



McDermottPlus Healthcare Preview

WEEK OF JUNE 29, 2020

Affordable Care Act Expansion Bill Vote

- + **THE HOUSE IS EXPECTED TO VOTE ON AN AFFORDABLE CARE ACT (ACA) EXPANSION BILL.** The Patient Protection and Affordable Care Enhancement Act (H.R. 1425) incorporates several Democratic priorities aimed at strengthening the ACA, including expanding premium subsidies, negotiating Medicare drug prices and reversing the Trump Administration's expansion of short-term, limited-duration insurance plans. The House is expected to vote on the bill today, Monday, June 29. However, the bill is not likely to advance in the Republican-controlled Senate. Democrats will use the bill as a messaging tool heading into the 2020 elections, and we will continue to see messaging bills from both sides as the election heats up.
- + **CONFUSION WITH THE MEDICAID DISTRIBUTION.** Last week, the Health Research and Services Administration (HRSA) held two webinars to answer questions regarding the application process and eligibility for the Medicaid distribution from the Provider Relief Fund. Much of the confusion on the funding is caused by the fact the providers that received any amount of money from the \$50 billion General Distribution are not eligible for the Medicaid distribution. It appears that a number of providers did not apply for the second tranche of General Distribution funding and ultimately received a small payment amount. They did not receive the second tranche payment, which was based on the lesser of 2% of a Medicare fee-for-service provider's 2018 (or most recent complete tax year) net patient revenue or the provider's incurred losses for March and April 2020. Now these providers want to apply for the Medicaid distribution, which is based on 2% of gross revenue. Providers that did not receive second tranche payments are in a bind because the Department of Health and Human Services (HHS) (as of today) has not indicated that they will open the General Distribution up again for providers that missed the initial opportunity.
- + **THERE IS ALSO CONFUSION ABOUT PAYMENT AMOUNTS.** The second area of confusion results from the difference in payment amounts provided in the General Distribution and the Medicaid distribution. The Medicaid distribution methodology appears to be more generous. However, on last week's webinars, HRSA stated that the payment methodologies were essentially the same. Adding to the confusion is the fact that the HHS website is also suggests that HHS will use data submitted to make final determinations in the Medicaid payment amount. So we are still unclear on the exact methodology that HHS will use in determining payment. Ultimately, HHS is using very careful wording in describing the Medicaid payment while also giving themselves room to make changes to the methodology.

THIS WEEK IN THE SENATE

Senate HELP Committee
[COVID-19: Update on Progress Toward Safely Getting Back to Work and Back to School](#)
Tuesday, June 30, 10:00 AM

Senate Appropriations Committee
[Review of Operation Warp Speed: Researching, Manufacturing, & Distributing a Safe & Effective Coronavirus Vaccine](#)
Thursday, July 2, 10:00 AM

THIS WEEK IN THE HOUSE

House Energy and Commerce Committee
[High Anxiety and Stress: Legislation to Improve Mental Health During Crisis](#)
Tuesday, June 30, 11:00 AM

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