

HALL RENDER'S THIS WEEK IN WASHINGTON - DECEMBER 21, 2018

NEGOTIATIONS TO SECURE FUNDING AND AVOID GOVERNMENT SHUTDOWN COLLAPSE

At the time of this writing, the federal government is on the brink of a partial shutdown at midnight if Congress and President Trump do not come to an agreement on outstanding government funding legislation. The process began Wednesday with the Senate passing a continuing resolution that would fund the government at current levels through February 8, 2019. That measure did not contain funding for disaster relief or the \$5 billion the president wants to build a wall along the border with Mexico. After conservatives in the House of Representatives revolted over the lack of border wall funding, the Senate bill died in the early morning hours on Thursday. The House then passed a new stopgap spending bill later in the day on Thursday that also extends the deadline for government funding until February 8, 2019 and includes disaster relief and border wall funding. While the Senate is expected to hold a vote on the measure sometime during the day on Friday, it will almost certainly fail and congressional leaders have yet to come up with an alternative that would avoid a shutdown at midnight.

Fortunately, the funding for most health care-related agencies was completed earlier this year. The only agencies that would be impacted by a shutdown are the Food and Drug Administration and the Indian Health Service.

CONGRESS PASSES RURAL HEALTH PROVISION

On December 19, the House passed S. 2278, the State Offices of Rural Health Reauthorization Act of 2018. The bill, which was sponsored in the Senate by Sen. Pat Roberts (R-KS) and in the House by Rep. Markwayne Mullin (R-OK), passed the House 357-4 and now heads to the White House to be signed into law. In applauding the bill's passage, Teryl Eisinger, Executive Director of the National Organization of State Offices of Rural Health ("NOSORH") said, "Rep. Mullin, Chairman Walden and the leadership of the House took a significant step to support State Offices of Rural Health and the small, innovative and caring providers, clinics and hospitals they serve in rural communities across the nation."

The measure was authored by NOSORH and Hall Render attorneys, who also led the advocacy effort that reauthorizes the State Offices of Rural Health grant program for the first time since it was created in the early 1990s.

CMS ADMINISTRATOR PLANS TO CREATE NEW OFFICE FOR REGULATORY REFORM

As part of her list of priorities for 2019, CMS Administrator Seema Verma said she's working to create a new office within the agency whose purpose would be to pursue regulatory reforms. Although few details are known at this point, the office would prioritize reducing any "regulatory burden" created by CMS on patients and providers. This effort would complement the Patients Over Paperwork initiative, which has been a priority of Administrator Verma and her team since taking over the leadership of CMS.

MEDICARE SHARED SAVINGS PROGRAM FINAL RULE RELEASED

Earlier today, the Administration released a highly anticipated **final rule** rebooting the Medicare Shared Savings Program. Known as "Pathways to Success," CMS states this rule is intended to drive Accountable Care Organizations ("ACOs") towards greater savings while providing new flexibilities. One such increase in flexibility is expanding access to telehealth services, including services provided at a patient's place of residence. The rule allows ACOs to offer new incentive payments to beneficiaries for taking steps to achieve good health, such as obtaining primary care services and necessary follow-up care. A **fact sheet** summarizes the major changes included in the final rule.

Providers had warned CMS that provisions in the proposed rule could discourage new ACOs from signing up, particularly that ACOs would take on financial risk too quickly by limiting their participation in a shared savings-only model to two years. CMS dialed back these provisions in the final rule by allowing new "low-revenue" or physician-led ACOs to wait up to three years before assuming financial risk. However, all other new ACOs must take on risk after two years, and existing one-sided ACOs must do so within one year.

HEALTH-RELATED BILLS INTRODUCED THIS WEEK

Sen. Kamala Harris (D-CA) introduced **S. 3797** to amend Title XVIII of the Social Security Act to provide for coverage under the Medicare program of certain mental health telehealth services.

Sen. Steve Daines (R-MT) introduced [S.3782](#) to restore the application of the federal antitrust laws to the business of health insurance to protect competition and consumers.

Rep. Janice Schakowsky (D-IL) introduced [H.R. 7348](#) to amend the Public Health Service Act to establish an Office of Drug Manufacturing.

Rep. Rosa DeLauro (D-CT) introduced [H.R. 7339](#) to amend the Social Security Act to establish a Medicare for America health program to provide for comprehensive health coverage for all Americans.

Sen. Elizabeth Warren (D-MA) introduced [S. 3775](#) to amend the Public Health Service Act to establish an Office of Drug Manufacturing.

Sen. Marco Rubio (R-FL) introduced [S. 3763](#) to amend Title XIX of the Social Security Act to establish a methodology for determining State allotments for Medicaid disproportionate share hospital payments that is based on state poverty levels to require states to prioritize disproportionate share hospital payments on the basis of Medicaid inpatient utilization and low-income utilization rates

NEXT WEEK IN WASHINGTON - HAPPY HOLIDAYS FROM *THIS WEEK IN WASHINGTON*!

Congress is expected to have adjourned for 2018. Lawmakers will return for the 116th Congress on January 3, 2019. With Congress in recess until next year, the next *This Week in Washington* will be published January 4, 2019. We wish all of our readers happy holidays! Thanks for reading, and we'll see you next year!

THIS WEEK IN WASHINGTON IN HISTORY - HOLIDAY EDITION

1923, 95 years ago this week: The first White House Christmas tree is lit. In November, First Lady Grace Coolidge gave permission for the District of Columbia Public Schools to erect a Christmas tree on the Ellipse south of the White House. The organizers named the tree the National Christmas Tree. That Christmas Eve, President Calvin Coolidge walked from the White House to the Ellipse and "pushed the button" to light the 48-foot balsam fir in front of an enthusiastic crowd.

1979, 39 years ago this week: Jimmy Carter is the first president to officially recognize Hanukkah when he walked from the White House to Lafayette Park to deliver brief remarks as he lit the new National Menorah. The first official White House Hanukkah Party was held on December 10, 2001, under the leadership of President George W. Bush, using a 100-year-old Hanukkah menorah that the White House borrowed from the Jewish Museum of New York.

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