

1.9.17 – 1.13.17 Health Wrap Up

Please find below a summary of the latest major health policy events in Washington this week. Please let us know if you have any questions.

Scheduling note: due to preparations in the Capitol for the inauguration next week, the House will be on recess. Due to the inauguration, unless activity warrants, we will send the next wrap up on January 27.

BUDGET & APPROPRIATIONS

FY17 Appropriations

This week it was reported that House appropriators are looking at several options to wrap up the fiscal 2017 appropriations bills, including bringing the fiscal 2017 Defense bill to the floor soon after President-elect Donald Trump moves into the White House. Lawmakers would then bring up a legislative package containing the remaining 10 domestic discretionary bills according to Labor HHS Chairman Tom Cole (R-OK). According to Cole the aim would be to get a “domestic omnibus” passed by the April 28 end of the CR.

House Appropriations Committee Ranking Member Nita Lowey (D-NY) confirmed she has received direction from Republicans on spending bill action ahead, but declined to confirm that was the plan but said "it's one of the options."

Several options are reportedly under consideration, but no decisions have been made on the process or what bills to move at what time. On Thursday Rep. Mike Simpson (R-ID) said another option being considered is the possibility of using a series of minibuses to complete fiscal 2017 spending bills. He said appropriators would be reluctant to pass a Defense spending bill but use another continuing resolution for the remaining 10 spending bills.

ACA Repeal

At 1am Thursday morning, the Senate approved the fiscal year 2017 [budget resolution](#), which tees up GOP plans to repeal the 2010 health care law, by a vote of 51 - 49. Sen. Paul (R-KY) was the only senator who broke with party ranks and voted against the resolution. The House approved the resolution by a vote of 227 to 198 today. Nine Republicans voted against it.

Thursday night the Senate voted on a series of amendments in a “vote-a-rama.” Well over 150 amendments were filed, but only about dozen were voted on during the seven hours of debate. No amendments were approved. One of the more high profile amendments was offered by Sens. Sanders (I-VT) and Klobuchar (D-MN) to allow importation of drugs from Canada; the amendment failed by a 46 – 52 vote. The vote came just hours after President-Elect Trump

criticized the drug industry's pricing practices at his press conference; he accused the industry of "getting away with murder." All amendments can be viewed [here](#).

Other amendments of interest offered included:

- Whitehouse/Coons/Klobuchar amendment to establish a deficit-neutral reserve fund to address the opioid misuse and overdose epidemic
- Manchin/Baldwin/Markey/Durbin/Hassan/Brown/Udall/Klobuchar/Blumenthal/Leahy/King/Gillibrand/Whitehouse/Carper/Feinstein/Stabenow/Donnelly/Kaine/Warner/Cardin/Shaheen/Van Hollen amendment against reducing access to MH/SUD treatment
- King amendment to ensure that MH/SUD is part of the essential health benefits with parity protections
- Stabenow/Cardin/Murphy/Durbin/Cantwell/Franken/Carper/Baldwin/Peters/Brown/Udall amendment against reducing access to MH treatment
- Hassan/Brown/Shaheen/Baldwin amendment against reducing access to MAT
- Cardin amendment against any cuts to mental health services by repealing the ACA
- Durbin amendment to remove the IMD exclusion

As we have previously discussed, the reconciliation instructions in the budget resolution allow the Senate to approve legislation by a simple majority vote, instead of the 60-vote threshold normally required under Senate rules. The budget resolution specifically instructs four committees - House Ways and Means and Energy and Commerce and Senate Finance and Health, Education, Labor, and Pensions - to come up with their respective portions of repeal legislation by January 27.

What an ACA replacement plan will look like and whether it will be enacted at the same time the law is repealed remained a hot topic this week. As you know, some Republicans have expressed reservations about repealing the law without simultaneously replacing it. Five Republican Senators – Corker (R-TN), Portman (R-OH), Collins (R-ME), Murkowski (R-AK) and Cassidy (R-LA) - introduced an amendment to the budget resolution to delay the deadline until March 3, but it was withdrawn Wednesday night. The sponsors of the amendment had said that the longer deadline would allow for more time for a replacement plan to be developed. When withdrawing the amendment, Corker noted that the deadlines are not binding. Confirming that the deadlines could shift, when asked about the end of February target to get the reconciliation bill to Trump's desk at a press conference on Thursday, Speaker Ryan (R-WI) said, "We're not holding hard deadlines."

In a [speech](#) this week, Sen. Alexander (R-TN), Chairman of the HELP Committee, laid out his priorities for a replacement bill. Alexander said steps need to be taken to prevent insurers from leaving state exchanges by providing more flexibility, including determining the 10 categories of essential health benefits (EHB) that insurers are required to provide under the law. Alexander also advocated for other changes including allowing for subsidies to be used for buying insurance outside of the exchanges, expanding health savings accounts and repealing the individual mandate. However, indicating the complexity of the repeal/replace process, Sen. Hatch (R-UT), Chairman of the Finance Committee, told reporters that it will be “very difficult” to include a replacement bill on reconciliation because of Senate rules.

As you know, only portions of the healthcare law can be repealed through the reconciliation process. Last week, Vice President-elect Pence said that Trump plans to use executive orders to dismantle parts of Obama's health care law as soon as he takes office, but he declined to offer any details. He said White House staff are working out a two-track approach to use both repeal legislation and administrative action. Regulatory action could adjust required benefit levels, relax premium rebate requirements, add restrictions to coverage gained outside of the open enrollment period and relax health provider network rules with the intent of keeping insurers in the marketplace and lowering premium. Such regulatory changes are not immediate and normally require several months to manage publication and comment requirements.

TRUMP ADMINISTRATION

NIH Director

On Wednesday afternoon, National Institutes of Health Director Francis Collins met with President-elect Donald Trump. As you know, many top GOP leaders on health in both the House and Senate have encouraged Trump to keep Collins on board.

Collins submitted his resignation letter, dated Jan. 20, last week. The letter is a formality as Collins had indicated he would still stay on under the new administration if asked. He reportedly plans to return to a research job at NIH if he isn't selected as its next director.

Rep. Andy Harris (R-MD), who has also expressed interest in the NIH job, met with Trump on Wednesday as well.

FDA Administrator

Yesterday, President-Elect Trump met with Silicon Valley insiders Jim O'Neill and Balaji Srinivasan about leading the Food and Drug Administration (FDA). Both have been critics of the current drug approval processes at the FDA and would potentially prompt controversy if selected; O'Neill has called for the FDA to permit

companies to market new drugs without first proving they work and Srinivasan has claimed FDA created “catastrophes” to increase its funding.

HHS Secretary

The Senate Health, Education, Labor and Pensions (HELP) Committee announced that they will hold a confirmation hearing to consider Rep. Tom Price (R-GA) as secretary of the Department of Health and Human Services on January 18 at 10:00 AM. As of press time, the Finance Committee has not announced a date for a hearing but Chairman Hatch (R-UT) said he would like to have it next week.

On Wednesday, HELP Committee Chairman Lamar Alexander (R-TN) said that Price’s confirmation may not take place until mid-February saying, “We will have a courtesy hearing next week with Dr. Price in the HELP Committee. Finance will hear him soon after that, and I would expect he would be confirmed at least by mid-February.”

He suggested that sometime around the President's Day recess, which covers the week of February 20, would be “pretty good timing due to the fact that many governors will be in town that week. He indicated that they would like to move more decisions out of Washington back to the states, and that they would be meeting with governors to get their opinions.

Under such a scenario, Price would likely not present the Trump administration plan to repeal and replace Obamacare until the beginning of March, at the earliest. President-elect Donald Trump said at a news conference Wednesday in New York City that a plan to replace the health care law would come once nominee Rep. Price wins confirmation.

COMMITTEE ASSIGNMENTS

Senate Appropriations

Yesterday Ranking Member Leahy (D-VT) announced the Subcommittee Ranking Member spots for the Senate Appropriations Committee.

Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

Jeff Merkley, Oregon

Commerce, Justice, Science, and Related Agencies

Jeanne Shaheen, New Hampshire

Department of Defense

Richard J. Durbin, Illinois

Energy and Water Development

Dianne Feinstein, California

Financial Services and General

Christopher A. Coons, Delaware

Government

Department of Homeland Security	Jon Tester , <i>Montana</i>
Department of the Interior, Environment, and Related Agencies	Tom Udall , <i>New Mexico</i>
Departments of Labor, Health and Human Services, and Education, and Related Agencies	Patty Murray , <i>Washington</i>
Legislative Branch	Chris Murphy , <i>Connecticut</i>
Military Construction and Veterans Affairs, and Related Agencies	Brian Schatz , <i>Hawaii</i>
State, Foreign Operations, and Related Programs	Patrick Leahy , <i>Vermont</i>
Transportation, Housing and Urban Development, and Related Agencies	Jack Reed , <i>Rhode Island</i>

House Appropriations

This week House Appropriations Committee chairman Frelinghuysen announced House Appropriations Committee chairmen, as well as subcommittee assignments for the 115th Congress. Rep. Tom Cole (R-OK) will remain chairman of the Labor HHS Subcommittee. New Republican members of the Labor HHS Subcommittee include Jamie Herrera Beutler (R-WA) and John Moolenaar (R-MI). Rep. Charlie Dent (R-PA) will no longer serve on the LHHS subcommittee. A full list of subcommittee chairs can be found [here](#) and subcommittee membership [here](#). As of press time House Democrats have not yet announced subcommittee assignments.

Labor, Health and Human Services Subcommittee

Chairman Tom Cole (OK)
Mike Simpson (ID)
Steve Womack (AR)
Chuck Fleischmann (TN)
Andy Harris, MD (MD)
Martha Roby (AL)
Jaime Herrera Beutler (WA)
John Moolenaar (MI)

Ways and Means

Chairman Brady (R-TX) and Ranking Member Neal (D-MA) have announced the Subcommittee assignments for the Ways and Means Committee. The full Republican list is available [here](#) and the full Democratic list is available [here](#). The Health Subcommittee's membership is below.

Subcommittee on Health

Chairman Pat Tiberi (OH)

Sam Johnson (TX)

Devin Nunes (CA)

Peter Roskam (IL)

Tom Price (GA)

Vern Buchanan (FL)

Adrian Smith (NE)

Lynn Jenkins (KS)

Kenny Marchant (TX)

Diane Black (TN)

Erik Paulsen (MN)

Ranking Member Sander Levin (D-MI)

Rep. Mike Thompson (D-CA)

Rep. Ron Kind (D-WI)

Rep. Earl Blumenauer (D-OR)

Rep. John Lewis (D-GA)

Rep. Brian Higgins (D-NY)

Rep. Terri A. Sewell (D-AL)

Energy and Commerce

This week Energy and Commerce Committee Chairman Greg Walden (R-OR) released the full Republican [rosters](#) for all six subcommittees in the 115th Congress. Ranking Member Pallone (D-NJ) also announced the Democratic subcommittee [rosters](#). Health Subcommittee membership is below.

Subcommittee on Health

Michael C. Burgess, M.D. (TX), Chairman

Brett Guthrie (KY), Vice Chairman

Joe Barton (TX)

Fred Upton (MI)

John Shimkus (IL)

Tim Murphy (PA)

Marsha Blackburn (TN)

Cathy McMorris Rodgers (WA)

Leonard Lance (NJ)

Morgan Griffith (VA)

Gus Bilirakis (FL)

Billy Long (MO)

Larry Bucshon (IN)

Susan Brooks (IN)

Markwayne Mullin (OK)

Richard Hudson (NC)

Chris Collins (NY)

Buddy Carter (GA)
Greg Walden (OR)

Gene Green (TX) – Ranking Member
Eliot Engel (NY)
Jan Schakowsky (IL)
G.K. Butterfield (NC)
Doris Matsui (CA)
Kathy Castor (FL)
John Sarbanes (MD)
Ben Ray Lujan (NM)
Kurt Schrader (OR)
Joseph P. Kennedy III (MA)
Tony Cardenas (CA)
Anna Eshoo (CA)
Diana DeGette (CO)
Frank Pallone, Jr. (NJ) – Ex Officio