



Summary of 2020 Year-End Spending and COVID-19 Relief Bill

On December 21, Congress passed an omnibus spending and COVID-19 relief bill, which was later signed into law. The combined package, formally called the Consolidated Appropriations Act, 2021 (H.R. 133), encompasses nearly \$2.4 trillion in federal spending and covers nearly [5,600 pages](#) of legislation. Importantly for NAACOS members, the new law has several ramifications for healthcare providers, including those practicing within ACOs. Notably, lawmakers froze Qualifying Alternative Payment Model (APM) Participant (QP) thresholds at 2020 levels for the next two years, which was a top NAACOS priority for 2020. We are very thankful Congress responded to the diligent advocacy efforts by NAACOS, ACOs and other stakeholders to freeze the QP thresholds, which will enable many ACOs to continue to qualify for Advanced APM bonuses and support Medicare's transition to value.

To help members better understand the changes Congress enacted, NAACOS highlights the following key points of the legislation. More in-depth summaries of the COVID-19 relief portion of the bill ([found here](#)), appropriations provisions ([found here](#)), and other policy riders and so-called Medicare extenders ([found here](#)) have been created by Capitol Hill offices. Please contact advocacy@naacos.com if you have any questions.

- Freezes at 2020 levels the payment amount and patient count thresholds for physicians and other eligible clinicians participating in Advanced APMs to receive a 5 percent bonus for Performance Years 2021 and 2022. The legislation also freezes the partial QP thresholds at 2020 levels.
- Makes adjustments to Medicare physician payments
 - Provides an additional \$3 billion by raising reimbursements for all physician services by 3.75 percent in 2021, mitigating cuts finalized in the 2021 Medicare Physician Fee Schedule rule (detailed in this NAACOS [resource](#))
 - Suspends Medicare's 2 percent sequestration cut through March 2021
 - Delays the implementation of new add-on code G2211 for complex evaluation/management services by three years
- Addresses surprise medical billing and price transparency
 - Requires patients to pay the in-network cost-sharing amount for emergency care services provided by out-of-network providers at in-network facilities
 - Provides for a 30-day open negotiation period for providers and payers to settle out-of-network claims. If parties are unable to reach a negotiated agreement, they may access a binding arbitration process.
 - Bans gag clauses in contracts between providers and health plans that prevent enrollees, plan sponsors, or referring providers from seeing cost and quality data on providers
- Provides additional funding for pandemic relief
 - Invests \$3 billion in new resources for the Provider Relief Fund
 - Expands the [Paycheck Protection Program](#) that was established earlier in 2020, providing more money and more flexibility for recipients

- Addresses public health funding by, among other things, providing \$9 billion to the Centers for Disease Control and Prevention for vaccine distribution; approximately \$42 billion to the Department of Health and Human Services (HHS) for purchasing vaccines and helping states with testing and contact tracing; and \$3 billion to the National Strategic Stockpile

Additional Changes

- Delays the CMS Innovation Center's Radiation Oncology Model until 2022
- Extends and expands Medicare's Independence at Home Demonstration for three additional years through 2023
- Provides \$66 million for CMS to contract with an entity to carry out quality measure endorsement, input, and selection through Fiscal Year 2023
- Adds 1,000 more Medicare-supported Graduate Medical Education positions for hospitals
- Makes several changes to rural health clinic's Medicare payments
- Eliminates scheduled 2021 cuts and delays 2022 and 2023 cuts to Medicaid disproportionate share hospital funding
- Requires drugmakers to report the average sales price of their Part B drugs to HHS starting in 2022
- Permits direct payment to physician assistants under Medicare starting in 2022
- Gives \$3 million to establish a Social Determinants of Health Pilot Program at HHS
- Allows beneficiaries to receive mental health services via telehealth regardless of location, including from their home
- Grants an additional \$250 million in funding for the COVID-19 Telehealth Program at the Federal Communications Commission

Additional information on NAACOS Congressional advocacy can be found on this [webpage](#).