

Dear ACH Members:

Thank you to those of you who joined us for our ACH Member Policy & Advocacy Update Webinar last week. If you were unable to attend, please click [here](#) to view the recording. Please note, this video recording is internal and should not be shared with anyone outside of our membership. You will also find the PPT slides attached to this email.

In addition, we are excited to share the [registration page](#) 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. Please take advantage of our early bird registration fees and register today. You can also book your hotel room at a discounted rate [here](#).

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

The Latest News from DC:

It's been quite a week in Washington. The House and Senate are in session, the government is open, and as you have no doubt seen, Representative Kevin McCarthy (R-CA) was removed as Speaker of the House by a 216-210 vote yesterday, with eight Republicans and all present Democrats voting in favor of Rep. Matt Gaetz (R-FL)'s motion to vacate. This is only the second vote on a motion to vacate the chair in U.S. history, and the first to successfully remove the Speaker. Rep. McCarthy has said he will not run for Speaker again.

After a Speaker of the House is elected, one of his responsibilities is to provide a list to the House clerk of Members who can step in as Speaker pro tempore in the event that the Speaker's office is vacant. After now-former Speaker Kevin McCarthy was removed from office by the House of Representatives and the Office of the Speaker was declared vacant, Rep. Patrick McHenry (R-NC) assumed the role of Speaker pro tempore. According to House rules, Rep. McHenry will serve in this role until a new Speaker or Speaker pro tempore is elected by the House. Majority Leader Steve Scalise (R-LA) and Rep. Jim Jordan (R-MO) have confirmed they will run for Speaker and others may also declare their candidacies in the coming days, with an expected vote on October 11.

The government runs out of funding on November 17 after Congress passed a last-minute continuing resolution last weekend (more on that below), but it seems unlikely that the House would be able to make any progress on funding negotiations unless and until Republicans can name a new Speaker.

In other news, this will be a short week in the Senate, with the late California Senator Dianne Feinstein's funeral scheduled for Thursday. Her replacement, [Laphonza Butler](#), was sworn into office on Tuesday and will serve out the remainder of Senator Feinstein's term, through January 2025.

As for next legislative steps, Appropriations work will continue, with the House passing bills as they are able and signaling a desire to reconcile their differences with the Senate, although that will present a challenge given how far apart the two chambers are on funding issues.

Committees are also hard at work reconfiguring work with Congress remaining in session. It may take a few days to sort out the expected course of work, but both on the committee level and on the floor, several priorities are ripe for work in preparation for the end of the year.

ICYMI:

Food is Medicine Advisory & Initiative: Last week, the American Heart Association published a Presidential Advisory on Food Is Medicine (FIM). The Advisory, [published in the Association's flagship science journal, Circulation](#), reviews the landscape of FIM practice and research, suggests potential approaches to close gaps in the field, and includes a call to action. The Advisory serves as a roadmap for AHA's [Food Is Medicine Initiative](#) to build a robust evidence base for FIM and make the case for FIM interventions to be a regular and reimbursable component of health care. It follows the Initiative's [first Request for Proposals \(RFP\)](#) issued on September 19 to focus on feasibility and implementation science, specifically achieving high rates of enrollment and engagement, and testing ways to achieve significant short-term changes in healthy eating behavior. RFP applications are invited through November 6 and a [webinar](#) will be held **TODAY**, on October 4 at 4pm ET, to answer questions.

Other items you may have missed:

- It's [National Hispanic Heritage Month](#)! See here for the [White House proclamation](#) and here for information from [CMS's Office of Minority Health](#).
- [Podcast](#): Yuvo Health: Leveraging Value-based Care in Ohio's FQHCs
- [NPR](#): Federal shutdown could disrupt patient care at the safety-net clinics across the US
- [Journal of Primary Care & Community Health](#): Improving Domestic Violence Screening and Follow-up in a CHC

Updates on ACH Priorities:

CHC Invest:

Government Shutdown Averted & Next Steps for Appropriations

[Over the weekend, Congress passed a continuing resolution \(CR\) to extend federal funding for 48 days, through November 17, and the President has signed the bill into law.](#) The CR continued funding levels, without cuts, to many programs, including the community health center trust fund and the National Health Service Corps.

True surprise is a very rare thing in Congress. It is fair to say that Members of Congress, their staffs, the Biden Administration, and all the pundits were virtually unanimous in their belief that a shutdown was imminent. That Speaker McCarthy pulled us back from the brink was heartening considering the damage a shutdown can do.

Ongoing instability and uncertainty with regard to federal government funding is an unnecessary threat to the patients who rely on health centers for their care, and ACH will continue to convey this to Congress over the next seven weeks. Health centers already operate within thin margins, and the overlapping impact of federal funding uncertainty, the Medicaid redetermination process that has left scores of individuals uninsured, a continuing workforce crisis, and increasing need in communities is pushing health centers to the brink.

It is critical that Congress find consensus and complete the appropriations process for FY2024 so as to avoid another shutdown threat and that leaders in both chambers and on both sides of the aisle come together to pass a bipartisan health center fund reauthorization that substantially increases funding both immediately and in the long term.

Community Health Center Reauthorization

On September 8, leaders of several key House committees introduced the bipartisan [Lower Costs, More Transparency Act](#), which funds the CHC Trust Fund at **\$4.4 billion per year through calendar year 2025**. A 10% increase over current levels, this follows strategic and consistent advocacy by ACH to key House members and staff on the critical need for increased funding for health centers. It is a major step in the right direction and will set up health centers for a meaningful increase as the House and Senate head toward final negotiations later this year. ACH's statement in support of this bill can be [found here](#).

On September 21, the Senate HELP Committee passed the [Bipartisan Primary Care and Health Workforce Act](#), sponsored by Committee Chairman Bernie Sanders (I-VT) and Committee member Senator Roger Marshall (R-KS), by a vote of 14-7. The proposal funds health centers at \$5.8 billion per year for three years. We are thrilled to see that this funding level very closely mirrors ACH's [CHC Invest](#) ask and believe that this deal could not come at a better time, as health centers face historic budgetary challenges. [See here for ACH's letter of support](#).

ACH is working with members on both sides of the aisle and in both chambers of Congress on next steps for the Community Health Center Fund Reauthorization, and will keep you posted as the process continues. We expect a final reauthorization to be included in a year-end package, although it could also be included in whatever appropriations measure is developed for the November 17 deadline.

Action Alert

It is critical that you (and your networks, if possible) contact your Senators and Representatives and urge them to support their respective versions of the Community Health Center Fund

Reauthorization including the highest possible investment. [Draft emails can be found attached.](#)

340B/C:

Senate Investigation into Hospitals & 340B: Last week, HELP Committee Ranking Member Bill Cassidy, M.D. (R-LA) [opened an investigation into how two hospital systems spend revenue generated by the 340B program](#). Senator Cassidy asked the two hospitals, Richmond County Hospital in Virginia and the Cleveland Clinic in Ohio, to provide information as to how they use 340B savings and if the money is used to decrease costs and improve care for patients. Cassidy's investigation is in line with his support of the 340B program's intent for covered entities to pass on the revenue generated from the 340B program to improve health care services.

Safety-Net Providers 340B Report: Safety-net providers bought a record \$53.7 billion worth of medicines under the federal drug discount program last year — a 22% jump over 2021 that came while drug price growth lagged overall inflation, according to a newly published report in the trade publication *Drug Channels*. The report draws into question claims from some program advocates that drugmakers' business practices are eroding the health care safety net. The study found that purchases from hospitals and other entities in the 340B program rose \$9.8 billion in 2022, to \$53.7 billion, according to government vendor data obtained under the Freedom of Information Act. The difference between list prices and discounted 340B purchases also grew \$2.6 billion, to \$52.3 billion.

In July, 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.

Also in July, 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.

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 ACH Value-Based Care (VBC) Working Group met earlier this month, and the ACH Value-Based Care Learning Collaborative is underway. We are relaying members' feedback on current

CMMI models to CMS. Our VBC Working Group Chair Brenda Rodriguez, of Lowell Community Health Center, is also leading work to create a final VBC survey to send to ACH members. Additionally, ACH met with the Duke Margolis Center for Health Policy, Accountable for Health, Center for Health Care Strategy, and the National Academy for State Health Policy recently to discuss VBC in Medicaid. The Duke Margolis group is planning near-future convenings for the group.

Reminder: Making Care Primary (MCP) [Request for Applications](#) is available, and applications will be open until November 30. If you have questions or need additional information, please contact Kristen Constantine 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. In the coming weeks, we will be reaching out to Republican members on the House Energy and Commerce Committee to encourage bipartisan co-sponsorships and build support behind the bill.

Data Equity Coalition: ACH recently joined the National Minority Quality Forum, Blue Cross Blue Shield Association, and 16 other partner organizations to form the [Data Equity Coalition](#). The partnership aims to improve health outcomes through better, more accurate, and more representative data on race, ethnicity and language, and sexual orientation and gender identification. Read the press release [here](#).

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 and are very encouraged to see our language mirrored in the Senate's Primary Care and Health Workforce proposal ([Section 212 - Allied Health Professionals](#)).

As you know, ACH recommends \$950 million in FY24 for the National Health Service Corps (NHSC), which was also included in the Primary Care and Health Workforce proposal ([Section 103 National Health Service Corps](#)). 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 10 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 is working to identify a Republican lead sponsor. The working group held its first meeting on September 29, and the group will meet quarterly. The chair, Tom Van Pelt, is working on a short survey to update ACH emergency preparedness and pandemic priorities. As a reminder, ACH provided [feedback](#) to the [Health Care Preparedness and Response Capabilities](#) guidance.

ACH-Endorsed Legislation:

ACH recently endorsed a handful of legislative bills that have direct impacts on health centers. We will track these bills as they progress on the Hill and continue to offer support to ensure their successful passage.

- **Creating Opportunities Now for Necessary and Effective Care Technologies (CONNECT) for Health Act, S 2016** (Introduced by Senators Brian Schatz (D-HI) and Roger Wicker (R-MS), along with a group of 58 additional bipartisan cosponsors)
 - Expands the use of telehealth and remote patient monitoring services in Medicare. Importantly, this version of the CONNECT Act fixes telehealth for rural health clinics and community health centers by changing the definition of an encounter and correcting payment issues.
- **Primary Care Team Education Centers Act (PCTEC Act)** (To be introduced by Senator Tim Kaine (D-VA))
 - Establishes and expands PCTECs to support community-based ambulatory patient care centers, develop innovative employment and compensation models to expand preceptors in primary care, and improve access by ensuring more health professional students have clinical education in multi-disciplinary primary care settings.
- **Rural Health Workforce Pathway Act** (To be introduced by Senator Tim Kaine (D-VA))
 - Directs HRSA to award 5-year grants to establish, improve, or expand career exploration programs for elementary and secondary school students aligned with health care professions in underserved rural communities to expose students to health care workforce opportunities, provide career guidance and age-

appropriate mentoring, assist with enrollment to training programs, career pathway programs, apprenticeships, etc.

- **Health Care Practitioner Disaster Protection Act, HR 5829** (Reps. Andy Barr (R-KY) & Ann Kuster (D-NH))
 - Amends the Public Health Service Act to provide clarity with respect to coverage of claims against health care practitioners providing professional volunteer services at community health centers during declared emergencies.

PBMs

Last week, Senate Finance Chair Ron Wyden (D-OR) and Ranking Member Mike Crapo (R-ID) [introduced legislation](#) to reform the pharmacy benefit manager (PBM) industry. Their bill would prohibit PBM compensation in Medicare from being tied to the sticker price of a drug and increase independent audit and enforcement measures.

NIH

Health Disparities Populations: Last week, the National Institute on Minority Health and Health Disparities (NIMHD) designated people with disabilities as a population with health disparities for NIH-supported research for the first time. The latest NIMHD [report](#) and last December's [NIH advisory committee report](#) supported the institute's decision. NIH also announced new funding opportunities for ways to address health care access and outcomes based on the intersecting impact of disability, race, ethnicity, and socioeconomic status.

NIH Award for HCN to Advance Health Equity: Through the NIH Common Fund Community Partnerships to Advance Science for Society (ComPASS), NIH has awarded Health Choice Network (HCN), the first funded nation-wide collaboration of health centers, with multi-year funding for the first-of-its-kind community-led research program to study ways to address the underlying structural factors within communities that affect health.

The effort titled, "Addressing Food Insecurity in Underserved Communities" or FoodCom, is a collaboration with coalition partners including the University of Miami's Clinical and Translational Science Institute (CTSI), and Community Based Organizations including Feeding South Florida. Two Florida health centers, Jessie Trice Community Health System (JTCHS) and Broward Community and Family Health Centers (BCOM), will be the champion FQHCs in initiating system wide implementation of FoodCom. They will then provide guidance to other FQHCs who join FoodCom, serving as a model for others to begin to address food insecurity on a system-wide level. [Learn more about this project here.](#)

CDC

U.S. Senator Bill Cassidy, M.D. (R-LA), ranking member of the Senate Health, Education, Labor, and Pensions (HELP) Committee, is [seeking information from stakeholders on ways to reform the CDC and its practices](#). Specifically, Cassidy requests input on how the CDC can better coordinate with stakeholders, more effectively modernize public health data, and improve core public health activities, such as epidemiology, training programs, and its global health portfolio. “I applaud the agency on the steps it has taken to try to modernize itself, but there is more work to be done. Rather than fixate on the past, I hope to identify opportunities to better position the agency for its future as a more open, collaborative, and responsive institution while rebuilding its relationship with and accountability to Congress,” Cassidy wrote in the letter requesting input. Comments are due on October 20.

CMS

Medicaid Unwinding: According to the [KFF Tracker](#), at least 7.8 million people nationwide have lost coverage as of October 2 due to the Medicaid redetermination process. [Twenty-nine states and the District of Columbia reported nearly half a million children and other individuals were improperly dropped from Medicaid](#) due to computer systems using household rather than individual family member data to determine eligibility. CMS has required these states to reinstate coverage to those improperly dropped and pause future enrollment drops until states can ensure the issue has been fixed.

Medicaid MCO Investigation: House Energy and Commerce Committee Ranking Member Frank Pallone, Jr. (D-NJ) and Senate Finance Committee Chair Ron Wyden (D-OR) today sent a series of letters to the largest Medicaid Managed Care Organizations (MCOs) across the country as part of a new investigation seeking answers following reports of high rates of prior authorization denials for patients. An alarming [report by the Department of Health and Human Services \(HHS\) Inspector General](#) found that numerous Medicaid MCOs had staggeringly high rates of denial of health services for patients. Pallone and Wyden sent letters to Aetna, AmeriHealth Caritas, CareSource, Centene, Elevance, Molina Healthcare, and United Healthcare requesting details on their prior authorization practices by October 31. One such letter, to Elevance Health, can be [found here](#).

Medicare Drug Price Negotiation: Pharmaceutical companies Merck, AstraZeneca, Bristol Myers Squibb, and Boehringer Ingelheim all said that they will [agree to participate in the first round of Medicare drug price negotiations](#), despite filing lawsuits against the program last month. Pharmaceutical companies with a drug selected for the program had until October 2 to submit data on the product to CMS. If manufacturers decline, they could face an excise tax of up to 95% of their medications’ U.S. sales or be ordered to pull their products from Medicare and Medicaid.

Mental Health Parity: On September 29, CMS released a [request for information](#) regarding processes for assessing compliance with mental health parity and addiction equity requirements in Medicaid managed care arrangements, Medicaid alternative benefit plans, and CHIP. Comments are due December 4, 2023 to MedicaidandCHIP-Parity@cms.hhs.gov.

Health Equity Data Access Program: The CMS Office of Minority Health recently announced the grantees for their [Health Equity Data Research Program](#). George Washington University is among the three grantees selected, and their project is centralized around the question, “How Does Integrating Community Health Centers into Accountable Care Organizations (ACOs) Address Disparities in Access to Specialty Care Among Medicare Beneficiaries?” More information can be [found here](#).

The CMS Innovation Center: CMMI cost the federal government \$5.4 billion between 2011 and 2020, according to the nonpartisan Congressional Budget Office (CBO) in a new [report](#). Since its founding in 2011, CMMI has spent \$7.9 billion to operate those models and reduced spending by \$2.6 billion, according to CBO estimates. When the Affordable Care Act passed, the CBO estimated it would save the government nearly \$3 billion.

HHS

Over the Counter Preventive Services - Request for Comments: On September 29, the Departments of Health and Human Services, Labor, and Treasury [requested information](#) on coverage of over-the-counter (OTC) preventive services, including contraception, tobacco cessation, and breastfeeding supplies. The agencies hope the responses will expand their understanding of the potential health equity effects of requiring coverage for OTC preventive products, without cost sharing and without a prescription by a health care provider, in addressing systemic racism and historic inequity for women and LGBTQIA communities. Comments are due in 60 days, and ACH plans to submit a formal comment. If you would like to include any information in our letter, please reach out to Kristen at kconstantine@cha-dc.com.

Maternal Health: As part of the HHS Maternal Health Day of Action on September 27, [HHS Secretary Xavier Becerra announced several new actions](#) to address the nation’s longstanding maternal health crisis. Secretary Becerra hosted a roundtable with the HRSA Administrator Carole Johnson as well as providers, advocacy organizations, and state and local leaders in Baltimore, Maryland. Secretary Becerra announced that HHS is awarding more than \$103 million to support and expand access to maternal health, forming a new task force to address maternal mental health conditions and co-occurring substance use disorders, and launching a national public education campaign, Talking Postpartum Depression, to provide information about and combat stigmatization associated with this significant public health issue. [HRSA](#) is a key player in reaching the White House Blueprint for Addressing the Maternal Health Crisis goals.

In the Courts

Pharmacy Fees: Community pharmacies in a new lawsuit [claim CVS Health and its Caremark pharmacy benefit manager violated antitrust laws and illegally collected fees from pharmacies that fill Medicare prescriptions](#). If the Iowa pharmacy leading the lawsuit prevails, CVS will have

to return hundreds of millions — if not billions — of dollars its PBM recouped from independent pharmacies over the past four years.

Upcoming Events of Interest:

- **October 17:** HRSA, [Today with Macrae: Health Center Program Updates](#). 2:00-3:00 p.m. ET, Virtual.
- **October 18:** Alliance for Health Policy, “[Domestic Violence and Health: Understanding Root Causes and Policy Options](#).” 1:00-2:30 p.m. ET, Virtual.
- **October 25:** [ACH Member-Only Office Hours](#), 12 p.m. ET, Virtual.
- **October 25:** CMS, [Medicaid and CHIP Renewals: What to Know and How to Prepare, A Partner Education Monthly Series](#), 12 p.m. ET, Virtual.
- **November 29:** [ACH Emerging Issues Webinar on Medicaid Redetermination](#), 12 p.m. ET, Virtual.

Please let us know if there’s any additional information we can provide and have a great rest of your week!

Best,

Stephanie

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My work day may look different than your work day. Please do not feel obligated to respond out of your normal working hours.

