



Health Policy Briefing

June 8, 2015

White House Holds Summit on Antibiotic Resistance

Stakeholders Pledge to Increase Responsible Antibiotic Use

The White House placed a spotlight on the issue of bacteria that is resistant to antibiotics last week, holding a summit that was attended by 150 stakeholders, including representatives of the agricultural industry, pharmaceutical industry, medical device industry, food producing and processing industry, hospitals, research firms, consumer advocacy groups, professional medical societies, restaurant chains and the retail industry. Attendees discussed the prevention of antibiotic overuse in both humans and animals, which worsens the rise of deadly drug-resistant bacteria. During the summit, the Administration announced several measures to fight antibiotic resistance and increase the responsible use of antibiotics. Following an executive order signed by the President, the General Services Administration (GSA) will begin prioritizing the option of antibiotic free meat and poultry in federal cafeterias. The President also noted that the Presidential Food Service would begin serving food that has been raised under responsible antibiotic practices. The Food and Drug Administration (FDA) announced the finalization of a regulation that would bring the use of farm antibiotics under a veterinarian’s supervision, so as to scale back the practice of using antibiotics to make animals grow, rather than to treat infections. The rule details what veterinarians must do when authorizing the use of antibiotics in livestock, and goes into full effect in December 2016. Farmers will be required to get a prescription for the therapeutic use of antibiotics which are also medically important to humans. The rule prohibits the use of antibiotics for any purposes other than the treatment of sick animals, and promotes the judicious use of medically important antibiotics in animal feed. Discussions were held on efforts to develop rapid diagnostics to ensure that the right drug is provided to the right patient, in order to prevent over treatment or treatment with an inappropriate antibiotic, which further contributes to resistance. Hospital systems discussed actions underway to improve antibiotic prescribing practices. U.S. Department of Health and Human Services (HHS) Secretary Sylvia Mathews Burwell announced that HHS will develop a rule outlining the antibiotic stewardship programs which hospitals must implement, and will award a \$20 million prize for the development of a rapid, point of care diagnostic test to track the spread of

continued on page 2

Inside

- [WaysandMeansAdvancesHealthLegislation.....](#)2
- [GAO Releases Report on Medicare Administrative Contractors.....](#)2
- [Senate Finance Advances Medicare Appeals Process Reform.....](#)3
- [Lawmakers Continue to Prepare for Outcome of King v. Burwell.....](#)3
- [Upcoming Congressional Meetings and Hearings.....](#)3
- [HealthLegislationRecentlyIntroduced.....](#)4

continued from page 1

bacteria resistant to medicine. During the summit many stakeholders committed to making changes to slow the emergence of resistant bacteria and prevent the spread of resistant infections. A list of formal commitments made by private sector leaders to improve antibiotic use and prescribing can be found [here](#). The forum is the Administration's latest attempt to tackle the rise of antibiotic resistance and curb the use of antibiotics in meat and poultry. The event follows the release of a [national action plan](#) for combating antibiotic resistant bacteria in March of this year. Also last week, Rep. John Shimkus (R-Ill.) and Rep. Gene Green (D-Texas) introduced the Antibiotic Development to Advance Patient Treatment (ADAPT) Act, to speed the approval of new antibiotics. The legislation would allow the approval of antibiotics for life-threatening diseases based on smaller clinical trials. H.R. 2629 calls on the Centers for Disease Control and Prevention (CDC) to boost surveillance efforts and to make their data public. Antibiotic resistance causes at least two million illnesses and 23,000 deaths in the United States annually, according to the CDC. The ADAPT Act is included in H.R. 6, the 21st Century Cures Act which is expected to be considered on the House floor the week of June 15th.

Ways and Means Advances Health Legislation

The House Ways and Means Committee considered changes to Medicare Advantage (MA) plans and repeal of several Affordable Care Act (ACA) provisions on Tuesday. The Committee voted 25-14 to repeal the ACA's 2.3 percent tax on medical device manufacturers, which helps to fund the 2010 health care law. Rep. Ron Kind (D-Wis.), the lead Democrat cosponsor, was the only Democrat to vote in favor of repeal. Opponents of the tax claim that it stifles industry innovation. During the markup, many Democrats criticized their Republican colleagues for failing to offset the repeal, which would cost \$26 billion over the next decade. The markup also included consideration of another Republican priority for changing the ACA, the repeal of the cost-cutting panel known as the Independent Payment Advisory Board (IPAB). Members of IPAB are appointed by the President and confirmed by the Senate, and are charged with making cuts to Medicare should program spending rise above a certain level. IPAB repeal was unanimously supported by committee Republicans, who were joined by seven Democrats in voting to advance the legislation. Ways and Means also advanced six bipartisan bills dealing with the MA program. These bills address coverage transparency, plan termination, rate scheduling, risk adjustment modifications, and a value based insurance demonstration. Finally, the Committee considered a measure to adjust the Medicare long-term hospital moratorium, a bill dealing with Medicare access for eye tracking accessories for speech generating devices, and an adjustment to a home medical practice demonstration program. The bills are scheduled for consideration on the House floor during the week of June 15. House Majority Whip Kevin McCarthy (R-Calif.) announced that this entire week will be focused on health care, with the possibility of also bringing the 21st Century Cures Act to the floor.

Medicare & Medicaid News

GAO Releases Report on Medicare Administrative Contractors

The Centers for Medicare and Medicaid Services (CMS) should consider whether alternative approaches could enhance contractor performance, according to a [report](#) released by the Government Accountability Office (GAO) last week. The GAO found that without using the wealth of data CMS has collected since the implementation of contracting reform in 2006 to analyze other contracting approaches, the agency may be missing opportunities to increase Medicare Administrative Contractors' (MAC) efficiency and effectiveness. In its comments, the U.S. Department of Health and Human Services (HHS) agreed with this recommendation and expressed plans to analyze alternative contracting approaches for MACs.

Medicare & Medicaid News cont.

Senate Finance Advances Medicare Appeals Process Reform

The Senate Finance Committee voted to advance bipartisan legislation to reform the Medicare audit and appeals process, which identifies waste and fraud in the program. The aim of the Audit and Appeal Fairness, Integrity, and Reforms in Medicare (AFIRM) Act of 2015 is to reduce the growing backlog of appeals by creating additional oversight and new ways to expedite cases through the system. The measure would increase coordination between the Centers for Medicare and Medicaid Services (CMS) and audit contractors, and would require CMS to come up with incentives to ensure auditor accuracy. The bill would also allow for multiple pending claims with similar issues to be settled jointly. An independent Ombudsman for Medicare Reviews and Appeals would assist in resolving complaints about the process, and the Office of Medicare Hearings and Appeals would be provided with additional resources to conduct reviews, hearings, appeals, and to establish new decision-making positions. The Office of Medicare Hearings and Appeals currently receives more appeals every month than it can handle in a year, resulting in a backlog of appeals and wait times of up to two years.

Affordable Care Act Update

Lawmakers Continue to Prepare for Outcome of King v. Burwell

Although the Supreme Court is expected to make its decision in the *King v. Burwell* case later this month, Sen. John Barrasso (R-Wyo.) has confirmed that Senate Republicans will not unite behind a transition plan before the Court's ruling is announced. Sen. Barrasso noted that the potential unpredictability of the ruling may make it difficult to choose an applicable Affordable Care Act (ACA) replacement. According to Rep. Paul Ryan (R-Wis.), a bill will be prepared in the House, but won't be made public until after the ruling. The Ways and Means Committee Chairman is one of three Republican leaders charged with creating a contingency plan should the court strike down the ACA subsidies. This week, the U.S. Department of Health and Human Services (HHS) also released a new estimate of the number of people who would be affected by the decision should the Supreme Court rule against the Administration. HHS calculates that 6.4 million people across 34 states have received a tax subsidy to help them purchase health coverage.

Upcoming Congressional Meetings and Hearings

House Ways and Means Committee: hearing on the 2010 health care law implementation and the fiscal 2016 budget request for the Department of Health and Human Services; 10:00 a.m., 1100 Longworth Bldg.; June 10

Senate Health, Education, Labor, and Pensions Committee: hearing titled "Health Information Exchange: A Path Towards Improving the Quality and Value of Health Care for Patients;" 10:00 a.m., 430 Dirksen Bldg.; June 10

House Veterans' Affairs Oversight and Investigations (O&I) Subcommittee: hearing titled "Prescription Mismanagement and the Risk of Veteran Suicide;" 10:30 a.m., 334 Cannon Bldg.; June 10

House Energy and Commerce Health Subcommittee: hearing titled "Examining H.R. 1786, James Zadroga 9/11 Health and Compensation Reauthorization Act"; 10:15 a.m., 2322 Rayburn Bldg.; June 11

Health Legislation Recently Introduced

H.R. 2597 (INNOVATION), to amend title XVIII of the Social Security Act to promote health care technology innovation and access to medical devices and services for which patients choose to self-pay under the Medicare program, and for other purposes; PAULSEN; jointly, to the committees on Ways and Means and Energy and Commerce; June 1

H.R. 2603 (SAFE HARBOR), to provide for the creation of a safe harbor for defendants in medical malpractice actions who demonstrate adherence to clinical practice guidelines; BARR; jointly, to the committees on Energy and Commerce and the Judiciary; June 2

H.R. 2614 (RELATIVE VALUE SCALE), to amend title XVIII of the Social Security Act to provide for an expert advisory panel regarding relative value scale process used under the Medicare physician fee schedule, and for other purposes; MCDERMOTT; jointly, to the committees on Energy and Commerce and Ways and Means; June 2

S. 1475 (SAFE HARBOR), to provide for the creation of a safe harbor for defendants in medical malpractice actions who demonstrate adherence to clinical practice guidelines; BARRASSO; to the Committee on the Judiciary; June 2

H.R. 2623 (DRUG REIMPORTATION), to reduce prescription drug costs by allowing the importation and reimportation of certain drugs; ELLISON; to the House Committee on Energy and Commerce; June 3

H.R.2624 (DRUG TIERS), to amend title XVIII of the Social Security Act to allow for fair application of the exceptions process for drugs in tiers in formularies in prescription drug plans under Medicare part D, and for other purposes; JOHNSON; jointly, to the committees on Energy and Commerce and Ways and Means; June 3

H.R.2629 (ADAPT), to amend the Federal Food, Drug, and Cosmetic Act with respect to the approval of certain antibacterial and antifungal drugs, and for other purposes; SHIMKUS; to the House Committee on Energy and Commerce; June 3

H.R.2632 (TRAUMA), to amend the Public Health Service Act to reauthorize and update the National Child Traumatic Stress Initiative for grants to address the problems of individuals who experience trauma and violence related stress; DELAURO; to the House Committee on Energy and Commerce; June 3

H.R.2635 (TERRITORIES), to amend titles XVIII and XIX of the Social Security Act to make improvements to the treatment of the United States territories under the Medicare and Medicaid programs, and for other purposes; PIERLUISI; jointly, to the committees on Energy and Commerce and Ways and Means; June 3

H.RES.296 (SICKLE CELL), calling for Sickle Cell Trait research; LEE; to the House Committee on Energy and Commerce; June 3

H.RES. 297 (MENTAL HEALTH), expressing support for designation of the first full week of May as “National Mental Health No Stigma Week”; PETERS; to the House Committee on Oversight and Government Reform; June 3

S. 1488 (PART D), to amend title XVIII of the Social Security Act to allow for fair application of the exceptions process for drugs in tiers in formularies in prescription drug plans under Medicare part D; NELSON; to the Committee on Finance; June 3

S. 1494 (TRAUMA), to amend the Public Health Service Act to reauthorize and update the National Child Traumatic Stress Initiative for grants to address the problems of individuals who experience trauma and violence related stress; MURRAY; to the Committee on Health, Education, Labor, and Pensions; June 3

H.R. 2646 (MENTAL HEALTH), to make available needed psychiatric, psychological, and supportive services for individuals with mental illness and families in mental health crisis, and for other purposes; MURPHY; jointly, to the committees on Energy and Commerce, Ways and Means, and Education and the Workforce; June 4

H.R. 2649 (SECONDARY PAYER), to amend title XVIII of the Social Security Act to provide for the application of Medicare secondary payer rules to certain workers’ compensation settlement agreements and qualified Medicare set-aside provisions; REICHERT; jointly, to the committees on Ways and Means and Energy and Commerce; June 4

Health Legislation Recently Introduced cont.

H.R. 2650 (ACA), to restore equity, save coverage, and undo errors in the case of individuals who lose health insurance subsidies under *King v. Burwell*, and for other individuals, and for other purposes; PRICE; jointly, to the committees on Energy and Commerce, Ways and Means, and Education and the Workforce; June 4

H.R. 2651 (DIABETES), to amend the Public Health Service Act to prevent and treat diabetes, to promote and improve the care of individuals with diabetes, and to reduce health disparities, relating to diabetes, within racial and ethnic minority groups, including the African-American, Hispanic American, Asian American, Native Hawaiian and Other Pacific Islander, and American Indian and Alaskan Native communities; DEGETTE; to the Committee on Energy and Commerce; June 4

H.R. 2652 (ICD-10), to provide a 2-year grace period for physicians and other health care providers in transitioning from the use of ICD-9 to ICD-10; PALMER; jointly, to the committees on Energy and Commerce and Ways and Means; June 4

H.R. 2653 (ACA), to repeal the Patient Protection and Affordable Care Act and related reconciliation provisions, to promote patient-centered health care, to provide for the creation of a safe harbor for defendants in medical malpractice actions who demonstrate adherence to clinical practice guidelines, and for other purposes; ROE; jointly, to the committees on Energy and Commerce, Ways and Means, Education and the Workforce, the Judiciary, Natural Resources, House Administration, Rules, Appropriations, Veterans' Affairs, and the Budget; June 4

H.R. 2658 (ACA), 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; BARLETTA; to the Committee on Ways and Means; June 4

S. 1503 (LYME DISEASE), to provide for enhanced Federal efforts concerning the prevention, education, treatment, and research activities related to Lyme disease and other tick-borne diseases, including the establishment of a Tick-Borne Diseases Advisory Committee; BLUMENTHAL; to the Committee on Health, Education, Labor, and Pensions; June 4

S. 1514 (SECONDARY PAYER), to amend title XVIII of the Social Security Act to provide for the application of Medicare secondary payer rules to certain workers' compensation settlement agreements and qualified Medicare set-aside provisions; PORTMAN; to the Committee on Finance; June 4

S. 1521 (UNINSURED), to amend the Internal Revenue Code of 1986 to increase access for the uninsured to high quality physician care; SCOTT; to the Committee on Finance; June 4