

Dear ACH Members:

Happy Thursday! With so much happening in DC and all that is at stake for health centers, we are glad to have the opportunity to provide you with the following updates and continued grassroots advocacy opportunities.

We are thrilled to share that ACH's stakeholder [letter](#) urging Congressional leaders to reauthorize the Community Health Center Fund at \$5.8 billion a year for three years was sent to leaders earlier this week and was signed by more than 500 national, state, and local organizations representing 49 states and all U.S. territories, including 33 primary care associations. We are so grateful to the health centers, primary care associations, and health care organizations who joined us in our advocacy efforts! See coverage of the letter in the [Washington Post Health 202 newsletter](#) and opportunities for grassroots advocacy below.

Also, this month we have some great virtual events lined up that we hope you will join. On Wednesday, November 8, ACH CEO Amanda Pears Kelly will speak on a webinar hosted by *340B Report*, [The Latest 340B Developments on Capitol Hill and What They Mean For You](#). Additionally, ACH is hosting a members-only webinar on Wednesday, November 29 at 12:00 p.m. ET, [ACH Emerging Issues Webinar on Medicaid Redetermination](#). Information on both can be found at the bottom of this email.

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

After four Speaker designees and three weeks of legislative standstill, the House has finally elected a Speaker, Rep. Mike Johnson (R-LA). Speaker Johnson has said that his first order of business is to outline a plan to reach an agreement on government funding before it runs out on November 17 (more on that below). As such, the House is expected to focus on passing appropriation bills to fund the Legislative Branch, Interior-EPA, and Transportation-HUD this week. If these three bills pass, just four appropriation bills (including Labor, Health and Human Services) would be left for the House to pass.

This week, the Senate is in session and is expected to vote on final passage of the "minibus" appropriations package for Agriculture-FDA, Military Construction-VA, and Transportation-HUD spending. The Senate is also preparing a second minibus, which will likely include appropriation bills for the Department of Defense, Labor, Health and Human Services, and Energy and Water.

Last Tuesday, the Senate confirmed former Treasury Secretary Jack Lew as the next U.S. ambassador to Israel by a vote of 53-43.

Speaking of Israel, last week, [the Biden Administration called on Congress to provide \\$106 billion in supplemental funding](#), which included \$61.4 billion to support Ukraine, \$14.3 billion in support to Israel, and \$10 billion in humanitarian aid across Israel, Ukraine, and Gaza. Also included is \$13.6 billion in border protection funding. [House Republicans responded with their own funding bill](#), which would send \$14.3 billion to Israel (paid for by cuts to the IRS) without addressing funding for Ukraine. Democrats and many GOP senators, including Minority Leader Mitch McConnell (R-KY), favor keeping the two national security priorities tied together. On Tuesday, US Secretary of State Anthony Blinken and Defense Secretary Lloyd Austin testified before the Senate Appropriations Committee in support of President Biden's supplemental funding request and connecting assistance for Ukraine and Israel to broader U.S. leadership and national security.

Finally, the House and Senate are expected to vote on a number of personnel actions in the coming week(s), including a Senate Finance Committee hearing to consider former Maryland [Governor Martin O'Malley's nomination as Commissioner of the Social Security Administration](#) and the full Senate will consider [Dr. Monica Bertagnoli's nomination as Director of the National Institute of Health](#). We should also note that we expect the annual Medicare payment rules to be released this week.

ICYMI

- [New study tracks the number of pharmacies participating in the 340B Drug Pricing Program](#) in [JAMA Health Forum](#)
- [Leveraging Partnerships Between Public Health and Medicaid to Strengthen the Health Care Safety Net](#), Center for Health Care Strategies

[Locals Supporting Locals: Main Street Market Prioritizes Healthy Choices, Customers' Needs in Richford, Bridget Higdon, Saint Albans Messenger](#). In 2020, Main Street Market was bought by a separate LLC formed by Northern Tier Center for Health (NOTCH), a federally qualified health center, to save the market from closing in Richford, Vermont.

Updates on ACH Priorities

CHC Invest

Community Health Center Fund 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. [See here for ACH's letter of support](#).

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. Now that a Speaker has been elected in the House, we expect committee leaders will work toward floor consideration of this bill. ACH's statement in support of this bill can be [found here](#).

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, and we will continue to keep you updated on ways you can make your voice heard as decisions are made on the reauthorization. Current funding for the CHC Trust Fund runs out on November 17.

Action Alert

Following finalization of ACH's [stakeholder letter to Congressional leaders](#) this week supporting a funding level of \$5.8 billion per year for the CHC Fund reauthorization, there are several things that you can do to help keep the conversation going:

1. We encourage you to share the attached social media graphics and a link of our letter on your social media channels: [https://bit.ly/ CHCF](https://bit.ly/CHCF). Please tag your Senators and Members of Congress (Congressional social media handles can be [found here](#)).
2. In addition, please engage with ACH's social media posts to widen our reach: [X \(Twitter\)](#) and [LinkedIn Post](#).
3. We also suggest you email your Senators and Representatives to let them know that your organization signed this letter and share the final version with them. In case helpful, we've drafted a template email (attached) for you to use.

Speaker of the House Election & Looming Shutdown November 17 Deadline

Last week, House Republicans unanimously elected Rep. Mike Johnson (R-LA) to Speaker of the House. Prior to his election to Congress in 2017, Speaker Johnson worked as a constitutional lawyer and was a conservative talk radio host and columnist. Although he is the [least experienced legislator to be elected in 140 years](#), Speaker Johnson has been more directly involved in health care than some other candidates who had attempted to become speaker. As Republican Study Committee chair, he led a push in [2019 for the group's health care plan to replace Obamacare](#). The plan (spearheaded largely by then-Congressman Roger Marshall (R-KS)) would have made major changes to the Medicaid program and the ACA, among other provisions. He has also been vocal on other hot button issues, including gender-affirming care for children and the CDC's guidance on school reopening amid the pandemic.

Over the weekend, [Speaker Johnson said avoiding a government shutdown is his top priority](#), and released a plan for funding that included passing the remaining seven appropriation bills before funding runs out on November 17. [Ultimately, we expect to see another stopgap funding bill in the form of a Continuing Resolution through at least January, and potentially April.](#)

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 three 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. Leaders in both chambers and on both sides of the aisle must come together to pass a bipartisan health center fund reauthorization that substantially increases funding both immediately and in the long term.

340B/C:

[Last week, HRSA reversed a 2020 policy change aimed at streamlining 340B certifications during the height of the COVID-19 pandemic.](#) Hospitals participating in the drug program now must register offsite clinics with HRSA and list them on Medicare cost reports to qualify for 340B. This reversal will likely cause some hospital outpatient clinics to lose 340B drug discount program eligibility.

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:

[AAFP Study Ties Value-Based Payment to Reduced Physician Burnout, David Rath, Healthcare Innovation](#). The American Academy of Family Physicians (AAFP) Innovation Lab released results of [a study](#) on barriers and solutions of value-based payment model adoption and how these issues relate to physician burnout. More information can be [found here](#).

The VBC working group will meet in November to go over the results from our recent internal survey and discuss next steps.

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. This week, we are reaching out to all of the Republican members on the House Energy and Commerce Committee to encourage bipartisan co-sponsorships and build support behind the bill.

FQHC Workforce:

[New research published in JAMA](#) indicates female, LGBTQIA and medical students of color were more likely than white and male students to say they plan to practice in an underserved area. The study's authors suggest future research should examine the relationship between diverse medical students and improved access to health care for patients in underserved areas.

Last week, Chairman of the Senate HELP Committee, Sen. Bernie Sanders (I-VT), [traveled to New Jersey to call out Robert Wood Johnson University Hospital, one of the state's largest health systems](#), and demand its leaders "include adequate patient-nurse ratios" in a labor contract with approximately 1,700 striking nurses. At a field hearing of the Senate HELP

Committee, the senator spoke with nurse labor officials on the current strike as well as the general issue of minimum staff-to-patient ratios.

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](#)).

ACH continues to recommend \$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 chair Tom Van Pelt developed a short survey to update ACH emergency preparedness and pandemic priorities. ACH will distribute to members shortly and review the findings in the next quarterly meeting in December.

White House:

Artificial Intelligence (AI) Executive Order (EO): On October 30, President Biden issued an [Executive Order on Artificial Intelligence](#) (AI) that includes several new actions that focus on safety, privacy, protecting workers, and protecting innovation. Specifically, the order creates a task force to develop a strategic plan on "responsible" use of AI; directs HHS to craft a strategy

to determine whether such technology is sufficiently high quality for use in health care; directs HHS to consult with relevant agencies to weigh how nondiscrimination laws might intersect with AI and to create an AI safety program with a common framework for detecting errors; and calls on the agencies to work through grants and other means to advance AI technology for personalized immune response profiles for patients and veterans' health care.

HHS

Cybersecurity: HHS Deputy Secretary Andrea Palm said that the agency is considering [tying minimum cybersecurity requirements to payments under federal health programs](#). Palm told reporters that HHS is looking at “all our options.” Palm’s comments come as lawmakers on Capitol Hill look to beef up the sector’s cybersecurity preparedness amid a surge in attacks. An analysis earlier this month found that nearly 89 million people in the U.S. have had their sensitive health information breached so far this year, up from 43.5 million during the same period last year — on pace to more than double last year’s total.

Information Blocking: On October 30, [HHS released a new proposed rule for holding health care providers accountable for information blocking under the 21st Century Cures Act \(Cures Act\)](#). Specifically, the proposed rule could establish a department-wide regulatory framework for managing disincentives and proposes an initial set of appropriate disincentives in CMS programs. If finalized, health care providers (including FQHCs) who don’t share patient data upon the patient’s request could see a median penalty of \$696 for individual clinicians and \$394,353 for hospitals.

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.

CMS - Medicaid and Medicare

Medicaid Unwinding: According to the [KFF Tracker](#), as of November 1, more than 10 million people have been disenrolled from Medicaid, including nearly 2 million children.

Negotiation Facilitator: [On October 18](#), CMS issued a Request for Information (RFI) to conduct market research regarding the availability and technical ability of health care-related

organizations to provide Medicare Transaction Facilitator services under the Inflation Reduction Act's Medicare Drug Price Negotiation Program. Comments are due November 13 by 11:00 a.m. ET to IRARebateandNegotiation@cms.hhs.gov.

Mental Health Parity: As a reminder, 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, to MedicaidandCHIP-Parity@cms.hhs.gov.

CMMI Model on Reimbursement Stalled: Meanwhile, the CMS Innovation Center chief signaled that [Medicare's plan to launch a demonstration project to reimburse differently for drugs approved through the FDA's accelerated approval demonstration](#) has stalled as CMS holds talks with FDA. "[T]he accelerated approval model – we are still noodling on how to make that happen. I wouldn't say on hold, but we're continuing conversations with our partners at FDA," Director of the Center for Medicare and Medicaid Innovation (CMMI) Liz Fowler said in *Inside Health Policy*.

Upcoming Events of Interest:

- **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 15:** [ACH Member-Only Office Hours](#), 12 p.m. ET, Virtual.
- **November 29:** [ACH Emerging Issues Webinar on Medicaid Redetermination](#), 12 p.m. ET, Virtual.
- **December 1:** [ACH Webinar on the Congressional Earmarks Process](#), 12 p.m. ET, Virtual.
- **March 5-7, 2024:** [2024 ACH Annual Member Meeting](#) (Members-Only Event), Washington, D.C.

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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