

HALL RENDER'S THIS WEEK IN WASHINGTON - MAY 12, 2017

SENATE BEGINS WORK ON AHCA

Senate Republicans began working on the House-passed American Health Care Act ("AHCA") this week. Several expected changes to the measure include increasing funding for rural hospitals that lose subsidies under Affordable Care Act ("ACA") repeal, providing a larger share of tax credits to lower income consumers nearing Medicare age (aged 50 to 64) and beefing up the bill's high-risk pool funding for states. The tweaks were the first in what will be a closely watched process that could last into the summer.

Many Republicans made no secret that the House-passed AHCA will undergo significant changes in the Senate. Several House provisions, including those related to preexisting conditions, could be struck down for not meeting the Byrd Rule, which requires provisions included in budget resolutions to have a significant budgetary impact.

Senate Majority Leader Mitch McConnell (R-KY) announced this week that he is leading an informal Senate working group that will prepare the health care reform legislation for a floor vote without passing through the committee process. The 13-member panel includes a mix of ultra-conservative members such as Ted Cruz (R-TX) and Rand Paul (R-KY) and more moderate members from Medicaid expansion states like Rob Portman (R-OH) and Cory Gardner (R-CO).

CBO SET TO RELEASE SCORE ON AHCA

The Congressional Budget Office ("CBO") and the Joint Committee on Taxation announced they will be releasing the projected savings and coverage losses of the House-passed AHCA the week of May 22. The CBO score is critical because the Senate parliamentarian can't review the legislation for compliance with the Byrd Rule, and Senate Republicans cannot set up the terms of debate until CBO scores the legislation.

The most recent CBO score of the AHCA was issued in March and did not include any of the changes House Republicans made to gain support from both the moderate and conservative wing of the party. The March score projected the AHCA would reduce the deficit by \$150 billion and reduce average premiums for single policyholders in the non-group market by 10 percent over the next decade.

SENATE COMMITTEE ADVANCES FDA USER FEE BILL

On May 11, the Senate HELP Committee voted 21 to 2 to advance the FDA user fee reauthorization bill that reauthorizes four major FDA user fee programs. Seventeen amendments were filed in advance of the hearing, but most were not offered at the markup, including Democratic amendments attempting to preserve key parts of the ACA. HELP Committee Chairman Lamar Alexander (R-TN) held firm on his pledge of keeping the legislation free of controversial provisions. The non-partisan bill now moves to the Senate floor where more controversial amendments may slow down the process. The House version of the bill is expected to be marked up by the Energy and Commerce Committee next week.

HEALTH-RELATED BILLS INTRODUCED THIS WEEK

Sen. Sherrod Brown (D-OH) introduced a bill to amend the Public Health Service Act to establish direct care registered nurse-to-patient staffing ratio requirements in hospitals. The bill (S. 1063) would provide two years for hospitals (four years for rural hospitals) to develop and implement nurse staffing plans that meet minimum direct care registered nurse-to-patient ratios and adjust staffing levels based on acuity. A companion measure was introduced in the House by Rep. Jan Schakowsky (D-IL).

Sens. Al Franken (D-MN) and Mike Enzi (R-WY) introduced a bill (S. 1093) to amend the Food, Drug, and Cosmetic Act to improve pediatric medical device application procedures.

Sen. Bob Casey (D-PA) introduced a bill (S. 1069) that would establish pilot projects intended to provide timely and reliable information on the safety and effectiveness of cleared or approved medical devices.

Sen. Pat Roberts introduced a bill (S. 1070) that would amend the Federal Food, Drug, and Cosmetic Act to provide for appropriate, risk-based classification of device accessories based on intended use.

NEXT WEEK IN WASHINGTON

The House and Senate return next week for a full work week. The Senate will continue work on the House-passed AHCA, though formal legislative text and floor proceedings remain at a minimum weeks away. On May 18, the House Ways and Means Health Subcommittee will hold a hearing on Medicare payment policies including post-acute care and several Medicare programs set to expire this year.

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