

HALL RENDER'S THIS WEEK IN WASHINGTON - JUNE 28, 2019

SENATE COMMITTEE ADVANCES MAJOR HEALTH LEGISLATIVE PACKAGE

The Senate Health, Education, Labor, and Pensions ("HELP") Committee passed a **wide-ranging bill** focusing on lowering health care costs to the chamber's floor. This legislation is one of the only major health care bills that stands a chance at passing Congress this year. The measure aims to prevent surprise medical bills, bolster health care transparency, increase competition in the drug industry, improve public health and advance the exchange of health information. One notable provision is that it would raise the nationwide tobacco purchasing age to 21. Senate HELP Chairman Lamar Alexander (R-TN) said the legislation will undergo further tweaks in the upcoming weeks. The Senate Finance Committee and Senate Judiciary Committee will markup a similar legislative package in July. Chairman Alexander hopes to merge the bills and have them on the Senate floor before the August recess. The overall bill is still a work in progress over the next month as senators have indicated they'd still like to see changes to the bill's provisions.

For surprise medical billing, the committee chose a federal benchmark as the payment mechanism. The federal benchmark approach was chosen because the Congressional Budget Office said this method would be "the most effective at lowering health care costs." In the benchmark approach, 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. This approach was also endorsed by House Energy and Commerce Committee leaders. However, Sen. Bill Cassidy (R-LA) and others are still pushing hard for the baseball style-arbitration solution, as Sen. Cassidy has noted that the current fix is entirely in the interest of insurance companies. Chairman Alexander said he will work with Sen. Cassidy on addressing some of the concerns in the bill before the package goes to the Senate floor. Additionally, the legislation includes provisions about ending surprise air ambulance bills by using the local, commercial market-based rate for in-network health care.

An amendment from Sens. Maggie Hassan (D-NH) and Lisa Murkowski (R-AK) was adopted that requires hospitals to tell patients when their plan has no in-network providers for a certain service. Also, the bill requires health care facilities to provide a summary of services when a patient is discharged from a hospital. It requires hospitals to send all bills within 45 calendar days to guard against unexpected bills and it requires insurers to provide patients with price quotes on their expected out-of-pocket costs for care. The legislation extends funding through 2024 for critical health care programs, such as community health centers, teaching health centers operating graduate medical education programs and the National Health Service Corps. The measure aims to combat critical public health issues, such as vaccine misinformation and maternal mortality.

TRUMP ISSUES HEALTH COST TRANSPARENCY EXECUTIVE ORDER

President Trump signed an **executive order** focusing on price and quality transparency in health care. Within 90 days, the Secretaries of Health and Human Services, the Treasury and Labor will issue an advance notice of proposed rulemaking and solicit comments on a proposal to require health care providers, health insurance issuers and self-insured group health plans to provide or facilitate access to information about expected out-of-pocket costs for items or services to patients before they receive care. The order calls for HHS to issue a rule requiring hospitals to disclose prices in an easy-to-read format reflecting what patients and insurers actually pay. The department will also require providers and insurers to disclose information about patients' out-of-pocket costs before they receive care. The order requests a road map for consolidating quality metrics across all federal health care programs, expanding access to health care claims data de-identified to preserve privacy, and directs the Treasury Department to expand the availability of health savings accounts to pay for more health care services. This executive order is just the beginning of the lengthy rulemaking process and leaves most details up to the agencies.

WAYS AND MEANS ADVANCES MEDICARE BILLS

The House Ways & Means Committee advanced five Medicare-related bills this week, including legislation to expand coverage of telehealth services for mental health treatment, fund 1,000 new residency slots under the Graduate Medical Education ("GME") program and eliminate beneficiary cost-sharing for chronic care management services. Many on the Committee stated that the GME legislation would not do enough to help alleviate physician shortages in rural areas. This bill, the Opioid Workforce Act (**H.R. 3414**), would fund new residency positions in the areas of addiction medicine and psychiatry over the next six years. The BETTER Act (**H.R. 3417**) was approved, which eliminates restrictions on originating sites for mental health treatments so that beneficiaries can receive services in their homes and includes other provisions such

as fixing a technical issue that prevents some rural and community hospitals from establishing GME programs.

The committee also approved:

- **H.R. 3436**, the Improving Chronic Care Management Act, eliminating the coinsurance paid by beneficiaries receiving chronic care management services.
- **H.R. 3439**, the Protecting Patient Access to Information for Effective and Necessary Treatment Act, which would extend funding for the Patient-Centered Outcomes Research Trust Fund through fiscal year 2026.
- **H.R. 3429**, the HEARTS and Rural Relief Act, allowing injured veterans to retain coverage under the veterans' health coverage program, without having to pay Medicare premiums; adding an ambulatory surgical center representative to the advisory panel on hospital outpatient payment; and codifying a delay in CMS's direct supervision rule for critical access hospitals for two years.

HEALTH-RELATED BILLS INTRODUCED THIS WEEK

Rep. Scott Peters (D-CA) introduced **H.R. 3584** to amend Title XVIII of the Social Security Act to provide for certain amendments relating to reporting requirements with respect to clinical diagnostic laboratory tests.

Rep. Elliot Engel (D-NY) introduced **H.R. 3558** to direct the Secretary of Health and Human Services to conduct a study on the state of hospital infrastructure in the United States.

Sen. Robert Casey Jr. (D-PA) introduced **S. 1999** to amend Title XVIII of the Social Security Act to provide transitional coverage and retroactive Medicare part D coverage for certain low-income beneficiaries.

Rep. Raul Ruiz (D-CA) and Rep. Larry Bucshon (R-IN) introduced **H.R. 3502** to amend the Public Health Service Act and Title XI of the Social Security Act to protect health care consumers from surprise billing practices.

Rep. Linda Sanchez (D-CA) introduced **H.R. 3461** to establish a Community-Based Institutional Special Needs Plan demonstration program to target home and community-based care to eligible Medicare beneficiaries.

NEXT WEEK IN WASHINGTON

Congress is out next week for the July 4 recess. *This Week in Washington* will return on July 12 after Congress is back to work but will publish should health care developments occur.

For more information, please contact:

- **John Williams III** at (202) 370-9585 or jwilliams@hallrender.com;
- **Andrew Coats** at (202) 370-9587 or acoats@hallrender.com;
- **Abby Kaericher** at (202) 780-2989 or akaericher@hallrender.com; or
- Your regular Hall Render attorney.