

Congress Passes Additional COVID-19 Relief

Insights

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The American Rescue Plan Act of 2021 (H.R. 1319) will now be sent to President Biden to be signed into law, after the House passed the legislation today by a vote of 220-211. The Senate passed the legislation this past Saturday by a party-line vote of 50-49.

The bill, costing over \$1.9 trillion, was passed before unemployment provisions were set to expire on March 14. The legislation includes an additional \$1,400 in stimulus payments to individuals earning income up to a certain threshold and extends unemployment benefits by an additional \$300 a week through September 6. By using budget reconciliation to pass the bill in the Senate, the final text was limited to provisions considered budgetary in nature, so larger policy provisions, such as increasing the minimum wage to \$15 an hour, were not included in the final package. Although many health care groups advocated for key priorities, such as extending the moratorium of the 2% Medicare sequestration cuts, which currently ends March 31, and additional general provider relief – they were not included in this bill.

The legislation includes a vast array of funding streams, tax provisions, and care access improvements. The following identifies the highlights of the legislation, but is not all-encompassing.

Additional COVID-19 Funding for the Following:

- \$20 billion to establish a National COVID-19 Vaccination Program and improve vaccine distribution
- \$51 billion to expand testing, contact tracing, and mitigation related activities
- \$7.6 billion for community health centers
- \$4 billion for behavioral and mental health services
- \$1.4 billion for Older Americans Act funding for community-based services
- \$7.6 billion for public health departments to hire 100,000 full-time employees
- \$750 million for COVID-19 research
- \$350 billion in aid to states, localities, the U.S. Territories and Tribal Governments
- \$130 billion to help safely reopen K-12 schools
- \$40 billion to fund colleges and universities

Expanding Health Coverage and Lowering Health Care Costs:

- Ends the subsidy “cliff” for people making over 400 percent of the federal poverty level, making them eligible for subsidies for the first time and capping their premium costs at 8.5 percent of income for two years

PROFESSIONAL



ALEX M. BRILL
Economic Policy Advisor
Washington, D.C.



**KELLY LAVIN
DELMORE**
Chair, Government
Relations & Public Policy
Washington, D.C.



LISA K. LAYMAN
Principal, Government
Relations & Public Policy
Washington, D.C.



**MONICA
MASSARO**
Principal, Government
Relations & Public Policy
Washington, D.C.

- Eliminates premiums through 2022 for individuals below 150% of the poverty line
- Provides ACA subsidies for those on unemployment, with no premium for 2021
- Provides a 100% COBRA subsidy for individuals who lose their job through September 2021
- Allows states to extend, for five years, Medicaid eligibility to women for 12 months postpartum

Other Health Care Provisions:

- Provides \$8.5 billion in additional provider relief funds for rural hospitals
- Removes the cap on Medicaid drug rebates starting in 2024
- Creates a Medicare area wage index for hospitals in all-urban states
- Allows Medicare to pay ambulance providers the same rate when it is not possible to take a patient to a Medicare-approved facility because of transportation limitations due to the PHE
- Provides \$500 million to deploy strike teams to help nursing home facilities manage COVID-19 outbreaks
- Provides \$200 million to HHS for the purpose of carrying out infection control support related to COVID-19 in skilled nursing facilities through quality improvement organizations

Small Business, Veterans and Other Assistance Provisions:

- Provides an additional \$7.25 billion in funding for the Paycheck Protection Program and expands eligibility of all 501(c) nonprofits, except 501(c)4 lobbying organizations
- Provides \$15 billion for COVID-19 Emergency Grants through the Economic Injury Disaster Loan (EIDL) program
- Provides \$14.5 billion for VA health services
- Retroactively eliminates copays or cost sharing for veterans for treatment or services related to COVID-19

For further information, please contact [Kelly Delmore](#) or [Monica Massaro](#) in Washington, D.C.

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