

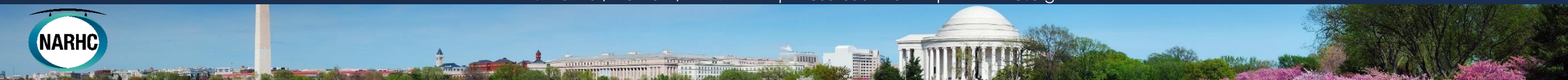
The Latest from Washington, D.C. and the Impacts for RHCs

Sarah Hohman, MPH, CRHCP

Director of Government Affairs

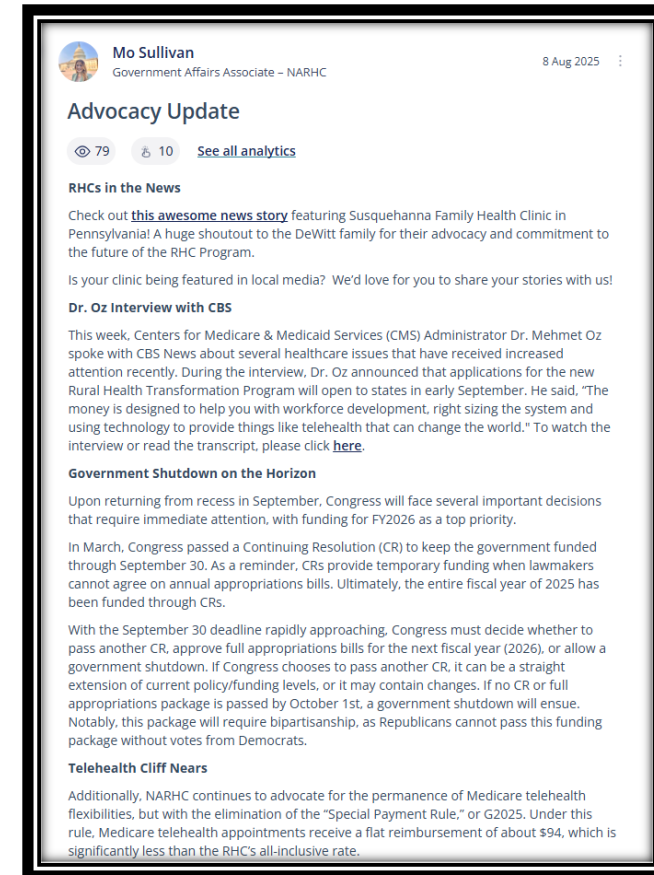
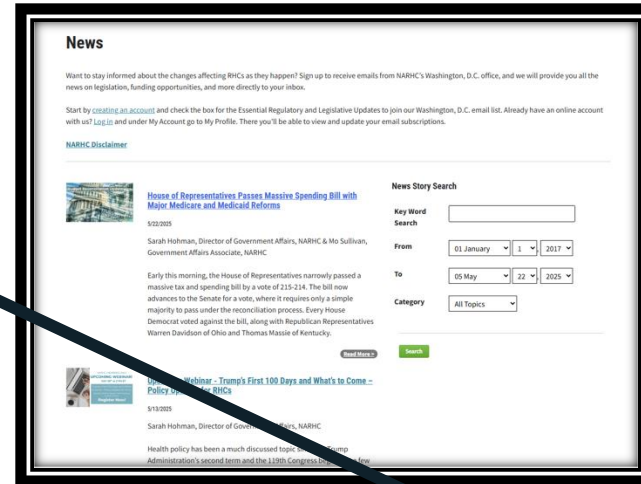
National Association of Rural Health Clinics

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Stay “In the Know” on RHC Issues

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VoterVoice Tool

- Advocacy from your home
- Takes less than 60-seconds
- Name & home address needed (to identify your Senators)
- <https://www.votervoice.net/NARHC/Home>



**NATIONAL ASSOCIATION OF
RURAL HEALTH CLINICS**

ACTION CENTER

Urge Your Senators to Protect Medicare

On May 22nd, the House of Representatives narrowly passed a massive tax and spending bill by a vote of 215-214. The bill now advances to the Senate for a vote, where it requires only a simple majority to pass through the reconciliation process.

This legislation increases the overall deficit by over \$2 trillion. This will trigger the Pay-As-You-Go (PAYGO) Act, which automatically reduces federal spending when Congress passes legislation that adds to the deficit. Medicare sequestration from PAYGO would be capped at a 4% cut if this passes the Senate and is signed into law.

In other pieces of legislation that have increased the deficit, Congress has elected to "waive" PAYGO. However, if they do not, the Congressional Budget Office estimates a resulting \$500 billion+ in Medicare cuts over the next 10 years.

Please utilize this tool to remind your legislators of the role that Medicare fills within your RHCs. Importantly, PAYGO will cause a drastic decrease in Medicare payments that could impact your facilities' continued ability to provide care.

Compose Your Message
• US Senators
Subject
Support Rural Health Clinics by Waving PAYGO
Message Body
I represent one of the 5,600+ Rural Health Clinics (RHCs) across the country providing essential outpatient care to over 39 million rural Americans. I am reaching out for your support in preventing funding for Medicare.
Enter Your Info
Your Information
Prefix * First Name * Last Name *
Email *
Home Information
Street Address *
ZIP Code * Enter Zip for City and State
☐ Yes, sign me up to receive email updates and action alerts from National Association of Rural Health Clinics
☐ Remember me
Send Message

Host your Members of Congress at your RHCs!



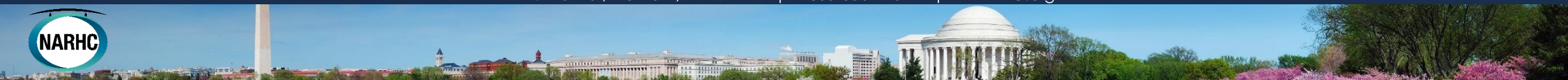
Contact Mo.Sullivan@narhc.org if interested!

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Latest Legislative Updates 119th Congress

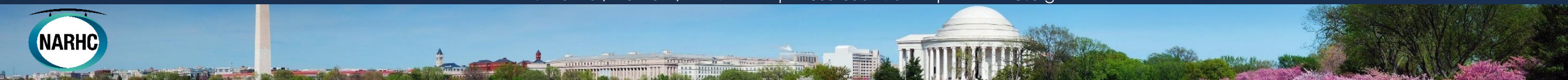
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Agenda

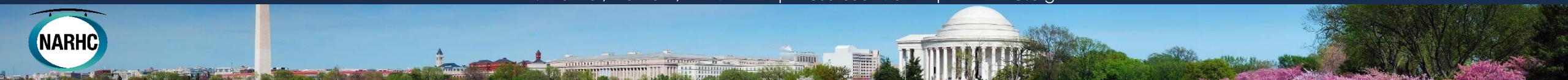
- **119th Congress**

- H.R.1 Implementation and the Rural Health Transformation Fund
- Medicare Telehealth
- FY26 Appropriations
- Medicare Advantage



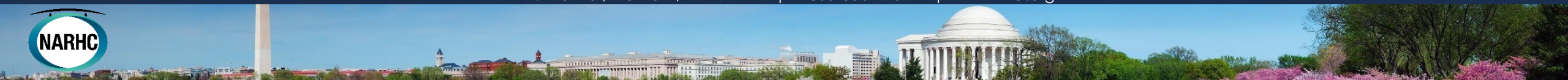
H.R.1 Healthcare Provisions

- Medicaid Work / Community Engagement Requirements
 - Individuals 19-64 required to work or participate in community service at least 80 hours per month beginning in 2027
 - Exemptions available for caregivers for people with disabilities or children under 14, veterans, individuals with disabilities, inmates, pregnant women, and those enrolled at least part-time in school
- Medicaid Eligibility Checks
 - Increases eligibility checks to at least every 6 months beginning in 2027 (currently checked annually)
- Medicaid Provider Taxes
 - Lowers maximum provider tax rate for Medicaid-expansion states from 6% to 3.5%, incrementally each year from 2028-2031
 - Non expansion states frozen at current provider tax rate
- Affordable Care Act Reforms
 - Shortened annual open enrollment period by 1 month
 - Eliminated low-income special enrollment period and automatic enrollment
 - Other technical changes



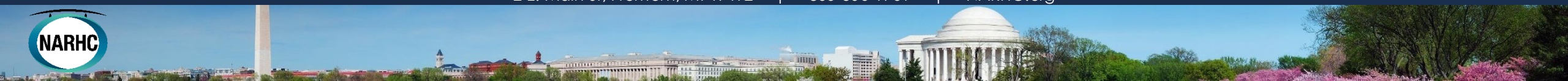
Coverage Impacts

- These policy changes are estimated to result in a loss of health insurance coverage for approximately 10 million Americans by 2034
 - + an additional ~4 million if enhanced subsidies that currently help individuals purchase coverage through the ACA marketplace expire on December 31, 2025
- Estimated coverage losses are a result of stricter eligibility rules and paperwork requirements



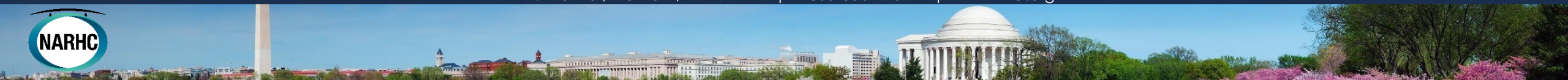
Other Bill Implications – Medicare Sequestration

- The deficit increase from this bill is over \$2 trillion which triggers the Pay-As-You-Go (PAYGO) Act
 - PAYGO automatically reduces certain federal spending when Congress passes legislation that adds to the deficit
- For Medicare, this would be capped at a 4% cut
- In other deficit increasing bills, Congress has waived PAYGO however they have not done so for this reconciliation bill so far



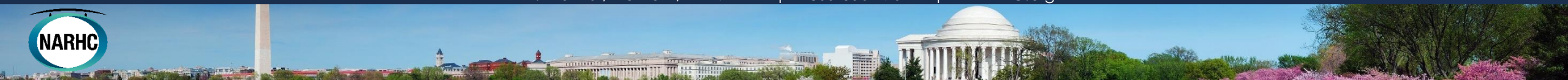
Rural Health Transformation Program

- \$50 billion fund distributed at \$10 billion per year (2026-2030) by CMS to states
- CMS has indicated states will be receiving applications in September
- 50% of appropriated funds equally distributed amongst all states with approved application, while remaining 50% distributed at CMS discretion amongst at least 25% of states with application
- **Each state will choose their priorities differently – make your voice heard to ensure that Rural Health Clinics are included in the plans in your state**



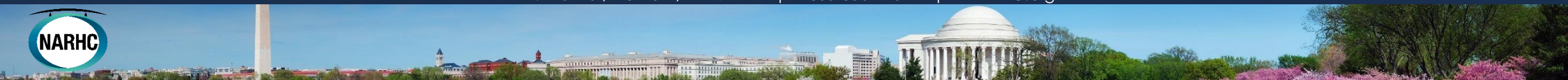
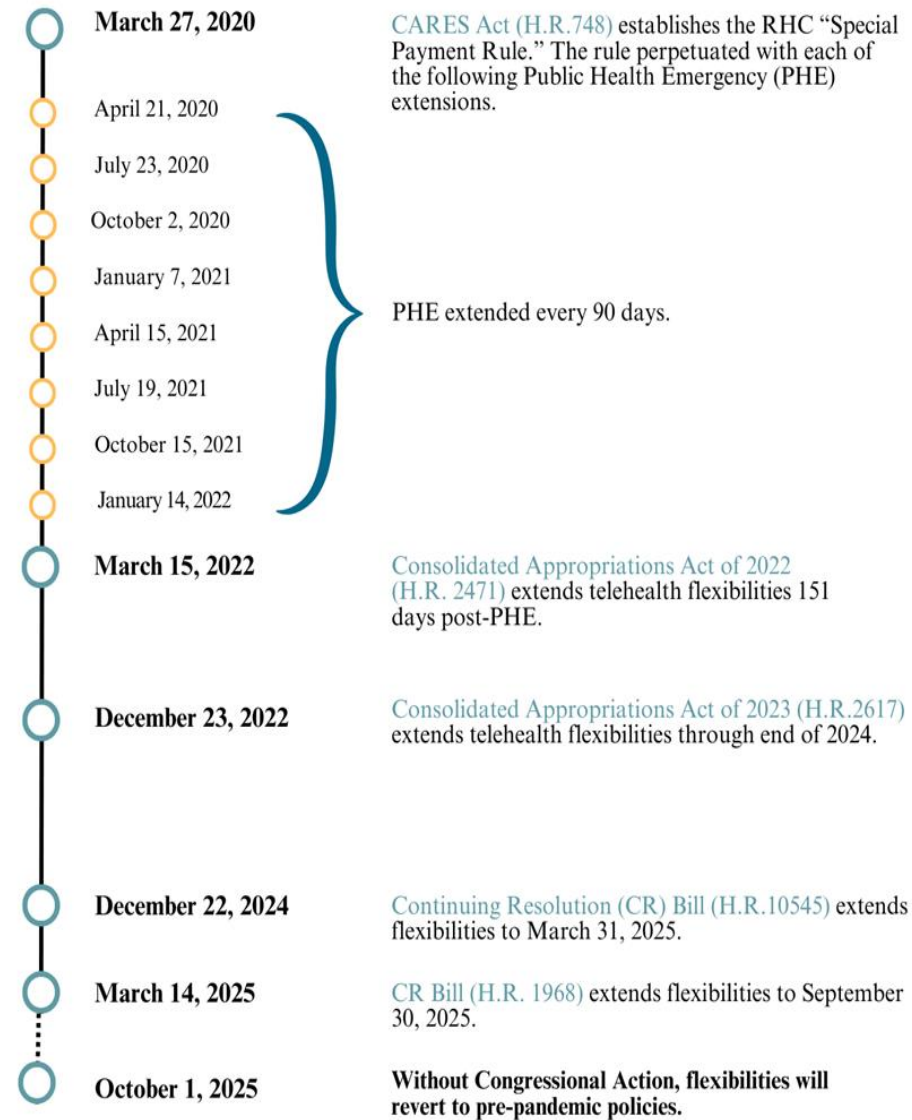
Medicare Telehealth

- With the onset of the COVID-19 pandemic, Congress passed the CARES Act of 2020 which allowed RHCs to provide telehealth services
 - However, this act did not allow RHCs/FQHCs to receive normal reimbursement – instead, created it a "**special payment rule**" for medical telehealth in safety-net settings
 - RHCs bill 1 code, G2025, which pays a single rate of \$94.45 for all services billable via telehealth



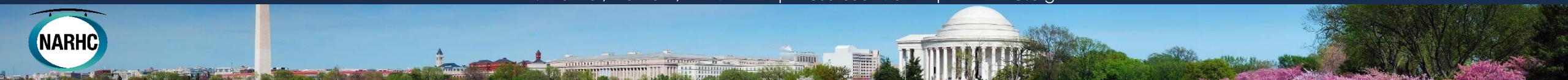
Telehealth Timeline

- As of today, this "temporary" payment rule has been in effect for nearly 5 years
- Current flexibilities set to expire September 30, 2025
- **It is imperative that Congress fix this rule in the next extension**
 - **Simply extending the current "temporary" policy will continue to disadvantage RHCs who choose to invest in telehealth



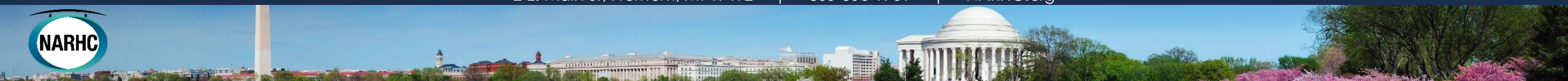
Telehealth Legislation

- Introduced legislation that includes this fix include:
 - **CONNECT for Health Act of 2025 (S.1261) / (H.R.4206)**
 - **Save America's Rural Hospitals Act (H.R.3684)**



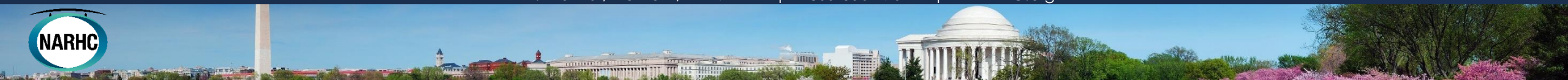
FY2026 Appropriations

- Congress must pass FY26 appropriations by September 30
- The President's proposed Department of Health and Human Services (HHS) Budget for Fiscal Year 2026 eliminates funding for many integral rural health programs
- Senate passed Labor-HHS Appropriations included solid, stable funding for rural health programs
- House will markup their Labor-HHS bills when they return in September



Medicare Advantage

- Rural providers continue to feel the challenges of rising Medicare Advantage enrollment, from lower reimbursements to increased administrative burdens
- Negative attention on plans is continuing to increase in Congress
 - Bipartisan Legislative Efforts –
 - Crack down on CMS overpayments to plans
 - Prompt and fair pay
 - Prior authorization reforms



Questions?

Sarah Hohman, MPH, CRHCP

Director of Government Affairs

National Association of Rural Health Clinics

202-543-0348

Sarah.Hohman@narhc.org

