

Dear ACH Members:

Happy Wednesday! With so much happening right now in Washington, we look forward to seeing many of you at our **monthly office hours** one week from today on Wednesday, October 25 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.

As a reminder, ACH is **circulating a stakeholder letter to Congressional leadership** urging them to enact a CHC Reauthorization that includes the funding level in the Senate's *Bipartisan Primary Care and Health Workforce Act* - \$5.8 billion per year for three years. The letter is open to all national, state, and local organizations including PCAs and health centers. **Signatures are due by COB on Friday, October 20. To sign on, please [click here](#).**

In addition, we hope to see you at 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](#). All the details, including a draft agenda can be found [here](#).

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

The Latest News from DC:

Not only are we in the midst of two major wars involving American allies and implicating vital American interests, but the government is going to run out of funding in a few weeks – and without an elected Speaker, the House of Representatives is essentially closed.

First, the Speaker Race. It does NOT look like Rep. Jim Jordan (R-OH) - the current frontrunner - has the votes to become Speaker. He lost a vote on the House floor yesterday, opposition to his candidacy is growing, and he seems unlikely to win today's vote.

So, who CAN become Speaker? While it seems increasingly unlikely that any Republican can reach the 217 vote threshold, other possible consensus candidates include House Majority Whip Tom Emmer (R-MN), Representatives Mike Johnson (R-LA), Frank Lucas (R-OK) or Tom Cole (R-OK).

There is also the possibility that current Speaker Pro Tem Patrick McHenry (R-NC), who was appointed to this position, could be formally elected to the post. His authority is currently limited to overseeing the election of a new speaker, but he could be elected to Speaker Pro Tem for a limited period of time to help the House move past the current stalemate, as long as he has Democratic support. As far as House operations are concerned, there's essentially no difference between a Speaker and a Speaker Pro Tem. We are hearing Rep. David Joyce (R-OH) may file

a motion to formally elect McHenry today, and that vote will need Democratic votes to pass. We will continue to keep you posted as negotiations continue.

The Senate returns this week following their district work period to address pressing current events. The Foreign Relations Committee is expected to vote on the nomination of Jack Lew, nominee for US ambassador to Israel. Senators on both sides of the aisle view this as critical, and quick movement through the Senate as a top priority.

Both the Senate and the administration are engaged in renewed conversations about a funding package to provide aid to Israel and Ukraine, as well as border security. Support for funding for Israel is nearly unanimous, while Ukraine funding has deeply divided the GOP. Some Republicans have floated the idea of packaging Ukraine funding with support for Israel and possibly Taiwan and the border with Mexico, an idea that Democrats would probably go along with.

A full slate of Committee hearings will resume in the Senate this week, including one in the Finance Committee titled "[Medicare Advantage Annual Enrollment: Cracking Down on Deceptive Practices and Improving Senior Experiences](#)" and another in the Budget committee titled "[Improving Care, Lowering Costs: Achieving Health Care Efficiency](#)."

ICYMI:

****Health Center Funding:** A recent *Health Affairs* article, "[As They Await Congressional Action, Community Health Centers Are Facing a Perfect Storm](#)," illustrates the urgent need for long-term funding through the lens of Neighborhood Health, a health center in Northern Virginia.

Long Covid: [Stat News](#) reports on a recent [study](#) showing that serotonin levels are depleted in long Covid patients, pointing to a potential cause for 'brain fog'. This could help explain the wide range of symptoms and eventually lead to treatments.

Clinical Algorithms: [Health Affairs](#) released a review of 109 health care applications, frameworks, reviews and perspectives, and assessment tools that identify and mitigate bias in clinical algorithms, especially on racial and ethnic bias. The study points out the following policy implications: (1) ensure professional diversity, (2) require auditable clinical algorithms, (3) foster transparent organizational culture, (4) implement health equity by design, (5) accelerate research, (6) establish governance structures, and (7) most importantly, amplify patients' voices.

Housing as Healthcare: [NPR reports on a pilot project in Oregon](#), in which the state uses Medicaid funding to provide housing and rent for those who are homeless or in danger of becoming so.

Updates on ACH Priorities:

CHC Invest:

Community Health Center Reauthorization

Following bipartisan Senate HELP Committee passage of the [Bipartisan Primary Care and Health Workforce Act](#), which funds health centers at **\$5.8 billion per year for three years**, ACH is focused on growing support for this funding level in Congress, particularly among Senate Republicans. We expect the Reauthorization to be included in whatever package is negotiated by the Democratic and Republican leaders of the House and Senate before the end of the year. [See here for ACH's letter of support.](#)

As you know, the House's [Lower Costs, More Transparency Act](#) funds the CHC Trust Fund at **\$4.4 billion per year through calendar year 2025**, a 10% increase over current levels. This 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](#).

Current funding for the CHC Trust Fund runs out on November 17

Speaker of the House Election & Looming Shutdown Deadline (Nov. 17)

Over the weekend, Reps. Josh Gottheimer (D-CO), Ed Case (D-HI), Susie Lee (D-NV), and Jared Golden (D-ME), leaders of the bipartisan House Problem Solvers Caucus, [laid out a proposal on voting for the Speaker that would allow the House to focus on immediate action on funding issues](#). In their letter to the Speaker pro tempore, Rep. Patrick McHenry (R-NC), the group proposes expanding this temporary authority (at 15 day increments), directing the Speaker pro tempore to bring before the house proposed legislation covering specific areas: emergency supplemental funding for Ukraine and Israel, an extension of the current Continuing Resolution through January 2024 to prevent a potential government shutdown, and Committee and floor consideration of the remaining FY24 appropriation bills. It remains to be seen whether this proposal will gain any traction.

Regardless of whether the House elects a new Speaker, expands the authority of the acting Speaker pro tempore, or remains gridlocked and unable to extend funding past November 17, we can expect future funding conversations to be much more difficult than previously expected. The Republican Conference favors steep spending cuts in contrast with the bipartisan spending bills in the Senate.

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 FY24 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.

Action Alert

Given the current state of the House of Representatives, there are growing concerns that the need to provide CHCs with increased funding is losing urgency. To keep the conversation front of mind, we are urging all members to take part in our grassroots advocacy efforts.

As always, it is critical that you (and your networks, if possible) continue to 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.

Please let us know if there is anything we can do to help with your advocacy efforts, including any additional materials and information that would be useful for ACH to generate.

340B/C:

340B Impact on Diabetic Patients: This month, PrimaryOne Health, in collaboration with Ohio State's College of Pharmacy, [published a study](#) on the 340B's impact on diabetic patients. The study provides insight to the personal impact of the program on underserved patients with chronic disease accessing high-cost medications. The study's findings highlight the strengths of 340B, and suggest it is achieving its intent of investing federal resources to help CHCs expand services and increase patient care.

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:

On October 17, ACH sent around the VBC survey to members, led by VBC Working Group Chair Brenda Rodriguez of Lowell Community Health Center. This short survey will provide insight for November's meeting. Meanwhile, we are starting to see bigger retailers in the VBC space. Even the CEO of [CVS](#) has remarked about moving away from "volume-based" care

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.

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 ACH Emergency Preparedness 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. Also, ACH provided [feedback](#) to the [Health Care Preparedness and Response Capabilities](#) guidance.

Rural Health:

On October 5, ACH submitted comments to the Request for Information issued by the House Ways and Means Committee, "Improving Access to Health Care in Rural and Underserved Areas." The comments can be found [here](#).

ACH-Endorsed Legislation

Helping Ensure Access to Local TeleHealth (HEALTH) Act, H.R. 5611 (Introduced by Representatives Glenn (GT) Thompson (R-PA) and Ann Kuster (D-NH))

- Builds off provisions passed in COVID-19 packages, specifically permanently allowing FQHCs and RCHs to provide services as “distant sites” under Medicare, provide Medicare reimbursement equal to in-person services, removes geographic restrictions related to originating sites where provider is FQHC or RCH, and permits FQHCs and RCHs to continue providing audio-only telehealth visits for patients without access to internet connectivity or smartphones.

PBM

[Modern Healthcare](#) reports that PBM reform bills are likely to pass in 2023, especially around transparency measures and restrictions on spear pricing. Lawmakers may disagree on many topics, but they always want to be able to tell voters that they took action against high prescription drug prices.

CDC

As a reminder, Senate HELP Committee Ranking Member Bill Cassidy, M.D. (R-LA) 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. Comments are due on October 20.

DEA

Telemedicine: [The Drug Enforcement Administration said it will extend eased pandemic rules for prescribing controlled substances via telemedicine through the end of 2024](#). The new regulations would allow all patients, not just those with preexisting providers, to be prescribed controlled substances without an in-person visit. The agency said it plans to issue new “standards or safeguards” by fall 2024. The agency said the extension will allow it, along with HHS, to craft regulations that will “most effectively expand access to telemedicine encounters,” while also preventing misuse. It said it is limiting the extension to the end of 2024 to discourage new telemedicine firms from engaging in “problematic” prescribing. [ACH submitted comments on this topic to the DEA, and they can be found here](#).

CMS - Medicaid and Medicare

Medicaid Unwinding: According to the [KFF Tracker](#), more than 8.8 million people nationwide have lost coverage as of October 16 due to the Medicaid redetermination process.

Doctor Pay: The House GOP Doctors Caucus released a new [policy proposal of legislation/discussion draft](#) that aims to rethink how Medicare pays doctors. The proposal would change the Physician Fee Schedule by offering more leeway in how much money CMS can spend, which is currently limited by a budget neutrality requirement. It would also update Medicare's calculation of how much it costs to run a practice. Doctors have complained about steadily declining Medicare rates since 2015, when Congress last addressed the issue. The new proposal reflects a top lobbying priority for doctors groups going into the end of the year. However, its path to final passage remains unclear amid uncertainty about what will be in a year-end legislative package.

Open Enrollment: From October 15 until December 7, people with Medicare can review features of Medicare plans offered in their area and make changes to their Medicare coverage, which go into effect on January 1. [More information about Medicare open enrollment can be found here.](#)

Recently, CMS released the 2024 [Medicare Parts A and B Premiums and Deductibles](#), and the 2024 Medicare Part D income-related monthly adjustment amounts. Though inflation pressures are receding, projected growth in health care spending is continuing to drive up the cost of care. Meanwhile, the agency also released 2024 [Star Ratings for Medicare Advantage](#).

As a reminder, Healthcare.gov/ACA marketplace open enrollment runs November 1 through January 15. [More information can be found here.](#)

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.

Drug Prices: HHS presented a [snapshot](#) of where it stands on implementing the three innovative models it unveiled earlier this year to reduce the cost of prescription drugs beyond the drug-price controls in the Inflation Reduction Act (IRA), saying:

- There will be fixed Medicare copayment up to \$2 a month for 150 drugs,
- The Medicaid cell and gene therapy initiative with states will potentially launch a year earlier, by 2025, and
- The Medicare accelerated approval model will be extended to drugs beyond oncology drugs.

This update comes one year after an executive order issued by President Biden in October 2022, which tasked CMS' innovation center with conducting experiments to reduce patients' out-of-pocket drug costs. This includes an initiative that would potentially lower Medicare payments for promising treatments approved by FDA before clinical trials are complete.

HHS

Over the Counter Preventive Services - Request for Comments: As a reminder, on September 29, HHS and Treasury [requested information](#) on coverage of over-the-counter

(OTC) preventive services, including contraception, tobacco cessation, and breastfeeding supplies. Comments are due December 4, and ACH will submit a formal comment. If you would like to include any information in our letter, please reach out to Kristen Constantine at kconstantine@cha-dc.com.

Surprise Billing: [The Biden administration has reopened a federal portal for the initiation of new billing disputes stemming from the No Surprises Act](#). The law protects patients against bills for out-of-network services in emergencies and in situations where out-of-network providers offer services at facilities that are in patients' insurance networks. It also lays out an arbitration process for medical providers and insurers to resolve any disputes. But certain dispute resolution functions, including dispute initiation, were temporarily suspended beginning August 3, as a result of recent court rulings. More than 330,000 arbitration cases are now in the system.

NIH

This week, the [Senate HELP Committee will hold a hearing to consider the nomination of Dr. Monica Bertagnoli to serve as Director of the NIH](#).

In The States

California:

- California Gov. Gavin Newsom (D) [vetoed legislation to limit out-of-pocket insulin costs to \\$35 a month](#), leaving the largest state out of a growing number that have moved to limit rising insulin prices in recent years. Insurers lobbied against the measure, arguing drug manufacturers are the real culprits behind the higher costs. But while the two industries have traded blame, the proposal to limit costs found bipartisan support. Legislators passed the bill without a single vote against it, sending the measure last month to Newsom, who has railed against drug prices. But Newsom argued in a letter to lawmakers that the state's plan to manufacture its own insulin under the label CalRx is a better approach to making the medications affordable.
- Last week, Gov. Gavin Newsom signed a [bill to raise the minimum wage for the state's healthcare workers](#). The proposal gradually raises the hourly wage to \$25/hour for most healthcare settings in California.

Hawaii:

- [Hawaii has joined the legal fray against the country's top companies managing prescription drug benefits](#), alleging the entities are driving up high drug costs for patients they're supposed to serve. In a new lawsuit against CVS Health's Caremark, UnitedHealth Group's OptumRx, and Cigna Group's Express Scripts, Hawaii's Attorney General claims the three pharmacy benefit managers violated state laws prohibiting deceptive commercial acts and practices, and unfair methods of competition, among other actions.

In the Courts

Mifepristone: PhRMA is wading into a potential Supreme Court battle over access to the abortion medication mifepristone, [warning the justices that lower court restrictions invite litigation that could disrupt drug development](#). In a brief filed with the high court, the Pharmaceutical Research and Manufacturers of America argued that a lower court's restrictions on mifepristone would upend the "settled regulatory scheme and the investments that hinge upon it" while inviting "boundless litigation to FDA drug approvals." The brief comes in Danco Laboratories and the Biden administration's respective appeals of a decision by the Fifth Circuit. Danco, the drugmaker behind name-brand mifepristone drug Mifeprex, said in its appeal that "for the pharmaceutical and biotechnology industry, permitting judicial second-guessing of FDA's scientific evaluations of data will have a wildly destabilizing effect."

Upcoming Events of Interest:

- **October 24:** CMMI, [Making Care Primary \(MCP\) Office Hours](#). 2 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 8:** 340 Report, [The Latest 340B Developments on Capitol Hill and What They Mean For You](#). 12 p.m. ET, Virtual. (Amanda Pears Kelly is a panelist)
- **November 9:** CMS, [Improving Access to Health Care Coverage in Rural Communities with Medicaid and CHIP](#). 2 p.m. ET, Virtual.
- **November 29:** [ACH Emerging Issues Webinar on Medicaid Redetermination](#), 12 p.m. ET, Virtual.
- **March 5-7:** [2024 ACH Annual Member Meeting](#) (Members-Only Event), Washington, D.C.