Congressional Budget Office
Cost Estimate

June 21, 2022

H.R. 7666 contains provisions intended to improve how mental and behavioral health conditions are provided and accessed, and it authorizes funding for various federal programs related to mental and behavioral health care.

Table 1

Estimated Direct Spending and Revenue Effects of H.R. 7666, Restoring Hope for Mental Health and Well-Being Act of 2022, as Amended by Amendment Number 49 (Pallone, McMorris Rodgers)

https://rules.house.gov/bill/117/hr-7666

		By Fiscal Year, Millions of Dollars												
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2022-2027	2022-2032
		Increases or Decreases (-) in Direct Spending												
Title II Substance Use Disorder Prevention, Treatment, and Recovery Services														
Subtitle E	Timely Treatment for Opioid Use Disorder													
	Estimated Budget Authority	0	1	3	5	5	5	5	6	6	6	7	19	49
	Estimated Outlays	0	1	3	5	5	5	5	6	6	6	7	19	49
Subtitle F	Additional Provisions Relating to Addiction Treatment													
	Estimated Budget Authority	0	7	21	44	72	75	75	60	54	41	26	219	475
	Estimated Outlays	0	7	21	44	72	75	75	60	54	41	26	219	475
Title V Medicaid and CHIP														
	Estimated Budget Authority	0	3	7	11	14	15	15	15	15	15	14	50	124
	Estimated Outlays	0	3	7	11	14	15	15	15	15	15	14	50	124
Title VI Miscellaneous Provisions														
Sec. 602	Oversight of Pharmacy Benefit Manager Services													
	Estimated Budget Authority	0	0	-4	-3	-3	-3	-3	-2	-2	-2	-1	-13	-23
	Estimated Outlays	0	0	-4	-3	-3	-3	-3	-2	-2	-2	-1	-13	-23
Sec. 603	Medicare Improvement Fund													
	Estimated Budget Authority	1,024	0	0	0	0	0	0	0	0	0	0	1,024	1,024
	Estimated Outlays	0	102	676	133	113	0	0	0	0	0	0	1,024	1,024
Total Changes in Direct Spending														
	Budget Authority	**1,024**	**11**	**27**	**57**	**88**	**92**	**92**	**79**	**73**	**60**	**46**	**1,299**	**1,649**
	Outlays	**0**	**113**	**703**	**190**	**201**	**92**	**92**	**79**	**73**	**60**	**46**	**1,299**	**1,649**
		Increases or Decreases (-) in Revenues												
Title II Substance Use Disorder Prevention, Treatment, and Recovery Services														
Subtitle E	Timely Treatment for Opioid Use Disorder	0	*	*	*	*	*	*	*	*	*	*	*	*
Subtitle F	Additional Provisions Relating to Addiction Treatment	0	-1	-7	-17	-33	-41	-43	-39	-37	-33	-27	-99	-278
Title III Access to Mental Health Care and Coverage														
Subtitle C	Eliminating the Opt-Out for Nonfederal Governmental Health Plans	0	-3	-6	-7	-7	-8	-8	-8	-9	-9	-10	-31	-75
Title VI Miscellaneous Provisions														
Sec. 602	Oversight of Pharmacy Benefit Manager Services	0	0	243	304	302	293	272	246	216	182	144	1,142	2,202
Total Changes in Revenues		**0**	**-4**	**230**	**280**	**262**	**244**	**221**	**199**	**170**	**140**	**107**	**1,012**	**1,849**
	On-budget revenues	*0*	*-3*	*162*	*197*	*190*	*179*	*162*	*146*	*125*	*103*	*79*	*725*	*1,340*
	Off-budget revenues	*0*	*-1*	*68*	*83*	*72*	*65*	*59*	*53*	*45*	*37*	*28*	*287*	*509*
		Net Increase or Decrease (-) in the Deficit From Changes in Direct Spending and Revenues												
Effect on the Deficit		**0**	**117**	**473**	**-90**	**-61**	**-152**	**-129**	**-120**	**-97**	**-80**	**-61**	**287**	**-200**
	On-budget deficit	*0*	*116*	*541*	*-7*	*11*	*-87*	*-70*	*-67*	*-52*	*-43*	*-33*	*574*	*309*
	Off-budget deficit	*0*	*1*	*-68*	*-83*	*-72*	*-65*	*-59*	*-53*	*-45*	*-37*	*-28*	*-287*	*-509*

Sources: Congressional Budget Office; staff of the Joint Committee on Taxation.

CHIP = Children's Health Insurance Program; * = between -$500,000 and zero.

Staff Contacts: Robert Stewart, Kate Young

Subtitle E of title II would eliminate the requirement that patients have an opioid use disorder for at least one year before being admitted to an opioid treatment program. CBO expects that the provision would increase the number of people accessing methadone for treatment of opioid use disorder and would lead to some people receiving treatment sooner than they would otherwise. The largest estimated budgetary effect is for the Medicaid program.

Subtitle F of title II would eliminate the requirement that providers apply to the Substance Abuse and Mental Health Services Administration for a waiver, contingent on meeting certain training requirements, for permission to prescribe buprenorphine to more than 30 patients for opioid use disorder. CBO estimates that enacting subtitle F would increase the number of people who receive buprenorphine-based medication-assisted treatment and increase federal spending for Medicare, Medicaid, and other federal health programs. CBO estimates that subsidies also would increase for people with employment-based health insurance and insurance purchased through the marketplaces established by the Affordable Care Act.

Subtitle C of title III would eliminate the ability of self-funded, employment-based insurance plans offered by states, counties, school districts, and municipalities to opt out of certain federal requirements, including parity for mental health care and for treatment of substance use disorders. CBO expects that the provision would result in higher premiums for plans that have opted out under current law. As a result, CBO estimates a decrease in revenues resulting from the tax exclusion for employment-based coverage.

Title V would require states to ensure that incarcerated juveniles who are eligible for Medicaid or CHIP receive physical and mental health screenings and diagnostic services before they are released from a correctional institution, or within one week after release. States would be required to provide post release referrals to appropriate providers based on screening results. In addition, the bill would require states to provide at least 30 days of case management services after release. At the state's option, all such care could be covered by Medicaid. CBO expects that all states would choose Medicaid coverage for the health screenings because the program is jointly financed by the federal government and the states, with the federal government paying approximately 60 percent of the cost of children's coverage. The bill also would allow juvenile inmates to retain Medicaid coverage as they await the disposition of charges when they are first detained.

Section 602 would impose transparency requirements on pharmacy benefit managers (PBMs) operating in commercial health care markets. CBO expects that the provision would allow some plan sponsors to better evaluate the trade-offs among contracts and could lead to more competition among PBMs. As a result, CBO estimates implementing section 602 would lower costs for drug benefits offered by some plan sponsors.

Section 603 of the bill would appropriate $1 billion for the Medicare Improvement Fund.

H.R. 7666 would impose an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA) by eliminating a provision in current law that permits some self-funded, non-federal governmental health plans to opt-out of a limited set of requirements under the Public Health Service Act. Because a small number of plans elect to opt-out, CBO estimates that the cost of the mandate would not exceed the intergovernmental threshold established in UMRA ($92 million in 2022, adjusted annually for inflation).

The bill also would impose a private-sector mandate by requiring pharmacy benefit managers and group health insurers to submit substantial information to health plan sponsors semi-annually. Because the information would permit plan sponsors to better evaluate and negotiate contracts, the mandate would reduce the revenue of the mandated entities, which CBO includes in the cost of the mandate. The bill would impose another private-sector mandate by requiring prescribers to complete training in substance use disorders and treatment as a condition of registering to prescribe certain controlled substances. CBO estimates that the cost of those mandates would exceed the private-sector threshold established in UMRA ($184 million in 2022, adjusted annually for inflation).

Table 2

CBO's Estimate of the Statutory Pay-As-You-Go Effects of H.R. 7666, the Restoring Hope for Mental Health and Well-Being Act of 2022, as Amended by Amendment Number 49 (Pallone, McMorris Rodgers)

https://rules.house.gov/bill/117/hr-7666

	By Fiscal Year, Millions of Dollars												
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2022-2027	2022-2032
	Net Decrease (-) in the On-Budget Deficit												
Pay-As-You-Go Effect	0	116	541	-7	11	-87	-70	-67	-52	-43	-33	574	309
Memorandum:													
Changes in On-Budget Outlays	0	113	703	190	201	92	92	79	73	60	46	1,299	1,649
Changes in On-Budget Revenues	0	-3	162	197	190	179	162	146	125	103	79	725	1,340

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. In addition, CBO estimates H.R. 7666 would increase off-budget revenues by $509 million over the 2022-2032 period.

Staff Contacts: Robert Stewart and Kate Young