



**Issue Brief: Outline of Anticipated  
CHIP and Extenders Package**

*June 21, 2016*

Policy	Description	Expiration	Estimated Cost of Two-Year Extension
<b>Medicare</b>			
Work Geographic Practice Cost Index (“GPCI”) Floor	The “physician work” component of the physician fee schedule is raised in areas where labor cost is lower than the national average. The physician work cost index has a floor of 1.0.	December 31, 2017	\$1.1 billion/10 years
Therapy Cap Exceptions Process	In 2006, Congress created an exceptions process that allows patients to exceed the annual per-patient therapy cap, based on medical necessity.	December 31, 2017	\$1.9b
Ambulance Add-Ons	Add-on payment for ground ambulance services, including in super-rural areas.	December 31, 2017	\$400m
Medicare Low-Volume Hospital Add-On Payments	Additional payment to hospitals to offset the higher costs associated with operating a hospital with a low volume of discharges.	September 30, 2017	\$1.1b
Medicare-Dependent Hospital (“MDH”) Program	Rural hospitals with no more than 100 beds that serve a high percentage of Medicare beneficiaries are paid based on a blend of current prospective payment system rates and costs.	September 30, 2017	\$400m
Medicare Advantage (“MA”) Plans for Special Needs Individuals	Extends authority for MA special needs plans (“SNPs”), which may limit enrollment to certain populations.	December 31, 2018	\$600m
Funding for Quality Measure Endorsement, Input and Selection	Funding for National Quality Forum (“NQF”) review, endorsement and maintenance of quality and resource use measures and pre-rulemaking process and measure dissemination and review activities.	September 30, 2017	\$100m

Funding for Outreach and Assistance for Low-Income Programs	Additional funding for outreach and education activities for Medicare beneficiaries, including State Health Insurance Programs, Area Agencies on Aging, Aging and Disability Centers and the National Center for Benefits Outreach and Enrollment.	September 30, 2017	\$100m
Medicare Home Health Rural Add-On	Extends a three percent add-on for payments made for home health services provided to patients in rural areas.	December 31, 2017	\$200m
<b>Medicare Subtotal:</b>			<b>\$5.9b</b>
<b>Medicaid &amp; CHIP</b>			
Children’s Health Insurance Program (“CHIP”) Funding	CHIP covers children and pregnant women in families that earn income above Medicaid eligibility levels. The program is authorized through 2019 but needs to be funded.	September 30, 2017	\$7.0b
Delay in Effective Date for Medicaid Amendments Relating to Beneficiary Liability Settlements	Delays for another year a provision relating to Medicaid estate recovery.	September 30, 2017	\$100m
<b>Medicaid &amp; CHIP Subtotal:</b>			<b>\$7.1b</b>
<b>Other</b>			
Funding for Community Health Centers, National Health Service Corps, and Teaching Health Centers	Funding for CHCs is supplemental to standard appropriation. NHSC provides scholarships and loan repayment to healthcare professionals who practice in underserved areas. The Teaching Health Center program provides funds to expand residency training to community based settings.	September 30, 2017	\$8.0b
Special Diabetes Programs	Type I diabetes and Type II Indian Health Service programs.	September 30, 2017	\$600m
Abstinence Education	Abstinence only programs and associated funding.	September 30, 2017	\$100m
Personal Responsibility Education Program (“PREP”)	PREP provides states and other groups with grants to implement evidence-based strategies for teen pregnancy and HIV/STD prevention, youth development, and adult preparation.	September 30, 2017	\$100m

Family-to-Family Health Information Centers	Program provides grants to support family-staffed organizations in each state to assist families of children with disabilities or special needs.	September 30, 2017	<\$50m
Health Workforce Demonstration Project for Low-Income Individuals	Funding to help low-income individuals obtain education and training in high-demand, well-paid health care jobs.	September 30, 2017	\$200m
Maternal, Infant and Early Childhood Home Visiting Programs	Provides states, territories and tribes with grants to support evidence-based in-home visiting programs for at-risk families.	September 30, 2017	\$700m
<b><i>Other Healthcare Provisions Subtotal:</i></b>			<b>\$9.75b</b>
<b><i>Estimated Total for Entire Package:</i></b>			<b>\$22.75b</b>