

To: NJHSA Advocacy Committee & Other Interested Parties
From: Elizabeth Cullen, NJHSA Washington Representative
Date: February 5, 2023

Key Health, Mental Health, Disability & Aging Priorities Included in the Recently Enacted FY 2023 Omnibus Appropriations Package

The end-of-year [FY 2023 Omnibus Appropriations package](#) signed into law by President Biden on December 29th, 2022, addresses many longstanding policy priorities for which the Network of Jewish Human Service Agencies has been advocating. The package, entitled the **Consolidated Appropriations Act, 2023**, contains funding for the Nonprofit Security Grant Program and the Holocaust Survivor Assistance Program, as well as the Jabara-Heyer NO HATE Act, the ABLE Age Adjustment Act, and a 5-year extension of Medicaid's Money Follows the Person Program for older adults and people with disabilities.

The package also contains a host of measures to address the national mental health crisis, including reauthorizing vital substance use and mental health programs, funding the federal mental health block grant at an unprecedented \$1 billion, addressing the mental health workforce shortage, expanding access to critical services in Medicare and Medicaid, extending telehealth broadly for an additional two years, bolstering mental health parity enforcement, and more. Unfortunately, the new law does not include extension of the Child Tax Credit and Afghan Adjustment Act. Below is a brief summary of key provisions:

Telehealth under Medicare:

Extends the telehealth flexibilities for an additional two years, a move that will allow Jewish human service agencies to continue providing extensive mental health care and more through telehealth, just as they have been doing throughout the Public Health Emergency. During the two-year extension, there will be no implementation of the 6 month in-person service prerequisite for Medicare coverage and telemental health services will continue to be reimbursed at in-person service rates.

Mental Health:

The package includes vital investments and program improvements to address the nationwide mental health and children's mental health crisis, ***including allowing Medicare to pay for services by Marriage & Family Therapists and licensed mental health counselors.*** This measure will make thousands more mental health professionals available to care for the country's older adults and people with disabilities

while helping Jewish human service agencies experiencing significant mental health professional shortages meet surging demands for care.

The package also includes ***new Medicare coverage of mobile behavioral health crisis care, establishing a new code for psychotherapy for mobile crisis response***. This new measure will help expand available mobile behavioral health crisis response and allow Jewish agencies to be reimbursed for these services.

In addition, the package contains provisions on reimbursement for behavioral health integrated care and bolsters the education of providers on the ability to incorporate peer support specialists and other auxiliary providers in the provision of mobile behavioral health crisis response and behavioral health integration services.

Importantly, the package includes many of the provisions from the House-passed [H.R. 7666, Restoring Hope for Mental Health and Well-Being Act \(RESTORE Act\)](#). These measures include, but are not limited to, increased funding for the 988 crisis line, reauthorizing the Community Mental Health Services Block Grant and funding it at an unprecedented level of more than \$1 billion, funding to support maternal mental health and the maternal mental health hotline, as well as ***extending mental health parity to state and local government workers and bolstering the mental health and substance use disorder workforce*** through increased capacity and training, and more. In addition, the package reauthorizes and doubles the funding for the federal Maternal Infant and Early Childhood Home Visiting Program, a bipartisan supported and highly regarded nurse home visiting program for new families that Jewish Federations has strongly supported.

However, the new law does not capture all the mental health proposals produced throughout the year by key congressional committees, in particular the Senate Finance Committee which had released five discussion drafts addressing mental health and substance use issues. NJHSA will continue to advocate for key measures in these proposals, particularly those that will help address the significant and ongoing mental health professional workforce shortage.

Older Adults and People with Disabilities:

The package also provides long-term extensions for programs that promote greater independence and inclusion for older adults and people with disabilities both at home and in the community, and additional investments in programs that support them.

Significantly, the package extends Medicaid's Money Follows the Person demonstration – a longstanding NJHSA priority that helps support older adults and people with disabilities desiring to live at home and in their communities instead of in institutions – through September 30, 2027.

In addition, the Administration for Community Living receives an extra \$220 million to further expand nutrition and family caregiver programs, home- and community-based supportive services, and promote strategies that enable older adults and people with disabilities to live in their communities.

Moreover, after years of advocacy, the package includes the ABLE Age Adjustment Act. The ABLE Age Adjustment Act will allow people who become disabled later in life, such as accident victims and veterans, to have access to important tax-free savings plans for costly disability-related expenses, such as therapies and medical equipment. Improving the financial security of people with disabilities and ensuring they are able to meet their basic needs is of great importance to NJHSA and its member agencies serving clients with disabilities. The bipartisan ABLE Age Adjustment Act has been a policy priority for NJHSA for many years. As a result of Congress's action, millions of additional people will be able to save for costly disability-related expenses without fear and be empowered with greater control of their financial future.

Medicaid and CHIP:

Vital programs, such as the Children's Health Insurance Program (CHIP), will be fully funded through the end of the decade. Moreover, children in Medicaid and CHIP – 40 million -- will be provided with 12 months of continuous coverage in Medicaid and CHIP, while the state option to provide 12 months of postpartum continuous coverage in Medicaid and CHIP for pregnant individuals will be made permanent. The new law also charts a course of action known as a "glidepath" for people to transition from Medicaid coverage to state & federal health exchanges.

Medicare Payment:

The package waives the 4% Medicare Statutory Pay-As-You-Go Act of 2010 (PAYGO) cuts for 2023 and 2024 (located in Title X - Budgetary Effects section) and addresses the Medicare Physician Fee Schedule rule Medicare cut for two years, by reducing the 4.47% cut in provider payments by 2.5% in 2023 and 1.25% in 2024 (Section 4112).

In addition, you can read the analysis of the Consolidated Appropriations Act, 2023 by Jewish Federations of North America [here](#). For questions, please contact [Elizabeth Cullen, NJHSA Washington Representative](#).