



## Health Policy Briefing

March 6, 2017

### Possible Reconciliation Bill Mark Up This Week

Republicans were briefed last week on the latest plan to repeal and replace the Affordable Care Act (ACA). Several members who were briefed confirmed that the plan would cap the tax exclusion for employers providing health insurance to their employees, which could save \$200 billion over 10 years. The House Energy and Commerce Committee is expected to markup repeal legislation this week. According to Rep. Chris Collins (R-N.Y.), the reconciliation bill will repeal funds for Medicaid expansion starting in 2020. Rep. Collins also said that a Congressional Budget Office (CBO) score of the bill is unlikely to be ready in time for the panel votes. An early draft of the bill, which was leaked at the end of last month, has garnered criticism from a significant number of Republican lawmakers, including the head of the House Republican Study Committee Mark Walker (R-N.C.) and House Freedom Caucus Chair Mark Meadows (R-N.C.). Both expressed opposition to the plan's use of refundable tax credits, which they have characterized as a new entitlement program. Speaker of the House Paul Ryan (R-Wis.) responded that the draft was outdated, but that there is consensus around his plan for ACA repeal and replacement. In the Senate, Ted Cruz (R-Texas), Mike Lee (R-Utah), and Rand Paul (R-Ky.) have demanded a "full repeal" of the health care law, with the repeal language passed by Congress in 2015 as the floor for repeal this year. Senate Republicans plan to consider the measure once it is passed by the House, rather than propose a separate plan. Sen. John Cornyn (R-Texas) has said that he believes the Senate will vote on ACA repeal by early April.

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## ***Health Care in Trump's First Address to Congress***

In his first address to a joint session of Congress, the President voiced support for both the use of tax credits and an expansion of health savings accounts (HSAs) in repealing and replacing the Affordable Care Act (ACA). He also backed maintaining the law's provision that requires insurance carriers to cover individuals with pre-existing conditions, as well as the provision of additional state flexibility to administer the Medicaid program. The President also mentioned support for medical liability reform, addressing the rising cost of prescription drugs, and expanding the ability to sell health insurance across state lines. Earlier in the week, President Trump had again suggested that his Administration may have plans to release their own plan to replace the 2010 health care law, separate from the work being done by congressional GOP leadership to overhaul the health care system. The President stated in a bipartisan meeting with state governors and Health and Human Services (HHS) Secretary Tom Price that he hopes to see the White House plan in two to three weeks. Congressional leadership, as well as Vice President Mike Pence, however, continue to emphasize that lawmakers, Dr. Price, and other administrators are in agreement on a joint plan.

## ***Republican Governors Propose Medicaid Changes***

GOP governors are congregating around a plan for Medicaid that would allow states to choose between a block grant and a per capita cap. They also support additional waiver flexibility and increased state authority over program eligibility requirements and service delivery and payment. Within the next several weeks, they plan to circulate a letter demonstrating official support for the proposal, while working with the Office of Management and Budget (OMB) to further flesh out details of potential legislation. They are also forming work groups to consider further Affordable Care Act (ACA) replacement measures to submit to Congress.

## ***Finance Advances Nomination for CMS Administrator***

The Senate Finance Committee advanced the nomination of Seema Verma to be Administrator of the Centers for Medicare and Medicaid Services (CMS) in a party-line 13-12 vote. The vote was held off the Senate floor after being postponed for a day because there were not enough members in attendance. During the final vote, Johnny Isakson (R-Ga.) voted aye by proxy, so his vote was not counted in the 13-12 tally due to Committee rules. Finance Committee Chairman Orrin Hatch (R-Utah) and other Committee Republicans have praised Ms. Verma for her experience and expertise in successfully reforming several state Medicaid programs, while Committee Democrats have criticized her for providing vague responses to their questions about Medicare or health care reform. Republicans are expected to quickly move the nomination to the Senate floor.

## ***Administration Budget Coming Soon***

The President's budget outline is expected to be delivered to Congress on March 16, according to a senior Office of Management and Budget (OMB) official. The plan will decrease nondefense spending in order to increase the fiscal year (FY) 2018 defense budget by 10 percent. Secretary of Veterans Affairs David Shulkin stated that the budget includes a funding increase for the VA. Some Congressional Republicans, including House GOP appropriator Mike Simpson (R-Idaho), have already characterized the plan as unrealistic. They are skeptical that such a proposal would be able to be passed, and have stressed that Congress will plan on writing its own budget. Democrats immediately rallied in opposition to any increase in defense spending at the expense of domestic and foreign aid programs. They are demanding that any increase in defense spending be matched with an equal increase to nondefense programs. The President's blueprint will only contain topline discretionary spending numbers; the complete White House budget is not expected to be released until May.

### ***Sue Ramthun Awarded Presidential Citation by the American Academy of Hospice and Palliative Medicine (AAHPM)***

Citing her significant contributions to the field of hospice and palliative medicine, Sue Ramthun of Hart Health Strategies was awarded the AAHPM Presidential Citation at the 2017 AAHPM/HPNA Annual Assembly in Phoenix, AZ on February 24, 2017. Dr. Christian Sinclair, immediate past president of AAHPM presented the award explaining that “this citation recognizes [Sue’s] efforts to promote HPM priorities in the legislative arena and, particularly, [her] many years of work to advance legislation related to palliative care education and training. From [her] involvement in drafting the initial Palliative Care Training Act in 2004, to [her] work with physician leaders and congressional staff on language for the current bill, [she has] worked tirelessly to help secure legislative champions for PCHETA and to guide AAHPM’s advocacy efforts, including collaboration with other stakeholder organizations. [Her] efforts have been invaluable in ensuring support for the bill grows with each session of Congress and in moving the field closer to achieving its legislative goals.” Other 2017 awardees included Cambia Health Foundation and J. Donald Schumacher, President and CEO (2002-2016), National Hospice and Palliative Care Organization (NHPCO). Sue was honored to accept the award citing the Hart Health Strategies teamwork, the AAHPM government affairs staff, and the many AAHPM physicians who have worked with the Hart Health team on policy development and advocacy outreach.

### **Upcoming Congressional Hearings/Meetings**

***Senate Appropriations Labor, Health and Human Services, Education and Related Agencies Subcommittee hearing on saving lives through medical research; 10:30 a.m., Dirksen Bldg.; March 8***

***House Veterans’ Affairs Health Subcommittee hearing on “Healthy Hiring: Enabling VA to Recruit and Retain Quality Providers;” 2:00 p.m., 334 Cannon Bldg.; March 22***

### **Recently Introduced Health Legislation**

H.R.1215 (introduced by Rep. Steve King): To improve patient access to health care services and provide improved medical care by reducing the excessive burden the liability system places on the health care delivery system; Judiciary, Energy and Commerce

H.R.1218 (introduced by Rep. Tim Walberg): To amend titles II and XVIII of the Social Security Act to establish a Social Security Surplus Protection Account in the Federal Old-Age and Survivors Insurance Trust Fund to hold the Social Security surplus and a Medicare Surplus Protection Account in the Federal Hospital Insurance Trust Fund to hold the Medicare surplus, to provide for suspension of investment of amounts held in such Accounts until enactment of legislation providing for investment of the Trust Funds in investment vehicles other than obligations of the United States, and to establish a Social Security and Medicare Part A Investment Commission to make recommendations for alternative forms of investment of the Social Security and Medicare surpluses; Ways and Means

H.Res.154 (introduced by Rep. Joseph P. Kennedy, III): Of inquiry requesting the President of the United States and directing the Secretary of Health and Human Services to transmit certain information to the House of Representatives relating to plans to repeal or replace the Patient Protection and Affordable Care Act and the health-related measures of the Health Care and Education Reconciliation Act of 2010; Energy and Commerce

H.R.1222 (introduced by Rep. Gus M. Bilirakis): To amend the Public Health Service Act to coordinate Federal congenital heart disease research efforts and to improve public education and awareness of congenital heart disease, and for other purposes; Energy and Commerce

H.R.1223 (introduced by Rep. Gus M. Bilirakis): To amend the Federal Food, Drug, and Cosmetic Act to authorize an extension of exclusivity periods for certain drugs that are approved for a new indication for a rare disease or condition, and for other purposes; Energy and Commerce

H.R.1231 (introduced by Rep. Michael T. McCaul): To amend the Federal Food, Drug, and Cosmetic Act to establish a program to increase the development of new drugs to treat pediatric cancers, and for other purposes; Energy and Commerce

S.445 (introduced by Sen. Susan M. Collins): A bill to amend title XVIII of the Social Security Act to ensure more timely access to home health services for Medicare beneficiaries under the Medicare program; Finance

S.448 (introduced by Sen. Sherrod Brown): A bill to amend title XVIII of the Social Security Act to provide for treatment of clinical psychologists as physicians for purposes of furnishing clinical psychologist services under the Medicare program; Finance

S.455 (introduced by Sen. Jon Tester): A bill to amend title XVIII of the Social Security Act to count resident time spent in a critical access hospital as resident time spent in a nonprovider setting for purposes of making Medicare direct and indirect graduate medical education payments; Finance

S.456 (introduced by Sen. Michael F. Bennet): A bill to amend the Federal Food, Drug, and Cosmetic Act to establish a program to increase the development of new drugs to treat pediatric cancers, and for other purposes; Health, Education, Labor, and Pensions

H.R.1245 (introduced by Rep. Elijah E. Cummings): To amend the Federal Food, Drug, and Cosmetic Act to allow for the importation of affordable and safe drugs by wholesale distributors, pharmacies, and individuals; Energy and Commerce

H.R.1246 (introduced by Rep. Carlos Curbelo): To exempt health insurance of residents of United States territories from the annual fee on health insurance providers; Ways and Means, Energy and Commerce

H.Res.157 (introduced by Rep. Andre Carson): Expressing support for the designation of the last day of February each year, as "Rare Disease Day"; Energy and Commerce

H.R.1253 (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.1255 (introduced by Rep. Ben Ray Lujan): To increase research, education, and treatment for cerebral cavernous malformations; Energy and Commerce

S.463 (introduced by Sen. John Cornyn): A bill to amend title XVIII of the Social Security Act to establish a national Oncology Medical Home Demonstration Project under the Medicare program for the purpose of changing the Medicare payment for cancer care in order to enhance the quality of care and to improve cost efficiency, and for other purposes; Finance

S.464 (introduced by Sen. Edward J. Markey): A bill to amend title XVIII of the Social Security Act to provide for a permanent Independence at Home medical practice program under the Medicare program; Finance

S.469 (introduced by Sen. Bernard Sanders): A bill to amend the Federal Food, Drug, and Cosmetic Act to allow for the importation of affordable and safe drugs by wholesale distributors, pharmacies, and individuals; Health, Education, Labor, and Pensions

S.475 (introduced by Sen. Tom Udall): A bill to increase research, education, and treatment for cerebral cavernous malformations; Health, Education, Labor, and Pensions

S.476 (introduced by Sen. Marco Rubio): A bill to exempt health insurance of residents of United States territories from the annual fee on health insurance providers; Finance

S.477 (introduced by Sen. Richard J. Durbin): A bill to amend the Public Health Service Act to coordinate Federal congenital heart disease research and surveillance efforts and to improve public education and awareness of congenital heart disease, and for other purposes; Health, Education, Labor, and Pensions

S.Res.73 (introduced by Sen. Sherrod Brown): A resolution designating February 28, 2017, as “Rare Disease Day”; submitted, considered, and agreed to without amendment and with a preamble by Unanimous Consent.

H.R.1298 (introduced by Rep. Brad R. Wenstrup): To amend title XVIII of the Social Security Act to cover screening computed tomography colonography as a colorectal cancer screening test under the Medicare program; Energy and Commerce, Ways and Means

H.R.1290 (introduced by Rep. Barbara Lee): To amend title XVIII of the Social Security Act to improve access to mental health services under the Medicare program; Energy and Commerce, Ways and Means

H.R.1284 (introduced by Rep. Lynn Jenkins): To amend title XVIII of the Social Security Act to provide for the recognition of attending physician assistants as attending physicians to serve hospice patients, and for other purposes; Ways and Means, Energy and Commerce

H.R.1280 (introduced by Rep. Jeff Fortenberry): To amend the Internal Revenue Code of 1986 to increase the maximum contribution limit for health savings accounts, and for other purposes; Ways and Means

H.R.1279 (introduced by Rep. Elizabeth Esty): To amend title 38, United States Code, to direct the Secretary of Veterans Affairs to establish within the Department of Veterans Affairs a center of excellence in the prevention, diagnosis, mitigation, treatment, and rehabilitation of health conditions relating to exposure to burn pits; Veterans’ Affairs, Armed Services

H.R.1277 (introduced by Rep. Marsha Blackburn): To permit indefinite extensions for certain previously extended Medicaid managed care waivers; Energy and Commerce

H.R.1275 (introduced by Rep. Pete Sessions): To eliminate the individual and employer health coverage mandates under the Patient Protection and Affordable Care Act, to expand beyond that Act the choices in obtaining and financing affordable health insurance coverage, and for other purposes; Energy and Commerce, Ways and Means, Education and the Workforce

H.R.1271 (introduced by Rep. Bill Johnson): To amend the Federal Food, Drug, and Cosmetic Act to prevent the abuse of dextromethorphan, and for other purposes; Energy and Commerce

H.R.1267 (introduced by Rep. Jason Smith): To amend the Internal Revenue Code of 1986 to treat certain amounts paid for physical activity, fitness, and exercise as amounts paid for medical care; Ways and Means

H.Res.163 (introduced by Rep. Donald M. Payne, Jr.): Supporting the designation of March 2017, as National Colorectal Cancer Awareness Month; Oversight and Government Reform

S.479 (introduced by Sen. Sherrod Brown): A bill to amend title XVIII of the Social Security Act to waive coinsurance under Medicare for colorectal cancer screening tests, regardless of whether therapeutic intervention is required during the screening; Finance

S.482 (introduced by Sen. John Thune): A bill to amend the Internal Revenue Code of 1986 to treat certain amounts paid for physical activity, fitness, and exercise as amounts paid for medical care; Finance

S.486 (introduced by Sen. Robert P. Casey, Jr.): A bill to amend title XVIII of the Social Security Act to provide for the non-application of Medicare competitive acquisition rates to complex rehabilitative wheelchairs and accessories; Finance

S.Res.77 (introduced by Sen. Robert P. Casey, Jr.): A resolution supporting the goals and ideals of Multiple Sclerosis Awareness Week; submitted, considered, and agreed to without amendment and with a preamble by Unanimous Consent

H.R.1304 (introduced by Rep. David P. Roe): To amend the Employee Retirement Income Security Act of 1974, the Public Health Service Act, and the Internal Revenue Code of 1986 to exclude from the definition of health insurance coverage certain medical stop-loss insurance obtained by certain plan sponsors of group health plans; Energy and Commerce, Ways and Means, Education and the Workforce

H.R.1307 (introduced by Rep. Peter A. DeFazio): To amend the Patient Protection and Affordable Care Act to establish a public health insurance option; Energy and Commerce

H.R.1310 (introduced by Rep. Darren Soto): To support programs for mosquito-borne and other vector-borne disease surveillance and control; Energy and Commerce

H.R.1316 (introduced by Rep. Doug Collins): To amend title XVIII of the Social Security Act to provide for pharmacy benefits manager standards under the Medicare prescription drug program and Medicare Advantage program to further transparency of payment methodologies to pharmacies, and for other purposes; Energy and Commerce, Ways and Means, Armed Services, Oversight and Government Reform

H.R.1318 (introduced by Rep. Jamie Herrera Beutler): To support States in their work to save and sustain the health of mothers during pregnancy, childbirth, and in the postpartum period, to eliminate disparities in maternal health outcomes for pregnancy-related and pregnancy-associated deaths, to identify solutions to improve health care quality and health outcomes for mothers, and for other purposes; Energy and Commerce

H.R.1319 (introduced by Rep. Kenny Marchant): To amend title XXVII of the Public Health Service Act to permit cooperative governing of public entity health benefits through local governments in secondary States; Energy and Commerce

H.R.1323 (introduced by Rep. Chris Collins): To amend title XIX of the Social Security Act to reduce unnecessary emergency room visits under the Medicaid program; Energy and Commerce

H.R.1325 (introduced by Rep. Larry Bucshon): To amend title XIX of the Social Security Act to provide States with flexibility with respect to providing premium assistance under the Medicaid program; Energy and Commerce

H.R.1333 (introduced by Rep. Earl L. Carter): To amend title XIX of the Social Security Act to allow States more flexibility with respect to using contractors to make eligibility determinations on behalf of the State Medicaid plan; Energy and Commerce

H.R.1336 (introduced by Rep. Kevin Cramer): To amend title XIX of the Social Security Act to provide States with flexibility in providing choice of coverage through managed care under Medicaid; Energy and Commerce

H.R.1361 (introduced by Rep. Lee M. Zeldin): To amend title XVIII of the Social Security Act to provide for the non-application of Medicare competitive acquisition rates to complex rehabilitative wheelchairs and accessories; Energy and Commerce, Ways and Means

H.Res.167 (introduced by Rep. Matt Cartwright): Supporting the designation of the week of February 26 to March 4, 2017, as "National Spinal CSF Leak Awareness Week"; Energy and Commerce

S.495 (introduced by Sen. Bernard Sanders): A bill to provide incentives for investment in research and development for new medicines, to enhance access to new medicines, and for other purposes; Health, Education, Labor, and Pensions

S.497 (introduced by Sen. Maria Cantwell): A bill to amend title XVIII of the Social Security Act to provide for Medicare coverage of certain lymphedema compression treatment items as items of durable medical equipment; Finance

S.520 (introduced by Sen. Bill Cassidy): A bill to amend title XIX of the Social Security Act to reform payment to States under the Medicaid program; Finance

S.523 (introduced by Sen. Joe Manchin, III): A bill to amend the Internal Revenue Code of 1986 to establish a stewardship fee on the production and importation of opioid pain relievers, and for other purposes; Finance

S.527 (introduced by Sen. Roy Blunt): A bill to improve access to emergency medical services, and for other purposes; Health, Education, Labor, and Pensions