

HALL RENDER'S THIS WEEK IN WASHINGTON - SEPTEMBER 20, 2019

HOUSE PASSES TEMPORARY DSH CUT DELAY, HEALTH CARE EXTENDERS

On September 19, the House passed a [stopgap spending measure \(H.R. 4378\)](#) in an effort to avoid another government shutdown. The health care extenders included in the measure will run through November 21 as lawmakers continue negotiations on a broader package to fund the government. The Senate is expected to clear the bill next week for President Donald Trump's signature, before all discretionary funding for the federal government runs out at midnight on September 30. Notably, this bill delays payment cuts for Medicaid disproportionate share hospitals ("DSH") until September 30, 2020. Without this delay, the DSH payments would decrease by \$4 billion in October.

The legislation would temporarily extend funding for dozens of health programs set to expire on September 30. The health programs receiving the temporary funding extension include: the community health centers fund; the Certified Community Behavioral Health Clinics demonstration program; the Children's Health Insurance Program; Graduate Medical Education programs at teaching health centers; Patient-Centered Outcomes Research Institute; and others.

SPEAKER PELOSI RELEASES ANTICIPATED DRUG PRICING PLAN

House Speaker Nancy Pelosi (D-CA) officially introduced the House Majority's plan to address prescription drug pricing, the Lower Drug Costs Now Act ([H.R. 3](#)). One of the most significant provisions in the long-awaited legislation allows the federal government to directly negotiate drug prices for Medicare recipients. Currently, HHS is barred from negotiating for Medicare prescription drugs as part of the Medicare Modernization Act of 2003. Only private plans that offer Medicare Part D benefits negotiate drug costs independently. Under Speaker Pelosi's proposal, the HHS secretary can negotiate the prices of as many as 250 drugs annually that don't have at least two competitors. The price determined by the negotiations would be available to all purchasers, not just Medicare beneficiaries.

The House Energy and Commerce Health Subcommittee will [hold a hearing](#) on prescription drug pricing next Wednesday to discuss this legislation. House leadership said they are planning to bring the measure to the floor sometime this fall. With drug pricing at the top of both Congress and the Administration's policy agenda, they now have to reconcile two drug-pricing plans: this legislation released by Speaker Pelosi and the Senate Finance Committee package authored by Sen. Chuck Grassley (R-IA). Many Senate Republicans, including Majority Leader Mitch McConnell (R-KY), claim that Medicare drug price negotiation is a "non-starter" and could kill prospects of Congress passing drug pricing legislation.

DARK MONEY? ANOTHER TWIST AND TURN IN THE SURPRISE MEDICAL BILLING DEBATE

House Energy & Commerce Chairman Frank Pallone (D-NJ) and ranking Republican Greg Walden (R-OR) launched an investigation this week into private equity firms' role in surprise medical billing. The investigation was started after private equity firms were revealed as the driving force behind a series of dark money ads lobbying against the House and Senate's proposed surprise billing fixes. A dark money group has been spending millions of dollars on ads in states with lawmakers facing a tough reelection, urging them to reject any "rate setting" as a surprise billing fix. Doctor Patient Unity, the group behind these dark money advertisements, is backed by private equity groups and physician staffing firms.

The E&C leaders asked that the private equity firms provide information related to which staffing firms they work with and how much money the equity firms make from these physician staffing companies, specifically from both in-network bills and surprise medical bills. Additionally, they asked the firms to detail the role they play in the staffing and management of the physician staffing companies, their role in negotiations between physician staffing companies and insurers and to provide similar information for any emergency transport companies they own. The committee is focusing on three firms that own physician staffing companies and emergency transport companies for their first investigation.

To learn more about this exciting topic, register for Hall Render's FREE webinar [here](#).

HEALTH-RELATED BILLS INTRODUCED THIS WEEK

Rep. Larry Bucshon (R-IN) introduced [H.R. 4400](#) to amend the Public Health Service Act to provide for an internet website to provide

educational materials for health care providers, patients and caregivers, regarding the meaning of the terms and the standards for review and licensing of biological products.

Rep. David Cicilline (D-RI) introduced **H.R. 4398** to amend the Federal Trade Commission Act to prohibit anticompetitive behaviors by drug product manufacturers.

Sen. Mitt Romney (R-UT) introduced **S. 2519** to protect the public health by prohibiting non-tobacco e-cigarette flavors and ensuring electronic nicotine delivery systems are tamper-proof.

Rep. Eric Swalwell (D-CA) introduced **H.R. 4393** to amend Title XIX of the Social Security Act to provide for a state option under the State Medicaid plan to provide DNA sequencing clinical services for certain children, provide for a study by the National Academy of Medicine on the use of genetic and genomic testing to improve health care.

Sen. Kamala Harris (D-CA) introduced **S. 2500** to amend the Public Health Service Act to authorize a loan repayment program for mental health professionals to relieve workforce shortage.

Rep. John Larson (D-CT) introduced **H.R. 4350**, the Ambulatory Surgical Center Quality and Access Act of 2019.

NEXT WEEK IN WASHINGTON

Congress is back next week with determination to pass a short-term continuing resolution to avert an October 1 shutdown. The Senate is expected to pass the House's stopgap spending bill next week. After the short-term deal is passed, lawmakers will spend the next two months trying to hash out a lasting deal to fund the government which involves all of the same political landmines that caused the previous 35-day shutdown.

On Wednesday, the House Energy and Commerce Health Subcommittee will **hold a hearing**, "Making Prescription Drugs More Affordable: Legislation to Negotiate a Better Deal for Americans." The House Education and Labor Committee holds a hearing next Thursday on "Making Health Care More Affordable: Lowering Drug Prices and Increasing Transparency." Also next week, the House Oversight and Reform Committee holds a hearing on "Don't Vape: Examining the Outbreak of Lung Disease and CDC's Urgent Warning Not to Use E-Cigarettes."

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