



## Health Policy Briefing

November 27, 2017

### Senate to Consider Tax Bill This Week

Sources in the White House have indicated that the President will not insist that repeal of the Affordable Care Act’s (ACA) individual mandate be included in the GOP’s tax reform legislation should it become an impediment to passage. The version of the bill being considered in the Senate would eliminate the penalty for Americans who decline to purchase health insurance, while the House-passed version of the bill includes no such provision. It remains unclear how inclusion of the provision would impact the bill’s chances of passing. Sen. Susan Collins (R-Maine) has expressed opposition to its inclusion, and believes that the Alexander-Murray legislation to stabilize the individual market should be passed prior to the tax bill. Sen. Lisa Murkowski (R-Alaska), who voted against earlier efforts on health care reform, has announced that she supports repeal of the individual mandate. Republicans can only afford to lose two members of their caucus in order to secure Senate passage. The full text of the Senate legislation was released last week, and is expected to be voted on by the full chamber as early as November 30.

### Experts Estimate Economic Burden of the Opioid Crisis

The economic burden of the opioid crisis reached \$95 billion in 2016, according to a new analysis released by Altarum. The loss of life – 53,054 deaths in 2016 alone – resulting from the opioid epidemic accounts for \$43.2 billion in economic loss. The report estimates that an additional \$12.4 billion results from the loss of productivity from non-fatal drug use. Health care services for those suffering opioid dependencies accounts for \$24.6 billion. These costs are largely borne by the criminal justice system, child and family assistance services, and the education system. The federal government assumes \$29.2 billion of the total costs associated with opioid misuse and abuse, indicating that the private sector bears most of the burden of this crisis. Furthermore, Altarum states that preliminary data indicates that costs associated with the epidemic in 2017 are likely to rise beyond 2016 levels, while only a small fraction of the total cost burden is currently spent on

### Inside

- President Signs Several Health Care Bills into Law .....2
- Exchange Enrollment Exceeds Expectations.....2
- CDC to Undergo Reorganization.....2
- E&C to Hold Hearing on Cures Implementation.....2
- Upcoming Congressional Hearings and Meetings.....3

opioid prevention and treatment efforts.

The White House Council of Economic Advisers (CEA) released its own analysis placing the cost of the opioid crisis at \$504 billion. The higher figure is a result of CEA's inclusion of the "value of a statistical life," which places a cost on the intangible value of life itself, beyond the concrete estimates of lost earnings included in Altarum's report. The number of overdose deaths have doubled during the past decade; the total number of life-years lost in 2016 due to opioid overdoses reached 1.84 million years in 2016. The CEA calls for a better understanding of the economic causes contributing to the crisis. The White House also said that it plans to offer a follow-up analysis of recent actions aimed at solving the crisis.

### ***President Signs Several Health Care Bills into Law***

President Trump has signed the "Protecting Patient Access to Emergency Medications Act" into law. The bill aims to assist first responders through clarifying how registered agencies can administer controlled substances. It will improve the Drug Enforcement Administration (DEA) registration process for emergency medical services (EMS) agencies, and codify EMS professionals' ability to administer controlled substances pursuant to standing or verbal orders under certain conditions. The President also signed into law H.R. 1545, which will explicitly require the Veterans Health Administration to disclose information to prescription drug monitoring programs (PDMPs) for anyone – veteran or non-veteran – who is prescribed a controlled substance medication through the VA.

### ***Exchange Enrollment Exceeds Expectations***

Sign-ups for the ObamaCare exchanges have been unexpectedly high since the opening of the enrollment period began on November 1. Nearly 2.3 million people have signed up for coverage according to the Centers for Medicare and Medicaid Services (CMS), despite the uncertainty caused by rising premiums, insurer exits, and efforts by the Administration and GOP Congress to repeal or roll back the Affordable Care Act (ACA). While enrollment has increased significantly on a daily basis compared to previous years, it is impossible to generalize what this will ultimately mean for the individual market come close of the enrollment period on December 15. While 12.2 million people signed up for coverage last year, the total length of the open enrollment period was cut in half this year. A significant surge around the December 15 deadline would be necessary to maintain a steady enrollment rate with previous years.

In related news, the Centers for Disease Control and Prevention (CDC) has released its latest statistics on the national uninsured rate. Approximately nine percent of all Americans were uninsured during the first half of 2017. While this is not significantly different from 2016 data, the latest CDC report shows that states operating their own exchanges have an uninsured rate (8.3 percent) half of the uninsured rate of states that rely on HealthCare.gov (16.1 percent). HealthCare.gov states also saw their first increase in the uninsured rate since 2014. Additionally, states that expanded their Medicaid programs experienced a significantly lower uninsured rate of 8.8 percent compared to the 19 percent rate in states that did not expand their program.

### ***CDC to Undergo Reorganization***

Director of the Centers for Disease Control and Prevention (CDC) Brenda Fitzgerald announced that the agency will undergo a reorganization to improve its attention to science, surveillance, and service. The CDC currently has an administrative review underway to ultimately refocus its work around communities of practice and to increase the agency's synergy and effectiveness.

### ***E&C to Hold Hearing on Cures Implementation***

The House Energy and Commerce Subcommittee on Health has announced that it will hold a hearing on Thursday to examine the progress of the 21st Century Cures Act implementation. The hearing will take place on the one year anniversary of the House's passage of the bill. Commissioner of the Food and Drug Administration (FDA) Scott Gottlieb and Director of the National Institutes of Health (NIH) Francis Collins are scheduled to testify.

## **Upcoming Congressional Hearings and Meetings**

*The House Committee on Oversight and Government Reform field hearing on Combating the Opioid Crisis; 12:30 p.m., Chevy Chase Auditorium – 1st Floor, Johns Hopkins Hospital, 1800 Orleans Street Baltimore, MD 21287; November 28*

*Senate Health, Education, Labor, and Pensions Committee hearing on the Nomination of Alex Azar to serve as Secretary of Health and Human Services; 9:30 a.m., 430 Dirksen Bldg.; November 29*

*Senate Health, Education, Labor, and Pensions Committee hearing “The Front Lines of the Opioid Crisis: Perspectives from States, Communities, and Providers;” 10:00 a.m., 430 Dirksen Bldg.; November 30*