

PPC CAPITOL CONNECTION

April 14, 2021

What Matters Now in Washington:

• The White House released a budget blueprint for Fiscal Year (FY) 2022, offering a preview of the president's federal discretionary spending priorities.

ASSOCIATION OF MEDICAL SCHOOL PEDIATRIC DEPARTMENT CHAIRS

SOCIETY FOR

PEDIATRIC

PEDIATRIC SOCIETY

- President Biden notched his first major legislative victory after signing the sweeping \$1.9 trillion American Rescue Plan into law.
- Vaccine manufacturers have made moves to expand child enrollment in clinical trials, but a COVID-19 vaccine for young children may still be months off.
- Dr. Francis Collins has vowed to dismantle structural racism at the National Institutes of Health.
- The PPC will host three sessions at the virtual Pediatric Academic Societies meeting in May (dates and times available below).
- PPC members authored policy commentaries in *Pediatric Research* exploring the intersections of child health policy, advocacy, and pediatric research.

WHITE HOUSE BUDGET BLUEPRINT PROPOSES AMBITIOUS DOMESTIC

SPENDING IN FY22. President Biden <u>released his first budget proposal</u> Friday, laying out his spending priorities as Congress begins work to develop appropriations bills for Fiscal Year (FY) 2022. The \$1.5 trillion proposal calls for a 16 percent increase in non-defense discretionary spending, compared to a 1.5 percent increase for defense programs. The White House will release more detailed budget documents later in the spring that will provide additional clarity about specific budgetary line items.

The <u>ambitious budget document</u> reflects a desire to <u>reinvest in domestic programs</u> that have been underfunded for years, including public health, gun violence prevention, research, and more. President Biden has called for <u>\$51 billion in funding for medical research supported by the National Institutes of Health (NIH). This includes <u>\$6.5 billion to launch the Advanced Research Projects</u> <u>Agency for Health (ARPA-H)</u> to provide significant increases in direct federal research and development spending in health. With an initial focus on cancer and other diseases like Alzheimer's, the blueprint envisions a new agency within the NIH that would drive transformational innovation in health research and speed application and implementation of health breakthroughs. More details will be forthcoming in future documents.</u>

The Biden administration proposal also calls for significant funding infusions to address gun violence, which comes just a day after President Biden announced <u>major action to address gun</u>

<u>violence through new regulations</u>. Crucially, the document requests a doubling of funding for gun violence prevention research at the NIH and the Centers for Disease Control and Prevention (CDC), which would amount to \$50 million in total funding. The <u>PPC was instrumental in securing funding</u> for gun violence prevention research in the last two government spending bills after nearly two decades without any dedicated federal funding for the issue. The PPC has been in touch with the NIH and the CDC to share academic pediatricians' gun violence prevention research priorities. Under the proposal, the Department of Justice and the Bureau of Alcohol, Tobacco, Firearms, and Explosives would both receive millions of additional dollars in the coming year to address the issue. Funding increases would go toward evidence-based community violence intervention programs and strengthening background checks, among other priorities.

The CDC would receive its <u>largest funding increase in nearly two decades</u> under the Biden budget proposal, allowing it to restore capacity at the agency, support states to improve their public health infrastructure, and enhance other key research, data collection, and surveillance functions at the agency.

While Congress will have the final say about whether these funding boosts become a reality, the proposal is certain to bolster Democrats in their efforts to increase funding for domestic programs.

ELECTED TO END THE PANDEMIC, BIDEN DELIVERS ON PROMISE OF MASSIVE PANDEMIC RELIEF PACKAGE. On March 11, <u>President Biden signed the American Rescue Plan</u> (ARP) Act into law, making good on his campaign promise to provide generous pandemic relief to an ailing nation. The \$1.9 trillion package is intended to address the significant financial distress Americans have experienced over the course of the pandemic with immediate relief, while also making transformative investments in social welfare programs long sought by progressives. The Biden administration has framed this package as the <u>first part in a series</u> of <u>multi-trillion dollar</u> <u>legislative proposals</u> that aim to help the nation recover from the pandemic and <u>reinvest</u> in the country's physical and human infrastructure. To date, Congress has spent more than \$5 trillion to combat the COVID-19 pandemic.

The sweeping legislation includes a number of marquee items that have garnered significant attention, most prominently a third round of direct payments to millions of Americans. The Economic Impact Payments, as they are formally known, amount to \$1,400 per tax filer and for each filer's dependents in households making below \$160,000 or individuals making less than \$80,000. In a change from the first two rounds of direct payments, <u>U.S. citizen children in mixed-status</u> <u>immigrant families are now eligible</u>, a major boon to child health for the roughly 2.2 million children in this situation. <u>Much of this money has already been disbursed</u>. Congress also <u>extended</u> <u>unemployment benefits</u> through Labor Day, including the current \$300 weekly federal enhancement to state-financed benefits.

While much of the debate around economic relief has centered on adults, the American Rescue Plan also includes a <u>dramatic overhaul of the Child Tax Credit</u>, a longstanding federal policy that plays a key role in reducing child poverty. Under the law, the Child Tax Credit has been increased to \$3,600 per child under age six and \$3,000 for each child ages 6 to 17. Single parents making up to \$75,000 a year and couples making up to \$150,000 a year will be eligible for the full benefit. The benefits will be <u>distributed in a monthly payment</u> starting in July through the end of the year—a departure from prior practice. Though the policy is a temporary emergency measure, Democrats are <u>expected to push</u> for the changes to be made <u>permanent</u>. The enhanced Child Tax Credit is based on <u>recommendations from the National Academies of Sciences, Engineering, and Medicine</u> for reducing child poverty and is expected by some estimates to cut the number of children in poverty by more than 40%. In another boost to family economic security, Congress enhanced the <u>Earned Income Tax Credit</u> to bolster earnings for low-wage workers.

—American Rescue Plan Includes Major Investments in Health Care Systems. Beyond direct economic relief to Americans, the legislation includes a number of health care provisions relevant to academic pediatricians. Most prominently, the <u>ARP expands postpartum coverage</u> through Medicaid and the Children's Health Insurance Program (CHIP). States will now have the option to provide pregnancy-related Medicaid and CHIP coverage to women for one year after the end of pregnancy and receive federal Medicaid matching funds for this coverage. This represents progress toward a long-sought goal for maternal-child health advocates to reduce maternal mortality, but <u>more work remains</u> to make one year of Medicaid and CHIP postpartum coverage a permanent, mandatory benefit that is fully financed by the federal government. For states that have not yet expanded their Medicaid programs under the Affordable Care Act (ACA), the ARP also provides for a temporary five percent increase to a state's federal matching rate for non-expansion populations as an incentive for the 12 holdout states.

The ARP also dramatically <u>enhances financial support for individuals purchasing health coverage</u> <u>through the ACA's individual marketplace, though these changes are slated to last only two years</u> under the plan. This includes eliminating the ACA's so-called subsidy cliff, which has disqualified individuals with incomes above 400 percent of the federal poverty level (FPL) since the ACA's launch. Under the ARP, premiums are capped at 8.5 percent of an individual's income, making more people eligible for premium subsidies regardless of income. The ARP has also enhanced subsidies for lower-income individuals who already qualified for premium assistance and allows those who have received unemployment insurance to receive maximal subsidies for ACA coverage. Additionally, the ARP subsidizes 100 percent of the cost of premiums for COBRA continuation coverage for workers who are laid off or have reduced hours.

Beyond health coverage investments, the ARP provides significant <u>infusions of cash for public health</u>. COVID-19 vaccine rollout remains top-of-mind for federal policymakers, and the ARP includes \$7.5

billion for the Centers for Disease Control and Prevention (CDC) to distribute, administer, and track vaccines in support of the mass vaccination campaign. Critically, the law also provides \$1 billion for vaccine confidence activities at the CDC. These funds will be used to help strengthen vaccine confidence in the United States, provide further information and education to the public regarding vaccines, and improve rates of vaccination throughout the United States. This funding provision specifically references the recently enacted, PPC-endorsed VACCINES Act and the activities it authorizes, including a national public education campaign.

The impact of the pandemic on children's mental health remains a pressing concern, and Congress provided \$80 million in additional funds to help address it through the Pediatric Mental Health Care Access Program. This successful program, run by the Health Resources and Services Administration (HRSA) increases access to mental health services for children and adolescents by providing funding for 21 states to create or maintain telepsychiatry access lines. This new infusion of funds will allow HRSA to award grants to the remaining states, DC, and territories for five years.

Outside of traditional public health and coverage funding, the ARP invests money in a wide range of social, <u>nutritional</u>, and educational <u>supports</u> that children need to grow up healthy and thrive. It boosts benefits for the Supplemental Nutrition Assistance Program (SNAP) by 15 percent through September, extends the Pandemic Electronic Benefit Transfer (P-EBT) program through the end of the COVID-19 health crisis, and invests more than \$800 million in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

The bill also provides a <u>historic investment in the country's public schools</u>, with \$123 billion <u>allocated directly to states</u> through the Elementary and Secondary School Emergency Relief Fund. States and localities have <u>broad latitude in how they spend these funds</u>, including for purposes like facilities repairs and enhancements to make schools safe. At least a fifth of the funds must go towards addressing student learning loss during the pandemic. It also invests <u>more than \$39 billion</u> to support child care providers, an industry that has been especially hard hit during the pandemic.

VACCINE TRIALS FOR CHILDREN ARE BEGINNING BUT MORE NEEDS TO BE DONE TO ENSURE CHILD ACCESS TO COVID-19 VACCINES. On February 27, the Food and Drug Administration (FDA) issued an Emergency Use Authorization (EUA) for the Janssen/Johnson & Johnson COVID-19 vaccine for use in individuals 18 years of age and older. It is the third COVID-19 vaccine to receive an EUA in the United States and the first single-dose vaccine to be authorized. Although the Pfizer-BioNTech COVID-19 vaccine has been authorized by the FDA for use in adolescents aged 16 to 18, no COVID-19 vaccines have been authorized for use in most pediatric populations, a major barrier in efforts to bring the pandemic to an end and get young people back to school. Use of the Janssen/Johnson & Johnson vaccine is <u>currently on hold</u> pending investigation by the CDC and FDA of rare reports of severe blood clots. It remains critical to include children in COVID-19 vaccine trials so they can also benefit from a safe and effective vaccine. In recent weeks, <u>Pfizer-BioNTech</u> and <u>Moderna</u> have begun testing their vaccines in children under 12 years of age, while <u>Johnson & Johnson</u> has expanded its trials to include children as young as 12. Pfizer-BioNTech recently <u>requested to expand use</u> of its Covid-19 vaccine to adolescents ages 12 to 15 based on positive results from trials in this age group. Despite the progress, <u>pediatricians are continuing to call on the Biden administration to prioritize COVID</u> <u>vaccines for children</u>.

President Biden, in his first prime-time address on March 11, directed states, tribes, and territories to make all American adults eligible to receive a COVID-19 vaccine by May 1 to help ramp up the nation's ongoing mass vaccination campaign. To facilitate this acceleration, the White House plans to increase the number of federally run mass vaccination sites and pharmacies administering vaccines across the country and expand the workforce of qualified vaccinators to include dentists, paramedics, veterinarians, and others.

NIH LAUNCHES INITIATIVE TO COMBAT STRUCTURAL RACISM. The NIH has

<u>launched a new initiative</u> to end structural racism within the agency and across institutions where NIH research is conducted. The UNITE initiative is intended to bring about cultural change, establishing an equitable and civil culture within the biomedical research enterprise while reducing barriers to racial equity in the biomedical research workforce. In his public announcement about UNITE, NIH Director Francis Collins, MD, PhD, <u>apologized</u> for structural racism in biomedical research and called the NIH's long-running efforts to improve diversity insufficient. Dr. Diana Bianchi, director of the *Eunice Kennedy Shriver* National Institute of Child Health and Human Development, <u>voiced strong support</u> for the initiative, outlining NICHD's complementary antiracism initiatives and heavy engagement with the broader NIH community toward this important goal.

PPC TO HOLD POLICY SESSIONS AT PAS MEETING. The PPC will host three sessions at the virtual Pediatric Academic Societies (PAS) meeting in May 2021. The first session, the PPC's Legislative Breakfast session, entitled "The Impact of the 2020 Election on Child Health" will feature remarks from Peter Hotez, MD, PhD, of Baylor College of Medicine and Mark Del Monte, JD, AAP chief executive officer and executive vice president. The session will be held on *Sunday, May 2, from 7 am to 8:30 am CT*.

The PPC will also hold a plenary session examining the toll of gun violence on young people and the role of public health research in addressing it. The plenary will feature a moderated panel discussion with remarks from pediatric research and public health experts in gun violence. The session, titled "The Role of Research in Reducing Gun Violence," on *Sunday, May 2, from 9 am to 12 pm CT*.

Finally, the PPC will host a third session highlighting critical topics in child health advocacy. The session will feature timely speakers discussing such issues as health care coverage, research funding, and more. Titled "The Next 4 Years: Forecasting Child Health Policy Issues," the session will be held on *Tuesday, May 4, from 1 pm to 3 pm CT*.

PPC POLICY COMMENTARIES. Members of the PPC have authored commentaries detailing the policy implications of research published in *Pediatric Research*. You can read these PPC-authored commentaries online:

- <u>Racial and ethnic disparities in adult COVID-19 and the future impact on child health</u> by Yarden Fraiman, MD, Jonathan Litt, MD, MPH, Jonathan Davis, MD, and DeWayne Pursley, MD, MPH
- <u>Improving care for adolescents with substance use disorder: more than screening</u> by Zachary Adams, MD, and Scott Denne, MD
- <u>Unintended consequences of restrictive visitation policies during the COVID-19 pandemic:</u> <u>implications for hospitalized children</u> by Jean Raphael, MD, MPH, Woodie Kessel, MD, MPH, and Mona Patel, MD
- <u>A new paradigm in bench to bedside research, with a stop in the dusty pharmaceutical</u> <u>cabinet?</u> By Vivek Balasubramaniam, MD, Lois Lee, MD, MPH, and Joyce Javier, MD, MPH, MS