

Dear ,

Happy Thursday! We hope you are enjoying your summer. We wanted to bring a handful of ACH upcoming events to your attention.

[Join us next week, on July 23, for a special Congressional Briefing on Capitol Hill](#) in collaboration with the Bipartisan Rural Health Caucus and the Maternity Care Caucus. Titled “Bump, Baby, and Beyond: How Health Centers Provide Comprehensive Maternal Care,” this briefing aims to educate members of Congress and staff on the pivotal role FQHCs play in enhancing access to maternal health in rural and underserved communities. We are thrilled to have Louise McCarthy (CEO, Community Clinic Association of Los Angeles County), and ACH members Dan Prevost (CEO, Mariposa Health) and Parinda Khatri (CEO, Cherokee Health Systems) as featured expert speakers. Don't forget to spread the word to your local members of Congress and staff members!

Our next ACH Members-Only Virtual Office Hours session is from 12 to 1 p.m. ET on Wednesday, July 31. Office hours do not have a formal agenda; instead, they are meant to give members an opportunity to speak with ACH staff in an informal setting about anything they'd like more information on—from health center operations to regulatory and policy questions to what's going on at the federal level. Please join us using [this link](#).

In addition, in light of the importance of the upcoming elections and the continued need for bipartisan support of health centers, we are hosting a Health Center Grassroots Week of Action (August 4-10) with [grassroots advocacy tools to facilitate congressional facility visits, member call-in days, local op-eds and press releases](#), and other resources to remind our officials of the vital role health centers play in serving the health of the constituents and communities they represent.

Please note: As part of our [Grassroots Week of Action](#), we announced our inaugural [David B. Vliet Changemaker Award](#) to celebrate community health center advocates who advance health equity while delivering quality patient care. [Nominations are due Friday, July 26](#), and a winner will be announced August 12.

Finally, we are extending the application deadline for [ACH's 2024 Entrepreneur Challenge](#) to Monday, July 29. Please submit your application form. Two ACH members will receive \$100,000 in grant funding!

The Latest News from DC

Uncertainty abounds as this unusual election year continues. The outcome of the 2024 elections has the potential to impact many health priorities, including telehealth, preventative services, drug pricing, and other issues. We are continuously strategizing ways to engage with both possible Administrations and will prepare ACH members accordingly.

The country continues to grapple with the attempted assassination of presidential candidate Donald Trump last week at one of his rallies. Congressional committees are [moving quickly to investigate the shooting in Pennsylvania](#), which killed one bystander and left another seriously wounded. The first hearing will be on Monday, with the Director of the U.S. Secret Service set to testify before the House Committee on Oversight and Accountability. President Biden has addressed the country several times in the wake of the shooting, including an [Oval Office address on Sunday](#).

In other news, [Senator Robert Menendez \(D-NJ\) has been found guilty on all counts](#) in his federal corruption trial. The charges included bribery, extortion, wire fraud, obstruction of justice, and acting as a foreign agent, and sentencing will take place on October 29. While the Senator maintains his innocence, [Senate Majority Leader Chuck Schumer \(D-NY\) swiftly called for him to resign](#). If Menendez doesn't resign, it would take a two-thirds vote in the Senate to remove him. He is up for election this year and currently running as an independent. Rep. Andy Kim (D-NJ) is running as a Democrat in the NJ Senate race and is favored to win.

On Monday, the Republican National Convention kicked off in Milwaukee with the announcement that [Senator J.D. Vance \(R-OH\) has been selected as Donald Trump's Vice Presidential running mate](#). First-term Sen. Vance is likely to prioritize leaving abortion decisions to the states and opposing the IRA environmental policies. Vance seems to support allowing Medicare to negotiate drug prices in the health care space. While his past legislation does not include health center-specific initiatives, he has introduced the Fairness for Stay-At-Home Parents Act, which includes “birth of a child” as a protected reason for not returning to work under the Family and Medical

Leave Act. Other legislative priorities have included criminalizing gender-affirming care and denying federal health care coverage to people in the Deferred Action for Childhood Arrival, or DACA, program. The Senator doesn't serve on major health care committees, signaling that the Trump-Vance ticket will not likely make health care a major campaign issue.

[Will President Biden remain in the race?](#) That's a question many are asking following his lackluster performance in the first Presidential debate in late June. He continues to campaign and has given several high-profile speeches and interviews in recent days, with more coming this week. However, the latest polling has alarmed many insiders. According to an unnamed source in Politico, "Quiet efforts continue to urge the president to step aside, and team Biden remains dug in."

What We're Asking:

How will the overturning of the Chevron Doctrine affect Health Care?

Loper V. Raimondo (Chevron): On June 28th, the U.S. Supreme Court issued a landmark decision in [Loper Bright Enterprises v. Raimondo](#). This decision overturned the federal judiciary's forty-year-old practice of deferring to agencies' reasonable interpretation of federal laws, giving sole discretion to the courts to say what the law is. Essentially, the doctrine states that when a statute passed by Congress is ambiguous (as many of them are), a court will defer to an agency's "reasonable interpretation" of it.

Functionally, what this means for how Congress operates and how agencies promulgate regulations is still unclear – but the coming months will be telling, especially in light of the consequential November elections that will determine the balance of power across Washington. We anticipate much confusion in the health care sector, especially as post-Chevron suits start heading to court. For example, seven states have sued the Department of Health and Human Services, asking the court to strike down a regulation expanding nondiscrimination protections for LGBTQ+ patients.

This change will compel rulemaking agencies to be more cautious due to the increased likelihood of legal challenges, especially for CMS and the IRA Medicare Drug Price Negotiation program and the latest nursing home staffing mandate. In Congress, [Sen. Eric Schmitt \(R-MO\) started a working group](#) to assess how to implement the Supreme Court's decision, sending letters to 101 agencies about rules published since 2000 and requesting information on ongoing and future rulemaking.

How this will ultimately impact federal policymaking in the executive and legislative branches remains to be seen. ACH continues to evaluate the potential impact of the ruling, especially on health centers. For your reference, McDermott Consulting has put together a [helpful summary on the future of health policymaking](#) in a post-Chevron world.

Updates on ACH Priorities and Legislation

[For more information on our ongoing policy initiatives, please read our new 2024 Policy Priorities Progress Report!](#)

CHC Invest

- **House Appropriations FY25 Markup:** The House Appropriations Committee passed the Fiscal Year 2025 Labor, Health and Human Services, Education, and related agencies appropriations bill on July 10. The [Labor-HHS bill](#) would cut or eliminate many critical public health programs. In particular, the bill cuts overall HRSA funding by \$647 million, including a \$62 million cut to Health Workforce training. The Health Center Program is flat funded at \$1.868 billion, the same level as in FY24 and FY23. It also eliminates Title VII Centers of Excellence, the Title VII Health Careers Opportunity Program, and the Title VIII Nursing Workforce Diversity program.
- Interestingly, the National Health Service Corps (NHSC) is funded at \$130 million, which is \$1.4 million (1 percent) above the FY 2024 enacted level. The Committee also includes a set aside of 15 percent within the discretionary total provided for NHSC to support awards to participating individuals that provide health services in Indian Health Service facilities, Tribally operated health programs, and Urban Indian Health programs.

340B/C

- **340B Coalition Conference:** Last week, ACH staff attended the [340B Coalition Summer Conference](#). Two themes that permeated the conference were the impact that the upcoming implementation of the Inflation Reduction Act Medicare Negotiations will have on 340B savings, and how pending 340B legislation will shape the future of the 340B Program.

- On the main stage during the conference, Tom O'Donnell, SVP of Government Affairs at 340B Health, discussed the potential behind the bipartisan Senate 340B Working Group's [SUSTAIN 340B Act draft legislation](#) and the [340B PATIENTS Act](#) introduced by Rep. Doris Matsui (D-CA) while warning attendees of the negative impact the [340B ACCESS Act](#) would have on covered entities. He noted provisions that prohibit private non-profit DSH hospitals from accessing 340B discounts for insured patients, enshrine a narrower patient definition, limit the use of contract pharmacies, narrow the types of services allowable for 340B prescription qualification, and establish multiple reporting requirements for hospitals.
- **PBM Reforms:** Given the role PBMs play in the erosion of the 340B program and the potential for PBM reform to “pay for” end of year funding items, we are sharing the news that [Senate Finance Committee Chair Ron Wyden \(D-OR\) vowed to “go to the mat” to get pharmacy benefit manager reform legislation to the president’s desk by December](#) after the Federal Trade Commission reported its two-year staff investigation found PBMs use their market power to drive up costs to consumers. The [FTC’s interim findings](#) also sparked renewed calls from drug makers and pharmacies for Congress to act on stalled PBM reforms, drawing strong criticisms from the PBM lobby and a dissenting FTC commissioner who said the findings lack economic and empirical evidence.
- Of note, on July 23 the House Oversight and Accountability Committee will host the third hearing in its ongoing investigation into pharmacy benefit managers’ role in rising health care costs. This hearing entitled “[The Role of Pharmacy Benefit Managers in Prescription Drug Markets Part III: Transparency and Accountability](#)” will feature testimony by executives from CVS Caremark, Express Scripts, and OptumRx.

Value-Based Care

- **Making Care Primary Model:** On July 1, [over 770 practices in eight states joined CMS’ demonstration to improve primary care accessibility and coordination with specialists](#). This 10-year, three-phased model involves small primary care organizations and federally qualified health centers, beginning with building advanced primary care infrastructure. CMS will gradually shift payment models from fee-for-service to population-based payments, rewarding participants for enhancing patient health outcomes while reducing financial support in later phases. ****Three ACH members, including Yakima Valley Farm Workers Clinic, Neighborcare Health, and Peninsula Community Health Services, were selected to participate in the model!****
- **Transforming Maternal Health (TMaH) Model:** CMS is now accepting applications for the Transforming Maternal Health (TMaH) Model. TMaH is the newest CMS model that focuses exclusively on improving maternal health care for people enrolled in Medicaid and the Children's Health Insurance Program (CHIP). The model will support participating state Medicaid agencies (SMAs) in developing a whole-person approach to pregnancy, childbirth, and postpartum care that addresses the physical, mental health, and social needs experienced during pregnancy. [Note that only SMAs can apply, but ACH encourages members to discuss with your PCAs and SMAs about this cooperative agreement.](#) Additional guidance for interested applicants can be found in the [Notice of Funding Opportunity \(NOFO\)](#). **Applications are due September 20, 2024**
- **New Dementia Model:** CMS released a list of about 400 participating organizations in a voluntary model test for dementia care through the Center for Medicare and Medicaid Innovation. The test evaluates alternative payments for dementia care, allowing patients and caregivers a care navigator that could help with access to clinical and nonclinical needs, including food and transportation.
- We will host the next ACH VBC working group call on July 23. This will include an interactive session with FQHC experts from the [Center for Health Care Strategies \(CHCS\)](#) and we encourage participants to ask questions and share comments throughout the presentation. After the session, ACH will send the working group directed questions to help shape ACH’s response to the proposed Medicare Physician Fee Schedule rule.

Health Equity

- As noted above, on July 23, Advocates for Community Health is hosting a Congressional Briefing on Capitol Hill in partnership with the Bipartisan Rural Health Caucus and the Maternity Care Caucus, “**Bump, Baby, and Beyond: How Health Centers Provide Comprehensive Maternal Care**,” to educate members of Congress and staff about the important role FQHCs play in access to maternal health in rural and underserved populations and why support for CHCs is so important. Reps. Robin Kelly (D-IL) and Young Kim (R-CA) co-chair the Maternity Care Caucus, while Reps. Diana Harshbarger (R-TN) and Jill Takoda (D-HI) co-chair the Bipartisan Rural Health Caucus.
- This briefing complements a recent [CMS Maternal Health Infographic](#) that provides a snapshot of demographics, health outcomes, risk factors, access and utilization, and disparities among Medicaid beneficiaries and the release of the HHS Task Force on Maternal Mental Health’s [National Strategy to Improve Maternal Mental Health Care \(HHS/SAMHSA\)](#).

FQHC Workforce

- **Labor and Delivery Units:** On June 17, Senator Ron Wyden (D-OR) announced [draft legislation, the Keeping Obstetrics Local Act](#), (summary found [here](#)), aimed at helping hospitals in rural and underserved communities provide obstetrics services in the face of a trend of closures due to financial distress through Medicaid funds. The bill aims to also address workforce shortages and low rates of maternity care reimbursement. ACH is working with Wyden's team to include FQHCs into the bill.

Emergency Preparedness

- On June 25, ACH attended the HRSA BPHC Emergency Management Process Overview webinar. The [Risk Identification and Site Criticality \(RISC\) Tool](#) was mentioned in "[Today with Macrae](#)", which included tools the working group already reviewed, such as [HRSA's Emergency Information Kit: Key Resources for Health Centers](#).

Other News from Across the Federal Government

The White House

- **Maternal Care:** The [Biden administration is proposing new federal maternal health and safety requirements for hospitals, which would necessitate significant investments to improve maternity care in order to remain in Medicare](#). This initiative comes as maternal health becomes a pivotal issue, with restrictive abortion laws and poor care access drawing attention to the U.S.'s high maternal mortality rate. Hospitals would need to meet stringent new requirements, costing the industry an estimated \$4.46 billion over ten years, though there is concern these conditions could reduce the availability of obstetric services.

Federal Trade Commission

- **Dialysis Antitrust Probe:** The [FTC is probing the nation's two largest dialysis providers, Davita and Fresenius Medical Care](#), over alleged practices to stifle competition with smaller companies. The two companies control at least 70 percent of outpatient clinics. The investigation focuses, in part, on whether doctors are required to sign noncompete agreements that hamper efforts to make it easier for dialysis patients to be treated at home.
- **High Drug Cost Lawsuit:** The [FTC is getting ready to sue big health care companies](#), claiming they illegally maximize profits by steering patients to high-cost drugs. The pending case would target large pharmaceutical intermediaries owned by UnitedHealth Group, CVS, and Cigna, claiming that they pushed patients to brand-name drugs, including insulin. Lawmakers on Capitol Hill, federal regulators, and patient advocates have focused on a key profit source for the middlemen: the rebates drug companies pay to get certain medications on a list of covered drugs. They say those rebates can inflate the cost of drugs. A lawsuit could be filed as soon as this month, though no final decision has been made.

Health Resources and Services Administration

- **Social Working Licensure:** On July 16, [HRSA announced the first-ever Licensure Portability Grant Program](#), a \$2.5 million investment in a multi-state social worker licensure compact. State licensure compacts allow states to come together on a common approach to licensing health care providers, allowing providers to practice across state lines without applying for a license in each state. The Agency aims to increase access to mental health and substance use disorder treatment and address workforce shortages with these policies.

Centers for Medicaid and Medicare Services

- **Medicaid Unwinding:** [KFF Tracker](#) reports that as of July 12, states with available data have reported over 24 million people have been disenrolled from Medicaid, and 53.7 million have had their coverage renewed. Of those disenrolled, 69% were terminated for procedural reasons. Net Medicaid enrollment declines range from 35.3% in Utah to 0.3% in North Carolina since the start of the unwinding period in each state.
- **Medicare Advantage Rule:** CMS is drafting a rule to streamline the prior authorization of certain drugs by Medicare Advantage and Qualified Health Plans and expects to publish the proposal in November, HHS reveals in its [newly released regulatory agenda](#). News of the upcoming regulatory proposal comes after CMS hinted its work on prior authorization was not done after finalizing a major rule that excluded drugs earlier this year.

- **CY 2025 Physician Fee Schedule:** [CMS proposed to reduce Medicare payments to physicians by 2.8 percent in 2025](#), a cut that is all but certain to ignite calls for Congress to overrule the agency. The agency's release of the proposed physician fee schedule rule outlines payment rates and policy changes for the 2025 calendar year. If finalized, it would be the third cut in as many years to doctors' Medicare rates. The proposed rule omits key provisions that were instrumental in expanding the telehealth industry during the pandemic. These include allowing federally qualified health centers and rural health clinics to bill for telehealth services, waiving in-person examination requirements for online mental health coverage, and other measures. ACH will provide comments.
- **Hospital Payment Bump:** [Medicare wants to pay acute care hospitals \\$88.2 billion for outpatient services in 2025, about 2.6% more than in 2024](#), according to a Biden administration proposal. The proposed rule also recommends a 2.6%, or roughly \$202 million, increase in Medicare payments for ambulatory surgical centers next year. The proposal will increase Medicare payments for hospital outpatient services by \$5.2 billion next year. Medicare ambulatory surgical center payments would total \$7.4 billion. The proposal also includes new policies designed to reduce maternal mortality and morbidity, increase access to care, and advance health equity.

Office of the National Coordinator for Health Information Technology

- **IT:** The U.S. Department of Health and Human Services (HHS) released the [HTI-2 proposed rule](#) to advance interoperability and improve information sharing among patients, providers, payers, and public health authorities. The rule includes new certification criteria for health IT to enhance public health response and value-based care delivery, focusing on standards-based application programming interfaces. Additionally, it proposes updates like multi-factor authentication support, real-time prescription benefit tools, and measures to prevent information blocking, building on previous interoperability efforts and ensuring privacy protections.

Congress

- **Telehealth Extension:** The [Congressional Budget Office estimates a two-year telehealth extension would cost the federal government \\$4 billion](#) but is still collecting additional research to adjust the final score. Sources say the bill could reach \$4.3 billion, coming as House staffers work to organize pay-fors to offset high costs. The House Energy & Commerce Committee recently received the CBO score for the Telehealth Modernization Act, which passed out of E&C's health subcommittee in May. The earlier absence of a CBO score was the key reason the bill was not included in a full committee markup in early June that featured two smaller telehealth bills.
- **House Ways and Means Committee:** On July 12, the Ways and Means Committee held a field hearing titled "[Access to Health Care in America: Unleashing Medical Innovation and Economic Prosperity](#)." The hearing focused on innovators' roles in developing new tests, treatments, and technologies for chronic diseases, and how to continue building on their success by promoting innovation in the 2025 tax reform process, streamlining Medicare coverage of new technologies, and promoting access to rural patients through telehealth and at-home care options.
- **House Energy and Commerce Committee:** On July 23, six CDC center directors will testify before the Energy and Commerce Subcommittee on Health panel, full Committee Chair Cathy McMorris Rodgers (R-WA) and Subcommittee Chair Brett Guthrie (R-KY) for a hearing titled "[Are CDC's Priorities Restoring Public Trust and Improving the Health of the American People?](#)"
- **Senate Aging Committee:** On July 11, the Committee held a hearing titled "[Health Care Transparency: Lowering Costs and Empowering Patients](#)." The hearing focused on challenges in the health care system due to a lack of price transparency and competition and ways to improve the system for patients, people with disabilities, older adults, and families. It also examined how beneficiaries are harmed by poor price transparency and how employers have found ways to save costs by acting on data. Senator Braun released a report on health care price transparency in line with the hearing.
- **Senate Health, Education, Labor, and Pensions (HELP) Committee:** On July 11, the Committee held a hearing titled, "[What Can Congress Do to End the Medical Debt Crisis in America?](#)" In May, Chairman Sanders (I-VT) introduced the [Medical Debt Cancellation Act](#), which would eliminate \$220 billion in medical debt, wipe debt from credit reports, and drastically limit the accrual of future medical debt. Democrats at the hearing favored erasing the debt to encourage Americans to get care without fear of financial strain. Ranking member Bill Cassidy, M.D. (R-LA) and the other Republicans on the panel prefer to redefine government policies to ensure that hospitals use subsidies for patient care. The hearing comes after the [Biden administration announced a plan](#) in June to prevent creditors from considering an applicant's medical debt.

Legislation of Interest

- **S.4338, Pay PCPs Act of 2024:** In May, Senators Bill Cassidy (R-LA) and Sheldon Whitehouse (D-RI) released a [Request For Information](#) in response to their drafted legislation that establishes hybrid primary care payments under Medicare. [ACH submitted comments](#) and will continue tracking the status of the bill.
- **Cybersecurity:** Senators Jacky Rosen (D-NV), Todd Young (R-IN), and Angus King (I-ME) introduced the bipartisan *Healthcare Cybersecurity Act* to bolster the health care and public health sectors' cybersecurity. The bill will direct the Cybersecurity and Infrastructure Security Agency (CISA) and the Department of Health and Human Services (HHS) to collaborate on improving cybersecurity and make resources available to non-federal entities relating to cyber threat indicators and appropriate defense measures. Community Health Centers are mentioned in the [press release](#).

In the Courts

- **Braidwood V. Becerra:** Last month, the US Court of Appeals for the Fifth Circuit [ruled on its decision on the Braidwood V. Becerra appeal](#), affirming in part, reversing in part, and remanding for further proceedings. The decision upheld the lower court's declaration that the United States Preventive Services Task Force is unconstitutional and that members must be nominated by the President and confirmed by the Senate. They overturned the lower court's nationwide injunction, declaring the injunction can only be applied to the plaintiffs' health care plans. Other health plans must continue to cover ACA-mandated preventive services without cost-sharing for the time being.

ICYMI

- [Addressing the "postpartum cliff" may be as simple as a sending few text messages](#) - **STAT News**
- [Unprecedented financial losses at health care organizations pose risk to primary care access in NH](#) - **Commentary from FQHC Amoskeag Health's president and CEO**
- [California is funding managed care plans to bring mental healthcare to schools. Here's how it's going.](#) - **Fierce Healthcare**
- [Protecting Federally Qualified Health Centers Amid Drugstore Closures and Threats To 340B](#) - **Health Affairs**

Upcoming Events of Interest

- **July 23:** [ACH Congressional Briefing, "Bump, Baby, and Beyond: How Health Centers Provide Comprehensive Maternal Care,"](#) *In person, Capitol Hill, Washington, DC*
- **July 31:** [ACH Members-Only Policy Office Hours](#) 12:00 - 1:00 PM (EST), *Virtual*
- **September 9-11:** [National Academy for State Health Policy: NASHP Annual Conference](#), *Nashville, TN*
- **December 2-4:** [Third Annual Social Determinants of Health Policy Forum](#), *Washington, DC*

Please let us know if you have any questions and have a great rest of your week!

Sincerely,

Your ACH Policy & Government Affairs Team

Stephanie Krenrich, SVP, Policy & Government Affairs

Molly Grady, Director, Policy & Government Affairs



ADVOCATES FOR
COMMUNITY
HEALTH

Advocates for Community Health, 1575 I St. NW, Suite 300, Washington, DC 20005

[Unsubscribe](#) [Manage preferences](#)