



Health Policy Briefing

June 13, 2016

House Republicans Unveil Formal Policy Recommendations

House Republicans began the release of their six-part formal policy agenda, titled "A Better Way Forward: Our Vision for a Confident America," with the unveiling of their plan to combat poverty last week. The report from the Poverty, Opportunity and Upward Mobility task force emphasizes giving states more flexibility to help people find jobs, escape poverty and become self-sufficient. It also stresses the importance of public-private partnerships in the development of welfare programs. The report does not address Medicaid, nor does it reference any specific legislative solutions. The party's recommendations for national security were released later in the week. The remainder of the agenda, including taxes, and regulations, will be presented over the next three weeks. The health care task force is expected to release their plan on June 22.

Moonshot Launches Cancer Databank

The National Institutes of Health (NIH) have announced the creation of a unified genomic and clinical data repository for public use by cancer researchers as a core component of the Cancer Moonshot and Precision Medicine initiatives. The National Cancer Institute's (NCI) Genomic Data Commons (GDC) system will allow cancer researchers to freely access raw genomic and clinical data for 12,000 patients, with more records to be added over time. The goal of the GDC is to allow researchers to compare their findings against those of their peers, which could lead to a deeper understanding of the most effective therapies for individual oncology patients. \$70 million will be put toward the development of the GDC by NCI. Initially, the GDC will build upon information from the existing NCI genomic databases the Cancer Genome Atlas and the pediatric Therapeutically Applicable Research to Generate Effective Therapies. The GDC will also accept submissions of cancer genomic and clinical data from researchers around the world who wish to share their data more broadly.

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Both Chambers Consider Budget Rule Changes

The House will begin using a structured rule process (instead of an open-rule process) for floor consideration of appropriations bills, beginning with debate on the fiscal year (FY) 2017 Defense appropriations bill this week. The decision was made by House Republican leadership following a conference meeting last Wednesday, both in order to reduce the number of controversial amendments offered by Democrats, and to move forward more quickly with the remaining FY 2017 spending bills. Amendments will now have to be approved by the House Rules Committee before debate on the floor. The announcement received strong criticism from Democrats. Some rank and file Republican conservatives are also concerned with the decision, and worry that their own amendments will not be brought up for consideration. On the other side of the Capitol, the Senate Budget Committee held a closed-door meeting last week with former Senate Budget Committee chairmen Judd Gregg (R-NH) and Kent Conrad (D-ND) to discuss overhauling their chamber's budget process. The former senators recommended the formation of a new fiscal commission to strengthen the budget process. A related bill is expected to be released and marked up in the Senate before Congress leaves for recess on July 15.

Zika Update

Last week, the Senate agreed by voice vote to join the House in a conference committee to resolve the differences in each chamber's Zika response legislation. The House bill is fully offset and would provide \$622 million in funding through the end of fiscal year (FY) 2016. The Senate bill is not offset, and would provide \$1.1 billion in funding with no expiration date. The Republicans representing the Senate in conference are Sens. McConnell (KY), Blunt (Mo.), Kirk (Ill.), Graham (S.C.), Collins (Maine), Murkowski (Alaska), Hoeven (N.D.), Boozman (Ark.), Capito (W.V.), and Cochran (Miss.). The Democrats representing the Senate are Sens. Mikulski (Md.), Murray (Wash.), Tester (Mont.), Reed (R.I.), Udall (N.M.), Schatz (Hawaii), Baldwin (Wis.), Murphy (Conn.), and Leahy (Vt.). Meanwhile, the administration released a draft action plan for combatting the transmission of the Zika virus last week during a teleconference with officials from the states most vulnerable to an outbreak. The Centers for Disease Control and Prevention (CDC) will provide states with a step-by-step emergency plan to respond to locally transmitted cases of Zika. The administration's protocol has not yet been made public. The World Health Organization (WHO) released new guidance last week that urges people to consider delaying pregnancy in areas where Zika is actively spreading. This represents the organization's strongest warning yet about the virus, and would apply to 46 countries as well as the U.S. territory of Puerto Rico.

House Passes Hospital Legislative Package

Last week, the House of Representatives unanimously passed the bipartisan Helping Hospitals Improve Patient Care Act (H.R. 5273). The legislation would allow additional hospital outpatient facilities to receive grandfathered status to exclude them from the site-neutral payment rules included in last year's budget agreement. It would also add beds for long-term care hospitals (LTCHs), extend a rural hospital demonstration, and delay the administration's authority to terminate some Medicare Advantage (MA) contracts. There is no companion legislation in the Senate, and the Finance Committee has no immediate plans to act on the bill.

Lawmakers Inquire About the Availability of Naloxone

Chairman and Ranking Member of the Senate Aging Committee Susan Collins (R-Maine) and Claire McCaskill (D-Mo.) have sent identical **letters** to five drug companies questioning their efforts to make the opioid reversal drug naloxone accessible to the public. The senators cite reports that the price of one version of the drug rose 17-fold in the last two-years. Some hospitals have also reported difficulty obtaining sufficient amounts of the drug. "Given these reports, we request that you provide insight into what actions you are taking to ensure continued and improved access to naloxone, an explanation for price changes in your company's naloxone product, and a description of the available resources and tools to prevent barriers to access and shortages of this critical and life-saving medication," the lawmakers write.

News on the Part B Drug Demo

The Centers for Medicare and Medicaid Services (CMS) has responded to the 242 House members that sent a letter to the agency requesting that they withdraw the proposed Part B payment demonstration. Acting Administrator Andy Slavitt wrote that CMS “appreciates you bringing these views to our attention,” and that the comments will be included as a part of the public record. He provided no indication that CMS plans to withdraw the proposal. In response to CMS’ letter, Congressmen John Shimkus (R-Ill.), Tom Price, M.D. (R-Ga.), and Charles Boustany, Jr., M.D. (R-La.) released statements expressing disappointment about the agency’s brief and uninformative response, which they classified as “disrespectful” and “dismissive.” During the American Medical Association’s (AMA) annual delegates meeting currently taking place in Chicago, the organization will consider a resolution for the AMA to press Congress to block implementation of the Part B drug payment model if the proposal is not scaled back or withdrawn entirely. Additionally, the Senate Finance Committee plans to hold a hearing on June 28 regarding the Part B demo. CMS Deputy Administrator and Chief Medical Officer Patrick Conway is expected to testify.

Lawmakers Ask HELP Leadership to Examine OOP Costs

Sens. Christopher Murphy (D-Conn.) and Shelley Moore Capito (R-W.V.) have spearheaded a [letter](#) to Chairman and Ranking Member of the Senate Health, Education, Labor and Pensions (HELP) Committee Lamar Alexander (R-Tenn.) and Patty Murray (D-Wash.) urging them to examine patient perspectives on access to care, particularly on high out-of-pocket costs for treatment. The lawmakers outline the use of specialty tiers and skyrocketing co-insurance as health care trends that are causing a significant financial burden for patients. These trends have led to poor adherence and non-adherence to treatment plans. The letter was co-signed by Sens. Kelly Ayotte (R-N.H.), Michael Bennet (D-Colo.), Richard Blumenthal (D-Conn.), Tim Kaine (D-Va.), Angus S. King, Jr. (I-Maine), Amy Klobuchar (D-Minn.), Brian Schatz (D-Hawaii), and Charles E. Schumer (D-N.Y.).

Energy and Commerce to Consider Re-Drafted Mental Health Bill This Week

The House Energy and Commerce Committee has scheduled a full committee markup on Wednesday to consider an updated version of H.R. 2646, the Helping Families in Mental Health Crisis Act. The bipartisan legislation, sponsored by Oversight and Investigations Subcommittee Chairman Tim Murphy (R-Pa.), a psychologist, has been revised in recent months to address various concerns held by members on both sides of the aisle. The new version of the bill removes changes to the Health Insurance Portability and Accountability Act (HIPAA) as a result of Democratic concerns about the loosening of privacy protections for patients. The revised legislation would keep the administrator of the Substance Abuse and Mental Health Services Administration (SAMHSA) in place, and eliminates incentives for state laws allowing judges to order mentally ill people to follow a treatment plan. Democrats may also push for additional changes to be made in advance of the markup. In response to Republican concerns about cost, the version of the bill to be marked up on Wednesday includes a less expansive provision allowing Medicaid to pay for more care at mental health facilities.

Senate HHS Spending Bill Advances Out of Committee

The \$162 billion Labor, Health and Human Services (HHS), and Education appropriations bill for fiscal year (FY) 2017 was favorably reported out of both subcommittee and full committee in the Senate last week. The spending bill is \$270 million less than the currently enacted funding level. HHS would receive \$76.9 billion, an increase of \$1.4 billion. The National Institutes of Health (NIH) would receive a \$2 billion increase over FY 2016, for a total budget of \$34 billion. Funding for the Centers for Disease Control and Prevention (CDC) would be cut by \$118 million. The bill also includes an additional \$400 million for research to combat Alzheimer's disease, and an increase in \$100 million for the Precision Medicine Initiative. Efforts to fight antibiotic resistance and opioid abuse would also receive boosts under the Senate appropriations legislation. The issue of antibiotic resistance would receive \$626 million in FY 2017, up from \$573 million, and opioid abuse would receive \$261 million in FY 2017, up from \$135 million during the current fiscal year. The bill would eliminate funding for the Independent Payment Advisory Board (IPAB). The House Appropriations Committee has not yet scheduled a time to take up its version of the spending bill.

Upcoming Congressional Meetings and Hearings

House Energy and Commerce Oversight and Investigations hearing titled "Combatting Superbugs: U.S. Public Health Responses to Antibiotic Resistance;" 10:00 a.m., 2322 Rayburn Bldg.; June 14

House Energy and Commerce Committee markup of several bills including H.R. 2546, the Helping Families in Mental Health Crisis Act; 2123 Rayburn Bldg., 5:00 p.m. (opening statements only), June 14; consideration of the bill continues at 10:00 a.m., June 15

House Science, Space, and Technology Subcommittee on Research and Technology hearing titled "SBIR / SSTR Reauthorization: A Review of Technology Transfer;" 9:30 a.m., 2318 Rayburn Bldg.; June 16

House Veterans' Affairs Subcommittee on Health field hearing titled "Access and Accountability: Examining Obstacles to High Quality Patient Care in Louisiana;" 3:00 p.m., Pineville City Council Chambers, Pineville City Hall, 910 Main Street, Pineville, LA 71360, June 20

Senate Appropriations Military Construction and Veterans Affairs, and Related Agencies Subcommittee hearing to examine a review of the Dept. of Veterans Affairs' electronic health record (VistA), progress toward interoperability with the Department of Defense's electronic health record, and plans for the future; 10:30 a.m., 124 Dirksen Bldg.; July 13

Recently Introduced Health Legislation

H.R.5395 (introduced by Rep. Michael C. Burgess): A bill to require studies and reports examining the use of, and opportunities to use, technology-enabled collaborative learning and capacity building models to improve programs of the Department of Health and Human Services, and for other purposes; to the House Committee on Energy and Commerce; June 7

H.R.5396 (introduced by Rep. Jim McDermott): A bill to amend title XVIII of the Social Security Act to provide for coverage of dental, vision, and hearing care under the Medicare program; 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; June 7

H.R.5399 (introduced by Rep. David P. Roe): A bill to amend title 38, United States Code, to ensure that physicians of the Department of Veterans Affairs fulfill the ethical duty to report to State licensing authorities impaired, incompetent, and unethical health care activities; to the House Committee on Veterans' Affairs; June 7

H.R.5403 (introduced by Rep. Michael G. Fitzpatrick): A bill to amend the Federal Food, Drug, and Cosmetic Act with respect to liability under State and local requirements respecting devices; to the House Committee on Energy and Commerce; June 8

H.R.5404 (introduced by Rep. Michael G. Fitzpatrick): A bill to amend the Federal Food, Drug, and Cosmetic Act to require physicians and physician's offices to be treated as covered device users required to report on certain adverse events involving medical devices, and for other purposes; to the House Committee on Energy and Commerce; June 8

H.R.5405 (introduced by Rep. Steve Cohen): A bill to establish the Stop, Observe, Ask, and Respond to Health and Wellness Training pilot program to address human trafficking in the health care system; to the House Committee on Energy and Commerce; June 8

H.R.5410 (introduced by Rep. Bill Flores): A bill to amend the Patient Protection and Affordable Care Act to better align the grace period required for non-payment of premiums before discontinuing coverage under qualified health plans with such grace periods provided for under State law; to the House Committee on Ways and Means; June 8

H.R.5411 (introduced by Rep. Joseph P. Kennedy, III): A bill to amend title XIX of the Social Security Act to provide under the State plan under the Medicaid program early and periodic screening, diagnostic, and treatment services to individuals under age 21 who are receiving services in institutions for mental diseases; to the House Committee on Energy and Commerce; June 8

H.R.5414 (introduced by Rep. Fred Upton): A bill to amend the Federal Food, Drug, and Cosmetic Act to provide for establishment of one or more Intercenter Institutes within the Food and Drug Administration for a major disease area or areas, and for other purposes; to the House Committee on Energy and Commerce; June 8

H.R.5425 (introduced by Rep. Michael E. Capuano): A bill to require the President to designate a legal public holiday to be known as National First Responders Day; to the House Committee on Oversight and Government Reform; June 9

H.R.5431 (introduced by Rep. Steve Israel): A bill to direct the Secretary of Veterans Affairs to establish a pilot program to award grants to health care entities to lease, purchase, or build health care facilities for female patients to provide hospital care and medical services to qualified female veterans; to the House Committee on Veterans' Affairs; June 9

H.R.5432 (introduced by Rep. David P. Joyce): A bill to prevent the abuse of opiates, to improve response and treatment for the abuse of opiates and related overdoses, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on the Judiciary, Oversight and Government Reform, and Armed Services, 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; June 9

H.R. 5445 (introduced by Rep. Paulsen): A bill to amend the Internal Revenue Code of 1986 to improve the rules with respect to health savings accounts; to the Committee on Ways and Means; June 10

H.R. 5447 (introduced by Rep. Boustany): A bill to provide an exception from certain group health plan requirements for qualified small employer health reimbursement arrangements; to the Committee on Ways and Means, and in addition to the Committees on Education and the Workforce, and 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; June 10

S. 3019 (introduced by Sen. Rounds): A bill to require the Secretary of Defense to implement processes and procedures to provide expedited evaluation and treatment for prenatal surgery under the TRICARE program; to the Committee on Armed Services; June 6

S.3030 (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; to the Committee on Finance; June 8

S.3035 (introduced by Sen. Dean Heller): A bill to require the Secretary of Veterans Affairs to carry out a pilot program to increase the use of medical scribes to maximize the efficiency of physicians at medical facilities of the Department of Veterans Affairs; to the Committee on Veterans' Affairs; June 8

S. 3039 (introduced by Sen. King): A bill to support programs for mosquito-borne and other vector-borne disease surveillance and control; to the Committee on Health, Education, Labor, and Pensions; June 9

S. 3040 (introduced by Sen. Blunt): An original bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2017, and for other purposes; from the Committee on Appropriations; placed on the calendar; June 9

S. 3043 (introduced by Sen. Klobuchar): A bill to direct the Secretary of Veterans Affairs to carry out a pilot program establishing a patient self-scheduling appointment system, and for other purposes; to the Committee on Veterans' Affairs; June 9