



Health Policy Briefing

April 10, 2017

Lawmakers Recess with Little Progress on Health Care Reform

Following withdrawal of the American Health Care Act last month, Republican leadership has been working to secure enough votes for passage of Obamacare repeal and replacement through uniting members of their own party. The focus of the debate has been on lowering premiums and protecting access to health care. Instead of Speaker of the House Paul Ryan (R-Wis.), Vice President Mike Pence has been taking the lead on negotiations between the moderate and conservative factions of the Republican Party. Disagreement continues around a proposal to give states the ability to opt out of the essential health benefit requirement, community rating (preventing insurers from charging sick people more for insurance), and guaranteed issue (coverage for people with pre-existing conditions). The conservative House Freedom Caucus supports the elimination of these insurance regulations as a means to drive down premiums. House lawmakers must also continue to ensure that any bill passed by the House would be in line with the Senate’s Byrd Rule, which prevents “extraneous matter” from reconciliation legislation. Some had hoped that a vote would be held before Congress left for a two-week recess, but members of the House went home without having reached a compromise. Speaker Ryan has stressed that there is no deadline for a vote on Affordable Care Act (ACA) repeal and replacement but anticipates that his conference will be able to wrap up work on health care this spring. The House Rules Committee met on Thursday to add a provision to the health care legislation that would create a \$15 billion high-risk pool program to help insurers cover the cost of the sickest, most expensive patients, beginning in 2018 and lasting through 2026. The federal subsidy would allow seriously ill individuals to remain in the general insurance pool, and for risk to be shared among taxpayers and insurers. The amendment, known as the Federal Invisible Risk Sharing Program, was sponsored by Reps. Gary Palmer (R-Ala.) and David Schweikert (R-Ariz.). It would give the U.S. Department of Health and Human Services (HHS) the authority to determine how the money is distributed. In 2020, the program would be handed over to the states. The measure was approved by the Rules Committee by a party-line vote of 9-2. Speaker Ryan has said that the measure is supported by a broad part of the GOP conference, while Freedom Caucus Chairman Mark Meadows (R-N.C.) called the risk-sharing amendment a positive step toward

Inside

- [HELP Questions FDA Nominee.....](#)2
- [House Passes Health Bills Before Leaving for April Recess.....](#)2
- [Bipartisan Chronic Care Legislation Reintroduced.....](#)2
- [Rand Paul Working on New Health Care Plan.....](#)2
- [Democrats Write to Trump on Drug Prices.....](#)3
- [Trump Administration Staff Announcements.....](#)3
- [Recently Introduced Health Legislation.....](#)3

bringing down insurance rates, “but certainly not the final step.” House Majority Leader Kevin McCarthy (R-Calif.) has stated that the April recess could be cut short if a deal is reached on health care reform. The House is scheduled to be out of session until Tuesday, April 25. Congressional staff and the relevant committees will continue to work on the bill during the two-week recess.

HELP Questions FDA Nominee

The Senate Health, Education, Labor, and Pensions (HELP) Committee held a hearing last week on the nomination of Scott Gottlieb to be Commissioner of Food and Drugs. Republicans touted the nominee’s experience as a physician and an expert in the health care industry. Dr. Gottlieb is a former Food and Drug Administration (FDA) deputy commissioner, and is currently a resident fellow at the American Enterprise Institute. He is also a clinical assistant professor at New York University School of Medicine, and is an internist at Tisch Hospital. Dr. Gottlieb faced repeated questions from Democratic members on potential conflicts of interest and his financial ties to the industry he would be charged with regulating. Dr. Gottlieb has invested in and consulted for a number of pharmaceutical and device companies. He said that tackling the opioid epidemic would be his top priority if confirmed to lead the FDA. He would push for the approval of safer opioids and other alternatives to pain management. Dr. Gottlieb was also questioned on the Administration’s position on vaccines. He responded that the question of vaccines and autism has been studied extensively, and that the nation needs to conclusively agree that there is no plausible link. Members from both sides of the aisle asked the nominee about his plans to ensure that the FDA has the workforce and expertise necessary to fulfill its mission, particularly in light of the President’s federal hiring freeze and passage of 21st Century Cures. He responded that a robust workforce would be a challenge he would tackle should he be confirmed, and that he would work with Congress to implement Cures as lawmakers intended.

House Passes Health Bills Before Leaving for April Recess

The House of Representatives passed two pieces of health legislation last week before returning to their districts for a two-week recess. The Self-Insurance Protection Act would exclude stop-loss insurance from being regulated as traditional health insurance. Stop-loss insurance can be purchased by employers to cover excessive medical costs of self-insured health plans. H.R. 1304 passed by a vote of 400-16. The House also took up S. 544, which would extend the Veterans Choice Program through 2018. The Choice Program, which allows eligible veterans to seek medical care from private health care providers, was set to expire August 7. The bill passed by voice vote. Having been passed by the Senate earlier in the week, S. 544 will be sent to the President for his signature.

Bipartisan Chronic Care Legislation Reintroduced

Lawmakers in the Senate have reintroduced legislation to improve health outcomes for Medicare beneficiaries living with chronic illness. The Creating High Quality Results and Outcomes Necessary to Improve Chronic (CHRONIC) Care Act would overhaul how Medicare pays for patients with chronic conditions. S. 870 is sponsored by Finance Committee Chairman Orrin Hatch (R-Utah), Finance Ranking Member Ron Wyden (D-Ore.), and Sens. Johnny Isakson (R-Ga.) and Mark Warner (D-Va.).

Rand Paul Working on New Health Care Plan

Sen. Rand Paul (R-Ky.) is developing a new health care plan that would leave some elements of the Affordable Care Act (ACA) in place. His proposal would keep the 2010 health care law’s subsidies, while spending less on them. Sen. Paul believes keeping the structure of Obamacare’s subsidies will garner the support of moderate Republicans, while making them less generous would appeal to conservatives. The plan would also prevent Republicans from having to vote for the creation of a new tax credit, like the one included in the American Health Care Act. Conservatives have been wary to support what they characterize as a new entitlement program.

Democrats Write to Trump on Drug Prices

A group of Democratic members of the House of Representatives have **written** to the President asking that he address rising drug costs through a provision in the 1980 Bayh-Dole Act. When taxpayer funding has contributed to a new drug patent, this statute allows the President to require the patent holder to license it to a third-party if the benefits are not “available to the public on reasonable terms.” The lawmakers also advise the President to direct the National Institutes of Health (NIH) to issue guidelines on circumstances that would trigger the administration to invoke this authority. “American taxpayers should be able to access publicly-funded medications on reasonable terms, instead of being burdened with unreasonable prices,” the lawmakers say. The letter was led by Rep. Lloyd Doggett (D-Texas) and signed by 50 other House Democrats.

Trump Administration Staff Announcements

President Trump has nominated Stephen Parente, PhD, MPH, MS to be the Assistant Secretary of Planning and Evaluation (ASPE) at the U.S. Department of Health and Human Services (HHS). Dr. Parente is a University of Minnesota economist who previously worked as a health policy advisor to Sen. John McCain’s 2008 presidential campaign. He also serves as an adviser to the Congressional Budget Office (CBO) and as governing chair of the Health Care Cost Institute. Russ Vought has been nominated to serve as the Deputy Director of the Office of Management and Budget (OMB). Mr. Vought previously worked as the Vice President of Grassroots Outreach for Heritage Action for America, and has served on the President’s transition team. He worked as a budget aid to Vice President Mike Pence during his time in the House of Representatives, and as the Executive Director of the Republican Study Committee.

Recently Introduced Health Legislation

H.R. 1854 (introduced by Rep. Jenkins): A bill to require the use of prescription drug monitoring programs and to facilitate information sharing among States; Energy and Commerce

H.R.1871 (introduced by Rep. John J. Faso): To amend title XIX of the Social Security Act to reduce Federal financial participation for certain States that require political subdivisions to contribute towards the non-Federal share of Medicaid; Energy and Commerce

H.R.1876 (introduced by Rep. Marsha Blackburn): To amend the Public Health Service Act to limit the liability of health care professionals who volunteer to provide health care services in response to a disaster; Energy and Commerce, Judiciary

H.R.1898 (introduced by Rep. Patrick Meehan): To amend title XVIII of the Social Security Act to improve access to, and utilization of, bone mass measurement benefits under part B of the Medicare program by establishing a minimum payment amount under such part for bone mass measurement; Energy and Commerce, Ways and Means

S.808 (introduced by Sen. John Thune): A bill to provide protections for certain sports medicine professionals who provide certain medical services in a secondary State; Health, Education, Labor, and Pensions

S.815 (introduced by Sen. Bill Nelson): A bill to amend titles XVIII and XIX of the Social Security Act to make premium and cost-sharing subsidies available to low-income Medicare part D beneficiaries who reside in Puerto Rico or another territory of the United States; Finance

H.R.1904 (introduced by Rep. Pete Olson): To amend title XVIII of the Social Security Act to align physician supervision requirements under the Medicare program for radiology services performed by advanced level radiographers with State requirements; Energy and Commerce, Ways and Means

H.R.1920 (introduced by Rep. Fred Upton): To amend part B of title XVIII of the Social Security Act to exclude customary prompt pay discounts from manufacturers to wholesalers from the average sales price for drugs and biologicals under Medicare, and for other purposes; Energy and Commerce, Ways and Means

H.R.1922 (introduced by Rep. Michael C. Burgess): To amend the Higher Education Act of 1965 to establish fair and consistent eligibility requirements for graduate medical schools operating outside the United States and Canada; Education and the Workforce

H.R.1933 (introduced by Rep. John J. Duncan, Jr.): To amend the Internal Revenue Code of 1986 to allow individuals to receive a premium assistance credit for insurance not purchased on an Exchange, and for other purposes; Ways and Means, Energy and Commerce

H.R.1939 (introduced by Rep. Morgan H. Griffith): To amend title XVIII of the Social Security Act to ensure equal access of Medicare beneficiaries to community pharmacies in underserved areas as network pharmacies under Medicare prescription drug coverage, and for other purposes; Energy and Commerce, Ways and Means

H.R.1946 (introduced by Rep. John Lewis): To amend the Public Health Service Act to require reporting by the National Institutes of Health on requests for funding research that were not granted and had the greatest potential for improving public health, and for other purposes; Energy and Commerce

H.R.1955 (introduced by Rep. Tom Reed): To amend title XVIII of the Social Security Act to make permanent the extension of the Medicare-dependent hospital (MDH) program and the increased payments under the Medicare low-volume hospital program; Ways and Means

S.849 (introduced by Sen. Angus S. King): A bill to support programs for mosquito-borne and other vector-borne disease surveillance and control; Health, Education, Labor, and Pensions

S.850 (introduced by Sen. Richard J. Durbin): A bill to amend the Higher Education Act of 1965 to establish fair and consistent eligibility requirements for graduate medical schools operating outside the United States and Canada; Health, Education, Labor, and Pensions

H.R.1984 (introduced by Rep. Sheila Jackson Lee): To provide for research and education with respect to triple-negative breast cancer, and for other purposes; Energy and Commerce

H.R.1991 (introduced by Rep. Lou Barletta): To amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act; Ways and Means

H.R.1995 (introduced by Rep. Diane Black): To amend title XVIII of the Social Security to provide for national testing of a model of Medicare Advantage value-based insurance design to meet the needs of chronically ill Medicare Advantage enrollees; Ways and Means, Energy and Commerce

H.R.2009 (introduced by Rep. Ryan A. Costello): To amend the Federal Food, Drug, and Cosmetic Act to provide clarity with respect to the regulation of diagnostic imaging devices intended for use with contrast agents; Energy and Commerce

H.R.2022 (introduced by Rep. Paul A. Gossar): To ensure certain safety measures are utilized in the interest of public health security with respect to labeling and transporting human tissue specimen or collection of specimens into interstate commerce; Energy and Commerce

H.R.2025 (introduced by Rep. Morgan H. Griffith): To amend section 505(c)(3)(E) of the Federal Food, Drug, and Cosmetic Act to prevent certain applications from being considered ineligible for approval under section 505(c) of such Act on the basis that the proposed labeling includes information describing abuse-deterrent properties that otherwise would be blocked by exclusivity under clause (iii) or (iv) of section 503(c)(3)(E) of such Act, and for other purposes; Energy and Commerce

H.R.2026 (introduced by Rep. Brett Guthrie): To improve patient access to emerging medication therapies by clarifying the scope of permitted health care economic and scientific information communications between biopharmaceutical manufacturers and population health decision makers; Energy and Commerce

H.R.2037 (introduced by Rep. Leonard Lance): To amend the Veterans Access, Choice, and Accountability Act of 2014 to expand and make permanent the Veterans Choice Program, and for other purposes; Veterans' Affairs

H.R.2038 (introduced by Rep. John B. Larson): 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; Energy and Commerce, Ways and Means

H.R.2042 (introduced by Rep. David Loebsack): To amend the Public Health Service Act to direct the Secretary of Health and Human Services to establish a Frontline Providers Loan Repayment Program; Energy and Commerce

H.R.2047 (introduced by Rep. Ben Ray Lujan): To amend title XIX of the Social Security Act to provide for behavioral health infrastructure improvements under the Medicaid program; Energy and Commerce

H.R.2050 (introduced by Rep. Carolyn B. Maloney): To provide for a Medicare demonstration project to evaluate the fiscal impact of covering low vision devices as durable medical equipment under part B of the Medicare program; Energy and Commerce, Ways and Means

H.R.2051 (introduced by Rep. David B. McKinley): To amend the Federal Food, Drug, and Cosmetic Act to ensure that eligible product developers have competitive access to approved drugs and licensed biological products, so as to enable eligible product developers to develop and test new products, and for other purposes; Energy and Commerce

H.R.2063 (introduced by Rep. Bradley Scott Schneider): To amend the Controlled Substances Act to require certain training as a condition of registration to prescribe or dispense opioids for the treatment of pain or pain management, and for other purposes; Energy and Commerce, Judiciary

H.R.2065 (introduced by Rep. Carol Shea-Porter): To amend title XVIII of the Social Security Act to provide for an option for any citizen or permanent resident of the United States to buy into Medicare; Ways and Means

H.R.2066 (introduced by Rep. Jackie Speier): To prevent abusive billing of ancillary services to the Medicare program, and for other purposes; Energy and Commerce, Ways and Means

H.Res.262 (introduced by Rep. Barbara Lee): Supporting the goals and ideals of National Youth HIV & AIDS Awareness Day; Energy and Commerce

H.Res.270 (introduced by Rep. Lucille Roybal-Allard): Supporting the goals and ideals of National Public Health Week; Energy and Commerce

S.870 (introduced by Sen. Orrin Hatch): A bill to amend title XVIII of the Social Security Act to implement Medicare payment policies designed to improve management of chronic disease, streamline care coordination, and improve quality outcomes without adding to the deficit; Finance

S.872 (introduced by Sen. Chuck Grassley): A bill to amend title XVIII of the Social Security Act to make permanent the extension of the Medicare-dependent hospital (MDH) program and the increased payments under the Medicare low-volume hospital program; Finance