



# Health Policy Briefing

August 28, 2023

## Biden to Request Additional COVID Funds

President Joe Biden plans to request additional funding from Congress for new COVID-19 vaccines. It is unclear whether the money would go toward research and development of an updated vaccine beyond the one already in development, or whether the administration will seek to restart the federal program providing free coronavirus shots for all Americans. In either case, the request is likely to meet opposition from Republicans on Capitol Hill. The Centers for Disease Control and Prevention is scheduled to meet on September 12 to discuss the latest round of COVID-19 vaccines to be deployed this fall.

## Freedom Caucus to Oppose Clean CR

The House Freedom Caucus released a statement last week in anticipation of the use of a continuing resolution to fund the federal government beyond the end of the fiscal year on September 30. The Caucus stresses their support for reining in “reckless inflationary spending,” stating their refusal to support any stopgap spending measure that “continues Democrats’ bloated COVID-era spending.” The Freedom Caucus will oppose any clean, short-term funding bill that does not include the **Secure the Border Act**, address the “unprecedented weaponization of the Justice Department and FBI,” and “end the Left’s cancerous woke policies in the Pentagon.”

## CBO Announces 2023 Panel of Health Advisers

The Congressional Budget Office (CBO) has [announced](#) the members of its Panel of Health Advisers for the coming year. The panel advises CBO on its cost analyses and provides assistance to support CBO’s understanding of “cutting edge research and the latest real-world developments in health care delivery and financing.” The complete list of advisers and their affiliations can be found [here](#).

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## CMS Releases First Guidance on OOP Smoothing Program

The Centers for Medicare and Medicaid Services (CMS) released the [first](#) of two draft guidance documents last week to implement the Medicare Prescription Payment Plan Program. The program, which was established under the *Inflation Reduction Act*, will permit seniors to spread (or ‘smooth’) out their out-of-pocket (OOP) drug costs over a 12-month period. It is set to begin on January 1, 2025. The guidance instructs Part D plans on how to identify patients who may benefit from the program, how such patients should be notified via their pharmacy, and how insurers should reimburse pharmacies for the cost-sharing patients would otherwise pay upfront. Comments on the guidance are due September 20, 2023. A second guidance, planned for release early next year, will shed light on how the program will impact plan bids for 2025.

## First Medicare Price Negotiation Drugs to Be Announced This Week

The Biden administration will announce the first 10 prescription drugs selected for the first round of the *Inflation Reduction Act’s* Medicare price negotiation policy early this week. The announcement is expected to precede a Tuesday event at the White House on lowering health care costs scheduled for 2 p.m. Eastern. Under the law, CMS is required to publish the list of up to 10 Medicare Part D drugs it selects for negotiation by September 1.

## FDA Issues Warning Letters on Unapproved Skin Infection Treatments

The Food and Drug Administration (FDA) has issued six warning [letters](#), including several to the nation’s major retailers, about the selling of unapproved products labeled to treat molluscum contagiosum. There are currently no over-the-counter products approved to treat the viral skin infection, which is common in children. The letters require the companies to respond within 15 days with evidence that they are no longer selling the products or that their sale is not in violation of FDA regulations, or risk further action by the agency.

## Conservative Think Tanks Prepare Health Plans Ahead of 2024 Election

Paragon Health, the Heritage Foundation, and America First Policy Institute are at work drafting health policies in anticipation of the 2024 presidential election. Axios [reported](#) last week on work by the conservative think tanks to prepare health care policies and consider potential appointees should a Republican retake the White House next year. The plans include a focus on the use of association health plans, Medicaid block grants, site neutral payments, and an expansion of Trump-era transparency regulations.

## WaPo Explores Geographic Distribution of Physician Income

The Washington Post published a recent [article](#) exploring the geographic distribution of physician income and why the nation’s highest paid doctors work in the Dakotas. While the nationwide average is \$405,000, the average physician in their prime earning years (age 40 to 55) made \$524,000 annually in South Dakota, while in North Dakota they made \$468,000. Other rural states – Alaska, Wyoming, and Nebraska – round out the top five states for physician pay. The article suggests that the lack of competition in rural America may be responsible in part for these disparities in doctor pay, along with Medicare’s subsidization of seniors’ health care costs and the lack of variation in the program’s reimbursement rates for physician work from state-to-state.

H.R.5237 — To require the Comptroller General of the United States to submit a report on the effects of the fentanyl crisis, and for other purposes; Sponsor: Fry, Russell [Rep.-R-SC-7]; Committees: House - Energy and Commerce

H.R.5247 — To amend title 38, United States Code, to improve the authority of the Secretary of Veterans Affairs to hire psychiatrists; Sponsor: Cartwright, Matt [Rep.-D-PA-8]; Committees: House - Veterans' Affairs

H.R.5256 — To amend title XVIII of the Social Security Act to provide payment under part A of the Medicare Program on a reasonable cost basis for anesthesia services furnished by an anesthesiologist in certain rural hospitals in the same manner as payments are provided for anesthesia services furnished by anesthesiologist assistants and certified registered nurse anesthetists in such hospitals, and for other purposes; Sponsor: Moolenaar, John R. [Rep.-R-MI-2]; Committees: House - Ways and Means

H.R.5259 — To direct the Secretary of Defense to include in periodic health assessments of members of the Armed Forces an evaluation of whether the member has been exposed to perfluoroalkyl substances and polyfluoroalkyl substances, and for other purposes; Sponsor: Slotkin, Elissa [Rep.-D-MI-7]; Committees: House - Armed Services

H.R.5261 — To direct the Secretary of Defense to provide to each health care provider of the Department of Defense training regarding the potential health effects of perfluoroalkyl or polyfluoroalkyl substances; Sponsor: Slotkin, Elissa [Rep.-D-MI-7]; Committees: House - Armed Services