



September 17, 2021

# Summary of Health Care Provisions in Energy & Commerce Reconciliation Bill

This week, the House Energy and Commerce Committee approved sweeping health care legislation as part of the Democratic Congress' plan to enact a \$3.5 trillion legislative package through budget reconciliation. The committee considered six subtitles that contained health-related legislation: Drug Pricing, Affordable Care Act, Medicaid, CHIP, Medicare and Public Health . Notably, the committee did not approve the proposed drug pricing plan, which would allow for negotiation of drug prices in Medicare Part D, with three Democrats voting in opposition. This puts a signature piece of the Democrats' proposal, which would save close to \$500 billion to pay for other priorities, in peril.

The Energy and Commerce Committee legislation proposes to spend \$190 billion for Home- and Community-Based Services (HCBS), closing the Medicaid gap (no known score, estimated to be ~\$300 billion), and \$300 billion to expand Medicare benefits to include vision, dental and hearing. In order to offset this spending, they propose fully repealing the rebate rule, which will raise about \$170 billion as well as prescription drug reforms that would save approximately \$500 billion. While the Energy & Commerce Committee voted the drug provisions down, the House Ways and Means Committee adopted legislative recommendations containing identical language for drug pricing. This gives the drug provisions a path forward in the process, though it may not have enough support to ultimately pass the House. None of the costs or savings of the programs are official yet; the Congressional Budget Office will publish their estimates in upcoming weeks.

The legislative recommendations approved by the Energy and Commerce Committee will be combined with the recommendations from the other House committees by the House Budget Committee. Following a markup by the House Budget Committee, the combined legislation will be transmitted to the House Rules Committee where it will receive its own hearing. During this hearing, amendments can be introduced or made to adjust the bill. It is anticipated that the drug pricing language will be renegotiated over the coming weeks. House Democrats will need the savings generated from these provisions in order to pay for their other health care priorities included in the reconciliation bill.

## Subtitle E—Drug Pricing

### Part 1- LOWERING PRICES THROUGH FAIR DRUG PRICE NEGOTIATION

#### Section 30501. Providing for Lower Prices for Certain High-Priced Single Source Drugs.

- Beginning in 2025, the Secretary of Health and Human Services will:
  - identify and publish a list of 250 brand-name drugs that lack price competition, and
  - negotiate the price for at least 25 drugs in 2025, and at least 50 drugs thereafter.
- Requires the Secretary to directly negotiate with drug manufacturers to establish a maximum fair price that will be offered to Medicare beneficiaries and for individuals enrolled under a group health plan.
- Establishes an upper limit for the price reached in any negotiation as no more than 1.2 times (or 120%) of the volume-weighted average of the price of six countries (Australia, Canada, France, Germany, Japan and the United Kingdom).
- **Impact:** Allows HHS Secretary to negotiate prescription drug prices and sets a maximum price to no more than 120% of six indexed countries.

#### Section 30502. Selected Drug Manufacturer Excise Tax Imposed During Noncompliance Periods.

- Imposes a tax on the manufacturer, producer or importer of any selected drug if they do not comply with the negotiation rules.
- The tax amount is equal to the ratio of the tax divided by the sum of the tax and the price for which the drug is sold.
- The tax is:
  - 65% of the sale of the drug in question for the first 90 days following noncompliance,
  - 75% for days 91–180 following noncompliance,
  - 85% for days 181–270 following noncompliance, and
  - 95% for days 271+ following noncompliance.
- **Impact:** Imposes a tax on manufacturers, producers or importers if they do not negotiate with the Secretary of Health and Human Services. The tax increases the longer there is noncompliance.

#### Section 30503. Fair Price Negotiation Implementation Fund.

- Establishes a Fair Price Negotiation Implementation Fund to be used by the Secretary for Section 30501 and 30502.
- There is authorized \$3 billion to remain available until expended, of which \$600 million becomes available each year through 2026.
- **Impact:** Allocates resources to pay for implementing drug negotiations and taxes for noncompliance.

### Part 2 – PRESCRIPTION DRUG INFLATION REBATES

#### Section 30511. Medicare Part B Rebate by Manufacturers.

- Beginning 2023, this bill establishes a mandatory rebate for drug manufacturers for certain Medicare Part B drugs, when the price of a drug increases faster than inflation.
- The Secretary of Health and Human Services calculates a rebate amount based on the total number of units of the Part B drug, including for the Medicare program and the commercial market, and determines the inflation-adjusted payment amount based on the percentage by which the price exceeded the inflation benchmark.
- Should a manufacturer not pay the mandated rebate, the manufacturer shall be subject to a civil monetary penalty equal to or at least 125% of the rebate amount for such calendar quarter.

- **Impact:** If a drug price in Medicare Part B increases faster than inflation, the manufacturer either provides a rebate or pays a monetary penalty.

#### **Section 30512. Medicare Part D Rebate by Manufacturers.**

- Beginning 2023, establishes a mandatory rebate for drug manufacturers for certain Medicare Part D drugs with prices increasing faster than inflation.
- The Secretary of Health and Human Services calculates a rebate amount based on the total number of units with respect to a Part B rebatable drug, including for the Medicare program and the commercial market, and determines the inflation-adjusted payment amount based on the percentage by which the price exceeded the inflation benchmark.
- Should a manufacturer not pay the mandated rebate, the manufacturer shall be subject to a civil monetary penalty equal to or at least 125% of the rebate amount for such calendar quarter.
- **Impact:** If a drug price in Medicare Part D increases faster than inflation, the manufacturer either provides a rebate or pays a monetary penalty.

### **Part 3 – PART D IMPROVEMENTS AND MAXIMUM OUT-OF-POCKET CAP FOR MEDICARE BENEFICIARIES**

#### **Section 30521. Medicare Part D Benefit Redesign.**

- Beginning in 2024, this bill caps the cost for prescription drugs by setting the annual out-of-pocket limit at \$2,000
- Reduces from 80% to 20% the government reinsurance in the catastrophic phase of Part D coverage, converting the current coverage gap discount program into a benefit-wide responsibility, requiring manufacturers of single source drugs to contribute to payments in both the initial (10%) and catastrophic phases (30%) of the benefit.
- **Impact:** Redesigns Medicare Part D to provide an annual out-of-pocket cap.

#### **Section 30522. Allowing Certain Enrollees of Prescription Drug Plans and MA-PD Plans.**

- Allows eligible beneficiaries who meet the out-of-pocket cap in a single prescription fill to pay for such costs in installments throughout the year
- **Impact:** Allows beneficiaries who meet the new out-of-pocket cap in a single prescription to spread the cost throughout the year.

### **Part 4 – REPEAL OF CERTAIN PRESCRIPTION DRUG REBATE RULE**

#### **Section 30531. Prohibiting Implementation of Rule Relating to Eliminating the Anti-Kick Back Statute Safe Harbor Protection for Prescription Drug Rebates.**

- Prohibits the implementation after Jan. 1, 2026, of the final rule entitled “Fraud and Abuse; Removal of Safe Harbor Protection for Rebates Involving Prescription Pharmaceuticals and Creation of New Safe Harbor Protection for Certain Point-of-Sale Reductions in Price on Prescription Pharmaceuticals and Certain Pharmacy Benefit Manager Services Fees” that was published by the Office of the Inspector General of HHS on Nov. 30, 2020.
- **Impact:** Fully repeals the Trump-era Rebate Rule.

### **Subtitle F—Affordable Health Care Coverage**

#### **Section 30601. Ensuring Affordability of Coverage for Certain Low-Income Populations.**

- Provides cost-sharing reduction assistance to individuals with incomes below 138% of the Federal Poverty Level (FPL) beginning in 2022 through 2024.

- Allows individuals with incomes below 138% FPL and who are not eligible for minimum essential coverage to enroll in Marketplace coverage on a continuous basis beginning in 2022 through 2024.
- Requires insurers to cover additional benefits without cost-sharing for those with incomes below 138% FPL and are not eligible for minimum essential coverage during the 2024 plan year, including nonemergency medical transportation services and family planning services and supplies. HHS would be required to reimburse insurers for the costs of these extra benefits.
- Appropriates \$15 million for 2022 and \$30 million for both 2023 and 2024 for the Secretary to conduct outreach to inform eligible individuals about the availability of Marketplace coverage during this period.
- Requires HHS to also obligate \$10 million from ACA user fees for 2022 and \$20 million for both 2023 and 2024 toward this outreach.
- **Impact:** Expands Marketplace coverage to those within the Medicaid coverage gap.

**Section 30602. Temporary Expansion of Health Insurance Premium Tax Credits for Certain Low-Income Populations.**

- Provides the ACA Marketplace subsidies to individuals with incomes below 138% FPL beginning in 2022 through 2024.
- Limits the amount of money the government can recapture if a low-income consumer misestimated their income and received too much advanced premium tax credit. Those with household incomes equal to or below 200% FPL would owe no more than \$300 beginning in 2022 through 2024.
- Adds an exception to the employer mandate for those whose household income is less than 138% FPL beginning in 2022 through 2024.
- **Impact:** Expands premium tax credits to those within the Medicaid coverage gap.

**Section 30603. Establishing a Health Insurance Affordability Fund.**

- Appropriates \$10 billion annually to establish the Improve Health Insurance Affordability Fund, administered by HHS and CMS, to be distributed to the 50 states and the District of Columbia beginning in 2023.
- Directs states to use funds to establish an individual market reinsurance program or reduce premiums and out-of-pocket costs for Marketplace or Basic Health Program enrollees.
- Directs states to submit applications to CMS 120 days after the enactment of the bill for 2023 allocations and not later than Jan. 1, 2023, for 2024 allocations detailing how the funds will be used. After applying, states will be automatically approved unless notified otherwise. An approved application will be treated as approved for four subsequent years following the approval.
- Directs HHS to establish and operate a reinsurance program in the state, if a state failed to apply for the funds or if a state has not expanded Medicaid.
- Allows the Secretary to revoke application approval if it is found through oversight activities that the state failed to use the funds as required.
- Directs the Secretary to notify states of allocation amounts for 2024 and each subsequent year by no later than Jan. 1 of the previous year.
- Requires states with a Basic Health Program to submit the adjusted premium amount for each qualified health plan that receives a reinsurance payment under the new program. The adjusted premium amount is the monthly premium that would have applied without the reinsurance program.
- Directs the Secretary to calculate what states are owed for the premium tax credits under the Basic Health Program using the adjusted premium amount.
- **Impact:** Creates a reinsurance program in all 50 states and D.C.

**Subtitle G—Medicaid**

**PART 1—FEDERAL MEDICAID PROGRAM TO CLOSE THE COVERAGE GAP**

**Section 30701. Closing the Medicaid Coverage Gap.**

- Establishes a federal Medicaid program in non-expansion states beginning in 2025. The federal Medicaid program would provide the same benefits and beneficiary protections to individuals as are provided by state Medicaid expansion.
- Allows the Secretary to use the Federally Facilitated Marketplace to determine eligibility and directs the Secretary to set eligibility rules for the program.
- Requires HHS to establish minimum standards for benefits, beneficiary protection and access to care, including coverage of benefits consistent with benchmark coverage and no cost-sharing, a right to a fair hearing process and prevention against fraud and abuse.
- Directs the Secretary to solicit bids from Medicaid managed care organizations and third-party administrators and enter into contracts with at least two eligible entities across all coverage gap geographic areas.
- Requires entities to submit one or more bids to administer the program in one or more coverage gap geographic areas and show the estimated monthly cost of furnishing benefits under the program in the area in order to be eligible to enter into a contract.
- Directs the Secretary to take into account when selecting a bid network adequacy; the amount, duration and scope of benefits; and the amount of the bid.
- Lays out requirements for the contract between the Secretary and a Medicaid managed care organization, including the payment of claims in a timely manner, the application of a minimum medical loss ratio, and information about the number of individuals enrolled in the program with respect to each coverage gap geographic area.
- Lays out requirements for the contract between the Secretary and a third-party administrator, including establishing provider networks, payment rates and utilization management; paying claims in a timely manner; and submitting information on the number of individuals enrolled in the program with respect to each coverage gap geographic area.
- Grants the Secretary administrative authority to take actions as necessary to administer the program, such as setting payment rates and network adequacy standards and establishing quality and reporting requirements.
- Preempts any state licensure requirements that would prohibit any entity from participating in the program.
- Allows the Secretary to withhold payment or impose a civil monetary penalty of up to \$10,000 for each failure if entities fail to comply with program standards or contractual obligations.
- Directs the Secretary to periodically verify the income of an individual enrolled in the program.
- Requires contracted entities to report drug rebate data and utilization data to the Secretary.
- Directs the Secretary to develop a transition plan for states that seek to expand their state Medicaid plan.
- Requires states that stop spending funds on Medicaid expansion to pay the federal government 10% of the average costs for expansion beneficiaries in the state multiplied by the number of individuals that enroll in the program.
- **Impact:** Creates a federal Medicaid program to close the Medicaid coverage gap.

**PART 2—EXPANDING ACCESS TO MEDICAID HOME AND COMMUNITY-BASED SERVICES**

**Section 30711. Definitions.**

- Defines key terms including “appropriate committees of Congress,” “direct care worker,” “HBCS program improvement State,” “health plan,” “home and community-based services,” “institutional setting,” “Medicaid eligible individual,” “State Medicaid program,” “Secretary,” and “State.”

- **Impact:** Defines key terms used throughout Subtitle G, Part 2.

#### **Section 30712. HCBS Improvement Planning Grants.**

- Appropriates \$130 million for FY 2022, to remain available until expended, for states to develop plans to expand access to home- and community-based services (HCBS) and strengthen the HCBS workforce. This includes \$5 million for technical assistance and guidance to states.
- Sets a deadline of 12 months after the bill's enactment for the Secretary to solicit state requests for and award grants to all states that meet the determined requirements.
- Sets criteria for determining grant amounts, as well as the allowable uses of funds. States may use grant funds to support implementation of the HCBS improvement plan, collect and report required information, identify areas for improvement to service delivery systems, carry out activities related to evaluating and improving payment rates, and for other purposes specified by the Secretary.
- Outlines requirements for development of improvement plans using grant funds, including those around eligibility and benefits, access, utilization, service delivery structures and supports, workforce, payment rates, quality, long-term services and supports (LTSS) provided in institutional settings, HCBS share of overall Medicaid LTSS spending, and demographic data.
- Requires states to provide a description of how they will meet goals for HCBS improvements.
- Requires states to gather stakeholder input in developing plans, provides the Secretary authority to modify requirements if impracticable for states to collect and submit specific information, and requires states to submit their HCBS improvement plans for approval by the Secretary, along with assurances that the state will implement it in accordance with requirements, within 24 months of the date on which the state is awarded a grant. The Secretary may withhold or recoup funds provided if a state fails to implement the plan or meet applicable deadlines.
- **Impact:** Provides funding for and outlines requirements around state HCBS improvement planning grants, including grant amounts, use of funds, plan requirements and processes for developing plans.

#### **Section 30713. HCBS Improvement Program.**

- Provides states with a permanent 7 percentage point increase to the federal medical assistance percentage (FMAP) if the state implements an HCBS improvement program to strengthen and expand HCBS, and provides an enhanced FMAP of 80% for administrative costs associated with improving HCBS.
- Provides a two-year increase to the FMAP of 2 percentage points if a state adopts an HCBS model that promotes self-direction of care and meets certain other requirements.
- Caps the FMAP at 95% in all cases.
- Outlines requirements with respect to a state and fiscal quarter including those related to the following:
  - Non-supplantation of the federal HCBS funds attributable to the increase in FMAP;
  - Maintenance of effort with regard to state spending on HCBS;
  - Specific allowances for states to make modifications that would otherwise violate the aforementioned maintenance of effort clause, as long as the modifications will not result in less comprehensive services, fewer individuals served or increased cost-sharing for HCBS;
  - Improvements around access to services; and
  - Strengthening and expanding the direct care workforce, including by updating and increasing payment rates, as appropriate.
- Requires states to establish or enter into a contact with one or more nonprofit entities to register, help recruit and train direct care workers; ensure the safety of and support the quality of care provided to beneficiaries; facilitate coordination between state and local agencies and direct care workers; support beneficiary hiring of independent HCBS providers; and ensure programs and procedures do not discriminate against labor organizations or workers who join or decline to join a labor organization.

- Provides reporting and oversight requirements, as well as benchmarks for demonstrating improvements to HCBS programs and resulting FMAP increases.
- **Impact:** Outlines requirements for state HCBS improvement programs as well as details on the federal-state match rates, which are tied to such program improvements.

**Section 30714. Funding for Technical Assistance and Other Administrative Requirements Related to Medicaid HCBS.**

- Appropriates \$35 million for FY 2022, to remain available until extended, for HHS to prepare and submit a report to Congress within four years of the bill's enactment on the implementation and outcomes of state HCBS improvement programs. Subsequent reports are required within seven years of the bill's enactment, and every three years thereafter.
- Funds are also to be used to provide states with technical assistance to implement and meet requirements and benchmarks for HCBS improvement programs.
- **Impact:** Provides funding for HHS to report on the progress of state HCBS improvement programs, and for technical assistance to help states meet and track program requirements and goals.

**Section 30715. Funding for HCBS Quality Measurement and Improvement.**

- Requires HHS to develop and publish HCBS quality measures for state Medicaid programs that are reflective of the full array of HCBS services and recipients of such services.
- Allows the Secretary to determine which quality measures are included in the core set based on the differences in health care needs for the relevant populations.
- Mandates state reporting with respect to said HCBS quality measures beginning on or after the date that is two years after the date the Secretary publishes the new HCBS quality measures.
- Requires interagency collaboration and stakeholder input in developing and subsequently reviewing and updating the HCBS quality measures included in the core set of adult health quality measures.
- Appropriates \$5 million for FY 2022, to remain available until expended, to carry out this section.
- **Impact:** Appropriates funding and puts in place requirements to develop and publish comprehensive HCBS quality measures for state Medicaid programs.

**Part 3 – OTHER MEDICAID**

**Section 30721 Permanent Extension of Medicaid Protections Against Spousal Impoverishment for Recipients of Home- and Community-Based Services.**

- Permanently extends protections against spousal impoverishment for partners of Medicaid beneficiaries who qualify for long-term care and choose to receive home- and community-based services.
- **Impact:** Permanently extends spousal impoverishment protections to ensure financial stability for the spouse of certain Medicaid beneficiaries receiving HCBS.

**Section 30722 Permanent Extension of Money Follows the Person Rebalancing Demonstration.**

- Permanently extends the Medicaid Money Follows the Person Rebalancing Demonstration Program, which authorizes CMS to award state grants to assist Medicaid participants transition from long-term care to a home setting.
- Allocates \$450 million in grant funding for each fiscal year following FY 2021.
- Allocates \$500 million allotments for each three-year period beginning in FY 2022 for technical assistance and oversight to upgrade quality assurance and improvement systems.
- Rescinds unused state grant funding remaining at the end of the fourth succeeding fiscal year (since disbursement) to be added to the appropriation for the fifth succeeding fiscal year.

- **Impact:** Provides permanent funding for grants intended to increase and expedite transitioning Medicaid participants from institutional LTSS into HCBS.

**Section 30723 Extending Continuous Medicaid Coverage for Pregnant and Postpartum Women.**

- Requires state Medicaid programs to provide 12 months of full, continuous Medicaid eligibility to postpartum women.
- Effective the first day of the first fiscal year quarter beginning at least one year following enactment.
- **Impact:** Under ARPA, states were allowed the option to expand Medicaid postpartum coverage from the initial 60 days to cover the 12-month period following pregnancy. Under this provision, states will now be required to provide this coverage to postpartum women.

**Section 30724 Providing for One Year of Continuous Eligibility for Children under the Medicaid Program.**

- Requires state Medicaid programs to provide 12 months of continuous eligibility for enrolled children.
- **Impact:** Builds upon the Medicaid disenrollment freeze implemented under the CARES Act to provide a full year of continuous coverage for children.

**Section 30725 Allowing for Medical Assistance Under Medicaid for Inmates During the 30-Day Period Preceding Release.**

- Requires that state Medicaid programs cover incarcerated individuals 30 days prior to their release.
- **Impact:** Allows inmates to receive Medicaid benefits during the final 30 days of their prison sentence.

**Section 30726 Extension of Certain Provisions.**

- Permanently extends the Express Lane Eligibility option for children in Medicaid.
- **Impact:** Authorizes states to base eligibility determinations on findings from other public programs including SNAP.

**Subtitle H – Children’s Health Insurance Program.**

**Section 30801 Permanent Extension of Children’s Health Insurance Program.**

- Authorizes permanent funding for the Children’s Health Insurance Program (CHIP) for low-income children.
- **Impact:** Enacts a permanent extension of CHIP.

**Section 30802 Permanent Extensions of Other Programs and Demonstration Projects.**

- Permanently extends the pediatric quality measures program and allocates \$15 million for FY 2028. Sets subsequent fiscal year allocations to index for inflation.
- Permanently extends the qualifying state option and restrictions on state-imposed eligibility standards.
- Permanently extends the outreach and enrollment program, allocating \$60 million in grant funding for FY 2028, 2029 and 2030, and indexes this amount for inflation in the three-year period following.
- Permanently extends the Child Enrollment Contingency Fund.
- **Impact:** Extends several programs related to CHIP in accordance with the permanent extension to the overall program.

**Section 30803 State Option to Increase Children’s Eligibility for Medicaid and CHIP.**

- Extends the definition of “targeted low-income children” to allow states the option of including children whose families earn a higher income than the maximum permitted under the state child health plan.
- Allows territories to request an expansion in eligibility and matching allotment adjustment for their child health plan.



- **Impact:** Provides states and territories with the option to increase CHIP income eligibility levels above the existing statutory ceiling, potentially increasing the number of eligible families for the program.

**Section 30804 Extending Continuous CHIP Coverage for Pregnant and Postpartum Women.**

- Requires states to provide 12 months of full postpartum coverage to women enrolled in CHIP.
- Effective the first day of the first fiscal year quarter beginning at least one year following enactment.
- **Impact:** ARPA allowed states the option to extend CHIP coverage to women that are up to 12 months postpartum, and this provision builds upon that state plan option to further require that states extend such coverage for postpartum women.

**Section 30805 Providing for One Year of Continuous Eligibility for Children Under the Children’s Health Insurance Program.**

- Requires state CHIP programs to provide 12 months of continuous eligibility for children enrolled in CHIP.
- **Impact:** Guarantees a full year of continuous coverage for children enrolled in CHIP.

**Subtitle I—Medicare Coverage of Dental, Hearing, and Vision Services**

**Section 30901. Dental and Oral Health Care.**

- Beginning Jan. 1, 2028, provides coverage for the following:
  - Preventive and screening dental and oral health services, which includes oral exams, dental cleanings, dental x-rays and fluoride
  - Basic treatments, which may include basic tooth restorations, basic periodontal services, tooth extractions and oral disease management services
  - Major treatments, which may include major tooth restorations, major periodontal services, bridges, crowns and root canals
- Limits payments made for the number of preventative and screening oral exams and dental cleanings, during a 12-month period, to two.
- Limits payments made for dentures to once during any five-year period; allows bundle payments for dentures and associated professional services.
- Prohibits administrative or judicial review of the determination of (i) payment amounts; (ii) what services are considered basic and major services; and (iii) the frequency and circumstance limitations for dental and oral health services.
- Requires the Secretary of HHS to transfer \$20 million for each of FY 2022–2028 from the Federal Supplementary Medical Insurance Trust Fund to the Centers for Medicare & Medicaid Services Program Manager Account.
  - Funds will remain available until expended and may be used to implement amendments made in Sections 30902 and 30903.
  - Permits additional transfer of funds as the Secretary deems necessary for each subsequent FY for administering this section.
- **Impact:** Provides new dental benefits to Medicare Part B, including coverage of preventative services, basic services and major services.

**Section 30902. Providing Coverage for Hearing Care Under the Medicare Program.**

- Beginning Oct. 1, 2023, provides coverage for hearing aids for individuals with severe or profound hearing loss.
- Limits payments made for hearing aids to only once in a five-year period and only for hearing aid types that are not over-the-counter.
- Prohibits administrative or judicial review of the determination of (i) hearing aid type; and (ii) fee schedule rates for hearing aids.

- Requires the Secretary of HHS to transfer \$20 million for each of FY 2022–2023 from the Federal Supplementary Medical Insurance Trust Fund to the Centers for Medicare & Medicaid Services Program Manager Account.
  - Funds will remain available until expended and may be used to implement amendments made in Sections 30901 and 30903.
  - Permits additional transfer of funds as the Secretary deems necessary for each subsequent FY for administering this section.
- **Impact:** Provides new hearing benefits to Medicare Part B, including coverage of hearing aids that cannot be purchased over-the-counter and that are for individuals with severe or profound hearing loss.

#### **Section 30903. Providing Coverage for Vision Care Under the Medicare Program.**

- Beginning Oct. 1, 2022, provides coverage of routine eye exams, glasses and contact lenses.
- During a two-year period, payment may be made for only one routine eye examination and one contact lens fitting.
- During a two-year period, payment may be made for either one pair of eyeglasses (lenses and frames) or up to a two-year supply of contact lenses:
  - Up to \$85 for the lenses and \$85 for the frames
  - Up to \$85 for the two-year supply of contact lenses
  - For subsequent years, the dollar amount will be increased based on a percentage change, to the previous year's dollar amount, that is based on the consumer price index for all urban consumers for the 12-month period ending with June of the previous year.
  - As an exception to the two-year period limitation, an individual that receives cataract surgery with insertion of an intraocular lens, payment may be made for one pair of eyeglasses or contact lenses after the surgery during the two-year period.
- Prohibits administrative review or judicial review of the determination of (i) types of eyeglasses and contact lenses; and (ii) fee schedule rates for eye glasses and contact lenses.
- Requires the Secretary of HHS to transfer \$20 million for each of FY 2022–2023 from the Federal Supplementary Medical Insurance Trust Fund to the Centers for Medicare & Medicaid Services Program Manager Account.
  - Funds will remain available until expended and may be used to implement amendments made in Sections 30901 and 30902.
  - Permits additional transfer of funds as the Secretary deems necessary for each subsequent FY for administering this section.
- **Impact:** Provides new vision benefits to Medicare Part B, including coverage of routine eye examinations, eye glasses and contact lenses.

### **Subtitle J—Public Health**

#### **Part 1 – HEALTH CARE INFRASTRUCTURE AND WORKFORCE**

##### **Section 31001. Funding to Support Core Public Health Infrastructure for State, Territorial, Local, and Tribal Health Departments at the Centers for Disease Control and Prevention.**

- Provides \$7 billion in funding to support core public health infrastructure activities to strengthen the public health system through grants at the Centers for Disease Control and Prevention.
- Qualifying activities include: workforce capacity and competency; laboratory systems; all hazards public health and preparedness; testing capacity, including test platforms, mobile testing units and personnel; health information, health information systems and health information analysis; disease surveillance; contact tracing; among other activities.

**Section 31002. Funding for Hospital Infrastructure.**

- Provides \$10 billion in funding to award grants for construction or modernization projects for purposes of increasing capacity and updating hospitals and other medical facilities in order to better serve communities in need.
- Priority will be given to projects that will include public health preparedness, natural disaster emergency preparedness or cybersecurity against cyber threats.

**Section 31003. Funding for Community Health Center Capital Grants.**

- Provides \$10 billion in funding to award grants and enter into cooperative agreements for capital projects to health centers.

**Section 31004. Funding for Community-Based Care Infrastructure.**

- Provides \$500 million in funding to award grants to qualified teaching health centers and to behavioral health care centers (including both substance abuse and mental health care facilities) to support the improvement, renovation or infrastructure at such centers.

**Section 31005. Funding for Schools of Medicine in Underserved Areas.**

- Provides \$1 billion in funding for medical school construction, expansion and training in underserved communities that lack quality access to quality health care.

**Section 31006. Funding for Nursing Education Enhancement and Modernization Grants in Underserved Areas.**

- Provides \$1 billion in funding to support schools of nursing with program enhancement and infrastructure modernization, simultaneously increasing the number of nursing faculty and students, including rural and underserved areas.

**Section 31007. Funding for Teaching Health Center Graduate Medical Education.**

- Provides \$6 billion in funding for payments to teaching health centers that operate graduate medical education programs and the award of teaching health center development grants.

**Section 31008. Funding for Nurse Corps.**

- Provides \$300 million in funding for Nurse Corps, which provides loan repayment assistance to registered nurses (RNs) and advanced practice registered nurses (APRNs).

**Part 2 – PANDEMIC PREPAREDNESS**

**Section 31021. Funding for Laboratory Activities at the Centers for Disease Control and Prevention.**

- Provides \$5 billion in funding to support renovation, expansion and modernization of state and local public health laboratory infrastructure; renovating, expanding and modernizing laboratories of CDC; and enhancing the ability of CDC to monitor and exercise oversight over biosafety and biosecurity of state and local public health laboratories.

**Section 31022. Strengthening Vaccine Confidence.**

- Provides \$1.25 billion in funding to award grants to strengthen vaccine confidence; strengthen routinely recommended vaccine programs; and improve rates of vaccination.

**Section 31023. Funding for Surveillance Activities at the Centers for Disease Control and Prevention.**

- Provides \$1.25 billion in funding to award grants to enhance and strengthen early warning and detection systems; enhance and strengthen surveillance based in hospitals and other health care providers or facilities; among other activities.

**Section 31024. Funding for Data Modernization at the Centers for Disease Control and Prevention.**

- Provides \$500 million in funding to support public health data surveillance, aggregation and analytics infrastructure modernization initiatives; enhance reporting and workforce core competencies in informatics and digital health; and expand and maintain efforts to modernize the United States disease warning system.

**Section 31025. Funding for Public Health and Preparedness Research, Development, and Countermeasure Capacity.**

- Provides \$8 billion in funding to the Assistant Secretary for Preparedness and Response, to prepare for, and respond to, public health emergencies, including shoring up the Strategic National Stockpile, strengthening our supply chains, supporting domestic and global manufacturing of vaccines, bolstering biosecurity and investing in therapeutics, among other activities.

**Part 3 – INNOVATION**

**Section 31031. Funding for Advanced Research Projects for Health.**

- Provides \$3 billion to establish the Advanced Research Projects Agency for Health (ARPA-H).
- ARPA-H seeks to make pivotal investments in breakthrough technologies and broadly applicable platforms, capabilities, resources and solutions that have the potential to transform important areas of medicine and health that cannot readily be accomplished through traditional biomedical research or commercial activity.

**Part 4 – MATERNAL MORTALITY**

**Section 31041. Grants to Local Entities Addressing Social Determinants of Maternal Health.**

- Provides \$175 million in funding to award grants to address social determinants of maternal health for pregnant and postpartum individuals.

**Section 31042. Funding to Grow and Diversify the Nursing Workforce in Maternal and Perinatal Health.**

- Provides \$150 million in funding to award grants to accredited schools of nursing to grow and diversify the perinatal nursing workforce.

**Section 31043. Funding to Grow and Diversify the Doula Workforce.**

- Provides \$50 million in funding to award grants to establish or expand programs to grow and diversify the doula workforce.

**Section 31044. Funding to Grow and Diversify the Maternal Mental Health and Substance Use Disorder Treatment Workforce.**

- Provides \$75 million in funding to award grants to establish or expand programs to grow and diversify the maternal mental health and substance use disorder treatment workforce.

**Section 31045 Maternal Mental Health Equity Grant Programs.**

- Provides \$100 million in funding to award grants to address maternal mental health conditions and substance use disorders with respect to pregnant, lactating and postpartum individuals.

**Section 31046. Funding for Education and Training at Health Professions Schools to Identify and Address Health Risks Associated with Climate Change.**

- Provides \$85 million in funding to award grants to support the development and integration of education and training programs for identifying and addressing risks associated with climate change for pregnant, lactating or postpartum individuals.

**Section 31047. Grants to Minority-Serving Institutions to Study Maternal Mortality, Severe Maternal Morbidity, and Adverse Maternal Health Outcomes.**

- Provides \$50 million in funding to award grants to minority-serving institutions to study maternal mortality, severe maternal morbidity and adverse maternal health outcomes.

**Section 31048. Funding for Identification of Maternity Care Health Professional Target Areas.**

- Provides \$25 million in funding for identification of maternity care health professional target areas, as defined under Section 332(k) of the Public Health Service Act.

**Section 31049. Funding for Maternal Mortality Review Committees to Promote Representative Community Engagement.**

- Provides \$50 million in funding to promote community engagement in maternal mortality review committees.

**Section 31050. Funding for the Surveillance for Emerging Threats to Mothers and Babies.**

- Provides \$100 million to carry out Section 317K of the Public Health Service Act with respect to conducting surveillance for emerging threats to mothers and babies.

**Section 31051. Funding for the Enhancing Reviews and Surveillance to Eliminate Maternal Mortality Program.**

- Provides \$30 million to carry out the Enhancing Reviews and Surveillance to Eliminate Maternal Mortality program established under Section 317K of the Public Health Service Act.

**Section 31052. Funding for the Pregnancy Risk Assessment Monitoring System.**

- Provides \$15 million to carry out Section 317K of the Public Health Service Act with respect to the Pregnancy Risk Assessment Monitoring System.

**Section 31053. Funding for the National Institute of Child Health and Human Development.**

- Provides \$15 million to carry out Section 301 of the Public Health Service Act and title IV of the Public Health Service Act with respect to child health and human development and to conduct or support research for interventions to mitigate the effects of the COVID-19 public health emergency on pregnant and postpartum individuals.

**Section 31054. Grants to Expand the Use of Technology-Enabled Collaborative Learning and Capacity Models for Pregnant and Postpartum Individuals.**

- Provides \$30 million in funding to award grants to expand the use of technology-enabled collaborative learning and capacity models for pregnant and postpartum individuals.

**Section 31055. Grants to Promote Equity in Maternal Health Outcomes Through Digital Tools.**

- Provides \$30 million in funding to award grants to reduce racial and ethnic disparities in maternal health outcomes by increasing access to digital tools related to maternal health care.

**Section 31056. Funding for Antidiscrimination and Bias Training.**

- Provides \$25 million in funding to award grants to develop, disseminate, review, research and evaluate training for health professionals and all staff who interact with patients to reduce discrimination and bias in the provision of health care.

**Part 5 – OTHER PUBLIC HEALTH INVESTMENTS**

**Section 31061. Funding for Mental Health and Substance Use Disorder Professionals.**

- Provides \$50 million in funding for the Minority Fellowship Program at the Substance Abuse and Mental Health Services Administration (SAMHSA), whose mission promotes culturally competent behavioral and mental health care for underserved communities.

**Section 31062. National Suicide Prevention Hotline.**

- Provides \$75 million in funding for the National Suicide Prevention Lifeline programs, which seek to provide resources and support to individuals in crisis.

**Section 31063. Funding for Community Violence and Trauma Interventions.**

- Provides \$2.5 billion in funding to support public health approaches to reduce community violence and trauma.

**Section 31064. Funding for HIV Health Care Services Programs.**

- Provides \$150 million in funding to support Ryan White HIV/AIDS program to provide care, support services and medications to communities disproportionately affected by HIV/AIDS.

**Section 31065. Supplemental Funding for the World Trade Center Health Program.**

- Provides \$2.86 billion in supplemental funding to the World Trade Center Health Program.

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*This document is intended to provide you with general information regarding federal reconciliation developments. The contents of this document are not intended to provide specific legal advice. If you have any questions about the contents of this document or if you need legal advice as to an issue, please contact the attorneys listed or your regular Brownstein Hyatt Farber Schreck, LLP attorney. This communication may be considered advertising in some jurisdictions.*