

04/09/2021

Good Evening REDC Members,

Below is your policy update for the week, including some topline highlights from the Biden Administration's FY22 budget outline that was released today.

## I. SERVE Act/Military

### • TRICARE Manual Changes:

- This week, TRICARE changes its manual to include a code that requires TRICARE East/West to note if there were interest payments made and the reason. For those of you whom are TRICARE providers, this interest payment is typically required to be paid by the contractors (TRICARE East = Humana/ TRICARE West = HealthNet) when an overdue payment interest is paid. The government does not pay for this, but instead it is take out of the TRICARE East/West contractors payment.
  - “10 USC 1095c(a)(2) INTEREST PAYMENT (THE CONTRACTOR IS FISCALLY RESPONSIBLE FOR ANY INTEREST) (EFFECTIVE DATE 07/09/2019)”
  - While this was always in law, this is the first time we’ve seen the DoD actually require tracking of it.

### • SERVE Act:

- Senate CBO Score is in, and it’s lower! (*see attached for the full estimate*)
  - The reworked bill has significantly decreased the CBO score from \$30M mandatory to \$2M mandatory; and \$180M discretionary to \$135M discretionary.
  - HASC has indicated to us that anything in the \$1-2M mandatory range will allow us to “play ball”. Still a lot of negotiation to do, but it’s a positive step.

### • Other Items:

- Rep. Porter and Courtney are leading an effort asking for \$25M for DOL mental health parity enforcement. We’ll be partnering with APA to flag a few Congressional offices to urge them to support.

## II. Health Insurance/ACA

### • Employee Benefit Security Administration Releases Guidance on COBRA Premium Assistance

- Many resources related to the subsidies can be found at the links provided below.
  - COBRA Premium Subsidy dedicated page, available at <https://www.dol.gov/COBRA-subsidy>
  - FAQs, available at <https://www.dol.gov/sites/dolgov/files/EBSA/about-ebsa/our-activities/resource-center/faqs/cobra-premium-assistance-under-arp.pdf>

- Model Notices:
    - General Notice and Election Notice, available at <https://www.dol.gov/sites/dolgov/files/ebsa/laws-and-regulations/laws/cobra/premium-subsidy/model-general-and-election-notice.pdf>
    - Notice in Connection with Extended Election Period, available at <https://www.dol.gov/sites/dolgov/files/ebsa/laws-and-regulations/laws/cobra/premium-subsidy/model-extended-election-periods-notice.pdf>
    - Alternative Notice, available at <https://www.dol.gov/sites/dolgov/files/ebsa/laws-and-regulations/laws/cobra/premium-subsidy/model-alternative-election-notice.pdf>
    - Notice of Expiration of Premium Assistance, available at <https://www.dol.gov/sites/dolgov/files/ebsa/laws-and-regulations/laws/cobra/premium-subsidy/notice-of-premium-assistance-expiration-premium.pdf>
    - Summary of the COBRA Premium Assistance Provisions, available at <https://www.dol.gov/sites/dolgov/files/ebsa/laws-and-regulations/laws/cobra/premium-subsidy/summary-of-provisions.pdf>
- **Democratic Health Leaders Urge Biden Administration to Protect Laid-off Workers from Coverage Gaps**
  - Democratic leaders from the House Energy & Commerce, Ways & Means, Education & Labor and Senate HELP Committee sent a letter to HHS Secretary Becerra requesting a special enrollment period (SEP) that will allow unemployed workers to maintain access to affordable coverage after the expiration of the American Rescue Plan's COBRA subsidies on September 30.
  - The full letter can be read [here](#).
- **Public Option Could Curb High ACA Provider Rates**
  - According to a [new Congressional Budget Office report](#), creating a public insurance option could help contain the ACA's market's provider pay rates and lower administrative costs.
  - However, CBO does note that adding a public option could be "disruptive" to the market. "It would probably reduce health care providers' and prescription drug manufacturers' revenues. It would probably also cause some private insurers to exit the market entirely, thereby reducing coverage options."
- **ACA enrollment ticks up during special enrollment period**
  - Over 500,000 Americans have signed up for health insurance through a special ACA enrollment season since mid-February.
  - HHS data suggests a more diverse set of enrollees during this time period than in previous years.
    - About 17% of sign-ups came from Black Americans, compared to 11% in 2020 and 2019.

- The sign-up figures do not include enrollment data on state-run marketplaces.

### III. Telehealth

- **The Federal Communications Commission (FCC) has set rules for distributing funds under the second round of its COVID-focused telehealth fund**
  - According to the federal register posting, the agency also dismissed a petition by the American Hospital Association calling on FCC to expand eligibility to "all types of hospitals and other direct patient care facilities regardless of their size, location, or for-profit or not-for-profit status.
  - FCC concluded that "directing program funding away from nonprofit providers would be contrary to the public interest."

### IV. Biden Administration FY22 Discretionary Budget Outline--Highlights *(see attached)*

- **Historic investments in mental health**
  - \$1.6 billion (double the FY21 enacted level) for the Community Mental Health Services Block Grant and additional funding to support the needs of those who are involved in the criminal justice system, resources to partner mental health providers with law enforcement, and funds to expand suicide prevention activities.
  - **Addressing racial disparities in healthcare**
    - Includes \$153 million for CDC's Social Determinants of Health programs to support States and Territories in improving health equity and data collection for racial and ethnic populations.
  - **Expand broadband access**
    - \$65 million increase over the FY21 enacted level for Reconnect, the Rural e-Connectivity Program which provides a down payment for grants and loans to deploy broadband to underserved areas, prioritizing tribal lands.
  - More to come as a fuller and more detailed budget request is expected to be released in the coming weeks.

Best,  
Allison & the Center Road Solutions Team