

Dear ACH Members:

We hope you are all having a fun, productive August as summer winds down.

As a reminder, we look forward to seeing many of you at our **monthly office hours** today at 12 p.m. ET. There is no need to register in advance. We will open up the floor for questions regarding the many time sensitive policy activities in Washington, so please share [this link](#) widely with your colleagues.

Also, please save the date for our **2024 Annual Member Meeting**, which will take place March 5-7, 2024. Next year's event will be hosted at the brand new Capitol Hill Royal Sonesta. Click [here](#) to make your hotel reservation today at the discounted rate. We will be finalizing and sharing the event registration page next week.

Please keep reading for additional updates on our activities in Washington and relevant policy news.

Membership Engagement

We thank each and every one of you for dedicating so much time and effort to submit your proposals for the Community Health Entrepreneur Challenge, which will award five ACH members \$500,000 each. We hope to notify applicants on the outcome of their submission by the end of next week.

The Latest News from DC:

Summer recess continues for Congress with the House out of session until Monday, September 11, and the Senate returning Tuesday, September 5. As we all look forward to Labor Day plans and late summer getaways, on the hill, the chance of a government shutdown increases with each passing day. This would be the fourth government shutdown in the past decade. Speaker Kevin McCarthy (R-CA) and Senate Majority Leader Chuck Schumer (D-NY) have signaled they are considering a short-term continuing resolution (CR) to continue current government funding levels through December or later, but many sticking points remain, including disagreements on funding for border security. More on the possibility of a shutdown below.

Meanwhile, the first 2024 Republican presidential debates kick off today, August 23, in Milwaukee with eight confirmed candidates: Florida Gov. Ron DeSantis, former New Jersey Gov. Chris Christie, former Vice President Mike Pence, tech entrepreneur Vivek Ramaswamy, former South Carolina Gov. Nikki Haley, South Carolina Sen. Tim Scott, North Dakota Gov. Doug Burgum and former Arkansas Gov. Asa Hutchinson. Former President Trump said he will skip the debate. Heated topics expected include abortion, the country's role in the Russia-Ukraine war, renewable energy and climate change, health care and drug prices, and election/voting integrity. The next debate will take place on September 27.

ICYMI:

- Recently released by the National Academies of Sciences, Engineering, and Medicine: [Toward Equitable Innovation in Health and Medicine: A Framework](#)
- Also from the National Academies, [Representing Lived Experience in the Climate and Economic Justice Screening Tool](#), presenting highlights of a June 2023 workshop that focused on a new geospatial tool developed by the White House Council on Environmental Quality to identify communities experiencing climate and economic burdens.
- Released in July 2023 by the Health Care Learning and Payment Learning and Action Network, the [Multi-Payer Alignment Blueprint](#), a guide for applying engagement strategies to achieve multi-payer alignment.

Updates on ACH Priorities:

CHC Invest:

Community Health Center Reauthorization:

In the Senate, the HELP Committee is still negotiating their reauthorization. HELP Committee Chairman Bernie Sanders (I-VT) is working with Sen. Roger Marshall (R-KS) on a potential bipartisan proposal, while HELP Committee Ranking Member Bill Cassidy, M.D. (R-LA) has introduced a reauthorization bill that mirrors the House proposal – a 2-year reauthorization allocating \$4.2 billion per year, a 5% increase. ACH remains laser focused on our goal of achieving a significant increase through the trust fund reauthorization, above the House level. ACH is continuing strategic conversations throughout August with members of the Senate as the HELP Committee continues deliberating, and ultimately the House and Senate will have to negotiate a final funding level. We expect to see an extension to give negotiators more time, beyond the September 30 deadline.

Appropriations for FY24

As for the appropriations process for discretionary spending, the community health center program has been flat funded in both the House and the Senate, at \$1.86 billion for fiscal year 2024. The path ahead for these bills is murky, and we fully expect to see Congress either enact a continuing resolution to give them more time to negotiate or, if they cannot agree on terms by September 30, we may see a government shutdown.

[More information on our CHC Invest campaign and all we are doing to urge Congress to increase funding for health centers can be found here.](#)

Potential Government Shutdown Update

Government funding runs out in 39 days. As August recess continues, the possibility of an [October 1st shutdown continues to grow.](#)

One scenario we may see could be a short-term continuing resolution (CR) coupled with short term extensions for the various authorizations that expire on September 30, including the CHC Trust Fund and National Health Service Corps reauthorizations. Neither chamber is close to finishing its annual appropriations work, let alone striking a deal on what the final spending bills

should look like, so the extra time will almost certainly be needed.

House Republican leadership believes that their conservative factions will support a short-term CR in order to pass more appropriations bills, giving them leverage against the Senate in conference negotiations. [However, on Monday, the House Freedom Caucus released a list of demands](#) needed to support a short-term, stopgap funding bill needed to prevent a government shutdown on September 30, making the process even more murky.

Given the uncertainty facing the September 30th deadline, we thought it might be helpful to provide the following shutdown resources:

- [HHS Staffing contingency plan](#)
- [General Principles That Govern An Agency's Actions During a Shutdown](#)
- [Agency Operations in the Absence of Appropriations](#)

340B/C:

On July 28, ACH submitted a letter responding to the bipartisan [Senate 340B Working Group's RFI](#), with significant input from our 340B Working Group. The RFI sought feedback on ways to improve the 340B program, and ACH recommended our [340C proposal](#) as a policy option, among other recommendations.

In addition, on July 24, ACH sent a [stakeholder letter](#) to the leadership of the Senate HELP and House Energy and Commerce Committees outlining the challenges health centers face in the 340B program and recommending [340C as a solution](#). The letter includes signatures from 104 national, state, and local organizations representing 25 states as well as DC and Puerto Rico, including 10 primary care associations. Thank you to all ACH members whose organizations signed on.

ACH continues to advocate urgently for policies to address the actions that are chipping away at the 340B program. [More information can be found here](#).

Value-Based Care:

The VBC working group met last week to kick off its FY2024 agenda. The group will meet monthly for the rest of the calendar year to gain momentum on next steps and discuss barriers health centers face in VBC.

Meanwhile, the Making Care Primary (MCP) model [Request for Applications](#) is available, and applications can be submitted starting September 5. ACH will host an informational MCP webinar next week for eligible health centers so members can get more information on the process and next steps.

Additionally, CMS has announced another new voluntary model – the [Guiding an Improved Dementia Experience \(GUIDE\) Model](#) – which aims to support people living with dementia and their unpaid caregivers. FQHCs cannot directly bill for GUIDE services, but can serve as

“Partner Organizations.” CMS has clarified that GUIDE providers and GUIDE beneficiaries can participate in the GUIDE Model along with other CMMI models and MSSP. Please reach out to Kristen Constantine for more information on our VBC work at kconstantine@cha-dc.com.

Updates on ACH-Led Legislation and Related Issues:

Health Equity:

ACH continues to promote Rep. Yvette Clarke (D-NY)'s [Health Center Community Transformation Hub Act](#), HR 1072, on the Hill, including continuing conversations with Rep. John Curtis (R-UT) as a potential lead Republican sponsor.

ACH Joins Data Equity Coalition: The National Minority Quality Forum and Blue Cross Blue Shield Association have convened a Data Equity Coalition, which ACH recently joined. The mission of the Data Equity Coalition is to develop and recommend policy solutions that advocate for race, ethnicity, language representation, sexual orientation, and gender identification standards in support of health outcomes. Members include organizations representing patients, consumers, payers, providers, businesses, and social change constituencies including the American Heart Association, National Rural Health Association, the Black Women’s Health Imperative, National LGBTQ Task Force, and others. An initial issue brief was released by Coalition leaders in March 2023, which can be found here: [“Standardizing Data to Advance the Health Equity Movement: A Multi-Sectoral Strategy.”](#)

FQHC Workforce:

We continue to work toward the bipartisan introduction of the Developing the Community Health Workforce Act, to be sponsored by Rep. Raul Ruiz (D-CA). We are currently approaching potential Republican lead sponsors and hope to have the legislation introduced soon. We are also working to ensure that workforce needs are incorporated into discussions on the Community Health Center Trust Fund reauthorization.

As a reminder, ACH recommends \$950 million in FY24 for the National Health Service Corps (NHSC). We also support the Restoring America’s Health Care Workforce and Readiness Act, S. 862, a three-year reauthorization introduced by Senators Dick Durbin (D-IL) and Marco Rubio (R-FL) for the NHSC that would double the mandatory funding from \$310 million to \$625 million in FY24 and increase to \$825 million in FY26. For the Teaching Health Centers Program, ACH recommends an investment of \$5 billion over ten years.

Emergency Preparedness:

ACH continues to work with Rep. Nanette Barragan (D-CA) on the Emergency Preparedness for Underserved Populations Act, legislation to create a fund that will help health centers prepare for the next pandemic, natural disaster, or other emergency, and are working to identify a Republican lead sponsor. The working group will hold its first meeting September 18th and meet quarterly. As a reminder, ACH provided [feedback](#) to the [Health Care Preparedness and Response Capabilities](#) guidance.

HRSA

Uniform Data System (UDS): Health Center Program awardees and look-alikes are required to report on a core set of measures in a standardized reporting system - the UDS. HRSA uses this data to assess the impact and performance of the Health Center Program and promote data-driven quality improvement. Last week, HRSA released its 2022 UDS data updates, trends, and highlights. [This data and related resources and insights can be found here.](#)

HIV: This week, HRSA awarded about \$18M to 46 health centers to expand HIV prevention, testing, and linkage to care with a primary focus on prescribing pre-exposure prophylaxis (PrEP). Health centers can also promote self-testing via a “[Let’s Stop HIV Together Social Media Toolkit](#)”. Free mail-in self-testing kits are available [here](#).

Migrant Health: In July, the [National Advisory Council on Migrant Health released its latest recommendations to HRSA](#). The Council reviews the health care concerns of migrant and seasonal agricultural workers and the work of migrant health centers and other entities, with the goal of improving health services and conditions for migrant and seasonal agricultural workers and their families. This document provides an overview of the Council’s May 2023 meeting and three key recommendations.

Unwinding

Geiger Gibson Unwinding Webinar: As you know, during the pandemic the federal government required states to continuously enroll Medicaid beneficiaries for the duration of the public health emergency, to prevent large gaps in federal health care coverage. The end date of continuous enrollment was March 31, 2023, after which states could resume the annual eligibility review process; all states have now done so. This “unwinding” of Medicaid enrollees represents the largest transition in coverage since the ACA marketplace opened and presents serious challenges to state Medicaid agencies.

The [Geiger Gibson Program in Community Health at George Washington University](#) hosted a virtual panel discussion on July 31 with updates on how the unwinding is going and its impact on community health centers. A summary of the panel discussion and slides are attached, and [the webinar recording can be accessed here](#). (Passcode: bK^!pi4Z)

State Compliance: To date, close to 5 million people have lost Medicaid coverage due to the unwinding. Since the unwinding began, CMS has been quiet about its behind-the-scenes communications with states regarding their compliance. However, last week [CMS posted online the letters](#) it sent to state Medicaid officials earlier this month warning that they may be running afoul of federal law and regulations.

The letters, which were sent to all 50 states and Washington, D.C., identified three key areas of concern: high rates of people losing Medicaid because of paperwork problems, long call center wait times and slow application processing.

Florida Lawsuit Over Medicaid Terminations: [Florida Agencies Are Accused In A Lawsuit Of Sending Confusing Medicaid Termination Notices](#) Three Florida residents filed a federal lawsuit on August 22, alleging that state agencies aren’t adequately notifying low-income and disabled

people that their public health insurance is ending. The class-action lawsuit was filed in Jacksonville federal court by the Florida Health Justice Project and the National Health Law Program on behalf of the three Floridians, according to court records. The defendants are the Florida Agency for Health Care Administration and the Florida Department of Children and Families.

HHS Works to Pause Medicaid Terminations in Texas: The Biden administration is [working to pause terminations of Medicaid coverage in Texas](#) after lawmakers demanded action over allegations that the state isn't complying with federal requirements, a senior CMS official told Bloomberg Law. The official, who spoke on condition of anonymity, said on August 22 that people who were recently terminated due to administrative error will have their coverage restored by the end of the month.

CMS

Medicaid Managed Care Plans' Denials, Congressional Inquiry: On August 17, House Energy and Commerce Committee Ranking Member Frank Pallone Jr., (D-NJ) [announced an inquiry into high rates of denial of care by Medicaid managed care plans](#). In July, the Health and Human Services Office of the Inspector General (OIG) released an alarming [report](#) that raised concerns that some people enrolled in Medicaid managed care may not be receiving all medically necessary health care services due to high rates of prior authorization denials by the insurance plans.

Medicare Prescription Payment Plan Program: On August 21, CMS announced a new voluntary program where seniors can spread their Medicare out-of-pocket costs over 12 monthly installments starting January 1, 2025. The agency released the first of two draft guidance documents, and the second document is expected in early 2024. This program is part of the larger Part D redesign through the Inflation Reduction Act. The \$2,000 out-of-pocket drug cost cap also begins in 2025. The comment period on the [draft guidance](#) is open until [September 20, 2023](#). Check out the [press release](#), [fact sheet](#), and [implementation timeline](#).

Mental Health and SUD Action Plan: In July, the Centers for Medicare & Medicaid Services (CMS) released the [Mental Health and Substance Use Disorder Action Plan](#) and [Guide](#), which outlines the agency's strategies for improving treatment and support for enrollees with these conditions. Areas of focus include improving coverage and integration to increase access to prevention and treatment services, encouraging engagement in care through increased availability of home and community-based services and coverage of non-traditional services and settings, and improving quality of care for MH conditions and SUDs.

Mental Health: Currently, Medicare covers only the least intensive types of mental health treatments on the continuum, namely, early intervention and outpatient services, along with the most intensive treatment types, or residential inpatient services and medically managed inpatient care. The Biden administration's [recent proposal](#) to add the missing intensive

outpatient services, including an individualized treatment plan, counseling, medication management, and family therapy, could help address Medicare beneficiaries' untreated mental health and substance abuse issues. If finalized, the proposal would help address a shortage of Medicare-eligible mental health providers.

One Year Anniversary of Inflation Reduction Act (IRA): [On August 16, CMS released an IRA First Anniversary Fact Sheet](#). The fact sheet provides a summary of the milestones that CMS has met for implementing the provisions of the IRA, which was signed into law on August 16, 2022.

HHS

Mental Health Parity: Amid a worsening mental health crisis, the Biden administration is [proposing regulatory changes](#) aimed at improving access to care. In 2020, the Mental Health Parity and Addiction Equity Act was updated to require that payers conduct analyses that would ensure that mental health and substance abuse treatment benefits are not more restrictive than those for medical care. This proposal aims to clarify this requirement and make it clear to insurers that they must weigh the outcomes of their policies to measure access barriers. The rules are issued jointly by the Departments of Health and Human Services, Labor, and Treasury.

CDC

The Centers for Disease Control and Prevention's new program to get the next generation of [COVID-19 vaccines to uninsured and underinsured Americans](#) will likely not be ready in pharmacies by the time the new vaccines hit the market as early as this September, leaving millions of high-risk Americans in the lurch. This new public-private partnership between the CDC and pharmacies is now targeted to be up and running by mid-October. CHCs can obtain COVID-19 vaccines for children from the CDC [Vaccines for Children Program](#). Once it is available, you may request COVID-19 vaccines for uninsured adults through the CDC [Bridge Access Program for COVID-19 Vaccines](#).

FDA

Abrysvo: On August 21, the FDA [approved Pfizer's respiratory syncytial virus \(RSV\) vaccine](#) for individuals between 32 and 36 weeks pregnant. Immunity would be passed to the baby and protect the infant until they are six months old.

In the States

Puerto Rico: On August 17, the Federal Emergency Management Agency (FEMA) [awarded nearly \\$12.4 million to the Instituto Psicopedagógico de Puerto Rico \(IPPR\)](#) for permanent work to its structure due to damage from Hurricane María. The organization helps the needs of the elderly population with intellectual disabilities.

Massachusetts: [Massachusetts Health Connector, the state's Exchange, plans to raise income eligibility limits from 300% of the FPL to 500% in a two-year pilot that starts January 1, 2024.](#) It is expected to reach an additional 50,000 people

Upcoming Events of Interest:

- **September 12-13:** [DEA Hosts Public Listening Sessions on Telemedicine Regulations,](#) *Livestream available.*
- **September 14:** [Today with Macrae, Health Center Program Updates.](#) 2:00 p.m. ET. *Virtual.*
- **September 28:** [Culture-Centered Dietary Interventions to Address Chronic Diseases,](#) 12:00 p.m. ET to 5:00 p.m. ET. *Virtual.*