

5/21/2020

Good Evening REDC Members,

Sending your weekly update a little early this week!

## COVID-19 4<sup>TH</sup> PACKAGE ISSUES

### 4<sup>th</sup> Package Timeline

- We are hearing that Republicans are putting together their own relief package, which incorporates salient provisions with the Democrat-led Heroes Act, which passed the House last week.
- Consideration for the next package is looking to take place toward the end of June and before the July 4 holiday—although things remain influx.

### Health Care Protection Act (H.R. 6810) Final Support Letter (see attached)

- The REDC led a Mental Health Liaison Group letter in support of the bipartisan Health Care Protection Act (H.R. 6810), which would provide six months of COBRA subsidies equal to the employer contribution if the employee were still employed.
- The legislation would also create a 30-day ACA open enrollment period for anyone not enrolled in health insurance.
- The bipartisan legislation is led by Reps. Davis (R-IL), Horn (D-OK), Gonzalez (R-OH), Torres Small (D-NM), Wagner (R-MO), and Schrader (D-OR).

## COVID-19 Coverage Changes, Updates & Guidance

### **I. Main Street Lending Program Slated to Open By End of Month**

- a. The loan program is designed to provide loans to small and medium-sized businesses that were in good financial standing before the pandemic.
- b. Congress appropriated \$454 billion to be sent to the Federal Reserve to serve as the baseline for lending facilities.
- c. Under this program, the Federal Reserve will buy the majority of a bank loan to a midsize business (defined as companies with up to 15,000 employees or up to \$5 billion in annual revenue. The interest rate on the loans is set at 3%.
- d. The U.S. Chamber of Commerce has put together a guide about the program and its terms you can access here: <https://www.uschamber.com/report/guide-the-main-street-lending-program>. Additional information can be found on the Federal

Reserve site

here: <https://www.federalreserve.gov/monetarypolicy/mainstreetlending.htm>

## II. Telehealth State Expansion

- a. Michigan Gov. Whitmer issued a new executive order late last week saying verbal consent is sufficient to provide telehealth services; asynchronous services are acceptable; and that in-person examinations are not need to prescribe most medications (except for methadone).
- b. Blue Cross Blue Shield of Tennessee is making its coverage of virtual visits with in-network providers permanent. The insurer has seen a surge of telehealth use during the pandemic—handling 18x more claims between the middle of March and the middle of April than last year.

## ACA Watch During COVID-19

### I. ACA Enrollment Surges

- a. ACA sign-ups are up from last year, although it's unclear by how much. Data reviewed by the Commonwealth Fund covered just a slice of the states that run their own exchanges, which doesn't reflect new enrollments through Healthcare.gov.
  - i. California's 84,000 sign-ups from March through late April exceed last year's levels by 2.5x.
  - ii. Connecticut has seen a 70% increase in sign-ups.
- b. Premiums per enrollee rose slightly in 2019 by about 4%. However individual market insurers are expected to pay a record total of nearly \$2 billion in rebates to consumers for falling below the ACA medical loss ratio threshold of 80%. This is more than double the amount insurers paid out in rebates last year.
  - i. Across individual, small group, and large group markets, insurers expect to issue about \$2.7 billion in rebates this year based on their 2019 performance, nearly double last year's previous record high of \$1.4 billion.

### II. Washington State Plans Limited Public Option Rollout

- a. Gov. Inslee in a new letter to state health officials said the administration is taking a "preliminary approach" to the public option in its first year, and expects it will

take a multi-year effort to build up the government run alternative to private coverage.

- b. Washington State insurers said they're finding it difficult to build provider networks, since hospitals were wary of accepting lower payment rates under the plan.
- c. Insurers have a deadline this week to propose public option plans, including the names of participating providers and payment rates.

### SERVE Act/TRICARE Telehealth

- SERVE Act: No updates for this week, still working the NDAA process and securing new co-sponsors.
- TRICARE telehealth: New interim final rules were released on TRICARE telehealth coverage (nothing that covers PHP). <https://www.govinfo.gov/content/pkg/FR-2020-05-12/pdf/2020-10042.pdf>. Comments can be submitted by June 11<sup>th</sup>.

Best,

**Katrina Velasquez, Esq., M.A.**

Managing Principal  
**Center Road Solutions, L.L.C.**