



Health Policy Briefing

March 7, 2016

House Unanimously Passes Medicaid Integrity Bill

This week, the House unanimously passed the Ensuring Access to Quality Medicaid Providers Act, bipartisan legislation aimed at making reforms to strengthen the Medicaid program and increase savings to the states and the federal government. H.R. 3716 passed by a vote of 406-0. It is a combination of two bills, the Ensuring Terminated Providers are Removed from Medicaid and CHIP Act, authored by Rep. Larry Bucshon (R-Ind.) and the Medicaid Directory of Caregivers or Medicaid DOC Act, authored by Rep. Chris Collins (R-N.Y.). The legislation would ensure that providers terminated from Medicare or a state Medicaid program due to reasons of fraud, integrity, or quality are terminated from all other state Medicaid programs as well. A report from the Office of the Inspector General (OIG) found that 12 percent of providers terminated with cause from a state Medicaid program continued participating in another state's program for as long as two years after their termination. H.R. 3716 would also provide beneficiaries under fee-for-service or primary care case management programs with a directory of physicians participating in the programs. States would have until July 1, 2018 to comply with many of the bill's provisions. The OIG would be required to submit to Congress an assessment of the legislation by March 31, 2020. The Ensuring Access to Quality Medicaid Providers has also received support from the Obama administration.

CARA Funding Amendment Fails in Senate

As debate continued on S. 524, the Comprehensive Addiction and Recovery Act (CARA), in the Senate last week, Republicans rejected an amendment from Sen. Jeanne Shaheen (D-N.H.) that would have provided \$600 million in emergency supplemental funding to bolster efforts against opioid drug abuse. The amendment failed on a procedural vote 48-47, with a 60-vote threshold required for passage. Sen. Rob Portman (R-Ohio), Sen. Kelly Ayotte (R-N.H.), Sen. Lindsey Graham (R-S.C.), Sen. Susan Collins (R-Maine), and Sen. Mark Kirk (R-Ill.) were the only Republicans to vote in favor of attaching the amendment. Republicans have argued that funding for these programs was included in the year end 2016 spending bill, and that more money can be added if necessary during this year's appropriations process. CARA, introduced by Sen. Portman and Sen. Sheldon Whitehouse (D-R.I.) would authorize grants to states, organizations and

continued on page 2

Inside

CDC Releases Report on Antibiotic Resistance in Hospitals.....	2
CMS Reaches Quality Goal.....	2
Groups Raise Concerns Regarding CMS Part B Demonstration.....	2
Lawmakers Investigate Special Enrollment Periods.....	3
Upcoming Congressional Meetings and Hearings.....	3
Introduced Health Legislation.....	4

continued from page 1

local entities for opioid abuse prevention and treatment programs. It would also increase access to drugs that counteract overdoses. The Senate will resume consideration of the bill today, with a cloture vote on the substitute amendment by Judiciary chairman, Sen. Chuck Grassley (R-Iowa), scheduled for 5:30 p.m. Senate Minority Leader Harry Reid (D-Nev.) has said that Democrats will not block the bill over the lack of funding.

CDC Releases Report on Antibiotic Resistance in Hospitals

While hospitals are doing better in preventing health care associated infections, more work is needed to fight antibiotic resistant superbugs, according to a new **report** from the Centers for Disease Control and Prevention (CDC). Antibiotic resistant bacteria are responsible for one out of seven infections caused in hospitals, and one out of four infections in long-term acute care hospitals. These catheter and surgery related infections can largely be attributed to seven superbugs: Carbapenem-resistant Enterobacteriaceae (CRE), Methicillin-resistant Staphylococcus aureus (MRSA), ESBL-producing Enterobacteriaceae (extended-spectrum β -lactamases), Vancomycin-resistant Enterococcus (VRE), Multidrug-resistant Pseudomonas aeruginosa, and multidrug resistant Acinetobacter. Progress, however, has been made in decreasing hospital-onset C. difficile infections by eight percent between 2011 and 2014. Additionally, there has been a 50 percent decrease in central line-associated bloodstream infections and a 17 percent decrease in surgical site infections. The CDC calls on health care providers to work to prevent the spread of bacteria between patients, prevent infections related to surgery and/or placement of a catheter, and improve antibiotic use through stewardship. Alongside the report, the CDC released a new web app with interactive data on hospital acquired infections caused by antibiotic resistant bacteria, the **Antibiotic Resistance Patient Safety Atlas**.

Medicare and Medicaid News

CMS Reaches Quality Goal

The Centers for Medicare and Medicaid Services (CMS) announced last week that it has reached its goal of tying 30 percent of Medicare payments to value instead of volume. For the first time last year, the administration laid out its commitment to reach certain goals to link physician payment to quality rather than quantity. With 10 months remaining in 2016, \$117 billion is now spent on value-based payments in the Medicare program. The administration's next goal is tying 50 percent of payments to quality by 2018.

Groups Raise Concerns Regarding CMS Part B Demonstration

One hundred groups have written to the Centers for Medicaid and Medicare Services (CMS) expressing concerns with the agency's notice on the Medicare Part B Drug Payment Model released accidentally last month. While the details of the proposed pilot have yet to be unveiled, the notice to Medicare contractors was enough to raise concerns that the proposal could hurt the care of Medicare beneficiaries with complex conditions. In an attempt to decrease Part B drug costs, one potential demo would revise the six percent add-on to the average sales price (ASP) that providers are paid to administer drugs. The patients that rely on these drugs to treat diseases and conditions like cancer, rheumatoid arthritis, and primary immunodeficiency diseases often have to try multiple treatments before finding the right one, and might be harmed by an initiative that may cause an abrupt halt in their treatment or force them to switch from the most appropriate medication. The signatories ask that the agency not proceed with the Medicare Part B payment initiative. The letter was signed by 100 patient groups, health plans, members of the pharmaceutical industry, and provider organizations. Policy changes to Medicare Part B were also discussed during the meeting of the Medicare Payment Advisory Commission (MedPAC) this month. Commissioners explored policies such as reducing the drug payment from ASP plus 6 percent to ASP plus 3.5 percent and a flat fee, or setting an ASP inflation cap, but there was no consensus around any of the policy proposals.

Lawmakers Investigate Special Enrollment Periods

Senate Finance Committee Chairman Orrin Hatch (R-Utah) and Sen. John Barrasso (R-Wyo.) have **written** to Centers for Medicare and Medicaid Services (CMS) Acting Administrator Andy Slavitt requesting information about the administration of the Federally Facilitated Marketplace's (FFM) Special Enrollment Periods (SEP). These enrollment periods allow patients who have experienced significant life events to enroll in a health insurance plan outside of the regular enrollment period. CMS has allowed 34 SEPs, which the lawmakers argue has caused complications for state markets and has allowed individuals to "game the Affordable Care Act" by waiting to enroll in a plan until they need medical services. Sen. Hatch and Sen. Barrasso pose a number of questions for Mr. Slavitt. They ask for further details on CMS' processes for establishing SEPs, plans to eliminate unnecessary SEPs, and the verification of qualifications of individuals enrolling during an SEP.

Upcoming Congressional Meetings and Hearings

POSTPONED: *Senate Finance Committee markup to vote on the nomination of Mary Katherine Wakefield to be deputy HHS secretary; time and place TBD*

Senate Homeland Security and Government Affairs hearing titled: "The Homeland Security Department's Budget Submission for Fiscal Year 2017;" 10:00 a.m., 342 Dirksen Bldg.; March 8

Senate Health, Education, Labor and Pensions Committee executive session on the innovation agenda; 10:00 a.m., 106 Dirksen Bldg.; March 9

Senate Appropriations Subcommittee on Department of the Interior, Environment, and Related Agencies hearing to "examine proposed budget estimates and justification for fiscal year 2017 for the Indian Health Service;" 10:00 a.m., 124 Dirksen Bldg.; March 9

Senate Appropriations Subcommittee on Department of Defense hearing to "examine proposed budget estimates and justification for fiscal year 2017 for the Defense Health Program;" 10:30 a.m., 192 Dirksen Bldg.; March 9

Senate Homeland Security and Government Affairs Permanent Subcommittee on Investigations hearing titled: "Review of the Affordable Care Act Health Insurance Co-op Program;" 9:30 a.m., 342 Dirksen Bldg.; March 10

Senate Finance Committee hearing to "examine HealthCare.gov, focusing on a review of operations and enrollment;" 10:00 a.m., 215 Dirksen Bldg.; March 10

House Energy and Commerce Committee Broad Review of Concussions: Initial Roundtable; 2:00 p.m., 2123 Rayburn Bldg.; March 14

House Science, Space, and Technology Subcommittee on Research and Technology hearing titled: "An Overview of the Budget Proposal for the National Institute of Standards and Technology for Fiscal Year 2017;" 10:00 a.m., 2318 Rayburn Bldg.; March 16

House Veterans' Affairs Economic Opportunity Subcommittee and Health Subcommittee joint hearing on legislation to improve the authority of the Veterans Affairs secretary to hire and retain physicians and other employees of the Veterans Affairs Department; 2:00 p.m., 334 Cannon Bldg.; March 16

Senate Health, Education, Labor and Pensions Committee final markup on innovation agenda; time and place TBA; April 6

Hart Health Strategies

Introduced Health Legislation

4

H.R. 4650 (introduced by Rep. Buchanan): A bill to amend title XVIII of the Social Security Act to provide for an extension of certain Medicare long-term care hospital payment rules; to the Committee on Ways and Means; February 29

H. Res. 627 (introduced by Rep. Carson of Indiana): A resolution expressing support for the designation of February 29, 2016, as "Rare Disease Day"; to the Committee on Energy and Commerce; February 29

H. Res. 630 (introduced by Rep. Payne): A resolution supporting the designation of March 2016, as National Colorectal Cancer Awareness Month; to the Committee on Oversight and Government Reform; March 1

H.R. 4662 (introduced by Rep. Roe of Tennessee): A bill to amend the Public Health Service Act to increase the preference given, in awarding certain asthma-related grants, to States that allow trained school personnel to administer asthma-related rescue medications, and for other purposes; to the Committee on Energy and Commerce; March 2

H.R. 4669 (introduced by Rep. Foster): A bill to support the establishment of a Standards Coordinating Body in Regenerative Medicine and Advanced Therapies; to the Committee on Energy and Commerce; March 2

H.R. 4684 (introduced by Rep. Coffman): A bill to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to furnish mental health care to certain former members of the Armed Forces who are not otherwise eligible to receive such care, and for other purposes; to the Committee on Veterans' Affairs; March 3

H.R. 4689 (introduced by Rep. Boustany): A bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to enter into contracts with administrative contractors for the processing of claims for hospital care and medical services furnished in non-Department of Veterans Affairs facilities; to the Committee on Veterans' Affairs; March 3

H.R. 4692 (introduced by Rep. Clarke of New York): A bill to amend the Public Health Service Act, in relation to requiring adrenoleukodystrophy screening of newborns; to the Committee on Energy and Commerce; March 3

H.R. 4695 (introduced by Rep. Engel): A bill to amend title XI of the Social Security Act to improve the quality, health outcomes, and value of maternity care under the Medicaid and CHIP programs by developing maternity care quality measures and supporting maternity care quality collaboratives; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned; March 3

H.R. 4697 (introduced by Rep. Esty): A bill to provide for increased Federal oversight of prescription opioid treatment and assistance to States in reducing opioid addiction, diversion, and deaths; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned; March 3

H.R. 4714 (introduced by Rep. Young): A bill to amend title XVIII of the Social Security Act to ensure Medicare coverage of certain costs associated with FDA-approved clinical trials; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned; March 3

S. 2605 (introduced by Sen. Durbin): A bill to amend title XIX of the Social Security Act to provide States with an option to provide medical assistance to individuals between the ages of 22 and 64 for inpatient services to treat substance use disorders at certain facilities, and for other purposes; to the Committee on Finance; February 29

S. 2615 (introduced by Sen. Collins): A bill to increase competition in the pharmaceutical industry; to the Committee on Health, Education, Labor, and Pensions; March 1

S.2618 (introduced by Sen. Chuck Grassley): A bill to amend title XIX of the Social Security Act to require States to publish a Medicaid fee-for service provider directory; to the Committee on Finance; March 2

S. 2623 (introduced by Sen. Franken): A bill to amend the Internal Revenue Code of 1986 to deny the deduction for advertising and promotional expenses for prescription drugs; to the Committee on Finance; March 3

S. 2624 (introduced by Sen. Warren): A bill to establish the “Biomedical Innovation Fund”, and for other purposes; to the Committee on Health, Education, Labor, and Pensions; March 3

S. 2633 (introduced by Sen. Tester): A bill to improve the ability of the Secretary of Veterans Affairs to provide health care to veterans through non-Department health care providers, and for other purposes; to the Committee on Veterans’ Affairs; March 3

S. 2634 (introduced by Sen. Franken): A bill to establish an interagency One Health Program, and for other purposes; to the Committee on Health, Education, Labor, and Pensions; March 3

S. 2641 (introduced by Rep. Schumer): A bill to amend the Public Health Service Act, in relation to requiring adrenoleukodystrophy screening of newborns; to the Committee on Health, Education, Labor, and Pensions; March 3