

# Healthcare Extenders: What's on the Table for 2019

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We have 20 scheduled joint legislative days left until the current continuing resolution funding the government ends on November 21, 2019, followed by an additional eight scheduled joint legislative days until the end of the year. These are significant dates for several important healthcare programs that either run out of funding or face dramatic cuts to existing funding on November 21 or December 31, 2019. One key to understanding how Congress will tackle these challenges is the costs associated with any extension or delay of cuts.

Due to the varying scope of these issues, a number of congressional committees are working on legislation to extend these programs. As a result, it is a complicated dance to get these programs extended and also funded. Although political divisions in Washington, DC, are at an all-time high, we still expect that many of the expiring programs will be extended by year-end. In fact, some of the expiring provisions were extended in the last continuing resolution (CR) through November 21, 2019. Currently Congress is working to address the expiring provisions prior to November 21, 2019, to avoid a lapse in funding. The questions remain how long each program will be extended and how they will be paid for. The below chart provides a summary of each of the major healthcare extender provisions, current financial status, expiration date and proposals for extension.

**Background:** Healthcare extenders typically refer to the various temporary policies that require continual reauthorization or annual appropriations. These include community health center funding, teaching health center funding and special diabetes programs. Additionally, healthcare extenders include several Affordable Care Act (ACA) policies whose implementation has been delayed, such as the Medicaid Disproportionate Share Hospital (DSH) allotment reduction, the ACA health insurance tax and the medical device tax.

**Chart 1. Healthcare Extender Summary Chart**

Extenders	Summary	Current Financial Status	Expiration Date	Current Proposal for Extension	Potential Cost *Note: Only official CBO scores are included below.
<b>Community Health Centers</b>	The centers deliver comprehensive, culturally competent, high-quality healthcare services in areas with limited access to affordable healthcare.	<a href="#">\$4.0 billion in FY 2019</a>	November 21, 2019	<a href="#">HR 2328 (Reauthorizing and Extending America's Community Health Act) and S 1895 (Lower Health Care Cost) would extend funding for this program at current levels through 2023 and 2024, respectively.</a>	<a href="#">HR 2328</a> : \$12 billion <a href="#">S 1895</a> : \$16 billion
<b>National Health Service Corps</b>	The Corps provides financial and other support to primary care providers in exchange for their service in underserved communities.	<a href="#">\$310 million annually</a>	November 21, 2019	<a href="#">HR 2328 and S 1895 would extend funding for this program at current levels through 2023 and 2024, respectively.</a>	<a href="#">HR 2328</a> : \$930 million <a href="#">S 1895</a> : \$1.24 billion
<b>Teaching Health Centers</b>	Based out of Federally Qualified Health Centers, Rural Health Clinics and tribal health centers, teaching health centers provide a residency program for primary medical and dental care.	<a href="#">\$126.5 million annually</a>	November 21, 2019	<a href="#">HR 2328 and S 1895 would extend funding for this program at current levels through 2023 and 2024 respectively.</a>	<a href="#">HR 2328</a> : \$379.5 million <a href="#">S 1895</a> : \$506 million
<b>Medicaid Disproportionate Share Hospital</b>	Statutorily required payments intended to offset hospitals' uncompensated care costs to improve access for Medicaid and uninsured patients as well as the financial stability of safety-net hospitals.	<a href="#">Under current law, DSH allotments will be cut by \$4 billion in 2020 and \$8 billion in each year over 2021–2015.</a>	November 21, 2019	<a href="#">HR 2328 would delay this cut for two years.</a>	<a href="#">HR 2328</a> : \$6.4 billion

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<b>Funding for quality measure endorsement, input and selection under the Medicare program</b>	Congress has directed and funded efforts to ensure that the Secretary uses effective, consensus-based quality measures in CMS-administered programs.	<a href="#">\$7.5 million annually</a>	November 21, 2019	HR 2328 would extend the program through 2022.	<a href="#">HR 2328</a> : \$90 million
<b>Funding for outreach and assistance for low-income Medicare programs</b>	Some entities, such as State Health Insurance Assistance Programs, Area Agencies on Aging, Aging and Disability Resource Centers, and the National Center for Benefits Outreach and Enrollment, provide education and support to Medicare beneficiaries who are eligible for low-income assistance.	<a href="#">\$37.5 million annually</a>	November 21, 2019	HR 2328 would extend this program through 2022.	<a href="#">HR 2328</a> : \$150 million
<b>Health Workforce Demonstration Project</b>	Provides education and training for occupations in the healthcare field that are expected to either experience labor shortages or be in high demand.	<a href="#">\$85 million annually</a>	November 21, 2019	N/A	No official CBO score
<b>Community Mental Health Services Demonstration</b>	Demonstration program to improve access to high-quality behavioral health services through certified community behavioral health clinics.	N/A (Note: The CR extended the authorization for the program through November 21, 2019.)	November 21, 2019	N/A	No official CBO score

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<b>Sexual Risk Avoidance Education Program</b>	Funds projects to implement sexual risk avoidance education that teaches participants how to voluntarily refrain from non-marital sexual activity.	<a href="#">\$75 million per year</a>	November 21, 2019	HR 2328 would extend this program through 2023.	<a href="#">HR 2328</a> : \$280 million
<b>Personal Responsibility Education Program</b>	Funds projects to reduce teen pregnancy through the use of evidence-based programs.	<a href="#">\$75 million per year</a>	November 21, 2019	HR 2328 would extended this program through 2023.	<a href="#">HR 2328</a> : \$288 million
<b>Temporary Assistance for Needy Families Program and Related Programs</b>	Block grant funding to states that provides provide assistance to needy families.	The extension will allow the US Department of Health and Human Services to make first-quarter payments to states.	November 21, 2019	N/A	No official CBO score
<b>Increase in Federal Medical Assistance Percentage (FMAP) for Territories under Medicaid</b>	Increased federal match for territories' Medicaid program. In 2017 Puerto Rico and the US Virgin Islands were badly damaged by hurricanes Irma and Maria, undercutting their economies and making it impossible for them to provide the upfront Medicaid funds necessary to access federal funding. Consequently, Congress in 2018 provided additional federal funds for the territories and also provided that, through September 2019, they would receive a 100% federal match ( <i>i.e.</i> , the territories did not have to provide any funds to receive the federal monies).	The CR extends the 100% federal match for Medicaid funding for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands and American Samoa through November 21, 2019.	November 21, 2019	HR 2328 would increase the amount of Medicaid funds available to the US territories and increase the FMAP they receive under the program through 2025.	<a href="#">HR 2328</a> : \$12 billion (Note: This CBO estimate is based on historical spending patterns in each territory.)

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<b>Special Diabetes Program for Type I Diabetes</b>	Provides funding for type 1 diabetes research at the National Institutes of Health.	<a href="#">\$150 million annually</a>	November 21, 2019	HR 2328 would extend this program through 2023.	<a href="#">HR 2328</a> : \$600 million.
<b>Special Diabetes Program for Indians</b>	Grant program, coordinated by IHS Division of Diabetes with guidance from the Tribal Leaders Diabetes Committee, provides funds for diabetes treatment and prevention to IHS, Tribal and Urban Indian health programs across the United States.	<a href="#">\$150 million annually</a>	November 21, 2019	HR 2328 would extend this program through 2023.	<a href="#">HR 2328</a> : \$600 million
<b>Work Geographic Practice Cost Indices (GPCI) floor</b>	Increases payments to rural physicians through a provision raising the Work GPCI to 1.000 for all localities that currently have a Work GPCI of less than 1.000. The Work GPCI Floor affects the fees for all codes paid under the Medicare Physician Fee Schedule for those localities.	N/A	December 31, 2019	HR 2328 would extend this policy through 2023.	<a href="#">HR 2328</a> : \$1.7 billion.
<b>Moratorium on the ACA health insurance tax</b>	An annual fee on health insurance providers based on premiums and a payer's market share.	There is a <a href="#">suspension</a> of the Health Insurance Providers Fee for 2019.	December 31, 2019	N/A	<a href="#">CBO estimates</a> that in 2019 the tax will generate \$9 billion in revenue. Revenue is projected to rise to \$25 billion in 2029.
<b>Moratorium on the medical device tax</b>	Imposes an excise tax on the sale of certain medical devices by the manufacturer or importer of the device.	There is a <a href="#">moratorium</a> on the medical device tax for 2019.	December 31, 2019	N/A	<a href="#">CBO estimates</a> that by 2029 the tax will generate \$4 billion in revenue.



For more information contact [Rachel Stauffer](#), [Katie Waldo](#), [Rodney Whitlock](#) and [Eric Zimmerman](#).

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