

6/12/2020

Good Evening REDC Members,

Before we get to the full policy update for the week, we wanted to share some very exciting news regarding the SERVE Act.

Katrina received word from Senator Shaheen's office that **all of the provisions of the SERVE Act were included within the Senate NDAA report language!** The language is a bit softer than what we hoped for, as negotiations were tough with mandatory spending, and the language *strongly urges* DOD to do everything within the SERVE Act.

This is a victory, as the Senate Armed Services Committee (Chairman Inhofe) did not want to include anything within the Senate NDAA!

- The official language is not yet public, but as soon as it is received, we will analyze and send over.
- This is step 1 of 5 in the process to passage, so we have a lot of opportunity to build and strengthen this language. As a reminder here are the next steps:
  - House Armed Services Committee votes on NDAA (and whether to include SERVE)
  - Senate Floor vote on NDAA
  - House Floor vote on NDAA
  - Conferencing the chambers (negotiating the differences)
- Given the success in the Senate, Katrina had a phone call with the House leads and they'll be pushing for this and stronger language. This Senate victory helps them a lot.

## COVID-19 Relief Resources/Updates

- I. **Main Street Loan Program Receives Makeover**
  - a. The Federal Reserve announced a major expansion of its "Main Street" emergency lending program earlier this week out of widespread concern that it wouldn't do enough to help struggling mid-sized businesses.
  - b. The central bank is lowering the minimum loan amount to \$250,000 (originally \$500,000), making the program more attractive for smaller companies and potentially a draw for smaller lenders.
  - c. Revised term sheets for the loans can be found here. <https://www.federalreserve.gov/monetarypolicy/mainstreetlending.htm>
- II. **Medicare-covered Virtual Visits Skyrocket**

- a. CMS Administrator Verma said Medicare virtual visits had grown from 11,000-12,000 per week to about 1 million per week.
- b. Verma said the agency is currently re-examining the regulations to see what can and should be made permanent and what is under the authority of CMS to do so.

### COVID-19 Relief Package Discussions

- I. Push to Prioritize Underserved Communities
  - a. A [bipartisan letter](#) signed by more than 80 members in the House are calling for \$75 billion to fund testing and tracing of the coronavirus, but want it targeted where the need is greatest.
    - i. For example, the members want a 5-year extension of at \$69.7 billion for community health centers.
  - b. The letter was led by Reps. Cardenas (D-CA), Lisa Blunt Rochester (D-DE), Joe Kennedy (D-MA), John Katko (R-NY) and Brian Fitzpatrick (R-PA).
- II. Bipartisan Policy Center Hosts Virtual Briefing on Telehealth and Rural Areas (*full memo attached*)
  - a. The briefing featured Sen. Tina Smith's (D-MN) Health Advisor Kripa Sreepada who we have worked closely with on telehealth expansion issues during this time.
  - b. Key takeaways from the briefing:
    - i. Telehealth has greatly assisted in preventing our health system from being overwhelmed throughout the COVID-19 pandemic.
    - ii. Telehealth still faces substantial challenges despite the recent relaxing of regulations through the CARES Act. Now legislators must decide which changes to make permanent.
    - iii. The cost of telehealth is uncertain, and the reimbursement system is still a major obstacle for many providers.

### ACA Watch During COVID-19

- I. House ACA Vote Week of June 29
  - a. House Majority Leader Hoyer (D-MD) announced a bill aimed at improving that ACA will take place the week of June 29.

- b. The exact details of the measure are not clear, though sources say the bill will increase the subsidies that help individuals afford premiums among other items.
- c. The measure is not likely to go anywhere in the Senate.

II. IRS Issues Proposed Rule To Boost Health Care Sharing Ministries

- a. A proposed rule released this week would empower employers to use health reimbursement arrangements (HRAs) to subsidize employees' use of health care sharing ministries and direct primary care, while making the expenses eligible for the IRS' medical expense deduction.
- b. The proposed rule is in line with other efforts by the Administration to increase the flexibility and health insurance options for Americans; however, many of the products may not protect consumers.
  - i. A class action lawsuit is currently underway against a health care sharing ministry for defrauding customers.

III. Insurer Group Launches Healthcare.gov Promotion

- a. The Association for Community Affiliated Health Plans is funding a new campaign aimed at steering newly uninsured Americans toward Healthcare.gov.
- b. The six-figure effort is designed to promote the range of coverage options available to those who lose their employer-based insurance amid the pandemic.
- c. ACAP, which represents safety-net health insurers, called the campaign a bid to fill the void left by the Trump administration.

IV. NY Insurers Request 12% Bump for 2021 Plans

- a. The state said the 2021 rates need to reflect an unexpected increase in costs to deal with testing, treatment and vaccines.
- b. Oscar, the insurance company co-founded by Josh Kushner (brother to White House adviser and Trump son-in-law Jared Kushner) is asking for a 19.1% increase.
- c. Fidelis, which was acquired by Centene in 2018 and has the state's largest share of the individual market requested a 19% premium hike.
- d. So far, health plans in DC, OR, VT and WA have all pitched little if any rate increases for 2021.

Best,  
Allison

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