

## **A bill to prevent across-the-board direct spending cuts, and for other purposes**

### **Section-by-section analysis**

**Sec. 1. Preventing PAYGO Sequestration.** This section excludes the budgetary effects of the American Rescue Plan Act of 2021, and this Act, from the scorecards established by the Statutory Pay-As-You-Go (PAYGO) Act of 2010, preventing across-the-board cuts to numerous direct spending programs. It also excludes the budgetary effects of this Act from the Senate PAYGO scorecards.

**Sec. 2. Extension of Temporary Suspension of Medicare Sequestration.** This section provides for a nine-month hiatus of Medicare sequestration payment reductions under the Budget Control Act through December 31, 2021.

**Sec. 3. Technical Corrections.** This section makes technical corrections.

Subsection (a) ensures that benefits under section 2104 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act are treated the same way when determining income for any purpose under Medicaid and the Children's Health Insurance Program (CHIP).

Subsection (b) corrects the grandfathering deadline for Medicare Rural Health Clinic (RHC) payment changes made in section 130 of division CC of the Consolidated Appropriations Act, 2021 to include RHCs enrolled in Medicare as of December 31, 2020 instead of December 31, 2019, and grandfathers those RHCs that applied for enrollment in Medicare by December 31, 2020.

Subsection (c) clarifies that the Department of Labor use a broader definition of unemployment insurance recipients when determining who is eligible for services funded by Reemployment Services and Eligibility Assessment grants (RESEAs).

Finally, subsection (d) ensures that certain hospitals do not inadvertently receive a reduction to their Medicaid Disproportionate Share Hospital (DSH) payments.