

CROSS PRACTICE ISSUES

Alert No. 2022-CP-4

December 23, 2022

U.S. Congress Passes Omnibus Spending Package

Congress passed [H.R.2617](#) the Consolidated Appropriations Act of 2023 on Friday December 23. The bill includes a broad range of provisions of concern to actuaries relating to health care, retirement plans, and flood insurance. Among many things, the bill would impact the following areas of interest to actuaries:

- **Property/Casualty Provisions.** The bill includes provisions reauthorizing and funding the National Flood Insurance Program until September 30, 2023. The Academy's Extreme Events Committee provided [comments](#) earlier this year to the House Financial Services Subcommittee on Housing, Community Development, and Insurance on the committee's proposed reauthorization and reforms of the National Flood Insurance Program, in advance of the congressional hearing. However, as has been the case several times over recent years, Congress was only able pass a straight extension.
- **Retirement Provisions.** The omnibus bill includes the SECURE 2.0 Act of 2022, which among many provisions includes the following, which two Academy' Pension Committee and the Retirement Policy and Design Evaluation Committee addressed in [comments](#) to Congressional leaders earlier this month:
 - Expands automatic enrollment in retirement plans; grandfathering current 401(k) and 403(b) plans
 - Allows employers to make matching contributions on behalf of employees for "qualified student loan payments"
 - Provides employers the option to offer to their non-highly compensated employees' pension-linked emergency savings accounts
 - Modifies the service requirements for long-term, part-time workers by reducing, from three to two, the required years of service before these workers are eligible to contribute to a 401(k) plan
 - Allows participants to purchase larger qualifying longevity annuity contracts ("QLACs") by removing the limit of 25% of the individual's account balance
 - Creates an online searchable "Lost and Found" database to help terminated participants keep track of their vested benefits in qualified retirement plans
 - Requires the Department of Labor (DOL) to review the current interpretive bulletin governing pension risk transfers
 - Terminates the Pension Benefit Guaranty Association (PBGC) variable rate premium indexing

- Health care-related provisions, including:
 - Medicaid
 - Sunsets the PHE-related continuous coverage requirement on April 1, 2023, allowing states to begin the process initiating redeterminations of eligibility.
 - Requires all states to provide children enrolled in Medicaid/CHIP 12 months of continuous coverage.
 - Makes permanent the state option to provide postpartum coverage for 12 months.
 - Medicare
 - Extends Medicare telehealth flexibilities through 2024.
 - Extends incentives for participation in eligible alternative payment models and reduces scheduled payment cuts to physicians.
 - Extends additional payments to rural and low-volume hospitals for two years.
 - Mental Health
 - Increases Medicare coverage of mental health services.
 - Authorizes new investments in mental health grants, suicide prevention, substance use disorders, maternal mental health, pediatric mental health, and the mental health workforce.
 - Requires self-funded non-federal governmental health plans to comply with mental health parity requirements.

If you have any questions regarding this *Academy Alert*, please contact Craig Hanna, Director, Public Policy (hanna@actuary.org, 202-785-8196).

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