

7/31/2020

Good Afternoon REDC Members,

We hope you all had a great week! Below you'll find the policy updates for the week:

I. SERVE Act

- a. By the end of last week, the [House](#) and [Senate](#) passed their NDAs for FY21. Unfortunately the House statutory provisions did not include the SERVE Act language due to budget offset issues. The total cost after weeks of negotiating was \$1M mandatory and \$80M discretionary for the House amendment. However, the \$1M mandatory was uncertain of whether it would be able to be offset at the time of the amendment vote consideration in the Rules Committee, so the Rules Committee/HASC "made a point of order" to keep it out.
 - i. **Translation:** For you basketball fans, I'd equate this to--→game is tied, shooting a half court three pointer shot at the buzzer and it going in for the game-winning points... but then the ref calling an arguable foul on offense and overturning the points. For you non-sports fans- we were really close and got stopped on a technicality.
- b. However, there were big steps for enacting the SERVE Act included within the reports of both bills:
 - i. **House:** the House report included provisions discussing the importance of residential eating disorders treatment and requiring the Defense Health Agency (DHA) to supply a report to Congress by December 1, 2020.
 1. **To view the report language, you can find it on page 149 and 150 in the report here:** <https://www.congress.gov/116/crpt/hrpt442/CRPT-116hrpt442.pdf>.
 - ii. **Senate:** The Senate report included language based on the SERVE Act urging DHA to make these changes to remove the age limit for military dependents to receive RTC over the age of 20, remove the administrative contract barriers, and train

Cos/Supervisory Personnel on the early warning signs of mental illness.

1. **To view the report language, you can find it on page 232 of the report here: <https://www.congress.gov/116/crpt/srpt236/CRPT-116srpt236.pdf>**

- c. Next process steps: The next steps in the process is for the House & Senate to negotiate the statutory differences between the NDAA (this is called “conference committee”), the House & Senate to do a procedural one more vote, and then the NDAA goes to the President to sign into law. **Do note though that the reports are not conferenced for their differences, so the DOD (through DHA) will do what Congress requests in both the House and Senate reports.**
 - i. Timing wise is the biggest question given election season is in play and the 4th COVID package (discussed below) called the HEALS act has a lot of controversy- which will take up a lot of House and Senate time.
 - ii. We estimate the earliest this will be passed is by September 30th, and the latest will be during lame duck between mid-November to mid-December.

- d. In the meantime, our team and the leads are strategizing for next steps on the legislative and regulatory side, and will be discussing the with REDC Board soon.

II. COVID-19th 4th Package & Telehealth

- a. Senate Republicans released their relief proposal this week called the HEALS Act. We have conducted a summary of the bill and how it compares to the House-passed HEROES Act. Our key takeaways are below, but a full comparison is attached.
- b. Overall for your work, the biggest thing I want to flag is that (1) telehealth under Medicare would be expanded under the Senate bill (which we see some ERISA plans & TRICARE following), (2) there is provider relief that is expected to be broader for which providers can apply- which we expect should include your facilities. Things not included in Senate bill that were in the House, include COBRA subsidies and the all healthcare provider relief for things like telehealth infrastructure.

- c. However, the overall price tag and details will be of big debate, as the Senate bill costs \$1T and House-passed bill \$3T. We do expect that this will pass by mid-August, however, there are some schools of thought of doing a short-term fix and addressing after Labor Day.
- d. **Here are the big takeaways from the HEALS Act:**
- Telehealth: Expanded telehealth for Medicare to up to December 2021- *as a reminder many ERISA plans, TRICARE, and IHS look to Medicare for decision making.*
 - Research: \$200M for NIMH research + research on telehealth as it relates to disparities in things such as race, gender, and disability
 - Suicide Prevention: \$50M
 - Block Grants: \$3.5B for mental health and substance use disorder block grants; **increase of .5B from House**
 - Childcare Provider Relief: \$15B, **increase of \$8B from House bill** *however note that the House has just whipped through passing a lot of childcare relief bills*
 - Project AWARE (Mental Health in Schools): \$100M
 - Healthcare Provider Relief: \$25B, **decrease of \$75B from House bill**
 - **Items Not Included in Senate from House related to mental health:**
 - 988 National Suicide Designation Act- *note however that this was already passed in the Senate two months ago, and is currently a political pawn between both chambers*
 - COBRA Subsidies- House bill had it at 100% subsidy
 - FMAP (Medicaid) Increase- House bill increased 7.8%- *note that the CARES Act did a significant increase of 6.2%*
 - Additional outside provider (including private providers) infrastructure (Smith/Murkowski bills) not included in Senate package, but variation was included in House

I. Other COVID-19 Updates

a. Conservative Groups Urge COBRA Federal Aid

i. A coalition of conservative organization's is encouraging Senate Republicans to subsidize laid-off workers' health insurance on the condition that they forego an extension of the current enhanced unemployment benefits (these benefits expire today and will not be renewed until Congress acts).

ii. The coalition warns that without such a measure, enrollment in the ACA and Medicaid would swell as millions lose their jobs, which expands the government's role in health care stating, "financial support for COBRA is not the ideal policy choice of any of our organizations...however, COBRA funding is a far better option than growing the government insurance rolls of Obamacare and Medicaid."

iii. The full letter can be read [here](#).

b. **300 Groups Urge Medicaid Actions**

i. National and state groups are pushing HHS Secretary Azar to reject pending request to implement work requirements in the safety net program and quickly approve to extend Medicaid coverage a year after someone gives birth.

ii. The groups, including the NAACP, AFL-CIO and the American Pediatric Society stated these two steps will help mitigate racial disparities. The full letter can be read [here](#).

iii. Reversing a 3-year decline, the number of people covered by Medicaid nationwide rose markedly this spring as the impact of the recession caused by the COVID-19 outbreak takes hold. Medicaid enrollment was 72.3 million in April, up from 71.5 million in March and 71 million in February.

1. About half of the people enrolled in Medicaid are children.
2. Kaiser Family Foundation estimates that nearly 13 million people who became uninsured after losing their jobs in March are eligible for Medicaid.

iv. Program sign-ups are widely expected to accelerate through the summer.

II. **Telehealth Developments**

a. **Senate HELP Chairman Releases Telehealth Proposal**

i. Senator Alexander (R-TN) released the [Telehealth Modernization Act](#) this week, which would amend the Social Security Act to remove geographic restrictions on Medicare's payments for telehealth and give HHS Secretary Azar new authorities to expand coverage.

ii. The Senator floor speech yesterday offered his colleague a 3-step plan for bolstering telehealth:

1. Pass the Senate GOP's HEALS Act, which extends pandemic telehealth coverage through the end of 2021
2. Support the CONNECT for Health Act, which would give HHS Secretary Azar authority to waive payment restrictions during national emergencies
3. Pass his Telehealth Modernization Act, which has already earned support from the American Telemedicine Association

b. **HHS Office of the Assistant Secretary for Planning and Evaluation Releases Telehealth Issue Brief**

i. A new issue brief from ASPE suggests Medicare's expanded telehealth, "played a critical role in helping to maintain access to primary health care services—when many beneficiaries and providers were concerned with transmission" of COVID-19.

ii. ASPE recommends taking a closer look at the types of services beneficiaries used, as well as any geographical and ethnic disparities.

iii. The full brief is attached.

c. **World Congress Webinar on Telebehavioral Health During COVID-19 (full memo attached)**

i. Studies show that behavioral health remains an urgent concern throughout the healthcare industry. Nearly 20% of the U.S. population has a diagnosable behavioral health condition, yet just 66% of these psychiatric needs are currently being met.

ii. The health system's main objectives for creating a system-wide telebehavioral health program include lowering the cost of care by reducing the average patient length of stay, reducing the impact of chronic conditions and behavioral health conditions on facilities, and improving patient and provider access to behavioral health professionals.

iii. Federal agencies and states have temporarily expanded access to telehealth services to increase access to care.

1. One strategy that states and territories are leveraging to deliver behavioral health services and reduce health disparities during this pandemic

2. Telebehavioral health is beyond telepsych and licensed clinical social worker therapy sessions. This delivery model can be extended to case managers and social workers for more proactive outreach for caseloads.

III. Resources

- a. Mental Health America Webinar, “Continuing to Provide Quality Mental Healthcare Remotely During COVID-19” on August 5 at 2:15 pm EST ([Register here](#))
- b. The presenter will be Dr. Shiri Sadeh-Sharvit a clinical psychologist and the Associate Director for Training at Palo Alto University for m2Health in California.
 - i. Her clinical and research interests include incorporating technology in mental healthcare, eating disorders (from infancy throughout the life cycle), and clinical training.
 - ii. She co-authored the book, “Parents with Eating Disorders: A Treatment Guide”.

Katrina Velasquez, Esq., M.A.

Managing Principal

Center Road Solutions, L.L.C.