Dear.

Happy Wednesday! We hope you are enjoying your summer and finding time to watch <u>Team USA winning Olympic medals!</u> Please read on for ACH and D.C. policy updates.

Last week, ACH held a virtual Congressional Briefing in partnership with the Bipartisan Rural Health Caucus and Maternity Care Caucus titled "Bump, Baby, and Beyond: How Health Centers Provide Comprehensive Maternal Care." Three members of Congress, Rep. Robin Kelly (D-IL), co-chair of the Maternity Care Caucus, and Reps. Jill Tokuda (D-HI) and Rep. Young Kim (R-CA), co-chairs of the Rural Health Caucus joined the briefing and provided comments about the unique needs of their districts in the maternity care space, as well as the important role FQHCs play in delivering care. *A very special thank you* to Louise McCarthy (CEO, Community Clinic Association of Los Angeles County), and ACH members Dan Prevost (CEO, Mariposa Community Health Center) and Parinda Khatri (CEO, Cherokee Health Systems) who were featured as our expert speakers. More than 75 participants joined the briefing including Hill staff, representatives from state primary care associations and national organizations, and many others. For those interested, the call was recorded and is available for viewing at this link.

Additionally, in light of the continued need for bipartisan Congressional 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.

As <u>ACH celebrates its 3rd anniversary</u>, we would love to be able to highlight that we had <u>100%-member participation</u> during Health Center Week Grassroots Week of Action, so please share with all of your health centers and staff and let us know if there is anything we can do to help the effort! *If you have an advocacy coordinator, or an on-the-ground point of contact for each of your health centers, please contact our Director of Grassroots Advocacy and Membership, <u>Sami Noble</u>, so we can ensure we're communicating with the correct people.*

NOTE: As part of our <u>Grassroots Week of Action</u>, we announced our inaugural <u>David B. Vliet Changemaker Award</u> to celebrate community health center advocates who advance health equity while delivering quality patient care. <u>We have extended the nomination deadline to this Friday, August 2</u>, and a winner will be announced on August 12.

Finally, we have received so many impressive applications for the second round of funding for <u>ACH's 2024 Entrepreneur Challenge</u>. Two ACH members will receive \$100,000 in grant funding and winners will be notified during the week of August 19.

The Latest News from D.C.

The House is out of session until after Labor Day, and the Senate will follow suit after this week. All eyes have turned to the presidential race as this unusual election year continues. In the mid 1960s, during a currency crisis in Great Britain, Prime Minister Harold Wilson famously quipped that <u>"a week is a long time in politics."</u> We doubt that Mr. Wilson ever experienced a week quite like this last one.

Of course, it began a week ago last Sunday when President <u>Joe Biden announced</u> he was dropping out of the presidential race and soon endorsed Vice President Harris. In an astonishing display of force, Vice President Kamala Harris <u>wrapped up the Democratic nomination in a matter of days</u> – seemingly uniting and energizing a party that was beset by fear and anxiety for the last month. Now, we have a 96-day sprint until the election.

Vice President Harris's health priorities <u>are expected to center around maternal health, workforce, opioids, drug pricing, and Medicare</u>. As Attorney General of California, she worked to <u>reduce health care costs and tackled industry consolidation</u>, signaling continued interest in drug price negotiations and antitrust actions. As VP, she released <u>the White House Blueprint for Addressing the Maternal Health Crisis</u>. <u>Politico</u> reports that some advocates view Harris as a champion of reproductive justice, pointing to her work as Vice President, her votes in the Senate against abortion restrictions, and her fight as California Attorney General against a group that

recorded sting videos at Planned Parenthood clinics. Of note, she has consistently supported abortion access and is the first Vice President to visit an abortion provider.

If the last month taught us anything, it is that the dynamics of this race can change quickly. Harris is expected to <u>announce her vice-presidential candidate as early as next week</u>, and will officially clinch the <u>Democratic nomination by virtual roll-call August 5th</u>. If history is any indication, Harris and her vice-presidential selection may well get another enthusiasm boost following the <u>Democratic National Convention</u> in Chicago August 19-22.

While attention shifts fully to the campaign, Congress more or less winds down until after the election. The House is already out on recess, and the Senate is soon on its way out. It was a historically unproductive period – with only 71 bills enacted so far, compared to an average of 389 for the last 10 congresses. We did see some notable events, however. On July 24, Israeli Prime Minister Benjamin Netanyahu delivered a joint address to Congress, which roughly one-half of Democrats boycotted in protest. Just yesterday, the Senate passed the bipartisan Kids Online Safety Act, which requires social media platforms to protect minors, from online harm, such content that promotes eating disorders, suicide, bullying, drug abuse, and violence. Its fate after the August recess? Like most things-uncertain.

Of course, this Congress isn't over yet, and the number of bills passed is an inexact way to measure effectiveness. There are real problems facing the country – be it the state of the economy, access to health care, immigration, or climate change - and our system, for all its flaws, has proven remarkably resilient over time. The public disgust with Washington might actually drive Congress to get its act together. There is also a chance the coming election might reset our politics and provide a path forward. Or, it might have the very opposite effect. On that, we will just have to wait these last 3 months and see.

The outcome of the 2024 elections has the potential to impact many health center priorities, including funding, 340B, telehealth, preventative services, drug pricing, and other issues. We are engaging with both presidential candidates' campaigns and will prepare ACH members accordingly. Keep an eye out for memos from ACH regarding the effects on health centers and primary care in potential Trump & Harris Administration scenarios in the coming weeks.

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 <u>Labor-HHS bill</u> 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.
- <u>Senate appropriators are scheduled to mark up their Labor-HHS bill spending bill</u> tomorrow, on Thursday, August 1st; this bill includes funding for the Community Health Center Program and other HRSA line items. We are still waiting to learn how much funding the Senate has allocated for health centers in discretionary funding.
- While the March 8th package ensured reauthorization of the mandatory CHC fund through December 31, 2024, much of the rest
 of the federal government runs out of funding on September 30. When Congress returns in September, they will only have a
 handful of days in session to figure out how to avert a government shutdown. We anticipate another short-term C.R. to punt the
 federal funding fight until after the election. See this helpful breakdown from Punchbowl News for more on the current state of
 appropriations.
- Over the past several weeks, ACH has met with members of the House Energy and Commerce Committee, Senate HELP
 Committee, and Senate Finance Committee to push for sustainable, increased, and long-term funding of the Community Health
 Center Fund. In the coming weeks, please look out for a stakeholder sign-on letter we will be circulating to highlight the
 significant importance of CHC Fund reauthorization at the end of the year.

- SUSTAIN Act: Last week, ACH met with staff for the 340B Senate Working Group "Gang of 6" regarding the content of the SUSTAIN Act, a comprehensive 340B reform bill that we anticipate will be released tomorrow (Thursday, August 1). This bill is the result of a lengthy, transparent process involving many relevant stakeholders, and ACH has provided feedback every step along the way. As soon as the draft language is made public, ACH will provide our members with a summary of provisions and schedule a webinar to give an overview and answer any questions.
- PBM Reforms: On July 23, the House Oversight and Accountability Committee hosted the third hearing of its ongoing investigation into PBM's role in rising health care costs. The hearing, titled "The Role of Pharmacy Benefit Managers in Prescription Drug Markets Part III: Transparency and Accountability," featured testimony by executives from CVS Caremark, Express Scripts, and OptumRx. The executives claimed to prioritize supporting independent pharmacies with higher reimbursement rates and efforts to promote payment predictability by eliminating retrospective pharmacy DIR fees. The PBMs advocated for policy changes to address high drug prices, prevent patent abuses by manufacturers, and expand the role of pharmacists, particularly in underserved areas, to improve healthcare access and affordability. Despite PBMs' assertions that they lower medication costs, the House panel reached the opposite conclusion.

Value-Based Care

- On July 23, we hosted the ACH VBC working group call, which featured FQHC experts from the <u>Center for Health Care</u>
 <u>Strategies (CHCS)</u>. The call centered around findings from their <u>recent report</u> about strategies to build a health equity focus into VBC payment designs in Medicaid.
- Additionally, ACH is discussing issues raised in the Medicare Physician Fee Schedule with external stakeholder organizations like <u>NAACOS</u> and will circulate questions for comment to the working group early next week.

Health Equity

- Data Equity: On August 13th, ACH plans to attend the bi-monthly <u>Data Equity Coalition</u> Meeting. The Coalition has made <u>several resources available</u> to the public for advocacy and information to highlight the importance of data equity's role in advancing health equity in areas such black maternal health, mental health, and sexual orientation gender identity sexual characteristics (SOGI).
- 998 Use: According to a recent report from Kaiser Family Foundation, 988 call volume has grown in all states since its inception; the growth has varied among states, with Idaho at the lowest growth rate (24%) and Oklahoma at the highest (185%). Since replacing longer hotline numbers with 988 in 2022, calls to the hotline have nearly doubled. This growth indicates more people may be willing to seek help amid a growing mental health crisis in the U.S.

FQHC Workforce

Labor and Delivery Units: On June 17, Senator Ron Wyden (D-OR) announced <u>draft legislation</u>, the <u>Keeping Obstetrics Local Act</u>, (summary found <u>here</u>), aimed at helping hospitals in rural and underserved communities provide obstetrics services in the face of a trend of closures. The bill aims to also address workforce shortages and low rates of maternity care reimbursement. ACH continues to work with Sen. Ron Wyden (D-OR), Sen. Mark Kelly (D-AZ), and others to include policies that support FQHCs in the bill.

Emergency Preparedness

CDC Hearing: On July 23, six CDC center directors testified before the House Energy and Commerce Committee's
Subcommittee on Health for a hearing titled, "Are CDC's Priorities Restoring Public Trust and Improving the Health of the
American People?" Among the issues raised, Rep. Nanette Barragan (D-CA) asked one of the witnesses about the possible
elimination of the Climate and Health Program at the CDC due to funding cuts proposed by Republicans and how these
environmental threats can harm public health. More information can be found here.

Other News from Across the Federal Government

Health and Human Services

• **Health Tech Reorganization:** HHS is merging two offices dedicated to health technology - creating a new role for a top White House official. The office will oversee technology, data, and Al policy, and the HHS Office of the Chief Technology Officer—

whose top role has been vacant since 2020 — and will merge with the Office of the National Coordinator for Health IT.

Health Resources and Services Administration

- 2023 UDS Data: In line with Health Center Week, on Monday, August 5, HRSA expects to publish 2023 UDS data on the HRSA Data Warehouse. Updates will include: <u>Health Center UDS Data Overview</u>, <u>Special Populations Funded Programs</u>, <u>Data Comparisons</u>, and <u>Patient Characteristics Snapshots</u>.
- New NOFO THCGME: On July 18th, HRSA released two NOFOs for the THCGME program:
- The first makes \$10M available to fund new THC residency slots for the current academic year (2024-2025). This is for THC Planning and Development Grant recipients who filled positions in the 2024 residency match but did not receive funding from HRSA. Deadline to apply is September 5, 2024.
- The second NOFO is funding for new residency slots at new and existing THC programs for next academic year (2025-2026). The level of funding for these new slots and the number of slots filled will depend on Congressional funding; we encourage all grantee recipients to apply. The deadline for this NOFO is September 20, 2024.

Centers for Medicaid and Medicare Services

- **Medicaid Unwinding:** <u>KFF Tracker</u> reports that as of July 23, states with available data have reported over 24.5 million people have been disenrolled from Medicaid, and 53.6 million have had their coverage renewed.
- **GAO Report:** On July 18, <u>GAO recommended improved federal oversight</u> of the Medicaid redetermination process after their report found states did not properly conduct Medicaid renewals before and after the COVID-19 Public Health Emergency.
- 2025 Medicare Part D: Earlier this week, <u>CMS released the 2025 Medicare Part D Bid Information</u>. Additionally, <u>CMS announced a voluntary demonstration to support the implementation of the redesigned Part D benefit and improve stability for people with <u>Medicare in 2025</u>. This voluntary stabilization program is intended to improve premium stability for participating stand-alone prescription drug plans.</u>
- N.C. Medical Debt Plan: On July 26, CMS approved Gov. Roy Cooper's plan to use the state's Medicaid program to incentivize hospitals to relieve more than a decade of existing medical debt for eligible residents and prevent accumulation of future debt. The plan could relieve \$4 billion in debt through the incentive program, which offers higher Medicaid rates in exchange for relieving debt for low-and middle-income people dating back to 2014.

In the Courts

- UnitedHealth: A group of pharmacists and dozens of providers are suing UnitedHealth Group and its subsidiaries, arguing they
 still face financial disruption from the cyberattack on Change Healthcare earlier this year. The National Community Pharmacists
 Association, representing over 19,000 pharmacies and over forty providers, alleges Change failed to implement reasonable
 cybersecurity measures and caused financial losses for providers who struggled to receive payments during the outage at the
 major claim's processor.
- Virginia Beach Insulin & PBMs: Virginia Beach has joined multidistrict litigation against insulin makers and PBMs, accusing
 them of driving up diabetes medication costs through a rebate system that benefits PBMs. <u>The lawsuit in New Jersey alleges</u>
 that companies like Eli Lilly, Novo Nordisk, Sanofi, and PBMs such as CVS Caremark, Express Scripts, and OptumRx have
 caused significant price increases.

ICYMI

- More than 1 in 10 Patients at FQHCs Experience Major Social Risk Factors Brown University
- <u>Unprecedented Financial Losses at Health Care Organizations Pose Risk to Primary Care Access in New Hampshire</u> New Hampshire Bulletin
- <u>Humana to Open Clinics at Shuttered Former Walmart Health Sites</u> Forbes
- The Effort to Reform Physician Pay is Set to Pit Primary Car Docs Against Highly Paid Specialists STAT News
- Alzheimer's Blood Test in Primary Care Could Slash Diagnostic, Treatment Wait Times Medscape
- "We Need it Desperately": A New Clinic Model Could Become More Common in Rural Nebraska Nebraska Public Media

Upcoming Events of Interest

- August 5 7: ACU 2024 Annual Conference The Westin Washington, D.C.
- August 28: 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, D.C.

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



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