



Health Policy Briefing

February 27, 2017

Draft ACA Repeal/Replace Bill Leaked

A draft of the GOP legislation to repeal and replace the Affordable Care Act (ACA) was leaked on Friday. The leaked document is dated February 10, and it is unknown how much Republican's plans have changed since then. The bill would repeal the core elements of the law, including the individual mandate, taxes and tax subsidies, and Medicaid expansion, and would create a new health system based on an age-adjusted tax credit of between \$2,000 and \$4,000. The bill also includes \$10 billion annually for state innovation grants, which could be used by states in the formation of high-risk pools or reinsurance programs. The law maintains protections for pre-existing conditions, but plans would be allowed to charge people up to 30 percent more on their premiums if they experience a gap in coverage. Insurers could also charge older Americans five times as much as younger Americans, an increase over the current 3:1 ratio. Requirements that plans cover certain services would be relaxed, as would restrictions on health savings accounts (HSAs). The bill would institute a per-capita cap in the Medicaid program, and includes language that would eliminate funding for Planned Parenthood for one year. While penalties associated with the law's mandate would be repealed immediately, tax subsidies and Medicaid expansion would remain in place until 2020. After 2020, states could continue covering their expanded Medicaid population, but would no longer receive additional federal funds. The GOP plan would be paid for by taxing the most generous employer-sponsored health insurance plans – those above the 90th percentile of premiums. A markup of repeal and replace legislation before the Energy and Commerce Committee is not likely to happen until at least the week of March 6. Lawmakers return today after a weeklong recess.

Inside

Updates from the White House.....	2
Murkowski States ACA Repeal/Replace Position.....	2
Overdose Deaths Continue to Rise.....	2
Legislators Send Bipartisan Letter on the Importance of Vaccines.....	2
FDA User Fee Hearing Scheduled for Thursday.....	3
Upcoming Congressional Hearings/Meetings.....	3
Recently Introduced Health Legislation.....	3

Updates from the White House

President Trump stated last week that he expects a health care plan to be released in March, but it is still unclear whether this plan will come from the administration or will be a joint plan formed alongside congressional Republicans. It is also unclear how leadership like Speaker Paul Ryan (R-Wis.) or Majority Leader Mitch McConnell (R-Ky.) would handle a separate submission from the White House. The President will deliver his first address to Congress on Tuesday.

Murkowski States ACA Repeal/Replace Position

Sen. Lisa Murkowski (R-Alaska) announced that she will not be voting to repeal the Affordable Care Act (ACA) if the repeal legislation undoes Medicaid expansion or eliminates funding for Planned Parenthood. It has long been recognized that Sen. Murkowski might be a swing vote in getting health care reform through the 115th Congress. The Senate GOP can only afford to lose two members of their own party, assuming all Democrats vote against it, and a number of other senators also hailing from states that expanded their Medicaid programs have also expressed concern about elimination of the expansion.

Overdose Deaths Continue to Rise

The rate of drug overdose deaths continued to increase in 2015, in keeping with a 16-year trend, according to the Centers for Disease Control and Prevention (CDC). There were 16.3 drug overdose deaths per 100,000 people. The greatest impact of overdoses was seen in the 45-54 age population, and was higher for men than for women. The percentage of deaths caused by opioids decreased from 29 percent in 2010 to 24 percent in 2015. Overdose deaths caused by synthetic opioids, such as fentanyl, are on the rise – increasing from eight percent in 2010 to 18 percent in 2015. Leadership from the Energy and Commerce Committee sent a [letter](#) to the Office of National Drug Control Policy (ONDCP) last week requesting more information on the federal response to the fentanyl epidemic. “Overdoses and deaths associated with fentanyl are spreading across the country. Nonetheless, it remains unclear if key law enforcement and public health agencies have developed a strategic plan aimed at the fentanyl threat, particularly one that disrupts the illicit supply of fentanyl coming into the U.S.,” they write. The lawmakers ask ONDCP to question all federal agencies in their jurisdiction about their plans to address this particular public health threat. The letter was signed by Chairman Greg Walden (R-Ore.), Ranking Member Frank Pallone (D-N.J.), Oversight and Investigations Subcommittee Chairman Tim Murphy (R-Pa.) and Subcommittee Ranking Member Diana DeGette (D-Colo.).

Legislators Send Bipartisan Letter on the Importance of Vaccines

Bipartisan leadership from the top congressional health committees are circulating a “dear colleague” [letter](#) affirming the safety and effectiveness of vaccines. “Vaccines are our first line of defense against infectious diseases...As Members of Congress, we have a critical role to play in supporting the availability and use of vaccines to protect Americans from deadly diseases,” the lawmakers write. The letter comes as some states move to loosen vaccine requirements. There are also increasing trends that have led to lower vaccination rates in some communities. The letter points to the measles outbreak in 2014 which resulted in over 600 cases of a disease that had been declared eradicated by the Centers for Disease Control and Prevention (CDC) in 2000. Even President Trump has questioned whether vaccines cause autism, despite no scientific evidence linking vaccines to developmental disorders. The letter was signed by Senate Health, Education, Labor and Pensions (HELP) Committee Chairman Lamar Alexander (R-Tenn.) and Ranking Member Patty Murray (D-Wash.), House Energy and Commerce Committee Chairman Greg Walden (R-Ore.) and Ranking Member Frank Pallone, Jr. (D-N.J.), and Energy and Commerce Health Subcommittee Chairman Michael Burgess (R-Texas) and Ranking Member Gene Green (D-Texas).

FDA User Fee Hearing Scheduled for Thursday

The House Energy and Commerce Health Subcommittee announced a forthcoming hearing on the reauthorization of the Food and Drug Administration (FDA) User Fee programs scheduled for March 2. The hearing will focus on both the generic drug and biosimilar user fee programs. The programs expire in September 2017, and must be reauthorized for fiscal years (FY) 2018-2022. Approximately half of the FDA's annual budget is funded through user fees paid by drug and device manufacturers. The programs were enacted to reduce the backlog of applications pending at the FDA, and legislators will hear about how the programs have been implemented to date. During the hearing, the subcommittee will also consider H.R. 749, the Lower Drug Costs Through Competition Act. This bipartisan legislation aims to increase competition and lower prices in the pharmaceutical industry. It encourages the development of generic medications in the case of shortages or absence of competition, particularly among high-priced drugs that have lost patent protection.

Upcoming Congressional Hearings/Meetings

House Veterans' Affairs Oversight and Investigations Subcommittee hearing on "Assessing VA's Risks for Drug Diversion;" 3:30 p.m., 334 Cannon Bldg.; February 27

House Judiciary Committee markup of H.R.372, the "Competitive Health Insurance Reform Act of 2017"; H.R.1215, the "Protecting Access to Care Act of 2017"; and H.Res.111, Resolution of inquiry directing the attorney general to transmit certain documents to the House of Representatives relating to the financial practices of the president; 10:00 a.m., 2141 Rayburn Bldg.; February 28

House Homeland Security Emergency Preparedness, Response and Communications Subcommittee hearing on "The Future of FEMA: Recommendations of Former Administrators;" 2:00 p.m., CVC-210, U.S. Capitol; February 28

House Science, Space and Technology Committee markup of the "NIST Cybersecurity Framework, Assessment, and Auditing Act of 2017;" 10:00 a.m., 2318 Rayburn Bldg.; March 1

House Appropriations Labor, Health and Human Services, Education and Related Agencies Subcommittee hearing on "Member's Day;" 10:00 a.m., 2358-B Rayburn Bldg.; March 1

House Education and the Workforce Committee hearing on "Legislative Proposals to Improve Health Care Coverage and Provide Lower Costs for Families," including H.R.1101, the "Small Business Health Fairness Act"; the "Self-Insurance Protection Act"; and the "Preserving Employee Wellness Programs Act;" 10:00 a.m., 2175 Rayburn Bldg.; March 1

House Energy and Commerce Health Subcommittee hearing on "Examining FDA's Generic Drug and Biosimilar User Fee Programs;" 10:00 a.m., 2123 Rayburn Bldg.; March 2

Recently Introduced Health Legislation

H.Res.146 (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.Res.148 (introduced by Rep. Brian Higgins): Expressing support for the designation of "National Multiple Myeloma Awareness Month"; Oversight and Government Reform

H.R.1204 (introduced by Rep. Steve Stivers): To amend the Internal Revenue Code of 1986 to provide the opportunity for responsible health savings to all American families; Ways and Means

S.413 (introduced by Sen. Shelley Moore Capito): A bill to amend title XVIII of the Social Security Act to prohibit prescription drug plan sponsors and MA-PD organizations under the Medicare program from retroactively reducing payment on clean claims submitted by pharmacies; Finance

S.428 (introduced by Sen. Chuck Grassley): A bill to amend titles XIX and XXI of the Social Security Act to authorize States to provide coordinated care to children with complex medical conditions through enhanced pediatric health homes, and for other purposes; Finance

S.431 (introduced by Sen. John Thune): A bill to amend title XVIII of the Social Security Act to expand the use of telehealth for individuals with stroke; Finance