

Congress Passes Health Care Package

Following House passage on Wednesday, today the Senate passed a health care package that would reauthorize and provide funding increases for several key healthcare programs, restore recent cuts to Medicare payments for physicians, eliminate scheduled cuts to disproportionate share hospitals (DSH) through the end of the year, secure permanent Medicaid coverage for medication-assisted treatment for those struggling with substance use disorders, and provide Medicaid protections for incarcerated individuals. The bill does not include any of the site neutral or price transparency requirements for hospitals, insurers, and pharmacy benefit managers that were included in the House passed [Lower Costs, More Transparency \(LCMT\) Act](#).

The package was included in the first of two six bill appropriations “minibus” packages for fiscal year (FY) 2024 ([H.R. 4366](#)). One of those appropriations bills, the agriculture bill, included a \$1 billion increase for the Women, Infants and Children (WIC) program as well as fully funding the Supplemental Nutrition Assistance Program (SNAP) without any new restrictions.

Next Steps. The President is expected to sign the bill into law immediately. The second of the two appropriations “minibus” packages will need to be passed before the current continuing resolution (CR) expires on March 22. This package will contain the Labor-HHS bill, as well as the Department of Defense and Homeland Security appropriations bills which are both larger and have contentious policy riders to be worked out. We are almost halfway through the fiscal year and the FY 2025 funding decisions will begin when the President’s FY 2025 Budget Request is released on Monday. It is also important to note these authorizations only extend through the end of this year and will need to once again be addressed after the election.

Consolidated Appropriations Act 2024

Division B: Agriculture, Rural Development, Food and Drug, and Related Agencies Appropriations Act, 2024, Title X: Domestic Food Programs

- **WIC:** The bill fully funds the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)—which serves nearly 7 million women and kids nationwide—by providing \$7.03 billion for the program to remain available until September 30, 2025, a \$1.03 billion increase over fiscal year 2023. The bill also continues full funding for additional fruit and vegetable benefits.
- **SNAP:** The bill fully funds the Supplemental Nutrition Assistance Program (SNAP) to serve an estimated 42 million people per month—and does not include any new restrictions on eligibility

such as work requirements. \$3 billion of the \$122 billion must remain available through September 30, 2026 as reserves.

- **Child Nutrition:** The bill fully funds Child Nutrition Programs—like the National School Lunch Program, School Breakfast Program, and Summer Electronic Benefits Transfer (EBT) program—to ensure schools can continue to serve healthy meals to all eligible children. \$480 million will remain available through September 30, 2025. In 2024, this funding will help serve an estimated 5 billion lunches and 2.6 billion breakfasts to kids across the country.

Division G, Other Matters: Title X – Health and Human Services

Subtitle A- Health Extenders

- **Sec. 101. Extension for Community Health Centers, National Health Service Corps, and Teaching Health Centers That Operate GME Programs** – Reauthorizes and provides a \$270 million (10%) increase in funding for the Community Health Centers program, \$35 million (17%) increase for the National Health Service Corps, and \$175 million (56%) increase for the Teaching Health Center Graduate Medical Education Program. All of these programs are authorized through December 31, 2024.
- **Sec. 102. Extension of Special Diabetes Programs** – Reauthorizes and provides a \$10 million increase for Special Diabetes Programs. Authorizations continue through December 31, 2024.
- **Section 103. National Health Security Extensions**– Extends, through December 31, 2024, the Assistant Secretary for Preparedness and Response’s direct hire authority for the National Disaster Medical System, the ability for states and Tribes to request temporary reassignment of federally-funded personnel, three national advisory committees related to preparedness and response, and certain authorities related to public-private partnerships under the Biomedical Advanced Research and Development Authority.
- **Sec. 201. Requirement for State Medicaid Plans to Provide Coverage for Medication-Assisted Treatment.** - Makes permanent existing requirements that state Medicaid programs cover all forms of medications for the treatment of opioid use disorder, including methadone, and the provision of such medications, counseling services, and behavioral therapy.

Subtitle B- Medicaid

- **Sec. 202. Collection and Reporting of Comprehensive Data for Specified Populations Enrolled in Medicaid and the Children’s Health Insurance Program (CHIP)** - Requires HHS to analyze and

publish annually specified information on substance use disorder and mental health services provided to Medicaid and CHIP enrollees.

- **Sec. 203. Monitoring and Prescribing of Antipsychotic Medications** - Requires states to monitor the prescribing of antipsychotic medications to children, including children in foster care, and adults residing in institutional care settings or receiving home and community-based services, in order to identify potentially abusive prescribing practices of antipsychotics.
- **Sec. 204. Extension of State Option to Provide Medical Assistance for Certain Individuals in Institutions for Mental Diseases** - Makes permanent the state option to provide Medicaid covered services to individuals who have a substance use disorder and reside in an Institution for Mental Diseases, regardless of the size of the facility, so long as such stays do not exceed 30 days per 12-month period and the facility and state meet certain federal standards.
- **Sec. 205. Prohibition on Termination of Enrollment Due to Incarceration** - Prohibits states from terminating Medicaid coverage for an individual while incarcerated but permits states to suspend coverage.
- **Sec. 206. Addressing Operational Barriers to Promote Continuity of Care for Medicaid and CHIP Beneficiaries Following Incarceration** - Authorizes grants to states for purposes of developing operational capabilities to promote continuity of care for incarcerated individuals who are eligible for Medicaid or CHIP.
- **Sec. 207. Guidance Relating to Improving the Behavioral Health Workforce and Integration of Care under Medicaid and CHIP** - Requires HHS to issue guidance to states regarding opportunities to improve the availability and provision of mental health and substance use disorder services in Medicaid and CHIP.
- **Sec. 209. Certified Community Behavioral Health Clinic Services Under Medicaid** - Establishes Certified Community Behavioral Health Clinic (CCBHC) services as an optional Medicaid benefit.
- **Sec. 210. Eliminating Certain Disproportionate Share Hospital Payment Cuts** - Eliminates the Medicaid Disproportionate Share Hospital (DSH) cuts through December 31, 2024.
- **Sec. 211. Promoting Value in Medicaid Managed Care**- Permanently authorizes states to keep a larger share of any Medical Loss Ratio (MLR) remittances paid by Medicaid managed care organizations for the Medicaid expansion population.
- **Sec. 212. Medicaid Improvement Fund** - Eliminates the Medicaid Improvement Fund.

Subtitle C – Medicare

- **Sec. 301. Extension of Funding for Quality Measure Endorsement, Input, and Selection** - Provides \$9 million in funding to the Centers for Medicare & Medicaid Services (CMS) for quality measure selection and to contract with a consensus-based entity to carry out duties related to quality measure endorsement, input, and selection activities through December 31, 2024.
- **Sec. 302. Extension of Funding Outreach and Assistance for Low-Income Programs** - Provides \$62.5 million for State Health Insurance Assistance Programs, Area Agencies on Aging, Aging and Disability Resource Centers, and a contract with an entity to inform older Americans about benefits available under Federal and state programs through December 31, 2024.
- **Sec. 303. Extension of the Work Geographic Index Floor under the Medicare Program** - Extends the 1.0 work geographic practice cost index (GPCI) floor used in the calculation of payments under the Medicare physician fee schedule through December 31, 2024.
- **Sec. 304. Extension of Incentive Payments for Participation in Eligible Alternative Payment Models** - Extends incentive payments for qualifying participants (QPs) in advanced alternative payment models (APMs) through performance year 2024 (payment year 2026), at an adjusted amount of 1.88 percent, and extends the QP eligibility thresholds in effect for performance year 2023 through performance year 2024 (payment year 2026).
- **Sec. 305. Temporary Payment Increase under the Medicare Physician Fee Schedule to Account for Exceptional Circumstances and Atypical Timing of Enactment**- For to services furnished between March 9, 2024, and December 31, 2024, the statutory 1.25 percent Medicare Physician Fee Schedule (PFS) conversion factor is adjusted to 2.93 percent.
- **Sec. 306. Extension of Increased Inpatient Hospital Payment Adjustment for Certain Low-Volume Hospitals**- Extends the increased eligibility for the Medicare low-volume hospital payment adjustment for three months through December 31, 2024.
- **Sec. 307. Extension of the Medicare-Dependent Hospital Program (MDH)**- Extends the Medicare-dependent Hospital (MDH) program for three months through December 31, 2024.
- **Sec. 308. Extension of Adjustment to Calculation of Hospice Cap Amount under Medicare**- Extends for one year the annual updates to the Medicare hospice aggregate cap index calculation methodology first made in the Improving Medicare Post-Acute Care Transformation (IMPACT) Act.
- **Sec. 309. Medicare Improvement Fund**- Eliminates the Medicare Improvement Fund.

Subtitle D – Human Services

- **Sec. 401. Extension of Temporary Assistance for Needy Families Program-** extends the Temporary Assistance for Needy Families program and associated policies and programs through September 30, 2024.
- **Sec. 402. Extension of Child and Family Services Programs-**Extends child welfare programs under Title IV-B of the Social Security Act through December 31, 2024.