WHAT YOU NEED TO KNOW ABOUT

PROANALYSIS

The End of the Covid-19 Public Health Emergency

BY BEN LEONARD AND MADI ALEXANDER | 05/04/2023 05:00:00 AM EDT

(i) PRO POINTS

- The Trump administration declared a Covid-19 public health emergency in January 2020, a move that it and the Biden administration extended 13 times.
- The declaration either directly expanded or led to congressional expansion of access to care via telehealth and hospital care at home, made it possible for the government to offer free treatment and testing and kept millions on Medicaid.
- The Biden administration plans to end the emergency on May 11.
- Some flexibilities afforded under the emergency will end then while Congress and the administration have extended others.

HOW WE GOT HERE

Trump's Health and Human Services secretary, Alex Azar, first declared the PHE in late January 2020, more than a month before many states locked down. His decision allowed the federal government more latitude to try to curb the virus's spread.

Congress extended that latitude in several early Covid relief laws, including the Families First Coronavirus Response Act and the CARES Act

During 2020 and 2021, while Covid raged, Congress appropriated \$4.6 trillion in emergency funds to fight the virus.

The HHS secretary had to renew the emergency declaration every 90 days and the declaration is now tied to hundreds of regulations that reshaped the health care system.

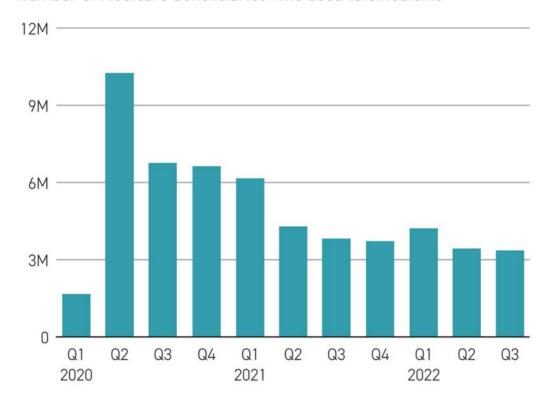
The Centers for Medicare and Medicaid Services used its authority under the emergency to permit more hospital care at home. That allowed patients to get care while minimizing exposure risk and opened hospital beds for Covid patients.



Medicare had previously confined telehealth mainly to rural areas, where patients had to travel to a designated virtual care facility. During the emergency, under eased regulations sought by HHS and buttressed by Congress for the PHE's duration, telemedicine use exploded and investors poured billions into virtual care.

Telehealth use among Medicare enrollees jumped sixfold at the start of pandemic

Number of Medicare beneficiaries who used telemedicine



Source: Centers for Medicare and Medicaid Services

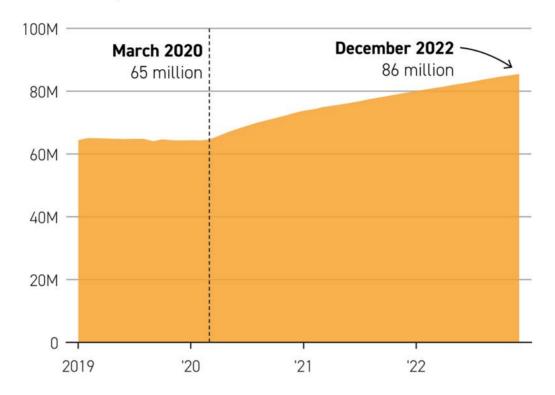
One law Congress passed in March 2020 required states to maintain their Medicaid rolls so long as the public health emergency remained in effect, thereby ending periodic state-run checks of enrollees' eligibility. Congress decoupled that "Medicaid continuous enrollment" provision from the public health emergency in the fiscal 2023 spending bill it passed in December.

In emergency regulations, CMS also boosted reimbursement for providers treating Covid patients and offered Medicare patients free tests and treatments sans cost-sharing.

Pressure from Republicans to end the emergency declaration grew after President Joe Biden told CBS News in September that the pandemic was over. Biden set the May 11 date in a January announcement.

Medicaid enrollment jumped 32 percent since the beginning of Covid-19 pandemic

Total monthly Medicaid enrollment



Source: Centers for Medicare and Medicaid Services

WHAT'S NEXT

The emergency's end will shift much of the cost for treating Covid patients to private insurers, which cover two in three Americans, and people sick with the virus.

Insurance will likely continue to cover preventive care, such as vaccination, but people who need medicine or hospital care may have to pay more out of pocket, depending on their insurance.

Those without insurance could be on the hook for big bills should they become seriously ill. In April, HHS announced that it would keep access to vaccines and treatments with no out of pocket costs for the uninsured through 2024.

Medicare, Medicaid and Children's Health Insurance Program beneficiaries could see more cost-sharing for tests and antivirals, but the vaccine will stay free.

The White House announced on May 1 that it would end its Covid vaccine requirements for federal employees, federal contractors, and foreigners entering the United States. It also said it's begun the process for ending the vaccine mandate for people working at facilities certified by the CMS and educators working for the Head Start preschool program. The requirement will end May 11 — the same day the public health emergency expires.

Congress extended eased rules for telehealth in Medicare and high-deductible health plans, as well as hospital at-home waivers, through the end of 2024, in last year's omnibus spending law. However, employers will no longer be able to offer telehealth access as a premium, tax-free benefit separate from other health plans.

Congress ended the Medicaid enrollment requirement last month, and states are expected to cull millions from their rolls, though many will be eligible for low-cost Obamacare plans. The administration has given states a year to reevaluate enrollees' eligibility.

The White House has also said the end of the emergency would require it to halt Title 42, which allowed border agents to turn away asylum seekers at the southern border on public health grounds. Republicans hoping to keep it in place have argued it isn't tied to the emergency.

Work requirements for food-assistance programs will come back in more than half of states — mostly Republican-controlled ones.

The last three state emergency declarations, in Delaware, Illinois and Massachusetts, will end on May 11. That will have its own impacts. Massachusetts, for instance, will end its rule that health care facilities require masks.



POWER PLAYERS

- Xavier Becerra, HHS secretary: He's responsible for overseeing the unwinding of the public health emergency.
- Anne Milgram, administrator of the Drug Enforcement Administration: The DEA has proposed scaling back pandemic-era rules allowing prescribing of controlled substances via telemedicine, setting off protests by virtual care advocates. The agency announced on May 3 that it would hold off, at least temporarily, on making any changes to the rules.
- Melanie Fontes Rainer, director of HHS' Office for Civil Rights: She <u>reminded states of their duties</u> to follow civil rights laws as the Medicaid continuous coverage requirement ends, given the possibility that eligible enrollees' could lose their benefits for failing to fill out paperwork.