

Dear ACH Members:

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 happy to report that ACH has held kick-off meetings for two separate Learning Collaboratives in recent weeks, with some members flying to Washington, D.C. to meet in person and others participating virtually. From November 6-7, the **ACH Value Based Care Learning Collaborative** met to discuss challenges and best practices when implementing value-based care payment models. Then, November 13-14, the **ACH Health Center Operations Learning Collaborative** met to discuss operations issues including the alignment of operational and organizational goals; FQHC recruitment and retention strategies; effectively harnessing data; and the power of leadership.

In the coming weeks, we have some other great virtual events lined up that we hope you will join. ACH is hosting two members-only webinars; on Wednesday, November 29 at 12:00 p.m. ET, [ACH Emerging Issues Webinar on Medicaid Redetermination](#), to discuss how community health centers are weathering the ongoing Medicaid unwinding process, and on Friday, December 1 at 12:00 p.m. ET, [ACH Webinar on the Congressional Earmarks Process](#), so we can help members think through how to engage in the earmarks process for FY2025. Information on both can be found at the bottom of this email.

In addition, we are looking forward to our 2024 Annual Member Meeting, which will take place March 5-7, 2024. 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](#).

For more information on our Learning Collaboratives, webinars, and other programs, please feel free to reach out to Liezl Schewe, Director of Programs & Engagement, at lschewe@advocatesforcommunityhealth.org.

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

The Latest News from DC

The House and Senate both returned to Washington this week and have passed a Continuing Resolution (CR) to keep the government open and funded through the New Year.

On Tuesday, [the House passed stopgap legislation with bipartisan support \(336-95\)](#) to extend government funding at current spending levels and avoid a shutdown. The [two-tiered funding plan](#) funds four of the 12 annual spending bills plus **the Community Health Center Fund, the National Health Service Corps, and Teaching Health Center Graduate Medical Education program** through January 19 and the remaining bills until February 2.

Last night, [the Senate passed the CR by a vote of 87-11](#). Congress had until 12:01 a.m. Saturday to fund the government or force a painful shutdown. The bill now heads to President Joe Biden's desk for him to sign before Friday's deadline.

Earlier this week, the House advanced the [Labor, Health and Human Services, and Education Appropriations](#) bill to the floor, which includes discretionary funding for community health centers. This legislation reduces overall discretionary funding for included programs in FY24 by 29% (although health center funding is NOT reduced in the bill - it is kept at the same level, at \$1.86 billion).

However, there was insufficient support to pass the full chamber, and it was pulled. The House is now in recess until the week of November 28.

Meanwhile, tensions in Congress have been running high (examples [here](#), [here](#), and [here](#)), and with every new week of chaos, more members decide to throw in the towel. [Just this week, Reps. Michael Burgess \(R-TX\), Brad Wenstrup \(R-OH\), Derek Kilmer \(D-WA\), Brian Higgins \(D-NY\), and Sen. Joe Manchin \(D-WV\) have announced they will not be seeking re-election in 2024.](#)

Internationally, the conflict in Ukraine and the war between Israel and Hamas rage on, and Congress remains gridlocked on providing supplemental funding for military aid. [The stopgap funding bill passed by the Senate and the House](#) notably **excludes** funding for Ukraine, Israel, and the southern border wall.

ICYMI

- [\(Legacy Health Spotlight!\) How managed care is revolutionizing teen mental health care in Texas](#)
- [Why Preventative Care is Such a Tough Sell in the U.S., According to Chronic Disease Experts, Katherine MacPhail, STAT News](#)

Updates on ACH Priorities

CHC Invest

Community Health Center Reauthorization

As discussed above, the Community Health Center Fund will be extended through January 19 as part of the CR that is expected to be enacted this week.

Meanwhile, work continues on advocacy for a long term solution. 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. While this remains a key priority for Energy and Commerce Chair Cathy McMorris Rodgers (R-WA), the path forward for this legislation remains unclear. ACH's statement in support of this bill can be [found here](#).

Action Alert

Following the finalization of ACH's [stakeholder letter to Congressional leaders signed by 500+ organizations](#) last month 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. Share the attached social media graphics and this link of our letter on your social media channels: https://bit.ly/_CHCF. Please tag your Senators and Members of Congress (Congressional social media handles can be [found here](#)).
2. Engage with ACH's social media posts to widen our reach: [X \(Twitter\)](#) and [LinkedIn Post](#).
3. Email your Senators and Representatives to let them know that your organization signed this letter and share the final version. In case helpful, we've drafted a template email (attached) for you to use.

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. It is critical that Congress find consensus and complete the appropriations process for FY24 to avoid these continued shutdown threats. 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.

340B/C:

On November 3, Judge Harwell issued his decision in the long-awaited [Genesis vs. Becerra](#) case, ruling in favor of Genesis Health Care. Genesis, a health center in South Carolina, had sued HRSA over its 'patient definition guidance' after HRSA removed Genesis from the 340B program over failure to maintain auditable records. This decision marks the most significant development in the 340B program in recent memory. While Judge Harwell agreed that [HRSA does have the authority to issue guidance to define the patient, its restrictive interpretation is contrary to the plain wording of the 340B statute](#). ACH will continue to review the decision and its implications and remain in close touch with ACH members as we learn more.

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.

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 go over the results from our internal survey and to discuss next steps. The group is looking into both soliciting technical assistance and helping members with VBC policies moving forward. ACH leadership is reviewing ways to integrate the needs of all its members.

Last week, the ACH VBC Learning Collaborative met in Washington, D.C, to facilitate a discussion among members about the challenges of implementing value-based care payment models as well as share successful implementation tools. Participants shared best practices, data collection and assessment tools, research, and successful state-specific programs and models.

CMS on Value-Based Care: CMS is prioritizing revamping elements of value-based care after acknowledging concerns that neither patients nor providers have a clear understanding of what it entails. Those conversations come as lawmakers raise concerns about Medicare expenditures and as some point to value-based care as a potential means of curbing cost growth in the current health system. [During a Health Care Payment Learning and Action Network \(LAN\)](#) conference session on October 30, Jon Blum, principal deputy administrator of CMS, said that laying out clear identifiers and figuring out how to achieve true value-based care is a top-tier priority for the agency, especially given that providers themselves are struggling to reach a consensus.

Value-Based Reimbursement Grows as Providers Take on More Risk: Over half of healthcare payments last year were made through value-based reimbursement models, with most of those payments tied to some degree of financial risk, according to the [latest data from the Health Care Payment & Learning Action Network \(LAN\)](#).

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. Last week, we reached out to all of the Republican members on the House Energy and Commerce Committee to encourage bipartisan co-sponsorship and build support behind the bill. We will be following up with key offices to discuss potential next steps.

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](#)).

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.

ACH sent a survey to the Emergency Preparedness working group which will update ACH emergency preparedness and pandemic priorities. During December's meeting, members will review the survey findings and discuss a path forward.

White House

Initiative on Women's Health Research: [The White House Initiative on Women's Health Research](#) was announced this week to be led by First Lady Jill Biden and the White House Gender Policy Council. The initiative aims to galvanize the federal government and the private and philanthropic sectors to spur innovation, unleash transformative investment to close research gaps and improve women's health. [President Biden is directing his Administration](#) to establish an Initiative consisting of executive departments and agencies across the federal government, deliver concrete recommendations to advance women's health research, deliver

results quickly and prioritize transformative investments in research, and engage private, public, and philanthropic collaborations.

HRSA

Webinar on Reporting Uniform Data System (UDS) Financial and Operational Tables: On November 7, HRSA hosted an informational webinar on UDS Financial and Operational Tables. [Slides from the webinar can be found here.](#)

HRSA Joins White House To Highlight Work Addressing the Opioid Epidemic in Rural Communities: HRSA Administrator Johnson joined the White House Office of Public Engagement to present to nearly 300 rural partners on HRSA's work to address the opioid epidemic. Administrator Johnson highlighted the success of the Rural Communities Opioid Response Program, which has helped millions of people in rural communities across the country receive opioid use disorder prevention, treatment, and recovery support services. She also highlighted the [more than \\$80 million in new awards](#) HRSA made in FY23 to address opioid overdose risks.

National Child Health Day: On National Child Health Day (October 2), HRSA released the [annual National Survey of Children's Health \(NSCH\) dataset](#). The NSCH is the largest, most comprehensive survey on the health and well-being of children, their families, and their communities.

The 2022 NSCH dataset includes new data about housing instability, eating- and weight-related behaviors and concerns, fetal alcohol syndrome disorder, and supplemental security income recipients. Watch this [new video](#) that provides more information about the 2022 NSCH release.

HHS

Issue Brief on Primary Care: On November 7, HHS released an issue brief on its work to strengthen primary care. It outlines the HHS's vision for primary care, actions taken, future work, and other issues. [The issue brief can be found here.](#)

Contraceptive Access: On November 6, HHS hosted a [Contraceptive Access Roundtable](#). Secretary Becerra was joined by Jennifer Klein, Assistant to the President and Director of the White House Gender Policy Council. Both leaders highlighted the Biden-Harris Administration's commitment to protecting access to reproductive health care, including contraception, in the wake of the Supreme Court's [Dobbs v. Jackson Women's Health Organization](#) decision. The group also discussed the importance of community-level and individual voices in research, support for pharmacists and contraception providers, trends in permanent contraception methods, and the need for information sharing and addressing gaps in knowledge.

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 contact Kristen Constantine at kconstantine@cha-dc.com.

CMS - Medicaid and Medicare

Medicaid Unwinding: According to the [KFF Tracker](#), as of November 14, more than 10.6 million people have been disenrolled from Medicaid, including more than 2 million children.

On November 14, KFF released its [annual survey of state Medicaid directors](#). Most states have reported favorable fiscal conditions, but inflation, workforce challenges, and the end of pandemic relief dollars add uncertainty to Medicaid and the state budgeting process. The survey found that even as enrollment continues to drop, states' share of Medicaid spending is expected to increase by 17.2%.

Guiding an Improved Dementia Experience (GUIDE) Model: The Centers for Medicare & Medicaid Services (CMS) is now accepting applications for the Guiding an Improved Dementia Experience (GUIDE) Model, which aims to support people living with dementia and their caregivers. The [Request for Applications \(RFA\) portal](#) opened this week. The application deadline is January 30, 2024. CMS plans to announce applicants selected to participate in Spring 2024.

Birthing-Friendly Designation: CMS will begin displaying the 'Birthing-Friendly' designation icon on [CMS's Care Compare online tool](#). CMS created the new designation to identify hospitals and health systems that participate in a statewide or national perinatal quality improvement collaborative program and that implement evidence-based care to improve maternal health. The public can use the Care Compare tool — along with a [complementary interactive map](#) — to find a hospital or health system with the 'Birthing-Friendly' designation in their area.

Final Rules: CMS finalized the [2024 Hospital Outpatient Proposed Payment System](#) (OPPS) and the [Medicare Physician Fee Schedule](#) (PFS) rules. This year's rules are focused on promoting health equity, expanding access to behavioral health, improving transparency, and promoting safe and effective patient-centered care. The rules include an updated scope of benefits and payments to FQHCs and RHCs for Intensive Outpatient Services (IOP) and extends IOP coverage to Opioid Treatment Program settings.

CY 2025 MA Proposed Rule: The Biden Administration issued a proposed rule ([CMS-4205-P](#)) cutting off a loophole insurance agents and brokers use to get more money from Medicare Advantage (MA) insurers. After hearing complaints from several senators, CMS released a proposed rule outlining policy changes to the growing insurance market. The proposed rules also discuss MA and PACE proposals to codify grievance processes and increase access to Behavioral Health in MA.

Biosimilars: In a bid to boost the uptake of lower-cost biosimilars, CMS is proposing to let Medicare Part D plans substitute reference biologics with biosimilars that haven't been deemed interchangeable by the FDA. Currently, reference products can only be substituted with interchangeable biosimilars. The proposed shift, outlined in the contract year [2025 Medicare Advantage and Part D policies proposed by CMS](#), would apply to all plan enrollees, including those already taking the reference product before the change takes effect, following a 30-day notice.

Congress

PBM Reform Bill: Last week, the [Senate Finance Committee](#) passed a new package to address problematic PBM practices. The bill, crafted by Chair Ron Wyden (D-OR) and Ranking Member Mike Crapo (R-ID), passed by a vote of 26-0 and also includes provisions on a broad range of health care priorities, including substance abuse and mental health. The PBM policies build on a separate package of reforms that the panel passed in July.

SUPPORT Act: Last week, Sen. Bill Cassidy (R-LA), Ranking Member of the Senate HELP Committee, together with 300 organizations, [called on the HELP committee to take up the reauthorization of a massive 2018 opioid law providing prevention, treatment, and recovery services for people with opioid use disorder](#). The SUPPORT Act expired on Sept 30. HELP Committee Chair Bernie Sanders (I-VT) has yet to take up reauthorizing the bill in Committee, but [recently indicated he intends to move forward in the "very near future."](#)

NIH Confirmation: The Senate voted 62-36 to confirm Dr. Monica Bertagnolli to lead the National Institutes of Health (NIH). Nearly every Democrat joined 13 Republicans in filling the post responsible for overseeing billions in federal research grants, which has been vacant since Dr. Francis Collins left nearly two years ago. After President Joe Biden tapped her to lead NIH in May, [Sen. Bernie Sanders \(I-VT\) held up her nomination for months to extract a comprehensive plan to lower drug prices from the White House](#). He and Sen. John Fetterman (D-PA) were the only members of the Democratic caucus to vote against confirmation.

Drug Shortages: [House Republicans are investigating how the Food and Drug Administration \(FDA\) is responding to a growing number of prescription drug shortages in the country](#). In a letter sent to FDA Commissioner Robert Califf, Republicans on the House Committee on Oversight and Accountability requested documents and a staff-level briefing to understand the agency's role in monitoring drug shortages and mitigation strategies. Currently, there are nearly 130 drugs listed in the [FDA drug shortage tracker](#).

AI Prior Authorization: [A group of 32 Democratic House lawmakers sent a letter calling on CMS to better evaluate how artificial intelligence \(AI\) is utilized by Medicare Advantage \(MA\) plans](#). The lawmakers argue that MA plans' use of AI has led to restrictive decisions and repeated denials and point to a pair of reports from the HHS Office of Inspector General that document high numbers of inappropriate denials that have been exacerbated by increased use

of AI. CMS has been working to increase its guardrails for prior authorizations through a set of three proposed rules, [one of which has been finalized](#) and [one of which is currently under review](#) at the White House Office of Management and Budget.

Upcoming Events of Interest:

- **November 17:** ["The Connected Future of Maternity Care: Intersecting Maternal Health and Broadband Data,"](#) HHS and FCC, 10:30 a.m. - 4:00 p.m. ET, In-person and Virtual.
- **November 21:** [CMS Innovation Center's Making Care Primary Model Office Hours/Webinar.](#) 2:00 p.m. ET, Virtual. [Register Here.](#)
- **November 29:** [ACH Emerging Issues Webinar on Medicaid Redetermination,](#) 12 p.m. ET, Virtual.
- **December 1:** [ACH Members-Only Webinar on the Congressional Earmarks Process,](#) 12 p.m. ET, Virtual.
- **March 5-7:** [2024 ACH Annual Member Meeting](#) (Members-Only Event), Washington, D.C.