

HALL RENDER'S THIS WEEK IN WASHINGTON - JUNE 21, 2019

SENATE HEALTH COMMITTEE RELEASES SWEEPING HEALTH COST LEGISLATION

On June 18, the Senate Health, Education, Labor, and Pensions ("HELP") Committee released bipartisan legislation designed to address the cost of health care bipartisan health cost legislation after collecting extensive stakeholder feedback. The Committee will mark up this legislation next week on June 26. There are five different sections in this legislative package: Ending Surprise Medical Bills; Reducing the Prices of Prescription Drugs; Improving Transparency in Health Care; Improving Public Health; and Improving the Exchange of Health Information.

The legislation prohibits surprise billing, which occurs when a patient receives a bill for certain out-of-network services at an in-network facility, or receives out-of-network emergency services that aren't covered by an insurer. Out of the three methods listed in the draft legislation, the Committee settled on a federal benchmark as the fix for surprise medical bills. The federal benchmark approach was chosen because the Congressional Budget Office said that this method would be "the most effective at lowering health care costs." If the benchmark approach becomes law, health plans would pay providers the local median contracted commercial amount that insurers have negotiated with other providers and agreed upon in that geographic area. HHS will use notice and comment rulemaking to define geographic areas and establish a consistent methodology for health plans to use in calculating their own median contracted rates. This measure aligns with the surprise billing approach chosen by leaders of the House Energy and Commerce Committee.

In a HELP Committee hearing, Chairman Lamar Alexander (R-TN) said, "You can't lower your health care costs until you know what your health care actually costs." Therefore, there are several provisions in this legislation related to price transparency – such as removing gag clauses on price and quality information, banning anticompetitive terms in facility and insurance contracts (like "anti-tiering" and "anti-steering" clauses in contracts between providers and health plans) and creating a nongovernmental, nonprofit entity to improve the transparency of health care costs. Notably, the legislation requires health care facilities and providers to give patients a list of services received upon discharge and requires all bills to be sent to a patient within 45 days. If bills are received more than 45 days after receiving care, the patient is not obligated to pay. The measure requires providers and health plans to give patients good faith estimates of their expected out-of-pocket costs for specific health care services and any other services that could reasonably be provided, within two business days of a request.

Additionally, there are several public health measures in this package. The public health initiatives include vaccine awareness, discrimination prevention and maternal health. The measure extends mandatory funding for community health centers, the National Health Service Corps and the Teaching Health Center Graduate Medical Education Program at current levels for each of fiscal years 2020 through 2024. Regarding health information, the bill incentivizes health care entities to adopt strong cybersecurity practices by encouraging the HHS Secretary to consider entities' adoption of recognized cybersecurity practices when conducting audits or administering fines related to the Health Insurance Portability and Accountability Act Security Rule.

HOUSE PASSES SPENDING PACKAGE

On Wednesday, the House passed (226 to 203) a \$982.8 billion spending package that includes funding for the Department of Health and Human Services ([H.R. 2740](#)). The bill now goes to the Senate, where it is expected to face opposition from the Republican majority over provisions blocking two recent Trump administration rules relating to abortion and spending levels.

Negotiations between the White House and House and Senate leadership are still ongoing over passing a budget deal and raising the federal debt ceiling before funding expires on September 30, 2019. The White House indicated this week they are prepared to do a one year continuing resolution and one year debt ceiling.

HEALTH-RELATED BILLS INTRODUCED THIS WEEK

Democratic members of the House Ways and Means Committee introduced a [package](#) of 13 bills this week expanding the Health Profession Opportunity Grant program, which trains low-income people for in-demand health care jobs. This includes [HR 3347](#) that would give priority to applications for health care workers in rural areas.

Rep. Chris Collins (R-NY) introduced **H.R. 3386** to amend Title XI of the Social Security Act to require hospitals and critical access hospitals to provide uninsured individuals with access to the lowest negotiated rate for items and services furnished to such individuals.

Sen. Marsha Blackburn (R-TN) introduced **S.1936** to amend Title XVIII of the Social Security Act to protect coverage for screening mammography.

Sen. Rob Portman (R-OH) introduced **S. 1928** to amend Title XVIII of the Social Security Act to improve the enrollment of retiring individuals in the Medicare program.

NEXT WEEK IN WASHINGTON

Congress returns and will continue to work on health care issues. President Trump is expected to release an executive order directing federal agencies to require that insurance companies, doctors, hospitals and others in the health care industry disclose their prices. On Wednesday, the Senate HELP Committee will mark up the "Lower Health Care Costs Act of 2019."

On the House side, the Energy and Commerce Health Subcommittee holds a hearing on "Reauthorizing Vital Health Programs for American Families," focusing on: **H.R. 776**, the "Emergency Medical Services for Children Program Reauthorization Act of 2019"; **H.R. 1058**, the "Autism Collaboration, Accountability, Research, Education and Support Act of 2019"; **H.R. 2035**, the "Lifespan Respite Care Reauthorization Act of 2019"; and **H.R. 2507**, the "Newborn Screening Saves Lives Reauthorization Act of 2019." Additionally, on Friday, the Bipartisan Policy Center holds a discussion on "Good Health is Good Business" about the opportunities and challenges for cross-sector partnerships between public health departments and businesses.

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