



Vol. 66, Issue 30

Thursday, July 28, 2022

## Manchin and Schumer Announce Reconciliation Deal to Extend ACA Subsidies

After more than a year of on-again-off-again negotiations on a reconciliation package at times referred to as "Build Back Better," Senate Majority Leader Chuck Schumer (D-NY) and Senator Joe Manchin (D-WV) announced a deal for a \$670 billion package that includes various energy, tax and health care provisions.

The bill includes several important health care provisions:

- A three-year extension of enhanced health insurance subsidies for plans purchased on the exchange.
- A provision that allows Medicare to begin negotiating certain prescription drug prices, beginning with the 10 highest-costing drugs in 2023 and expanding to 20 each year by 2029.
- A cap on Medicare beneficiaries' out-of-pocket costs at \$2,000 per year.
- A provision that penalizes drug companies for raising costs on drugs in excess of inflation.
- Free coverage of vaccines such as COVID and shingles under Medicare.
- Subsidies to control growth in Medicare Part D premiums for seniors' prescription drug coverage.

The senators announced they intend to have the package up for a vote on the Senate floor next week prior to the Senate's month-long August recess. It is unclear when the House will take up the bill, as it is scheduled to be out on its month-long August recess this Friday (July 29). Under reconciliation rules, the bill would have to be passed through both houses by September 30. President Joe Biden has already signaled his support for the deal.

Contact WHA Vice President of Federal and State Relations [Jon Hoelter](#) with questions.