



March 16, 2021

American Rescue Plan Act: Summary of Health Provisions

Title II: Committee on Health, Education, Labor and Pensions

This title aims to improve vaccine distribution and increase public confidence as well as enhance availability of therapeutics. It implements a national testing strategy and expands activities around the sequencing of COVID-19 and its variants. It makes investments in public health, including to create a public health workforce and fund community health centers. Additionally, the title allocates funds to programs providing mental health services and substance use disorder treatment.

Subtitle D – Public Health

This subtitle provides funding to the Department of Health and Human Services, through the CDC and the FDA, for vaccines and therapeutics. Specifically, Congress provides \$7.5 billion to the CDC to promote the distribution and administration of COVID-19 vaccines. It also provides \$1 billion to strengthen vaccine confidence with the goal of increasing vaccination rates. It provides \$6 billion to HHS to strengthen the vaccine and therapeutic supply chain, an increase from the \$5.2 billion provided in the House-passed bill, and allocates \$500 million to the FDA to support additional research and review of COVID-19 vaccines and therapeutics, taking into consideration emerging variants of the virus.

Section 2301: Funding for COVID-19 Vaccine Activities at the Centers for Disease Control and Prevention

- This section appropriates \$7.5 billion to HHS for activities to plan, prepare for, promote, distribute, administer, monitor and track COVID-19 vaccines.
- Through the CDC, the funds may be used to conduct activities to enhance, expand and improve vaccine distribution and administration. Funds may also be awarded to state and local governments to enhance vaccine distribution and administration capabilities, particularly for underserved populations.
- Impact: Makes funds available to enhance the distribution and administration of COVID-19 vaccines.

Section 2302: Funding for Vaccine Confidence Activities

- This section appropriates \$1 billion to HHS to strengthen vaccine confidence in the United States.
- Through the CDC, funds may be used to provide further information and education with respect to vaccines to prevent COVID-19 and other diseases, and for activities to improve rates of vaccination in the United States.
- Impact: Makes funds available to strengthen confidence in vaccines for the purpose of improving rates of vaccination against COVID-19.

Section 2303: Funding for COVID-19 Vaccines and Therapeutics Supply Chain

- This section provides HHS \$6 billion for expenses related to research, development, manufacturing, production and the purchase of vaccines, therapeutics and ancillary medical products and supplies to prevent, prepare or respond to SARS-CoV-2 or any viral variant, and COVID-19 or any disease with potential for creating a pandemic.
- Impact: Addresses concerns with the vaccine and therapeutic supply chain by making additional funding available.

Section 2304: Funding for COVID-19 Vaccine, Therapeutic, and Device Activities at the Food and Drug Administration

- This section provides \$500 million to HHS to evaluate the performance, safety and efficacy of vaccines, therapeutics and diagnostics to treat COVID-19, including emerging variants of COVID-19.
- Through the FDA, funding also extends to facilitating manufacturing for vaccines and related materials, conducting inspections of facilities manufacturing vaccines, therapeutics and devices that have been delayed due to COVID-19, review of devices authorized for treatment, prevention or diagnosis of COVID-19, and oversight of the supply chain and mitigation of shortages of vaccines, therapeutics and devices related to COVID-19.
- Impact: Provides funding for FDA to mitigate shortages of vaccines, therapeutics and devices.

Section 2305: Reduced Cost Sharing

- Expands eligibility for cost-sharing reductions to individuals who receive unemployment compensation during 2021, providing such individuals the most generous cost-sharing reduction.
- Impact: Ensures that individuals receiving unemployment compensation are eligible for reduced cost-sharing in plans through the Affordable Care Act.

Subtitle E – Testing

This subtitle provides additional funding to HHS to expand and enhance testing, contact tracing and other activities to mitigate the spread of COVID-19. This includes \$47.8 billion to HHS for the establishment of a national testing strategy, an increase from the \$46 billion included in the House-passed bill.

Section 2401: Funding for COVID-19 Testing, Contact Tracing, and Mitigation Activities

- This section appropriates \$47.8 billion to HHS for activities to detect, diagnose, trace and monitor SARS-CoV-2 and COVID-19 infections and other strategies to mitigate the spread of COVID-19.
- The language directs the HHS secretary to implement a national, evidence-based strategy for testing, contact tracing, surveillance and mitigation. This also includes technical assistance and grant dollars to states, supporting the distribution and administration of tests, investing in laboratory capacity and community testing sites, enhancing data-sharing, awarding grants to sustain a public health workforce, and administrative costs.
- Impact: Funds available to create a national testing strategy to mitigate the spread of COVID-19, including supporting state efforts.

Section 2402: Funding for SARS-CoV-2 Genomic Sequencing and Surveillance

- This section appropriates \$1.75 billion to strengthen genomic sequencing, analytics and disease surveillance, by expanding activities and enhancing the workforce at HHS.
- Through the CDC, funds would be used to conduct, expand and improve activities to sequence genomes,

identify mutations and survey the circulation and transmission of viruses. This includes awarding grants to states and local governments to improve and develop effective disease response strategies based on genomic sequencing and surveillance data and increase the informatics capabilities of the public health workforce.

- Impact: Makes funds available to strengthen analytics and disease surveillance through an enhanced workforce and state partnerships.

Subtitle F – Public Health Workforce

This subtitle provides funding to public health departments and the Medical Reserve Corps to support the workforces required to respond to the COVID-19 public health emergency (PHE).

Section 2501: Funding for Public Health Workforce

- This section appropriates \$7.66 billion to HHS for fiscal year 2021 to establish, expand and sustain a public health workforce. This includes making awards to state, local and territorial public health departments.
- Funds may be used for costs, including wages and benefits, related to the recruiting, hiring and training of individuals to serve as case investigators, contact tracers, social support specialists, community health workers, public health nurses, disease intervention specialists, epidemiologists, program managers, laboratory personnel, informaticians, communication and policy experts, and any other positions that may be required to prevent, prepare for and respond to the COVID-19 PHE.
- These individuals must be employed by the public health department involved or a nonprofit private or public organization with demonstrated expertise and established relationships in the aforementioned fields.
- Funds may also be used for personal protective equipment (PPE) and other necessary supplies, data management and other technology, associated administrative costs and activities, reporting costs and sub-awards to local health departments.
- Impact: Provides funding for grants to public health departments to facilitate the recruiting, hiring, training and maintenance of individuals necessary to respond to the COVID-19 PHE, as well as the technology and supplies required by this workforce.

Section 2502: Funding for Medical Reserve Corps

- This section appropriates \$100 million for fiscal year 2021 for the Medical Reserve Corps, which is a network of volunteers, including medical and public health professionals, who support emergency response efforts and community health activities.
- Impact: Appropriates funding to support the Medical Reserve Corps in responding to the COVID-19 PHE.

Subtitle G – Public Health Investments

This subtitle provides funding for COVID-19 mitigation, testing and vaccination activities through funding for community and teaching health centers, primary health providers, congregate health settings and federal family planning and child care programs. It also provides funding for oversight of activities carried out using federal dollars.

Section 2601: Funding for Community Health Centers and Community Care

- This section appropriates \$7.6 billion for fiscal year 2021 to be awarded to federally qualified health centers, including at least \$20 million for Native Hawaiian Health Centers.
- Funds may be used to plan, prepare for, promote, distribute, administer and track COVID-19 vaccines, and to carry out other vaccine-related activities; to detect, diagnose, trace and monitor COVID-19 infections and for

other mitigation-related activities; to purchase equipment and supplies to conduct mobile testing or vaccinations for COVID-19, purchase and maintain mobile vehicles and equipment to conduct testing or vaccinations, and hire and train laboratory personnel and other staff needed for the aforementioned activities, particularly in medically underserved areas; to establish and expand the health care workforce; to modify, enhance and expand health care services and infrastructure; and to conduct community outreach and education activities related to COVID-19.

- Awardees may use the funds to retroactively cover allowable expenses incurred on or after Jan. 31, 2020.
- Impact: Provides funding for community health centers to respond to and mitigate further spread of the COVID-19 virus.

Section 2602: Funding for National Health Service Corps

- This section appropriates \$800 million for fiscal year 2021 for the National Health Service Corps Loan Repayment Program.
- \$100 million of this funding is to be made available for providing public health services through supplemental grants to states participating in the loan repayment program.
- Impact: Provides funding for a loan repayment program to support primary health care providers in high-need, low-resource areas across the country.

Section 2603: Funding for Nurse Corps

- This section appropriates \$200 million for fiscal year 2021 for the Nurse Corps Loan Repayment Program.
- Impact: Provides funding for a loan repayment program to support primary health care providers in high-need, low-resource areas across the country.

Section 2604: Funding for Teaching Health Centers That Operate Graduate Medical Education

- This section appropriates \$331 million, to remain available until Sept. 30, 2023, for teaching health centers (THCs) that operate graduate medical education (GME) programs and for THC development grants.
- Funds may be used to make payments to new approved graduate medical residency training programs; to provide an increase to the per resident amount of \$10,000; to make payments to qualified THCs for approved graduate medical residency training programs; to make payments for the expansion of existing approved graduate medical residency programs; to make awards to THCs for the purposes of establishing new accredited or expanded primary care residency programs; and to cover administrative costs and activities necessary for qualified THCs to carry out the aforementioned activities.
- Impact: Provides funding to expand the number of THC GME sites nationwide and increase the per resident allocation.

Section 2605: Funding for Family Planning

- This section appropriates \$50 million for fiscal year 2021 for necessary expenses and to award grants and contracts under the Title X Family Planning Program.
- Impact: Provides funding for federal family planning grant program.

Subtitle H—Mental Health and Substance Use Disorder

This subtitle allocates \$3.5 billion for the Substance Abuse Prevention and Treatment and Community Mental Health block grant programs administered by the Substance Abuse and Mental Health Services Administration (SAMHSA). It also creates additional mental and behavioral health workers by providing \$80 million in grants for training programs. Further, the subtitle creates new grant programs at SAMHSA to expand participation to additional entities, such as community-based and nonprofit mental health organizations, and bolsters existing SAMHSA programs targeting suicide prevention and awareness among children and adolescents.

Section 2701: Funding for Block Grants for Community Mental Health Services

- Provides \$1.5 billion for Community Mental Health block grant programs administered by the Substance Abuse and Mental Health Services Administration to be expended by Sept. 30, 2025.
- Impact: Awards grants to address the increased demand for mental health services during the coronavirus pandemic.

Section 2702: Funding for Block Grants for Prevention and Treatment of Substance Abuse

- Provides \$1.5 billion for the Substance Abuse Prevention and Treatment block grant programs administered by the Substance Abuse and Mental Health Services Administration to be expended by Sept. 30, 2025.
- Impact: Awards grants to address the increased prevalence of substance use disorder during the coronavirus pandemic.

Section 2703: Funding for Mental Health and Substance Use Disorder Training for Health Care Professionals, Paraprofessionals and Public Safety Officers

- Directs the administrator of the Health Resources and Services Administration to award \$80 million in grants to health professions schools, academic health centers and other relevant entities to develop, operate or participate in mental and behavioral health training for health care professionals, paraprofessionals and public safety officers.
- Impact: Creates additional mental and behavioral health workers to respond to the increased demand for these services.

Section 2704: Funding for Education and Awareness Campaign Encouraging Healthy Work Conditions and Use of Mental Health and Substance Use Disorder Services by Health Care Professionals

- Allocates \$40 million for a grant program to establish, enhance or expand initiatives promoting mental and behavioral health among providers and other personnel.
- Eligible recipients include health care providers associations and federally qualified health centers.
- Directs HHS to target rural and medically underserved communities in implementing the grant program.
- Impact: Provides funding for a national mental and behavioral health education and awareness campaign, specifically targeting health care professionals and first responders.

Section 2705: Funding for Grants for Health Care Providers to Promote Mental Health among Their Health Professional Workforce

- Allocates \$40 million for a grant program to establish, enhance or expand initiatives promoting mental and behavioral health among providers and other personnel.
- Eligible recipients include health care providers associations and federally qualified health centers.

- Directs HHS to target rural and medically underserved communities in implementing the grant program.
- Impact: Provides funding for a national mental and behavioral health education and awareness campaign, specifically targeting health care professionals and first responders.

Section 2706: Funding for Community-Based Funding for Local Substance Use Disorder Services

- Allocates \$30 million to develop a grant program for community-based overdose prevention programs, including syringe services programs and similar initiatives.
- State, local and tribal governments, nonprofit community-based health organizations, and primary and behavioral health organizations will be eligible to participate in the program.
- Funding will support efforts to prevent and control the spread of infectious diseases associated with substance abuse, distribution of opioid overdose reversal medication and overdose education and counseling services.
- Impact: Provides states, municipalities, community-based organizations and health care providers with funding to support overdose prevention programs.

Section 2707: Funding for Community-Based Funding for Local Behavioral Health Needs

- Allocates \$50 million to develop a grant program addressing increased behavioral health concerns worsened by the COVID-19 pandemic.
- Funding will support coordinated care efforts among local entities, mental and behavioral health workforce training, addressing surge capacity for mental and behavioral health needs, expanding mental health services and more.
- Impact: Directs funding to address the spike in behavioral and mental health needs incurred by the COVID-19 pandemic. Emphasizes a community-based approach toward providing mental health services to those who need them.

Section 2708: Funding for the National Child Traumatic Stress Network

- Allocates \$10 million to the National Child Traumatic Stress Network to assist high-risk or medically underserved individuals experiencing violence-related stress.
- Impact: Provides funding for a pre-existing SAMHSA program, the National Child Traumatic Stress Network. This program works to develop and promote effective community practices to support children and adolescents exposed to a heightened array of traumatic events.

Section 2709: Funding for Project Aware

- Allocates \$30 million to Project AWARE (Advancing Wellness and Resilience in Education).
- Impact: Provides funding for a SAMHSA grant program, Project Aware. This program supports State Mental Health Agencies in partnership with State Educational Agencies to increase awareness of mental health issues among primary school-aged children and provide training for school personnel to better respond to mental health issues among other similar initiatives.

Section 2710: Funding for Youth Suicide Prevention

- Allocates \$20 million to Youth Suicide Early Intervention and Prevention Strategies and Mental Health and Substance Use Disorder Services on campuses.

- Impact: Provides funding for SAMHSA grants programs to combat suicide rates among children and young adults.

Section 2711: Funding for Behavioral Health Workforce Education and Training

- Allocates \$100 million to the Behavioral Health Workforce Education and Training Program administered by the Health Resources and Services Administration.
- Impact: Provides funding to expand access to behavioral health services through focused training for behavioral health paraprofessionals, including peer support specialists.

Section 2712: Funding for Pediatric Mental Health Care Access

- Allocates \$80 million to the Pediatric Mental Health Care Access Program.
- Impact: Provides funding to expand efforts to promote behavioral health integration into pediatric primary care using telehealth.

Section 2713: Funding for Expansion Grants for Certified Community Behavioral Health Clinics

- Allocates \$420 million in grant funding for Certified Community Behavioral Health Clinics (CCBHCs).
- Impact: Provides funding for CCBHCs specifically designed to provide a range of substance use and mental health disorder services to vulnerable individuals.

Subtitle I – Exchange Grant Program

This subtitle provides \$20 million to modernize information technology for the ACA marketplaces.

Section 2801: Exchange Grant Program

- Allocates \$20 million to HHS to award grants to states for the purpose of modernizing information technology systems for state-based marketplaces established under the Affordable Care Act.
- Impact: Provides IT funding for state-based marketplaces through state grants.

Subtitle L – Assistance for Older Americans, Grandfamilies, and Kinship Families

This subtitle provides \$1.434 billion to carry out provisions of the Older Americans Act, and makes \$10 million available to establish, through HHS, a National Technical Assistance Center.

Section 2921: Supporting Older Americans and their Families

- This section appropriates \$1.434 billion to carry out certain provisions of the Older Americans Act for FY-2021.
- Such provisions include efforts related to COVID-19 vaccination outreach, and prevention and mitigation activities focused on social isolation among older individuals.
- Impact: Makes \$1.434 billion available to carry out provisions of the Older Americans Act.

Section 2922: National Technical Assistance Center on Grandfamilies and Kinship Families

- New section to provide \$10 million to establish, through HHS, a National Technical Assistance Center to provide resources for programs and organizations that serve grandfamilies and kinship families to support the health and well-being of such families.
- Such funds will remain available through Sept. 30, 2025.
- Impact: Makes \$10 million available to establish, through HHS, a National Technical Assistance Center

Title IX: Finance

The title ensures individuals can maintain their health coverage after a layoff, reduction in hours or furlough without having to pay a portion of the premiums as well as well as expands eligibility for the Premium Tax Credit. It provides relief to state Medicaid programs and encourages states that have not expanded Medicaid to do so. The title provides flexibilities to the Medicare program and the Children’s Health Insurance Program (CHIP). It also allocates \$350 billion to state and local governments and creates a fund for rural health care providers.

Subtitle F – Preserving Health Benefits for Workers

The Senate version of the subtitle would use tax credit subsidies to help pay all of the premiums for COBRA continuation benefits from the month after the provision became law through Sept. 30, 2021, compared to the House-passed version which covered 85%. It ensures that employers notify COBRA-eligible individuals of these flexibilities and directs the secretaries of Labor and Health and Human Services to conduct outreach to increase awareness as well. The subtitle extends the COBRA enrollment period by 60 days. It also creates health care subsidies for unemployed workers who are ineligible for COBRA and provides a payroll tax credit to allow employers and plans to be reimbursed for the full amount of COBRA premiums not paid by workers.

Section 9501: Preserving Health Benefits for Workers

- Provides for 100% premium assistance for COBRA continuation coverage for eligible individuals and families from the first of the month after enactment through Sept. 30, 2021.
- Establishes assistance for eligible individuals and excludes individuals from receiving premium assistance if individuals are eligible for other group health plan coverage or Medicare.
- Extends the COBRA election period from the first of the month after enactment and ending 60 days after the plan administrator notifies the beneficiary of their eligibility for the extended election period.
- Directs the secretaries of Labor and Health and Human Services to conduct expedited reviews lasting no longer than 15 business days of any denials of premium assistance.
- Requires employers to provide clear and understandable notices to COBRA-eligible individuals about the availability of premium assistance, enrollment options and the extended eligibility period.
- Directs the secretaries of Labor and Health and Human Services to conduct outreach consisting of public education and enrollment assistance relating to COBRA premium assistance.
- Provides a refundable payroll tax credit to reimburse employers and plans that paid the subsidized portion of the premium to COBRA assistance eligible individuals.
- Imposes a \$250 penalty for failure to notify a group health plan of the cessation of eligibility for continuation of coverage premium assistance.
- Excludes premium assistance from gross income.
- Impact: Ensures individuals can maintain their health coverage and improves affordability of plans.

Subtitle G – Promoting Economic Security

Part 7 – Premium Tax Credit

This subtitle would bolster the availability of Premium Tax Credits (PTC) for lower- and middle-income individuals,

reducing premiums significantly. Specifically, it would expand the availability of the PTC to individuals with adjusted gross incomes above 400% of the federal poverty level. It also eliminates the income cap for PTC eligibility. As long as premiums exceed 8.5% of household income, individuals could qualify for the PTC.

Section 9661: Improving Affordability by Expanding Premium Assistance for Consumers

- Modifies the income tier percentages that determine eligibility for the premium tax credit for years 2021 and 2022.
- Increases the income floor to households earning 150% of the federal poverty level, reducing the applicable percentage to 0% for families earning up to 150% of the federal poverty level.
- Extends the premium tax credit to households earning 400% of the federal poverty level or higher, imposing a flat percentage of 8.5% of household income for households making at least 400% of the federal poverty level.
- Impact: Increases premium tax credits available for all taxpayers eligible for assistance under current law. Removes the income ceiling to allow households earning more than 400% of the federal poverty level to pay no higher premium than 8.5% of household income.

Section 9662: Temporary Modification of Limitations on Reconciliation of Tax Credits for Coverage under a Qualified Health Plan with Advance Payment of Such Credit

- Temporarily suspends repayment obligations for tax year 2020.
- Impact: Taxpayers who receive an advance payment in excess of their respective premium tax credit will not be required to repay the difference for tax year 2020.

Section 9663: Application of Premium Tax Credit in Case of Individuals Receiving Unemployment Compensation During 2021

- Provides premium tax assistance to individuals who receive unemployment compensation during 2021.
- Allows advanced premium tax credits as if the taxpayer's income was no higher than 133% of the federal poverty line, applicable to any taxpayer who has received or has been approved to receive unemployment compensation in 2021.
- Impact: Allows individuals who collect unemployment compensation to receive premium tax credit rates as if their household falls within the income tier designated for those earning 133% of the federal poverty level.

Subtitle J – Medicaid

The subtitle aims to increase coverage in Medicaid for specific populations, including requiring coverage of COVID-19 treatment and vaccines that would be required in Medicaid without cost sharing, allowing states to extend Medicaid eligibility to women for 12 months postpartum; Medicaid matching dollars would be increased to support state mobile crisis intervention units; states that decide to expand Medicaid would be eligible for a 5% Federal Medical Assistance Percentage (FMAP) increase for two years; there would be a temporary FMAP increase of 10 percentage points for states to make improvements to Medicaid home- and community-based services (HCBS) for one year (an increase from the 7.35% provided in the House-passed bill); and \$250 million is appropriated for states to establish and implement a strike team to help with COVID-19 outbreaks at nursing facilities. The bill includes a drug offset, a provision that eliminates the cap on Medicaid drug rebates starting in 2024, which is delayed one year from the start date in the House-passed bill.

Section 9811: Mandatory Coverage of COVID-19 Vaccines and Administration and Treatment under Medicaid

- This provision requires Medicaid coverage of COVID-19 vaccines and treatment without cost sharing for beneficiaries, with vaccines matched at a 100% FMAP through one year after the end of the public health emergency (PHE).
- It also gives states the option to provide coverage to the uninsured for COVID-19 vaccines and treatment without cost sharing at 100% FMAP.
- Impact: Coverage of COVID-19 treatment and vaccines would be required in Medicaid without cost sharing.

Section 9812: Modifications to Certain Coverage under Medicaid for Pregnant and Postpartum Women

- For a period of five years after enactment, states would be allowed to provide full benefits for women during pregnancy, and extended Medicaid eligibility to women for 12 months postpartum.
- Impact: This provision allows states, for five years, to extend Medicaid eligibility to women for 12 months postpartum.

Section 9813: State Option to Provide Qualifying Community-Based Mobile Crisis Intervention Services

- For a period of five years after enactment, this provision provides an increased FMAP to state Medicaid programs to cover mobile crisis intervention services for individuals experiencing a mental health or substance use disorder crisis.
- The provision provides the secretary of Health and Human Services \$15 million in funds for state planning grants to provide qualifying community-based mobile crisis intervention services.
- Impact: Medicaid matching dollars would be increased to support state mobile crisis intervention units for individuals experiencing a mental health or substance use crisis.

Section 9814: Temporary Increase in FMAP for Medical Assistance under State Medicaid Plans Which Begin to Expend Amounts for Certain Mandatory Individuals

- This provision provides an incentive for states to expand Medicaid by temporarily increasing the state's base FMAP by five percentage points for two years for states that newly expand Medicaid.
- States would have to choose to expand Medicaid in order to be eligible for the increased federal funding.
- Impact: States that decide to expand Medicaid would be eligible for a 5% FMAP increase for two years.

Section 9815: Extension of 100 Percent Federal Medical Assistance Percentage to Urban Indian Health Organizations and Native Hawaiian Health Care Systems

- For a period of two years, this provision provides 100% FMAP for services provided to Medicaid beneficiaries receiving care through Urban Indian Organizations and Native Hawaiian Health Centers.
- Impact: Urban Indian Organizations and Native Hawaiian Health Centers would be eligible for 100% FMAP, for two years.

Section 9816: Sunset of Limit on Maximum Rebate Amount for Single Source Drugs and Innovator Multiple Source Drugs

- Starting on Jan. 1, 2024, this provision eliminates the cap on Medicaid drug rebates.
- Under current law, there is a cap of 100% Average Manufacturer Price (AMP) on how much states can collect.
- This provision was included as a "pay-for"; the additional rebates would largely result in increased savings for

state and federal governments.

- Impact: The AMP cap is eliminated in Medicaid, starting in 2024.

Section 9817: Additional Support for Medicaid Home- and Community-Based Services during the COVID-19 Emergency Period

- This provision provides a temporary FMAP increase of 10 percentage points for states to make improvements to Medicaid home- and community-based services (HCBS) for one year.
- In order to be eligible for the FMAP bump, states must use the federal funds to supplement, not supplant, the level of state funds for HCBS, and implement certain requirements to enhance or expand their HCBS program.
- Impact: For one year, states are eligible for a 10% FMAP increase for HCBS.

Section 9818: Funding for State Strike Teams for Resident and Employee Safety in Nursing Facilities

- This provision provides \$250 million to help states create nursing home strike teams for facilities to manage COVID-19 outbreaks.
- The funding is intended to help nursing homes assist with clinical care, infection control or staffing during the emergency period.
- Impact: \$250 million is appropriated for states to establish and implement a strike team to help with COVID-19 outbreaks at nursing facilities.

Subtitle K – Children’s Health Insurance Program (CHIP)

The subtitle requires mandatory coverage of COVID-19 vaccines and treatment is required without cost sharing to the CHIP beneficiary with vaccines matched at 100% FMAP, and gives states the option to extend CHIP eligibility for pregnant women to 12 months postpartum.

Section 9821: Mandatory Coverage of COVID-19 Vaccines and Administration and Treatment under CHIP

- Until one year after the end of the PHE, this provision requires CHIP coverage of COVID-19 vaccines and treatment without cost sharing to the beneficiary with vaccines matched at 100% FMAP.
- Impact: Coverage of COVID-19 vaccines and treatment is required without cost sharing to the CHIP beneficiary with vaccines matched at 100% FMAP.

Section 9822: Modifications to Certain Coverage under CHIP for Pregnant and Postpartum Women

- For a period of five years, this provision allows the option to states to extend CHIP eligibility for women to 12 months postpartum.
- The Senate amended this language to provide a five-year state plan option.
- Impact: This provision allows the option to states to extend CHIP eligibility for pregnant women to 12 months postpartum.

Subtitle L – Medicare

This subtitle establishes a minimum wage index for hospitals in all-urban states, provides authority to waive the Medicare requirement that a ground ambulance service include transport of a beneficiary during the COVID-19 public health emergency, and provides the HHS OIG \$5 million in funding for FY-2021.

Section 9831: Floor on the Medicare Area Wage Index for Hospitals in All-Urban States

- Establishes a minimum wage index for hospitals in all-urban states for purposes of Medicare hospital payments, beginning Oct. 1, 2021.
- Budget neutrality is waived for this provision.
- Impact: Establishes a minimum wage index for hospitals in all-urban states.

Section 9832: Secretarial Authority to Temporarily Waive or Modify Application of Certain Medicare Requirements with Respect to Ambulance Services Furnished during Certain Emergency Periods

- Medicare reimburses ambulance providers only if the ambulance transports and delivers a patient to a hospital (or other facility). During the COVID-19 pandemic, some ambulances have rendered care at a patient's home in order to reduce the burden on hospitals.
- This provision gives Medicare the authority to waive this requirement and reimburse ambulance operators.
- Impact: Provides authority to waive the Medicare requirement that a ground ambulance service include transport of a beneficiary during the COVID-19 public health emergency.

Section 9833: Funding for Office of Inspector General

- Provides \$5 million in funding to HHS Office of Inspector General for FY-2021 to support activities related to COVID-19.
- Impact: The HHS OIG receives \$5 million in funding for FY-2021.

Subtitle M – Coronavirus State and Local Fiscal Recovery Funds

This subtitle allocates a total of \$350 billion in relief funds for states, localities, territories and tribal governments to mitigate the fiscal impacts of the COVID-19 public health emergency. This includes \$195.3 billion for states and Washington, D.C.; \$130.2 billion for local governments; \$20 billion for federally recognized tribal governments; and \$4.5 billion for territories. An additional \$10 billion was included in the final bill to create a Capital Project Fund, and an additional \$2 billion was included for counties, to be used for where “there is a negative revenue impact” from federal activities in a county. The subtitle makes clear that funds can be used for local economic recovery purposes, including assistance to households, small businesses and nonprofits, assistance to hard-hit industries like tourism, travel and hospitality, and infrastructure investment.

Section 9901: Coronavirus State and Local Fiscal Recovery Fund

- Appropriates a total of \$350 billion in relief funds for states, localities, territories and tribal governments to mitigate the fiscal impacts of the COVID-19 public health emergency, including \$195.3 billion for states and Washington, D.C.; \$130.2 billion for local governments; \$20 billion for federally recognized tribal governments; and \$4.5 billion for territories.
- \$25.5 billion will be allocated equally among states and D.C., while other funds will be allocated based on each state's share of unemployed people.
- Funds will also be provided to compensate D.C. for the funds it would have received as a state under the CARES Act, which had grouped it with territories.
- Local government funding includes \$65.1 billion for counties, \$45.6 billion for metropolitan cities, and \$19.5 billion for towns with fewer than 50,000 people.

- The bill sets a 60-day deadline to distribute most funds to state and local recipients.
- A second tranche of funds will be distributed to localities 12 months after the initial allocation.
- The Treasury Department could withhold up to half of a state or territory's allocation for as long as 12 months based on its unemployment rate and require an updated certification of its funding needs.
- States will be required to distribute funds to smaller towns within 30 days of receiving a payment from the department, with extensions permitted. States that miss the deadline will have to pay back any undistributed funds.
- A town cannot receive more than 75% of its budget as of Jan. 27, 2020.
- Funds can be used to cover costs incurred by Dec. 31, 2024, to do the following:
 - Respond to the COVID-19 public health emergency and address its economic impacts, including through aid to households, small businesses, nonprofits, and industries such as tourism and hospitality.
 - Provide premium pay to essential employees or grants to their employers. This cannot exceed \$13 per hour or \$25,000 per worker.
 - Provide government services impacted by a revenue reduction during the pandemic.
 - Make investments in water, sewer and broadband infrastructure.
- State and local governments may not deposit money into a pension fund, and states and territories cannot use their allocation to offset revenue resulting from a tax cut enacted since March 3, 2021.
- State and local recipients can transfer funds to private nonprofit groups, public benefit corporations involved in passenger or cargo transportation, and special-purpose units of state or local governments.
- An additional \$10 billion was included for the Treasury Department to make separate payments to states, territories and tribal governments to carry out capital projects to support work, education and health monitoring during the public health emergency.
- Finally, an additional \$2 billion was included for eligible tribal governments and "revenue sharing counties" to use for general government spending, with the exception of lobbying. Eligible recipients include counties that are the main providers of government services in their area and that lost revenue due to changes in federal programs, as well as D.C. and several U.S. territories.
- **Impact:** Appropriates \$350 billion in relief funds for states, localities, territories and tribal governments to mitigate the effects of the COVID-19 pandemic. Funds may be used for a wide variety of purposes, including to help keep critical workers on the job.

Subtitle N – Other Provisions

This subtitle creates a relief fund for rural health care providers to compensate for financial losses incurred as a result of the pandemic. The subtitle also includes a section extending customs user fees through Sept. 30, 2030.

Section 9911: Funding for Providers Relating to COVID-19

- This section creates a \$8.5 billion fund for rural health care providers for expenses and lost revenue related to COVID-19.
- To receive the funds, eligible providers must submit an application to HHS containing a statement of need, including documentation of relevant expenses; the provider's tax identification number; and assurances deemed

appropriate by the HHS secretary that necessary documentation will be maintained and submitted.

- Providers are eligible if they are enrolled in the Medicare program; provide diagnoses, testing or care for individuals with possible or actual cases of COVID-19; and are a rural provider or supplier.
- Impact: Provides direct funding to rural health care providers financially impacted by the COVID-19 public health emergency.

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