



Hart Health
Strategies Inc.

American Rescue Plan Act of 2021 (H.R. 1319)

Congressional Democrats employed the budgetary maneuver known as reconciliation to pass President Joe Biden's \$1.9 trillion coronavirus relief package, the *American Rescue Plan*. After establishing the budgetary rules for reconciliation as part of [S.Con.Res.5](#), which passed both the House and Senate on February 5, the House passed the key legislation ([H.R. 1319](#)) in the early hours of Saturday, February 27 by a vote of 219 to 212. No Republicans voted in support of the bill, and two Democrats – Reps. Jared Golden (Maine) and Kurt Schrader (Ore.) – voted against it. Summaries of the legislation (by Committee) can be found [here](#) (Energy and Commerce), [here](#) (Ways and Means), [here](#) (Oversight and Government Reform), and [here](#) (Education and Labor).

The Senate amended the bill (by striking the provisions that violated the Byrd rule (e.g., the minimum wage provisions) and made other changes to the legislation, as detailed [here](#). The Senate then passed the *American Rescue Plan Act* on March 6 following more than 25 hours of amendment votes. The legislation advanced along party lines 50-49. Vice President Kamala Harris was not required to cast the tie-breaking vote because Sen. Dan Sullivan (R-Alaska) had returned home for the funeral of his late father-in-law.

The House on March 10 approved the Senate changes by a vote of 220-211 vote (with the Congressional Budget Office score [here](#)), sending the [legislation](#) to the White House with the official signing of the legislation on March 12, ahead of the March 14 expiration of enhanced unemployment benefits. A section-by-section summary of the law can be found [here](#).

Summary of Health Provisions

A high-level summary of the *American Rescue Plan's* major health provisions is included below.

Public Health and Workforce Provisions

- \$7.5 billion for the Centers for Disease Control and Prevention (CDC) to prepare, promote, administer, monitor, and track **COVID-19 vaccines**
- \$1 billion for the CDC to strengthen **vaccine confidence**, further information and education with respect to authorized or licensed vaccines, and improve vaccination rates.
- \$6.05 billion to the U.S. Department of Health and Human Services (HHS) to support advanced research, development, manufacturing, production, and purchase of **vaccines, therapeutics, and ancillary medical products** utilized for treatment and prevention of COVID-19
- \$500 million to the Food and Drug Administration (FDA) to support the review, facilitate the development and post-marketing surveillance of **COVID-19 vaccines and therapeutics**, and address drug shortages
- \$47.8 billion to HHS to detect, diagnose, trace, and **monitor COVID-19 infections**
- \$1.75 billion to CDC to conduct, expand, and improve activities to **sequence genomes**, identify mutations, and survey the circulation and transmission of viruses

- \$500 million to CDC to establish, expand, and maintain **data surveillance** and analytics infrastructure to modernize the U.S. disease warning system to forecast and track hotspots for COVID-19
- \$750 million to CDC to **combat COVID-19 globally**
- \$7.66 billion to HHS for efforts relating to establishing, expanding, and sustaining a **public health workforce**, and to make awards to State, local, and territorial public health departments
- \$100 million to the **Medical Reserve Corps**
- \$7.6 billion to **Community Health Centers (CHCs)**
- \$800 million for the **National Health Service Corps**
- \$200 million for the **Nurse Corps Loan Repayment Program**
- \$330 million to expand the number of **Teaching Health Centers (THC) Graduate Medical Education (GME) sites**
- \$3 billion for the **Substance Abuse Prevention and Treatment and Community Mental Health** block grant programs
- \$80 million for **substance abuse and mental and behavioral health training** for health care professionals, para-professionals, and public safety officers
- \$20 million for **educational campaign for health care professionals** related to mental health and substance abuse services
- \$40 million for **health care providers to promote mental health**
- \$30 million for community based services for **substance use disorder services**
- \$50 million for community-based services for **local mental health needs**
- \$10 million for the **National Childhood Traumatic Stress Network**
- \$30 million for **Project AWARE**
- \$20 million for **youth suicide prevention**
- \$100 million to the **Behavioral Health Workforce Education and Training Program**
- \$80 million for **pediatric mental health** care access
- \$420 million for **community behavior health clinics**
- \$250 million for **State strike teams in nursing facilities**
- Special rule for **DSH allotments** during the public health emergency
- Floor on the **Medicare area wage index** for hospitals in all-urban States
- Secretarial authority to temporarily waive or modify application of certain Medicare requirements with respect to **ambulance services** furnished during certain emergency periods
- Amends the SSA to provide \$8.5 billion for a program to **rural providers enrolled in Medicare, Medicaid and SCHIP** to compensate for COVID-related expenses and losses
- **SNF provisions** – \$200 M for infection control support and \$250 M for strike teams
- \$10 billion for the **Defense Production Act**

Health Insurance Provisions

- \$20 million to **State-Based Marketplaces (SBMs)** to modernize information technology systems
- Requires **Medicaid coverage of COVID-19 vaccines and treatment**
- Allows states, for five years, to extend Medicaid eligibility to women for **12 months postpartum**
- Provides an enhanced FMAP to incentivize state Medicaid programs to cover **mobile crisis intervention services** for individuals experiencing a mental health or substance use disorder crisis
- Provides an incentive for states to **expand Medicaid**
- Provides 100 percent FMAP for services provided to Medicaid beneficiaries receiving care through **Urban Indian Organizations and Native Hawaiian Health Centers**

- Eliminates the cap on **Medicaid drug rebates**, starting in calendar year 2024
- Provides a temporary FMAP increase for states to make improvements to **Medicaid home- and community-based services** (HCBS)
- Requires **CHIP coverage of COVID-19 vaccines and treatment** without cost sharing to the beneficiary
- Allows the option to states, for five years, to **extend CHIP** eligibility for women to 12 months postpartum
- Provides for **premium assistance for COBRA** continuation coverage for eligible individuals and families
- Provides a **refundable payroll tax credit to reimburse employers** and plans who paid the subsidized portion of the premium to COBRA assistance eligible individuals

Other provisions

- \$350 billion for the creation of new **State and Local Coronavirus Relief Funds** to keep first responders, frontline health workers, and other providers of vital services safely on the job as states, local governments, Tribes, and territories roll out vaccines and rebuild economies
- Extends *CARES Act* **unemployment provisions**, including the federal supplemental unemployment benefit (FPUC)
- Provides additional direct payments of **\$1,400** to certain individuals
- \$5 million to the HHS **Office of the Inspector General**
- Provisions related to the Department of Veterans Affairs, including funding for claims and appeals processing; medical care and health needs; supply chain modernization, State homes, VA OIG, rapid retraining assistance programs, prohibition on copayments and cost sharing, and leave fund
- Changes to the Paycheck Protection Program, which includes:
 - expanding eligibility of nonprofits to include a new category termed “**additional covered nonprofit entity**”,
 - making larger non-profits eligible for PPP by **striking the application of the Small Business Administration’s (SBA) affiliation rules** to non-profits in the CARES Act and looking at the employee headcount at the “per physical location” level of the organization,
 - making eligible “additional covered nonprofit entities” for **second draw PPP loans**, provided that they have suffered at least a 25 percent revenue loss and employ not more than 300 employees,
 - expanding eligibility of **internet and publishing organizations**,
 - providing an additional **\$7.25 billion for PPP** and increases the PPP program level from \$806.4 billion to \$813.7 billion