



House Schedules Vote on FY 2015 CR and Passes PPACA Relief Measure

Appropriations CR Contains Ebola Funding

The House of Representatives is tentatively scheduled to vote this Tuesday on the fiscal year (FY) 2015 continuing resolution (CR), H.J.Res. 124. After some hesitancy to support the full \$88 million in funding sought by the Administration to address the Ebola crisis, it appears that House Republicans are prepared to move the CR with the requested funds, including \$58 million to help speed-up the development and production of vaccines and treatments for the disease and \$30 million to give the Centers for Disease Control and Prevention (CDC) the tools to help control the virus. In addition, the \$1.012 trillion CR (which would extend funding through December 11th) would allow the Food and Drug Administration (FDA) to collect outsourcing facilities fees for the inspection of compounding pharmacies. Of note, **House Appropriations Chairman Harold Rogers (R-KY)** said he will attempt to bring an omnibus appropriations measure to the House for a vote in December, although a Republican takeover of the Senate in the November elections could result in another CR which would extend into next year the decision-making needed to set the final spending levels for FY 2015.

House and Senate Set to Move Health Legislation

The House returns Monday to take up the following bills under Suspension of the Rules: H.R. 4771, the Designer Anabolic Steroid Control Act of 2014 and S. 2154, the Emergency Medical Services for Children

Reauthorization Act of 2014, which was passed in the Senate last week. On Tuesday the suspension calendar includes the following health-related bills: H.R. 4276, the Veterans Traumatic Brain Injury Care Improvement Act of 2014 and H.R. 4994, the Improving Medicare Post-Acute Care Transformation (IMPACT) Act of 2014. It is also possible that House Republicans will again attempt to repeal the Patient

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Protection and Affordable Care Act's (PPACA) medical device tax, this time by including the provision in another tax bill that could be brought up this week. Also of note, the Chairman of the House Energy and Commerce Committee, Fred Upton (R-MI), announced at a committee hearing that he plans to release in January a discussion draft of legislation which is an outgrowth of the committee's "21st Century Cures" hearings and roundtables. The legislation is expected to target the acceleration of medical breakthroughs by, among other things, modernizing clinical trials and creating incentives for the development of new drugs and devices and increasing the number of young scientists.

House and Senate Pass Additional Health-Related Bills

Despite Democrat opposition and a veto threat, last week House Republicans were successful in their efforts to pass H.R. 3552, the Employee Health Care Protection Act, which would allow health insurers to continue to offer group health insurance coverage in 2014 outside of PPACA exchanges to the extent that such policies were offered on any date in 2013 (even though they do not meet PPACA minimum essential coverage provisions). Without opposition, the House also sent to the Senate the following measures: H.R. 4067, to delay enforcement for the remainder of 2014 of a Medicare supervision requirement for outpatient therapeutic services in critical access and small, rural hospitals; H.R. 669, the Sudden Unexpected Death Data Enhancement and Awareness Act; H.R. 4290, to reauthorize the Emergency Medical Services for Children Program, the Wakefield Act of 2014; and H.R. 4701, the Vector-Borne Disease Research Accountability and Transparency Act of 2014. In addition, the House Judiciary Committee voice voted H.R. 4299, the Improving Regulatory Transparency for New Medical Therapies Act, which would require the Drug Enforcement Agency (DEA) to issue an interim final rule on the scheduling of a new drug no later than 60 days after it receives the FDA's scheduling recommendation as well as change the process the DEA uses in approving controlled substances for clinical trials. In addition, the President signed into law the following legislation: H.R. 3230, to improve the access of veterans to medical services from the Department of Veterans Affairs (Public Law 113-146) and H.R. 4631, to reauthorize certain provisions of the Public Health Service Act relating to autism (Public Law 113-157).

PPACA Health Reform Update

House Republicans Focus on PPACA Implementation

In a House Ways and Means Health Subcommittee hearing, the Internal Revenue Service (IRS) Commissioner testified that the IRS needs additional funding if the agency is to administer the PPACA properly. He said, of the 150 million individual income tax returns to be filed for 2014, about 120-125 million persons will only have to check a box that they have obtained PPACA mandated coverage. Others who obtain premium tax subsidies will have to make calculations so as to determine whether they are due refunds or owe additional tax because their actual income differs from the initial estimate used for the subsidy payments. The newly appointed Deputy Administrator of the Centers for Medicare and Medicaid Services (CMS) also testified that the upcoming open enrollment will go more smoothly after fixes were made this summer to HealthCare.gov, but that the auto-enrollment feature has yet to be fully tested. He said that the number of discrepancies that were found regarding citizenship and U.S. residency eligibility has been reduced from 310,000 to less than 10,000. Despite U.S. Department of Health and Human Services (HHS) Secretary Sylvia Mathews Burwell's statement that she wants her agency and Congress to establish a better working relationship with regard to the reform law, House Energy and Commerce Committee Republicans sent her a letter demanding that the agency stop "stonewalling" their request for information on state-run exchanges and the billion dollars HHS provided to states that failed to adequately implement their websites. To help individuals enroll this fall in health insurance exchanges, HHS announced that about \$60 million has been awarded to navigator organizations in 34 states.

PPACA Health Reform Update cont.

PPACA Grants to Health Centers

HHS announced that about 1,105 health centers have been granted over \$295 million to help increase access to comprehensive primary health-care services for about 1.5 million new patients.

Medicare/Medicaid/PHSA Corner

Health IT Provider Gain Flexibility in 2014

HHS issued a final rule which modifies the Office of the National Coordinator for Health Information Technology's (ONC) prior rule in order to give health IT developers more flexibility in having their HIT products certified in 2014. The rule is effective October 14.

Dialysis Center Star Rating System Delayed

CMS announced that the new "star" rating system for dialysis centers will be delayed until January, 2015. The Dialysis Facility Compare [DFC] will be added to the Hospital and Home Health Compare websites on Medicare.gov.

MedPAC Commissioners Discuss RAC and SNF Changes

At the Medicare Payment Advisory Commission's (MedPAC) September meeting, MedPAC commissioners appeared convinced that the Medicare Recovery Audit Contractor (RAC) program is in need of reform because of the high error rates found when hospitals challenge initial RAC findings. The panel also recommended that the "antiquated" three-day-in-hospital rule governing Medicare coverage for skilled nursing facilities be terminated.

Unused Drug Drop-Off Sites Authorized

The Drug Enforcement Administration (DEA) issued a final rule under the Secure and Responsible Drug Disposal Act of 2010 that will allow pharmacies, hospitals, clinics and other entities to serve as authorized drop-off sites for unused prescription drugs. Long-term care (LTC) facilities would also be allowed to collect controlled substances turned in by their patients.

Health-Related Hearings and Markups

Senate Special Aging Committee: will hold a hearing titled “*Harnessing the Power of Telehealth: Promises and Challenges?*” 2:00 p.m., 562 Dirksen Bldg.; September 16.

Senate HELP Committee and Senate Appropriations Subcommittee on Labor, HHS, Education and Related Agencies: will hold a joint hearing titled “*Ebola in West Africa: A Global Challenge and Public Health Threat;*” 2:30 p.m., 216 Hart Bldg.; September 16.

Senate Finance Health Care Subcommittee: will hold a hearing titled “*The Children’s Health Insurance Program: Protecting America’s Children and Families;*” 2:30 p.m., 215 Dirksen Bldg.; September 16.

Senate HELP Committee: will hold a markup to consider health and education bills, including S. 2141, the *Sunscreen Innovation Act;* 10:00 a.m., 430 Dirksen Bldg.; September 17.

House Foreign Affairs Africa, Global Health, Global Human Rights and International Organizations Subcommittee: will hold a hearing titled “*Global Efforts to Fight Ebola;*” 10 a.m., 2172 Rayburn; September 17.

House Energy and Commerce Oversight and Investigations Subcommittee: will hold a hearing titled “*Suicide Prevention and Treatment: Helping Loved Ones in Mental Health Crisis;*” 11:30 a.m., 2123 Rayburn Bldg.; September 18.

House Oversight and Government Reform Committee: will hold a hearing titled “*Examining ObamaCare’s Failures in Security, Accountability and Transparency;*” 11 a.m., 2154 Rayburn; September 18.

House Science, Space and Technology Committee: will hold a hearing titled “*The Science of Dyslexia;*” 11 a.m., 2318 Rayburn; September 18.

House Small Business Health and Technology Subcommittee: will hold a hearing titled “*An Update on the Small Business Health Options Program: Is It Working for Small Businesses?;*” 1 p.m., 2360 Rayburn; September 18.

Senate HELP Committee: will hold a hearing titled “*Fulfilling the Promise: Overcoming Persistent Barriers to Economic Self-Sufficiency for People with Disabilities;*” 9:30 a.m., 430 Dirksen; September 18.

House Energy and Commerce Health Subcommittee: will hold a hearing titled “*“21st Century Cures: Examining Ways to Combat Antibiotic Resistance and Foster New Drug Development;*” 9:00 a.m., 2123 Rayburn Bldg.; September 19.

Health Legislation Recently Introduced

H.J. RES. 124

(APPROPRIATIONS), making continuing appropriations for fiscal year 2015, and for other purposes; ROGERS of Kentucky; to the Committee on Appropriations and the Committee on the Budget, Sept. 9.

S. 2783 (MEDICARE), to establish a demonstration program requiring the utilization of value-based insurance design to demonstrate that reducing the copayments or coinsurance charged to Medicare beneficiaries for selected high-value prescription medications and clinical services can increase their utilization and ultimately improve clinical outcomes and lower health care expenditures; THUNE; to the Committee on Finance, Sept. 10.

H.R. 5435 (MEDICARE), to amend Title XVIII of the Social Security Act to provide for the coverage of home as a site of care for infusion therapy under Medicare; ENGEL; jointly, to the committees on Energy and Commerce and Ways and Means, Sept. 10

S. 2800 (PRIMARY CARE), to create a patient-centered quality of care initiative for seriously ill patients through the establishment of a stakeholder strategic summit, quality of life education and awareness initiative, health-care workforce training, an advisory committee and palliative care focused research, and for other purposes; BEGICH; to the Committee on Health, Education, Labor and Pensions, Sept. 11.

S. 2801 (INSURANCE REGULATION), to provide for conditions on the renewal of health insurance plans purchased through exchanges; ENZI; to the Committee on Health, Education, Labor and Pensions, Sept. 11.

H.R. 5453 (HEALTH INSURANCE COVERAGE), to authorize health insurance issuers to continue to offer for sale current group health insurance coverage in satisfaction of the minimum essential health insurance coverage requirement, and for other purposes; BRALEY of Iowa; jointly, to the committees on Energy and Commerce Ways and Means, Sept. 11.