



## Health Policy Briefing

December 5, 2016

### Trump Taps HHS Secretary, CMS Administrator

Last week, Donald Trump announced the selection of Rep. Tom Price (R-Ga.) as his choice for the Secretary of the U.S. Department of Health and Human Services (HHS). Price, an orthopaedic surgeon, would be the first doctor to head the agency since Louis Sullivan, HHS Secretary from 1989-1993. He currently serves as Chairman of the House Budget Committee. Price is one of the top opponents of the Affordable Care Act (ACA). He is supportive of proposals to transform the Medicare program into a premium support model, under which seniors would receive a fixed amount of money from the government to purchase health insurance in the private market. He has also called for the use of block grants in state Medicaid programs. Instead of an open federal commitment, states would receive a set amount of funding for their program. Price is a proponent of making regulations related to health information technology (HIT) less burdensome to physicians, and is also supportive of balance billing. Price said that he will continue his work to overhaul the budget process and develop a fiscal year (FY) 2017 budget resolution with instructions to repeal the ACA through reconciliation ahead of his formal nomination.

Trump also announced his selection of Seema Verma for Administrator of the Centers for Medicare and Medicaid Services (CMS). Verma is a health policy consultant who worked with Vice President-Elect Mike Pence to expand Indiana's Medicaid program. The state now provides health savings accounts (HSAs) to people who qualify for Medicaid, requires enrollees to contribute to the cost of coverage, and bars people from the program who do not make their contributions. Verma was also involved in the development of Kentucky's Medicaid expansion waiver.

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### ***House Passes 21st Century Cures***

On Wednesday, the House of Representatives passed the medical innovation package known as 21st Century Cures by a vote of 392-26. The legislation is aimed at speeding up the approval of new therapies and making new investments in medical research. After more than a year of bipartisan negotiations over the bill's costs and offsets, the final package contains a total of \$6.3 billion in spending. This includes \$4.8 billion in funding over 10 years for the National Institutes of Health (NIH). While the funding is not mandatory, Labor, Health and Human Services, and Education Appropriations Subcommittee Chairman Tom Cole (R-Okla.) has said that appropriators are committed to authorizing the new spending. 21st Century Cures also served as the vehicle for a number of mental health reform measures, based on Rep. Tim Murphy's (R-Pa.) Helping Families in Mental Health Crisis Act (H.R. 2646) and elements from Sens. Chris Murphy (D-Conn) and Bill Cassidy's (R-La.) mental health legislation (S. 2680) in the Senate. The package establishes a new Assistant Secretary for Mental Health in the U.S. Department of Health and Human Services (HHS), as well as a Chief Medical Officer. Grants aimed at issues such as suicide prevention would also be authorized. The White House issued a statement of strong support for 21st Century Cures, and particularly for the inclusion of \$1 billion to address the opioid abuse and addiction epidemic, \$1.8 billion for the Cancer Moonshot Initiative, \$1.4 billion for the Precision Medicine Initiative and \$1.5 billion for the Brain Research through Advancing Innovative Neurotechnologies (BRAIN) Initiative. The Senate has scheduled a cloture vote on the medical cures bill for Monday and a vote on final passage is expected on Tuesday. While Sens. Elizabeth Warren (D-Mass.), Bernie Sanders (I-Vt.), and Jeff Merkley (D-Ore.) have become vocal opponents of the bill in recent weeks claiming the bill would benefit the pharmaceutical industry, the bill is expected to have enough support from Democrats to pass.

### ***First Local Zika Transmission in Texas***

Officials have confirmed the first case of local Zika transmission in the state of Texas. The patient, who lives in the southernmost county in the state, is not pregnant and did not report any recent travel to countries with active transmission of the Zika virus. The Texas State Health Commissioner does not expect the virus to become widespread across the state. Texas is the second state to report local transmission, with two areas of Miami, Florida still facing local transmission. A total of 4,400 people have tested positive for the virus in the United States, with most cases being linked to travel abroad.

### ***CR Vote This Week***

Speaker Paul Ryan (R-Wis.) plans to bring a continuing resolution (CR) to the floor of the House this week. Negotiations between House and Senate leadership continue over the duration of the stopgap spending bill. Because the Senate will be busy in 2017 with cabinet confirmations, many senators are pushing for a CR that funds the government through April, rather than the original plan scheduled for March. The later date, however, will push fiscal year (FY) 2017 appropriations against the FY 2018 spending cycle, a situation that is not ideal for appropriators. It remains unclear what level of spending the CR will include. The current CR expires on December 9. Both the House and the Senate are scheduled to be in session through December 16, but may adjourn sine die early upon passage of a government funding measure.

### ***Congressional Transition and Committee Elections***

Rep. Nancy Pelosi (D-Calif.) has been elected to another term as House Minority Leader. She beat her sole challenger Rep. Tim Ryan (D-Ohio) in a 134-63 secret ballot vote. Greg Walden (R-Ore.) was elected by the House GOP Steering Committee as the next Chairman of the Energy and Commerce Committee. He defeated Reps. John Shimkus (R-Ill.) and Joe Barton (R-Texas) for the position. Walden comes from a communications and technology background, and his success at the National Republican Congressional Committee has been credited with helping him secure the chairmanship. Republicans also selected Rep. Phil Roe (R-Tenn.), an OB/GYN, to head the Veterans Affairs Committee. Roe was in a three-way contest with Reps. Mike Coffman (R-Colo.) and Doug Lamborn (D-Colo.). Rep. Rodney Frelinghuysen (R-N.J.) was officially elected to chair the House Appropriations Committee. He ran unopposed, and will succeed Rep. Harold Rogers (R-Ky.), who was prevented by Republican rules from holding the chairmanship for another term. Rep. Sandy Levin (D-Mich.) announced that he would be stepping down as the top Democrat on the House Ways and Means Committee, saying that he intends to focus on the need to preserve the Affordable Care Act (ACA). He also wished to create an opportunity for a younger member to gain leadership experience. Rep. Richard Neal (D-Mass.) was endorsed by the Steering and Policy Committee and elected by his caucus to replace Levin as Ranking Member. Rep. John Yarmuth (D-Ky.) was selected to replace Senator-elect Chris Van Hollen (D-Md.) as Ranking Member on the House Budget Committee for the 115th Congress.

### ***Health Professionals in the 115th Congress***

Three new health professionals will join the U.S. House of Representatives in 2017. Rep.-Elect Neal Dunn, MD (R-FL-02) is an urologist; Rep.-Elect Drew Ferguson, IV, DMD, PC (R-GA-03) is a dentist; and Rep.-Elect Roger Marshall, MD (R-KS-01) is an OB/GYN. Attached is a full list of the health professionals who will serve in the 115th Congress.

### ***Trump Administration Staff Announcements***

President-Elect Donald Trump has tapped Steven Mnuchin as Treasury Secretary. Mnuchin worked as the national finance chairman of Trump's presidential campaign. He is a former partner at Goldman Sachs, founded the hedge fund Dune Capital Management, and was an investor in the film industry. Wilbur Ross was asked to serve as Trump's Secretary of Commerce. Ross worked as an economic advisor to Trump during his campaign. Ross is chairman and chief strategist of the private equity firm W.L. Ross & Co. He is a former banker and investor in industrial business. Trump will nominate retired Marine Gen. James Mattis as Secretary of Defense. Mattis has more recently worked as a national security fellow at the Hoover Institution. His appointment will require a waiver from Congress due to the seven-year buffer required of former military officers before they are allowed to head the Department of Defense. Trump has also named a number of health policy experts to his transition team. They include Nina Owcharenko, who heads the Heritage Foundation's Center for Health Policy Studies. Eric Hargan is also joining the team. Hargan is a health care lawyer with Greenberg Traurig and worked as U.S. Department of Health and Human Services (HHS) Chief Operating Officer under President George W. Bush. Scott Gottlieb, practicing physician and American Enterprise Institute fellow, was also tapped. Gottlieb previously served as Food and Drug Administration (FDA) Deputy Commissioner for Medical and Scientific Affairs, as well as a senior policy adviser at the Centers for Medicare and Medicaid Services (CMS).

## Recently Introduced Health Legislation

**H.R.6396 (introduced by Rep. Vern Buchanan): To amend the Internal Revenue Code of 1986 to modify the qualification requirements with respect to certain multiple employer plans with pooled plan providers, and for other purposes; Education and the Workforce, Ways and Means**

**H.R.6399 (introduced by Rep. Mike Kelly): To amend title XVIII of the Social Security Act to create a Medicare hospital wage index metropolitan floor, and for other purposes; Ways and Means**

**H.R.6404 (introduced by Rep. Charles W. Boustany, Jr.): To permit occupational therapists to conduct the initial assessment visit under a Medicare home health plan of care for certain rehabilitation cases; Ways and Means, Energy and Commerce**

**H.Con.Res.177 (introduced by Rep. Barbara Lee): Supporting the goals and ideals of World AIDS Day; Energy and Commerce, Foreign Affairs.**

**S.Res.621 (introduced by Sen. Ron Wyden): A resolution designating November 2016 as National Hospice and Palliative Care Month; Judiciary**

**S.3487 (introduced by Sen. David Vitter): A bill to amend title XVIII of the Social Security Act to provide Medicare entitlement to immunosuppressive drugs for kidney transplant recipients; Finance**

**S.7 (introduced by Sen. David Vitter): A bill to amend title XVIII of the Social Security Act to make permanent the removal of the rental cap for durable medical equipment under the Medicare program with respect to speech generating devices; Finance.**

**S.9 (introduced by Sen. Elizabeth Warren): A bill to provide for the regulation of over-the-counter hearing aids; Health, Education, Labor, and Pensions.**

**S.Res.627 (introduced by Sen. Johnny Isakson): A resolution designating December 3, 2016, as “National Phenylketonuria Awareness Day”.**



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# Health Professionals in the 115<sup>th</sup> Congress

Member of Congress	Profession
<b>UNITED STATES SENATE</b>	
Sen. Bill Cassidy, MD (R-LA)	Gastroenterologist/Hepatology
Sen. John Barasso, MD (R-WY)	Orthopaedic Surgeon
Sen. Rand Paul, MD (R-KY)	Ophthalmologist
<b>HOUSE OF REPRESENTATIVES</b>	
Rep. Ralph Abraham, MD (R-LA-05)	Family Physician/Veterinarian
Rep. Brian Babin, DDS (R-TX-36)	Dentist
Rep. Karen Bass, MSW (D-CA-33)	Nurse/Physician Assistant
Rep. Ami Bera, MD (D-CA-07)	Internal Medicine
Rep. Diane Black, RN (R-TN-06)	Registered Nurse
Rep. Larry Bucshon, MD (R-IN-08)	Cardiothoracic Surgeon
Rep. Michael Burgess, MD (R-TX-26)	Obstetrician
Rep. Scott DesJarlais, MD (R-TN-04)	General Medicine
Rep. Neal Dunn, MD (R-FL-02)	Urologist; <b><i>New Member of Congress</i></b>
Rep. Drew Ferguson, IV, DMD, PC (R-GA-03)	Dentist; <b><i>New Member of Congress</i></b>
Rep. Paul Gosar, DDS (R-AZ-04)	Dentist
Rep. Andy Harris, MD (D-MD-01)	Obstetric Anesthesiologist
Rep. Eddie Bernice Johnson, RN (D-TX-30)	Registered Nurse
Rep. Roger Marshall, MD (R-KS-01)	OB/GYN; <b><i>New Member of Congress</i></b>
Rep. Tim Murphy, PhD (R-PA-18)	Psychologist
Rep. Tom Price, MD (R-GA-06)	Orthopaedic Surgeon; <b><i>HHS Secretary nominee</i></b>
Rep. Phil Roe, MD (R-TN-01)	OB/GYN
Rep. Raul Ruiz, MD, MPP, MPH (D-CA-36)	Emergency Medicine
Rep. Mike Simpson, DMD (R-ID-02)	Dentist
Rep. Brad Wenstrup, DPM (R-OH-02)	Podiatrist



## Trump Administration Key Policy Personnel

*Updated: December 4, 2016*

*Positions NOT subject to Senate confirmation in italics*

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### ***White House Chief of Staff: Reince Priebus***

Priebus is the former Chairman of the Republican National Committee (RNC). He previously worked as chairman of the Republican Party of Wisconsin. He has a long history in Republican politics as a grassroots volunteer. He worked his way up through the ranks of the Republican Party of Wisconsin as 1st Congressional District Chairman, State Party Treasurer, First Vice Chair, and eventually State Party Chairman. In 2009, he served as General Counsel to the RNC, a role in which he volunteered his time.

### ***White House Chief Strategist and Senior Counselor: Stephen Bannon***

Bannon worked as the campaign CEO for Trump's presidential campaign. He is the Executive Chairman of Breitbart News Network, LLC and the Chief Executive Officer of American Vantage Media Corporation and Affinity Media. Mr. Bannon is also a Partner of Societe Generale, a talent management company in the entertainment business. He has served as the Chief Executive Officer and President of Genius Products, Inc. since February 2005.

### **Attorney General: Senator Jeff Sessions (R-Ala.)**

Sen. Sessions began his legal career as a practicing attorney in Russellville, Alabama, and then in Mobile. Following a two-year stint as Assistant United States Attorney for the Southern District of Alabama, Sessions was nominated by President Reagan in 1981 and confirmed by the Senate to serve as the United States Attorney for Alabama's Southern District, a position he held for 12 years. Sessions was elected Alabama Attorney General in 1995, serving as the state's chief legal officer until 1997, when he entered the United States Senate. Sessions currently sits on the Senate Committee on the Judiciary, the Committee on Armed Services, the Committee on the Budget, and the Committee on Environment and Public Works.

### ***National Security Advisor: Michael Flynn***

Flynn is a retired U.S. Army lieutenant general who last served as 18th Director of the Defense Intelligence Agency, from July 22, 2012 to August 7, 2014.

### **Director of the Central Intelligence Agency (CIA): Representative Mike Pompeo (R-Ks.)**

Pompeo has been the U.S. Representative for Kansas's 4th congressional district since 2011. Rep. Pompeo currently serves on the House Energy and Commerce Committee.

### **Ambassador to the United Nations: Governor Nikki Haley (R)**

South Carolina Governor Nikki Haley was asked to serve as Trump's next ambassador to the United Nations. Haley, the daughter of Indian immigrants, was elected as Governor in 2011. She is the youngest current governor in the United States. She previously served in the South Carolina House of Representatives.

### **Secretary of Education: Betsy DeVos**

Betsy DeVos has been tapped for the position of Secretary of Education. DeVos is a Michigan Republican activist and philanthropist. She is the former chairwoman of the Michigan Republican Party, and is currently the chairman of The Windquest Group, a Michigan-based investment management company.

## **Secretary of Health and Human Service (HHS): Representative Tom Price (R-Ga.)**

Congressman Tom Price was first elected to represent Georgia's 6th district in November 2004. Prior to going to Washington, Price served four terms in the Georgia State Senate – two as Minority Whip. In 2002, Price became the first Republican Senate Majority Leader in the history of Georgia. Price currently serves on the House Committee on Ways and Means. In the 114th Congress, Price was named Chair of the House Committee on the Budget. In previous Congresses, he has served as Chairman of the House Republican Policy Committee and Chairman of the Republican Study Committee. For nearly twenty years, Rep. Price worked in private practice as an orthopaedic surgeon. Before coming to Washington he returned to Emory University School of Medicine as an Assistant Professor and Medical Director of the Orthopedic Clinic at Grady Memorial Hospital in Atlanta, teaching resident doctors in training. He received his Bachelor and Doctor of Medicine degrees from the University of Michigan and completed his Orthopaedic Surgery residency at Emory University.

HHS is the U.S. government's principal agency for protecting the health of all Americans and providing essential human services, especially for those who are least able to help themselves. The mission of HHS is to enhance the health and well-being of Americans by providing for effective health and human services and by fostering sound, sustained advances in the sciences underlying medicine, public health, and social services.

## **Administrator of the Centers for Medicare and Medicaid Services (CMS): Seema Verma**

Seema Verma is the President, CEO and founder of SVC, Inc., a national health policy consulting company. Ms. Verma is the architect of the Healthy Indiana Plan (HIP), the nation's first consumer directed Medicaid program under Governor Mitch Daniels of Indiana and Governor Pence's HIP 2.0 waiver proposal. SVC and Ms. Verma have developed many of the recent Medicaid reform programs including waivers for Iowa, Ohio, Kentucky and helped design Tennessee's coverage expansion proposal and also provided technical assistance to Michigan as they implemented their 1115 Medicaid waiver. Ms. Verma and SVC also supported Iowa's Medicaid transition to managed care, as well as supporting efforts Medicaid strategy efforts in Maine. Ms. Verma served as the State of Indiana's health reform lead following the passage of the Affordable Care Act in 2010 and has worked with multiple public health agencies and state insurance agencies as they prepared for implementation of the Affordable Care Act, including interpreting and implementing regulatory changes and understanding the impact of the health exchanges on state insurance markets. Ms. Verma participated on the Republican Governor's Public Policy Committee on Medicaid reform and contributed to the development of the report "A New Medicaid: A Flexible, Innovation and Accountable Future." Prior to consulting, Ms. Verma served as Vice President of Planning for the Health & Hospital Corporation of Marion County and as a Director with the Association of State and Territorial Health Officials (ASTHO) in Washington D.C.

CMS is part of the Department of Health and Human Services, and is responsible for administering Medicare, Medicaid, the Children's Health Insurance Program (CHIP), and the Health Insurance Marketplace.

## **United States Secretary of the Treasury: Steven Mnuchin**

Mnuchin worked as the national finance chairman of Trump's presidential campaign. He is a former partner at Goldman Sachs, founded the hedge fund Dune Capital Management, and was an investor in the film industry.

The Treasury Secretary acts as an advisor on tax policy. Their Department is responsible for collecting taxes and enforcing tax law, which covers the formation of Health Savings Accounts (HSAs) and tax deductibility for health care expenses.

## **United States Secretary of Commerce: Wilbur Ross**

Ross worked as an economic advisor to Trump during his campaign. Ross is chairman and chief strategist of the private equity firm W.L. Ross & Co. He is a former banker and investor in industrial business.

## **United States Secretary of Defense: General James Mattis**

General James Mattis is a retired Marine general. Mattis has more recently worked as a national security fellow at the Hoover Institution. His appointment will require a waiver from Congress due to the seven-year buffer required of former military officers before they are allowed to head the Department of Defense.