

CBO's Estimate of the Statutory Pay-As-You-Go Effects of H.R. 4996, The Helping Medicaid Offer Maternity Services Act of 2020, as submitted to CBO on September 28, 2020 (version 092820.034.xm)

	By Fiscal Year, Millions of Dollars											2020-2025	2020-2030
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030		
	Net Increase or Decrease (-) in the On-Budget Deficit												
Pay-As-You-Go Effects	0	0	888	721	355	-1,104	-1,085	-863	-16	294	-84	860	-894
Memorandum:													
Changes in Outlays	0	0	892	730	440	-989	-957	-724	120	430	58	1,073	0
Changes in Revenues	0	0	4	9	85	115	128	139	136	136	142	213	894

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those procedures are shown here.

Estimates relative to CBO's March 2020 baseline. The estimate of the option to extend additional coverage to postpartum women accounts for projected changes in enrollment from lower labor force participation (see Congressional Budget Office, Interim Economic Projections for 2020 and 2021, May 19, 2020, www.cbo.gov/publication/56351); estimated budget authority equals outlays; components may not sum to totals because of rounding.

H.R. 4996 would allow states the option to extend postpartum coverage under Medicaid and the Children's Health Insurance Program to one full year after the birth of a child.

The bill also would remove the cap on rebates for outpatient drugs covered by Medicaid. The cap is currently set at 100 percent of the average manufacturer price.

In addition, the bill would increase funding available for use by the Secretary of Health and Human Services under the Medicaid Improvement Fund.

Enacting the bill also would increase off-budget revenues by \$649 million.

Staff Contacts: Lisa Ramirez-Branum and Kate Young