



Health Policy Briefing

July 10, 2017

Congress Continues work on ACA Repeal, Senate to Consider Cruz Amendment

As Congress returns from a week-long recess, Senate Republicans will continue to work to overcome deep divisions preventing a vote on legislation to reform the health care system.

The Congressional Budget Office (CBO) is currently working to analyze a version of the Senate proposal to repeal and replace the Affordable Care Act (ACA) that includes an amendment from Sen. Ted Cruz (R-Texas). Although legislative text has not yet been released, the proposal aims to provide for the availability of cheaper plans with lower premiums. The amendment would create two parallel health insurance markets across states. One market would include protections for individuals with preexisting conditions and coverage of essential health benefits. The other market would be allowed to sell plans that do not comply with these regulations, most likely without the support of federal subsidies, as long as insurers also sell plans that comply with the rules. While the Cruz amendment has been endorsed by the White House as well as both House and Senate conservatives, it is viewed as a nonstarter by moderate Republicans. There are concerns that the proposal would segment and destabilize the insurance market, sending healthy people into the deregulated, inexpensive plans, while sicker people with preexisting conditions would move into the regulated, but more expensive, insurance pool. It is also unclear whether Sen. Cruz's proposal would pass the rules of budget reconciliation.

Republicans hope to vote on a measure before the end of July, but a vote is unlikely to be held in the coming week. Even Majority Leader Mitch McConnell (R-Ky.) has begun to express doubts about the chances of successfully passing repeal and replacement legislation. If Senate Republicans cannot coalesce around a bill, McConnell has said that Congress would instead need to immediately act to stabilize insurance markets. Congress is scheduled to be in Washington for only three more weeks before leaving for the month-long August recess.

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Dems Examine Effects of Prevention Fund Repeal

Democratic leadership on the key House and Senate health committees released an **analysis** of how slashing Obamacare's Prevention and Public Health Fund would impact each state. The report, released by Ranking Member of the Senate Health, Education, Labor and Pensions (HELP) Committee Patty Murray (D-Wash.) and Ranking Member of the House Energy and Commerce Committee Frank Pallone (D-N.J.), concludes that states would lose a cumulative \$3 billion over the next five years. Both the House-passed American Health Care Act (AHCA) and current Senate repeal proposals call for elimination of the fund, which Democrats believe will debilitate public health efforts aimed at chronic disease, food-borne illness, pandemics, and other public health emergencies.

President Appoints CDC Director

Brenda Fitzgerald has been tapped to head the Centers for Disease Control and Prevention (CDC). She currently works as the Commissioner of the Georgia Health Department, and is the president-elect of the Association of State and Territorial Health Officials. Fitzgerald is a strong vaccination advocate, and has previously run unsuccessfully for Congress as a Republican in 1992 and 1994. Fitzgerald will replace the acting CDC director Anne Schuchat, who will return to her role as CDC principal deputy director.

Klobuchar Requests Information on Insulin Price Hikes

Sen. Amy Klobuchar (D-Minn.) is making inquiries into the price increase of insulin medication. She recently sent a **letter** to the CEOs of pharmaceutical companies Eli Lilly, Sanofi, and Novo Nordisk. "The simultaneous price increases raise questions about potential coordination," the lawmaker writes. Between 2010 and 2015, the list prices of insulin were raised by each of the companies by at least 150 percent. Sen. Klobuchar asks the companies to justify the higher prices.

Upcoming Congressional Meetings and Hearings

Senate Committee on Veterans' Affairs hearing on pending health care legislation; 2:30 p.m., 418 Russell Bldg.; July 11

House Energy and Commerce Oversight and Investigations Subcommittee hearing on Combatting the Opioid Crisis: Battles in the States; 10:00 a.m., 2123 Rayburn Bldg.; July 12

House Energy and Commerce Health Subcommittee hearing on Examining Medical Product Manufacturer Communications; 10:15 a.m., 2322 Rayburn Bldg.; July 12