

Rebuild America's Health Care Schools Act of 2025: H.R. 1708, S. 1087

Key Talking Points:

The Cost

1. No New Federal Spending Requested
The proposed legislation does not ask for any new funding from the federal government.
2. No Change in Funding Source
The funding continues to come from the traditional Medicare and Medicare Advantage, as it has for more than 35 years.
3. Regulatory Streamlining
The legislation modernizes outdated regulations, making NAHE programs:
 - Less bureaucratic
 - More cost-effective
 - More productive

Background

- Congress established provider-based Nursing and Allied Health Education (NAHE) programs to ensure a steady pipeline of qualified professionals to care for Medicare beneficiaries. These programs have always been reimbursed via strict hospital cost reporting requirements under Medicare.
- When Medicare Advantage (then called Medicare+Choice) was introduced, NAHE reimbursement was split between Traditional Medicare and Medicare Advantage (MA).
 - However, MA NAHE payments were capped at \$60 million annually, creating an imbalance over time as it grew from about 2% of Medicare to 54% of Medicare.
- In 2022, Congress waived the \$60 million cap for the 2010–2019 cost report years, allowing for full reconciliation. The cap was reimposed for 2020 and beyond.
- Important Clarification:
This legislation **does not** propose raising the cap. Instead, it focuses on regulatory improvements to make NAHE programs more efficient and aligned with current workforce and Medicare system realities.