

## The Bipartisan Budget Act of 2018: Key Provisions and Policies for People with Medicare

In February, Congress passed and the President signed a sweeping spending bill that funds the government through March 23. The legislation—the Bipartisan Budget Act of 2018 ([P.L. 115-123, BBA of 2018](#))—also contains a number of health care provisions important to people with Medicare and their families.

The bill's key changes to Medicare and other programs serving older adults and people with disabilities are outlined below, and include policies the Medicare Rights Center supports, opposes, and will be monitoring closely.

Support 

Oppose 

Monitoring Closely 



**Funds Medicare Outreach and Enrollment Activities.** The package extends for two years current funding levels for community-based organizations to conduct outreach and enrollment of low-income Medicare beneficiaries. The Medicare Rights Center applauds this extension. Since 2008, these efforts have helped nearly 1.5 million low-income Medicare beneficiaries access programs that make their health care and prescriptions affordable.



**Closes the “Donut Hole” Faster.** Under the BBA of 2018 certain drug manufacturers will be required to give larger discounts to beneficiaries in the Part D coverage gap, starting next year. The Medicare Rights Center supports accelerating the beneficiary coinsurance reduction to 25 percent in 2019—effectively closing the donut hole one year ahead of schedule.



**Permanently Repeals the Medicare Therapy Caps.** The bill permanently repeals the Medicare Part B payment cap on outpatient physical, occupational, and speech therapies. This change is effective as of January 1, 2018. We support this long overdue policy fix, which will protect Medicare beneficiaries from high out-of-pocket costs and safeguard the long-term viability of the Medicare program.



**Makes Coverage of Speech Generating Devices Permanent.** The BBA of 2018 includes the Gleason Enduring Voices Act ([S. 1132](#), [H.R. 2465](#)). The Medicare Rights Center welcomes its passage, which makes Medicare coverage of speech generating devices (SGDs) permanent and ensures that people with Medicare can access their SGD across settings, and for as long as necessary.



**Increases Funding for Federal Programs.** The budget deal raises the limits on defense and non-defense (NDD) spending for two years. Notably, even with this boost, overall funding for NDD appropriations—which support key aging and health priorities outside of Medicare—will remain below 2010 levels, adjusted for inflation. While we are pleased to see the temporary sequestration relief, we lament the loss of parity between the defense and non-defense increases. Further, we encourage Congress to eliminate the caps and fully restore NDD program funding.



**Extends the Children’s Health Insurance Program.** The bill also includes a four-year extension of the Children’s Health Insurance Program (CHIP), from 2024 through 2027. We welcome this additional authorization. CHIP provides affordable health coverage to over 9 million children and gives working families—many of which include people with Medicare—much-needed health and economic security.



**Funds Community Health Centers.** The budget bill funds for two years the nation’s community health centers. We support this provision, as it will allow health centers to continue providing primary care to an estimated 26 million Americans each year, including nearly [2.4 million](#) medically underserved Medicare beneficiaries.



**Expands Services and Coverage in Medicare Advantage.** The package includes the Creating High-Quality Results and Outcomes Necessary to Improve Chronic (CHRONIC) Care Act ([S. 870](#)). This legislation increases services in Medicare Advantage (MA) for beneficiaries with complex medical conditions in part by expanding supplemental benefits, making SNPs permanent, and easing access to telehealth. The Medicare Rights Center generally supports the CHRONIC Care Act’s coverage expansions, but encourages policymakers to make these enhanced services available to all Medicare beneficiaries.



**Changes the Home Health Benefit.** The bill makes several changes to the Medicare Home Health benefit payment structure and eligibility determinations process. We will work with policymakers to ensure these reforms are implemented in a way that improves beneficiary access to home health services.



**Increases Medicare Premiums.** To help pay for the budget deal's extensive policy and funding changes, it includes a number of offsets. One such pay-for is an increase in the Medicare Part B and Part D premiums some beneficiaries must pay. We strongly oppose this change, which further means tests the program and undermines the Medicare guarantee.



**Excludes Key Health Care Priorities.** The BBA of 2018 does not include several reforms the Medicare Rights Center supports, namely the Beneficiary Enrollment Notification and Eligibility Simplification (BENES) Act ([S. 1909](#); [H.R. 2575](#)), and a five year extension ([S.2227](#)) of the Money Follows the Person (MFP) program. We urge lawmakers to address these priorities, without delay.

In summary, the budget deal makes an array of complex changes to federal health care programs and it is not yet clear how these revisions will interact. Accordingly, the Medicare Rights Center will stay engaged with lawmakers and the administration to ensure these policies are implemented in a way that prioritizes older adults, people with disabilities, their families, and caregivers.

Most immediately—as appropriators work to finalize Fiscal Year 2018 spending levels by March 23—the Medicare Rights Center will continue to advocate for adequate funding for programs important to people with Medicare. We also urge Congress to extend MFP and strongly support the inclusion of the BENES Act in this upcoming package. Please join us in making this important ask! [Click here to weigh in with your lawmakers today.](#)

For more information on the BBA of 2018, please see the Medicare Rights Center's comprehensive analysis, [available here.](#)