



## Health Policy Briefing

July 12, 2021

### Biden Signs EO on Competition in U.S. Economy and Pharmaceutical Market

President Joe Biden signed an [executive order](#) (EO) on Friday to encourage competition across the U.S. economy, with a specific focus on the agriculture, technology, and pharmaceutical markets. According to the White House, the President aims to break up concentrated markets and reverse the trends of consolidation that the White House believes has weakened markets and widened racial, income, and wealth inequality. The EO includes 72 initiatives to be implemented by more than a dozen federal agencies. The U.S. Department of Health and Human Services (HHS) is directed to develop a plan within 45 days to counter high drug prices and to increase support for generic and biosimilar drugs. The Food and Drug Administration (FDA) is directed to work with states to import prescription drugs from Canada. The EO also directs the Federal Trade Commission (FTC) to ban pay-for-delay agreements and other similar agreements that can impact competition for low-cost treatment options for patients.

### House Dems Release Report on Drug Company Finances

Democrats on the House Oversight and Reform Committee released a [staff report](#) last week analyzing the financial data of the nation's largest pharmaceutical manufacturers. The report details manufacturers' buybacks and research and development (R&D) spending, finding that the top 14 drug companies spent \$577 billion on buybacks and dividends, \$56 billion more than the amount spent on R&D. The report also examines pharmaceutical executives' salaries at the times that companies raised the prices of their medications. The report aims to undermine industry's argument that reducing prescription drug prices will negatively impact innovation in the development of new treatments and cures. House Speaker Nancy Pelosi (D-Calif.) stated last week that she will push to attach Democrat's signature drug pricing legislation (H.R. 3) to the economic/infrastructure package expected to move via the budget reconciliation process later this year. Drug pricing provisions were not initially included as a part of the President's American Jobs and Families Plan agenda but were included in Senate Budget Committee Bernie Sanders' (I-Vt.) draft \$6 trillion budget resolution for the forthcoming fiscal year as a means to pay for Medicare expansion. Pelosi noted that she is working with colleagues in both the House and Senate to draft a version of H.R. 3 that could garner unified Democratic support.

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### ***Schumer Previews Senate Agenda in Advance of August Recess***

In a Dear Colleague [letter](#) to members of the Senate, Majority Leader Chuck Schumer (D-N.Y.) outlined his agenda for the chamber's upcoming work period. The Senate will continue its work to pass the American Jobs and Families Plan. Schumer describes the two paths being taken to advance the President's infrastructure priorities. On the bipartisan infrastructure path, committees are working together with the White House and the bipartisan infrastructure group to convert their recent agreement into legislation. The second track consists of work being done by the Senate Budget Committee on a fiscal year (FY) 2022 budget resolution that will be used to enact the remaining elements of the American Jobs and Families Plan – relating to climate change, health care, and the caring economy – through the budget reconciliation process. Schumer states that senators “should be prepared for the possibility of working long nights, weekends, and remaining in Washington into the previously-scheduled August state work period.” White House officials are pushing for a Senate vote on the bipartisan infrastructure deal as early as the week of July 19. As it currently stands, the plan is still just a framework agreed upon by a bipartisan group of 20 senators who continue to hammer out the details of turning their proposals into legislative text.

### ***CBO Update to the Budget and Economic Outlook: 2021 to 2031***

The Congressional Budget Office (CBO) has released its latest [publication](#) presenting projections of federal budget deficits, debt, revenues, and spending for the current year and for the following 10 years if current tax and spending laws remain unchanged. The agency finds that the federal budget deficit will total \$3.0 trillion, federal debt will reach 103% of gross domestic product (GDP) in fiscal year (FY) 2021, and real GDP will grow by 7.4% in calendar year 2021. CBO is expected to release more detailed information about its projections later this month.

### ***CDC, FDA Comment on Need for Booster Shots***

Individuals that have been fully vaccinated against COVID-19 do not need a booster shot at this time, according to a joint [statement](#) from the Centers for Disease Control and Prevention (CDC) and the Food and Drug Administration (FDA) on vaccine boosters. The National Institutes of Health (NIH), along with the CDC and FDA, remain “engaged in a science-based, rigorous process to consider whether or when a booster might be necessary,” and are “prepared for booster doses if and when the science demonstrates that they are needed.” The agency stresses that people who are unvaccinated remain at risk of severe disease and death, including from variants currently circulating around the country like the Delta variant. The joint statement may have been in response to a Pfizer-BioNTech [press release](#) related to their proposed third dose booster.

## Upcoming Congressional Hearings and Markups

*House Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies markup of fiscal year 2022 appropriations legislation; 11:00 a.m.; July 12*

*House Energy and Commerce Committee “Member Day” hearing for Members of the House of Representatives to testify before the Committee on legislation or issues of importance to them, their constituents, and districts within the Committee’s jurisdiction; 11:00 a.m.; July 13*

*Senate Judiciary Subcommittee on Competition Policy, Antitrust, and Consumer Rights hearing “A Prescription for Change: Cracking Down on Anticompetitive Conduct in Prescription Drug Markets;” 2:30 p.m.; July 13*

*Senate Foreign Affairs Committee hearing “Review of the FY 2022 USAID Budget Request;” 10:30 a.m.; July 14*

*House Science, Space, and Technology Subcommittee on Investigations and Oversight hearing “Principles for Outbreak Investigation: COVID-19 and Future Infectious Diseases;” 12:00 p.m.; July 14*

*House Foreign Affairs Committee hearing “The Biden Administration’s Foreign Assistance Priorities and USAID’s FY22 Budget Request;” 2:00 p.m.; July 14*

*Senate Finance Committee hearing “Defending and Investing in U.S. Competitiveness;” 2:00 p.m.; July 14*

*House Veterans’ Affairs Subcommittee on Health legislative hearing on pending legislation; 2:00 p.m.; July 14*

*Senate Veterans’ Affairs Committee hearing “VA Electronic Health Records: Modernization and the Path Ahead;” 3:30 p.m.; July 14*

*Senate Committee on Commerce, Science, and Transportation Committee hearing “Implementing Supply Chain Resiliency;” 10:30 a.m.; July 15*

*House Appropriations Committee markup of fiscal year 2022 appropriations legislation for Labor, Health and Human Services, Education, and Related Agencies; time TBD; July 15*

## Recently Introduced Health Legislation

*H.R.4295 — To require the Director of National Intelligence and the Director of the Central Intelligence Agency to conduct a study to identify supply chains critical to national security, and for other purposes; Sponsor: Rep. Van Duyne, Beth [R-TX-24]; Committees: House - Intelligence (Permanent Select)*

*H.R.4356 — Making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2022, and for other purposes. Sponsor: Rep. Bishop, Sanford D., Jr. [D-GA-2]; Committees: House – Appropriations*

*H.R.4355 — Making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2022, and for other purposes. Sponsor: Rep. Wasserman Schultz, Debbie [D-FL-23]; Committees: House – Appropriations*

*H.R.4351 — To ensure that hospitals are considered an eligible entity when awarding health profession opportunity grants under section 2008 of the Social Security Act. Sponsor: Rep. Horsford, Steven [D-NV-4]; Committees: House - Ways and Means*

*H.R.4350 — ‘by request’ version of National Defense Authorization Act for Fiscal Year 2022; Sponsor: Rep. Smith, Adam [D-WA-9]; Committees: House - Armed Services*

*H.R.4347 — To ensure appropriate access to remote physiologic monitoring services furnished under the Medicare program. Sponsor: Rep. Balderson, Troy [R-OH-12]; Committees: House - Energy and Commerce; Ways and Means*

*H.R.4362 — To prioritize the international distribution of COVID-19 vaccine doses, and for other purposes; Sponsor: Rep. Gimenez, Carlos A. [R-FL-26]; Committees: House - Foreign Affairs*

*H.R.4369 — To amend the 21st Century Cures Act to provide for designation of institutions of higher education that provide research, data, and leadership on continuous manufacturing as National Centers of Excellence in Continuous Pharmaceutical Manufacturing, and for other purposes; Sponsor: Rep. Pallone, Frank, Jr. [D-NJ-6]; Committees: House - Energy and Commerce*

*H.R.4371 — To amend the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to require group health plans and health insurance issuers offering group or individual health insurance coverage to provide coverage for additional preventive care for individuals with chronic conditions without the imposition of cost sharing requirement, and for other purposes; Sponsor: Rep. Underwood, Lauren [D-IL-14]; Committees: House - Energy and Commerce; Education and Labor; Ways and Means*