

Allies for Independence Washington Insights

Week of June 5, 2023

CAPITOL HILL UPDATE

At long last, President Biden and Congressional Republicans resolved the immediate debt limit crisis, agreeing to a two-year suspension of the debt limit in exchange for a series of spending reductions. The Fiscal Responsibility Act of 2023 limits the growth of federal discretionary spending over the next two years, limiting nondefense spending to \$703.65B in FY24 and \$710.69B in FY25. The vast majority of reductions will occur in nondefense spending, which the Congressional Budget Office (CBO) estimates is about \$236B over the next two fiscal years.

The legislation also alters the work requirements that apply under the Temporary Assistance for Needy Families (TANF), which is a broad purpose block grant program. Current law states that a state must have 50% of all families and 90% of two-parent families receiving assistance engaged in some form of work or job training. States have flexibility in setting work rules, but often utilize federal rules for what counts as work or job training. States can meet its mandatory work participation standard through reducing the number of families receiving cash assistance, therefore receiving a caseload reduction credit. States can receive a caseload reduction credit of one percentage point for each percent decline in the caseload from the base year. Through FY25, the base year for measuring caseload change for the credit is FY2005. The legislation changes that base year to FY 2015.

The legislation also gives HHS authority to allow up to five states to operate a pilot program that would test an alternative performance system for state TANF work programs. States in the pilot would not be required to operate their work program under the usual work standards.

Most importantly, the legislation did not touch or impose any Medicaid work requirements, a significant victory for stakeholders and Congressional Democrats. While Republicans secured modest changes to SNAP, including increasing the age of who is eligible for work requirements from 49 to 54, the wall around Medicaid changes is a positive development and one to carefully monitor for the duration of this Congress and moving forward.

The end of the debt limit crisis allows Congress to turn its attention to other issues with deadlines later this year, including the FY24 budget. We will outline some of these issues over the coming weeks and how each issue gets done, and what it means for health care stakeholders.

ON THE RADAR

FY24 Appropriations Could Start This Month

With the debt limit deal behind us, the House and Senate Appropriations Committees are expected to begin marking up FY24 spending bills later this month. The debt limit deal set overall spending caps for FY24 and FY25, a critical step for subcommittees to begin drafting their respective bills.

However, the deal capped nondefense spending at \$704B and defense spending at \$866B for FY24, a \$40B cut from FY23. Lawmakers have several tools at their disposal to address that spending cut, but it may inevitably impact certain discretionary programs. In addition, it is not clear House Republicans will support the agreed upon cuts, which means a continuing resolution cannot be ruled out.

Stakeholder engagement will be critical to ensure disruption from spending cuts are minimal.

Skilled Nursing Facilities Desperately Need Workforce Reinforcement

Nursing homes continue to sound the alarm about the challenges with recruiting and retaining providers, resulting in turning away patients. Workforce shortages have been a persistent issue over the last decade, but were exacerbated by the COVID-19 pandemic, and lawmakers have done nothing to address them in meaningful way.

The recruitment and retention issues stem from the financial situations of these facilities, which struggle to compete for qualified applicants who can make similar or higher salaries in less taxing industries. This issue is not going away as the Administration prepares to release its staffing minimums proposal, which nursing homes groups are already criticizing.

Congress is expected to release a package to address health workforce shortages sometime this summer, as several programs must be reauthorized by the end of the fiscal year.

Medicaid Redeterminations Have Some Advocates Worried

As the Medicaid Unwinding period picks up, advocates are working hard to make sure individuals are informed about what is occurring in their state.

Center for Medicaid and CHIP Services Director Daniel Tsai stated that CMS is concerned with some of the disenrollment trends, but its obligation is to ensure that all federal rules are being followed. He also noted cases where federal rules are being followed but there is still a high number of disenrollments due to individuals being unaware of the changing environment. In many of the states that have started redeterminations, nearly 80% of individuals who are losing coverage have lost it due to procedural reasons, including large numbers of children with disabilities.

Loss of coverage can have long term effects on individuals, as they will not be able to pay for necessary services and medicines. States and advocacy groups need to continue to inform individuals of redeterminations and what needs to be done to maintain eligibility.

CMS Chooses Registry Plan for Alzheimer’s Drug Coverage

CMS Administrator Chiquita Brooks-LaSure [released a statement](#) saying that traditional FDA approved Alzheimer’s drugs will be covered when a physician and a clinical team participate in a registry. Additional requirements include being enrolled in Medicare Part B and being diagnosed with mild cognitive impairment or early dementia caused by Alzheimer’s disease.

The Alzheimer’s Association stated that the registry requirements could act as a barrier, preventing access for patients. Additionally, advocates are stating that this position varies from how CMS covers other FDA approved drugs. Members of Congress have also sent letters to CMS to clarify how the registry function will work and to ask if anything will be done to lower the cost of these drugs.

Sen. Bernie Sanders, Chair of the Senate HELP Committee, [sent a letter](#) to HHS this week urging them to use their authority to lower the \$26,500 cost for the Alzheimer’s drug Leqembi. This is a significant concern for the Medicare program, as an FDA panel today voted unanimously for expanding the approval of Leqembi, and the Kaiser Family Foundation estimates coverage for the drug could encompass a significant percentage of all Medicare Part B drug spending.

Medical Debt a Significant Concern, New Report Finds

A new report looking at medical debt in Los Angeles County found that medical debt disproportionately affects the uninsured and underinsured, low-income residents, and Black and Latino populations. Medical debt is a major factor contributing to future health outcomes, and can impact other social determinants of health, like housing, food security, access to health, and employment.

Unfortunately, despite progress made expanding health insurance coverage over the previous decade, medical debt continues to impact many adults. While some bills owed are less than \$1000, it speaks to the razor thin margins many Americans continue to live on, especially in lower income communities.

Health care affordability will continue to be a significant issue over the coming years, as it impacts nearly every facet of the health care system, especially long-term care. To view the report, please [click here](#).

ISSUE OF THE WEEK: Stakeholders Converge on Improving Youth Mental Health

Studies have shown that one in six U.S youth aged 6-17 experience a mental health disorder each year but only around half of them will receive any kind of treatment. Mental health challenges can stem from a variety of issues and can affect behavior and learning at school.

During the pandemic, many students expressed feelings of sadness or hopelessness. These mental health challenges have only increased in the wake of various school shootings. Because mental health challenges stem from a variety of issues, it takes a variety of measures to provide solutions. One option that is taking root is having the school day start later. One of the many complaints high schoolers make is not getting enough sleep and having that effect their learning.

Currently, nine states are considering legislation to delay school start times. Another option is to increase the number of counselors and psychologists in schools. Kentucky, for example, recently invested \$40 million to recruit, train, and educate mental health professionals to be placed in grade schools. It also

makes the most sense to address mental health in the school setting as it is the location where many youths spend their time.

This month, Sen. Tina Smith (MN) is expected to reintroduce the Mental Health Services for Students Act, which would invest \$300M to help schools partner with local mental health providers to establish on-site mental health services for students. This legislation passed the House last Congress, but faces an uncertain way forward this year, despite overwhelming support to improve mental health services.

Lastly, the Senate HELP Committee held a hearing this week on the youth mental health crisis, which featured Surgeon General Vivek Murthy and Katherine Neas, Deputy Assistant Secretary at the Office of Special Education and Rehabilitative Services. The focus of the hearing was on school safety, social media, and exploring solutions to reduce youth mental health consequences.

ON THE HORIZON

World Elder Abuse Awareness Day is June 15th!

During the week of June 15, 2023, The Administration for Community Living will be sharing resources, hosting discussions, and promoting awareness about elder abuse around the themes of:

- Interdisciplinary partnerships
- Intergenerational collaboration
- Intervention & prevention
- Intersectionality of elder abuse
- International elder justice efforts

To find out more information please [click here](#).

NADRC Webinar on Building Aging- and Dementia-Friendly Systems

On Tuesday June 20, the National Alzheimer's and Dementia Resource Center will host a webinar that will teach participants about the age-friendly and the dementia-friendly health system movements, which are working to improve the health and well-being of older adults living with dementia and their families. The webinar will provide examples from the John A. Hartford Foundation and Maine Health. If you are interested in registering, please [click here](#).

ICDR Webinar: Emergency Preparedness and the Impact of Climate Change on People with Disabilities

Wednesday, June 21, 2023 | 12:00-1:00 PM ET

As part of their Lunch & Learn webinar series, the Interagency Committee on Disability Research (ICDR) is hosting "Emergency Preparedness and the Impact of Climate Change on People with Disabilities." Register now to reserve your spot and to receive instructions for joining the webinar. Registration closes June 14, 2023. An opportunity to request disability-related accommodations will be provided on the registration form. [Click here](#) to register.

HUD is seeking to update Section 504 Disability Rules

The US Department of Housing and Urban Development is seeking comments on potential changes to its

regulations implementing Section 504 of the Rehabilitation Act of 1973. Section 504 prohibits discrimination based on disability by federally administered or financed programs. The Advanced Notice of Proposed Rulemaking (ANPRM) is linked [here](#).

Comments can be submitted at this [link here](#) and are due July 24, 2023.

Multiple Agencies have released a Request for Information in Food is Medicine.

Twelve federal agencies, including ACL, have released a Request for Information (RFI) for research opportunities and best practices for Food is Medicine research programs. These programs include various activities and services that connect nutrition and health such as medically tailored meals, medically tailored and health food packages, or prescriptions for nutritious groceries or produce.

Comments can be submitted [here](#) until June 30, 2023.

RECOMMENDED READS

- *TIME* – [To Solve the U.S. Nursing Shortage Crisis, the Country Must Change Its Immigration Policies](#)
- *Des Moines Register* – [Opinion: Biden mandates the impossible, instead of a solution for long-term care access](#)
- *Delaware News Journal* – [Delaware lawmakers introduce bills to improve dementia care in long-term care facilities](#)

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