

The American Rescue Plan: Key Provisions Affecting Family Physicians

On March 11, 2021 President Biden signed the American Rescue Plan Act (ARPA) into law. ARPA provides substantial investments in many AAFP [priorities](#), including 1-year postpartum Medicaid coverage, health care marketplace subsidies and greater access to health care coverage, adequate vaccine reimbursement, and teaching health center GME expansion. This legislation is the fourth legislative package passed in response to the COVID-19 pandemic. The first COVID-19 funding bill, the Coronavirus Preparedness and Response Supplemental Appropriations Act provided \$8.3 billion in emergency funding. The second bill, [the Families First Coronavirus Response Act](#), primarily addressed paid family medical leave and sick leave. The third bill, the [CARES Act](#), provided \$2 trillion in economic stimulus and financial assistance to address the public health emergency.

Expanding Access to Coverage

- **COBRA-** Subsidizes COBRA premiums for six months for individuals who lost employment or had reduced hours. This is designed to help individuals retain and improve affordability of their employer-sponsored insurance in the wake of pandemic-related job losses.
- **Expanded Premium Tax Credits-** Provides \$35 billion to increase and expand premium subsidies over two years for those who purchase coverage on the ACA marketplace and temporarily removes the 400% federal poverty level limit for subsidy eligibility. The ARPA also forgives \$6 billion in individual payments incurred when 2020 advanced premium subsidy levels did not match income. The bill also provides subsidies for low income individuals receiving unemployment compensation. These changes will help more Americans be able to afford quality, comprehensive health insurance.
- **Medicaid Postpartum Coverage-** Provides the opportunity for states to expand Medicaid coverage from 60 days to up to one year postpartum. This [evidence-based](#) policy will prevent maternal mortality and morbidity by improving access to care to address postpartum complications such as infections, bleeding, mental illness, and other chronic health conditions.
- **Medicaid Expansion-** Increases the Federal Matching Assistance Percentage (FMAP) by 5% for two years should any state that has not yet adopted the ACA Medicaid expansion choose to do so. If all 14 of the remaining states choose to expand Medicaid, nearly 4 million low-income adults could gain coverage according to [recent studies](#).
- **Rural Health Care Funding-** Provides \$8.5 billion in additional relief funds to be made available to rural hospitals and practices to help address the financial challenges these health care providers faced prior to and throughout the pandemic.

COVID-19 Response

- **Vaccine Reimbursement-** Provides 100% FMAP to cover the cost of Medicaid COVID-19 vaccine administration through one year after the end of the PHE. This encourages states to set adequate reimbursement rates for vaccine administration and ensure physicians can provide vaccine to historically underserved populations.
- **Vaccine Funding-** Provides \$7.5 billion to the CDC for preparing, promoting, administering, monitoring, and tracking COVID-19 vaccines, as well as \$5.2 billion to HHS to support advanced research, development, manufacturing, production, and purchasing of vaccines and therapeutics.
- **Testing and Treatment Funding-** Provides \$48.3 billion to the Centers for Disease Control and Prevention for COVID-19 testing, hiring staff for contact tracing, provide PPE to frontline physicians, and support medically necessary isolation when called for.
- **Vaccine Hesitancy-** Provides \$1 billion to the Centers for Disease Control and Prevention for grants to support education and outreach activities to promote vaccine confidence.
- **Safely Reopening Schools-** Provides \$170 billion for public K-12 schools to reopen for in-person learning. This includes just under \$123 billion to the Elementary and Secondary School Education Relief Fund, 90% of which is allocated to local school districts for implementation of public health protocols, learning loss, long-term academic needs, and mental health concerns.

Health Care Workforce Investments

- **Community Health Centers-** Provides \$7.6 billion for community health centers (CHCs), designed to empower physicians serving communities of color and traditionally underserved populations who were among the most affected by COVID-19.
- **National Health Service Corps-** Provides \$800 million for the National Health Service Corps to invest in scholarships and loan repayment programs for physicians serving in health professional shortage areas across the country.
- **Teaching Health Center GME Program -** Provides \$330 million to strengthen and expand the THCGME program, which will strengthen the primary care workforce and increase access to primary care in rural and underserved areas, especially during the pandemic.

Economic Stimulus for Small Businesses

- **Paycheck Protection Program (PPP) -** Broadens eligibility guidelines for the PPP, allowing more nonprofit entities to be eligible. Also includes \$7.25 billion for forgivable loans and adds \$15 billion in emergency grants.

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