income towards the cost of a benchmark plan. These changes take effect on April 1st and apply for tax years 2021 and 2022.

Temporary Coverage of COBRA: Provides for a 100% COBRA subsidy for up to six months for anyone who lost health coverage because of an involuntary termination or involuntary reduction in hours since November 1, 2019. This subsidy is available until September 2021.

Medicare Wage Index

Establishment of minimum Medicare Wage Index. Mandates HHS to establish a minimum wage index for hospitals in all-urban states for purposes of Medicare hospital payments, beginning October 1, 2021.

Social Determinants of Health Policies

Measures addressing SDOH include:

- Funding for family planning.
- Improvements to Special Supplement Nutrition Program for Women, Infants and Children (WIC) benefits and other nutrition-based programs.
- Funding to help children experiencing homelessness.
- Emergency rental assistance, rural housing assistance and housing vouchers.
- Federal Transit Administration grants.

FFCRA Tax Credit Extension

Extension of the Families First Act Coronavirus Response Act's (FFCRA) tax credit provisions.

Extends the existing tax credits until September 30, 2021 for employers choosing to provide FFCRA leave to employees due to COVID-19.

Establishment of Non-Discrimination Rules. Requires the tax credits to be provided only for employers who do *not* discriminate with respect to leave: (1) in favor of highly compensated employees; (2) in favor of full-time employees; or (3) on the basis of employment tenure.

What's Not Included?

- **The Provider Relief Fund** did not receive any additional funding.
- **An extension of relief from Medicare sequester cuts** was not included.
- **Loan forgiveness for Medicare accelerated payments** for hospitals was absent from the legislation.
- **The Federal minimum wage increase** was struck down by the Senate Parliamentarian and left out of the final version of the American Rescue Plan Act.
- **An exemption from losing 340B program eligibility** for those hospitals whose payer mix was impacted by the pandemic.