



Health Policy Briefing

December 12, 2016

Congress Passes Continuing Resolution, Heads Home for the Holidays

The House successfully approved a stopgap-spending bill to fund the government through April 28. House lawmakers approved the continuing resolution (CR) by a vote of 326-96 on December 8, with just over 24-hours to spare before the previous CR expired at midnight on December 9. A total of 208 Republicans and 118 Democrats voted in favor of the bill, with 33 Republicans and 63 Democrats in opposition. The CR is in line with the fiscal year (FY) 2017 spending cap of \$1.07 trillion. It includes supplemental spending provisions for health needs in Flint, Mich. as well as funding for the recently passed biomedical innovation package known as the 21st Century Cures Act. Under this funding, \$353 million will be allocated to the National Institutes of Health (NIH), \$20 million to the Food and Drug Administration (FDA), and \$500 million to states to respond to the opioid abuse and addiction epidemic. The CR also includes a waiver to allow former Gen. James Mattis to be considered as President-Elect Donald Trump's Secretary of Defense. Current law requires a seven-year buffer of former military officers before they are allowed to head the Department of Defense. This law was put in place after World War II to ensure civilian control of the military. Former Gen. James Mattis retired from the military in 2013 and therefore would require a congressional waiver to be eligible to serve as Secretary of Defense. The 1947 law originally required a minimum of 10 years out of active duty, however, a congressional waiver was granted in 1950 when President Truman requested one for his Secretary of Defense nominee, George Marshall. The law was later changed to require a minimum of seven years. The Senate faced delays in passing the CR due to last-minute demands concerning the removal of retirement and health funds for coal miners. Senators Joe Manchin (D-W.Va.), Sherrod Brown (D-Ohio), and Joe Donnelly (D-Ind.) threatened to keep Congress in session and result in a government shutdown in the absence of a permanent extension of the Miners Protection Act. However, Senate Democrats decided they would not shut down the government and Senator Manchin stated his intent to continue fighting for coal miners in the next Congress. Less than one hour before the midnight deadline, the Senate passed the CR by a vote of 63-36, and the President Obama signed it into law early Saturday. The first vote of the 115th Congress will be on January 3 - a roll call vote to formally re-elect the Speaker of the House, Paul Ryan (R-Wisc.).

Inside

- 21st Century Cures Becomes Law.....2
- CDC Releases Self-Assessment.....2
- Committee Assignments Will Wait Until January.....2
- House Democrats Expand Leadership Team.....2
- Final Senate Race Decided.....3
- NIH Picks New Head of Clinical Research.....3
- Trump Administration Staff Announcements.....3
- Recently Introduced Health Legislation.....4
- Appendix: Trump Administration Key Policy Personnel.....5

21st Century Cures Becomes Law

Before the 114th Congress headed home for the holidays, lawmakers passed the 21st Century Cures Act (H.R. 34) with overwhelming bipartisan support. The House of Representatives passed the medical innovation package by a vote of 392-26 on November 30 and the U.S. Senate passed the bill on December 7 with a vote of 94-5. Those not supporting the package cited either concerns that the bill was a windfall for pharmaceutical manufacturers and did not address drug pricing issues or concerns over the cost of the legislation. 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, the Continuing Resolution (CR) to fund the government through April 28 included \$872 million to fund Cures for the first year. Vice President Joe Biden, who serves as president of the Senate, presided over the Senate during a key procedural vote to advance the legislation to passage. Senate Majority Leader Mitch McConnell (R-Ky.) and Minority Leader Harry Reid (D-Nev.) surprised Vice President Biden by offering an amendment to rename the cancer title of the legislation in honor of Beau Biden, the Vice President's son who passed away last year due to brain cancer.

CDC Releases Self-Assessment

The Centers for Disease Control and Prevention (CDC) issued a **self-assessment** of the agency's work to address certain public health issues, finding that while they have seen some clear success, other problems have seen little change or have continued to worsen. The CDC has made improvements in areas like smoking and teen pregnancy. Less progress has been seen in the areas of obesity, food poisoning, childhood obesity, HIV and hospital-acquired infections (HAIs). This is the third and final report card on this administration's campaign of priorities set in 2009. The targets – known as “Winnable Battles” – were all viewed as areas in which significant progress was possible.

Committee Assignments Will Wait Until January

Speaker of the House Paul Ryan (R-Wis.) announced his decision that the House GOP will not receive their committee assignments until after Congress returns in January. The 30-member Steering Committee – headed by Ryan and comprised mostly of House GOP leadership and regional representatives – is responsible for making committee assignments. The Steering Committee voted on committee chairmen two weeks ago, and was expected to vote on committee membership last week, before Congress headed home.

House Democrats Expand Leadership Team

Like their Senate colleagues, House Democrats voted to expand their leadership team last week, in order to increase the influence of younger and more diverse members of the party. Rep. Tony Cardenas (D-Calif.) was chosen to fill a new leadership position that will be reserved for a lawmaker who has served five terms or less. He beat Rep. Debbie Dingell (D-Mich.) and Del. Stacey Plaskett (D-V.I.) in the vote for the position. The leadership of the Democratic Policy and Communications Committee, which was previously headed by a single chairman – the outgoing Rep. Steve Israel (D-N.Y.) – will now be led by three co-chairs: Reps. Cheri Bustos (D-Ill.), Hakeem Jeffries (D-N.Y.), and David Cicilline (D-R.I.) Rep. Matt Cartwright (D-Pa.), Steve Cohen (D-Tenn.) and John Delaney (D-Md.) had also vied for one of the Policy and Communications Committee posts. Rep. Ben Ray Lujan (D-N.M.) was chosen to serve another term as Chairman of the Democratic Congressional Campaign Committee.

Final Senate Race Decided

Republicans will hold a 52-seat majority in the Senate for the 115th Congress, following the victory of John Kennedy (R) over Foster Campbell (D) in the run-off race to replace retiring Sen. David Vitter (R-La.). Kennedy previously served as Louisiana's state treasurer. He had previously run unsuccessfully for the Senate on two occasions. Republicans held a 54-seat majority in the Senate for the 114th Congress.

NIH Picks New Head of Clinical Research

The National Institutes of Health (NIH) announced last week that Major General James Gilman will serve as the next head of the NIH Clinical Center, the agency's main hospital for clinical research and the nation's largest clinical research hospital. The facility was criticized earlier this year following a report that it prioritized research above patient safety. Gilman is a cardiologist who served in the U.S. Army, and most recently worked as commanding general of the U.S. Army Medical Research and Materiel Command in Fort Detrick, Maryland. He will start his post at NIH in early 2017. The Clinical Center sees approximately 100,000 outpatient visits every year.

Trump Administration Staff Announcements

While neither nomination has been officially announced by the incoming administration, Rep. Cathy McMorris Rodgers (R-Wash.) is expected to be named as President-elect Trump's pick for Secretary of the Interior, and Rex Tillerson as his choice for Secretary of State. McMorris Rodgers has served in the House of Representatives since 2005. She is the highest-ranking Republican woman in Congress, and is Chairman of the House Republican Conference. She currently sits on the Committee on Energy and Commerce. Rex Tillerson is the chairman and CEO of Exxon Mobil Corporation. He joined the company in 1975 as a production engineer. Please see our updated list of Trump Administration announcements and their bios attached to the newsletter.

Recently Introduced Health Legislation

H.Res.941 (introduced by Rep. Tony Cardenas): Expressing support for the designation of February 22, 2017, as “National Heart Valve Disease Awareness Day”, coinciding with American Heart Month; Energy and Commerce.

H.R.6443 (introduced by Rep. Michelle Lujan Grisham): To amend the Internal Revenue Code to impose an excise tax on opioid manufacturers, to make the funds collected through such tax available for opioid (including heroin) abuse prevention and treatment programs, and for other purposes; Ways and Means, Energy and Commerce, Budget.

H.R.6443 (introduced by Rep. Michelle Lujan Grisham): To amend the Internal Revenue Code to impose an excise tax on opioid manufacturers, to make the funds collected through such tax available for opioid (including heroin) abuse prevention and treatment programs, and for other purposes; Ways and Means, Energy and Commerce, Budget.

H.R.6501 (introduced by Rep. Rosa L. DeLauro): To establish within the Food and Drug Administration the Prescription Drug and Medical Device Price Review Board to regulate the prices of certain prescription drugs and medical devices, and for other purposes; Energy and Commerce, Ways and Means, Judiciary.

H.R.6512 (introduced by Rep. Derek Kilmer): To authorize the Secretary of Health and Human Services to make loans and loan guarantees for constructing or renovating, or planning construction or renovation of, qualified psychiatric and substance abuse treatment facilities, and for other purposes; Energy and Commerce.

H.R.6513 (introduced by Rep. Steve King): To amend the Internal Revenue Code of 1986 to expand health savings accounts, and for other purposes; Ways and Means.

H.R.6514 (introduced by Rep. Lance Leonard): To amend the Patient Protection and Affordable Care Act to redirect user fees assessed of health insurance issuers on Federal Exchanges, and for other purposes; Energy and Commerce.

H.R.6515 (introduced by Rep. Markwayne Mullin): To amend the Patient Protection and Affordable Care Act to clarify the application of the rule for counting resident time in nonprovider settings; Ways and Means, Energy and Commerce.

H.R.6518 (introduced by Rep. Joseph R. Pitts): To amend title XIX of the Social Security Act to improve the Medicaid and CHIP Payment and Access Commission (MACPAC); Energy and Commerce.

H.R.6520 (introduced by Rep. Kathleen M. Rice): To amend the Older Americans Act of 1965 to authorize services to be provided to individuals with Alzheimer’s disease or a related disorder with neurological and organic brain dysfunction who have not attained 60 years of age; Education and the Workforce.

S.3522 (introduced by Sen. Sheldon Whitehouse): A bill to amend title XVIII of the Social Security Act to modify the payment amount for direct graduate medical education costs for certain hospitals; Finance.

S.3530 (introduced by Sen. Bill Cassidy): A bill to allow the use of claims, eligibility, and payment data to produce reports, analyses, and presentations to benefit Medicare, and other similar health insurance programs, entities, researchers, and health care providers, to help develop cost saving approaches, standards, and reference materials and to support medical care and improved payment models; Health, Education, Labor, and Pensions.

Trump Administration Key Policy Personnel

Updated: December 11, 2016

Positions NOT subject to Senate confirmation in italics

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.

United States Secretary of Housing and Urban Development: Ben Carson, MD

Dr. Carson is a retired surgeon who is known for being a pioneer in the field of neurosurgery. He worked as Director of Pediatric Neurosurgery at Johns Hopkins Hospital from 1984 until his retirement in 2013, making him the youngest chief of pediatric neurosurgery in the country at age 33. He has received more than 60 honorary doctorate degrees, dozens of national merit citations, and written over 100 neurosurgical publications. In 2008, he was bestowed the Presidential Medal of Freedom, the highest civilian award in the United States. Dr. Carson ran as a Republican in the 2016 presidential elections. He has never held public office.

Administrator of the Environmental Protection Agency: Scott Pruitt

Scott Pruitt is the Republican Attorney General of Oklahoma. Pruitt began his career in private practice in Tulsa, Oklahoma. He served as a state senator from 1998 through 2006, during which time he was selected to serve as Republican Whip and later Republican Assistant Floor Leader. He was elected to serve as Oklahoma's Attorney General in 2010.