

HALL RENDER'S THIS WEEK IN WASHINGTON - DECEMBER 22, 2017

CONGRESS PASSES STOPGAP SPENDING BILL TO AVOID GOVERNMENT SHUTDOWN

After passing the most significant tax reform legislation since 1986, Republicans in Congress narrowly avoided a government shutdown on December 22 by passing legislation that temporarily funds the government through January 19, 2018. The House voted 231-88 to approve the short-term spending bill, and the Senate quickly followed, passing the bill on a 66-32 vote. The spending package includes disaster relief funding for Texas and California and waives the Pay-As-You-Go rules that would have resulted in billions of dollars in cuts to programs like Medicare. It also funds the Children's Health Insurance Program ("CHIP") through March 31, 2018 with \$2.85 billion in allocated funds.

While a government shutdown has been avoided, lawmakers left Washington for the holidays without addressing several important health care issues. The stalled negotiations over long-term CHIP funding has resulted in several states sending notification to enrollees that coverage could be terminated at the end of January. Delays of Affordable Care Act ("ACA") taxes, such as the medical device tax, were also not included in the spending bill, and individual market stabilization bills will not be addressed until next year.

Hospitals were hoping Congress would include language preventing CMS from cutting \$1.6 billion to the 340B drug discount program, but lawmakers have delayed any action until next year when they are expected to take up legislation intended to address program integrity issues and reporting requirements. Thus, the extensive cuts are still scheduled to go in effect on January 1, 2018. A bipartisan bill ([H.R. 4392](#)) blocking the cuts has 157 cosponsors but is not expected to get enough support to be passed into law.

COMPREHENSIVE TAX REFORM PACKAGE FINALIZED BY CONGRESS

Earlier this week, Republicans in the House and Senate gave final approval for the largest overhaul of the tax system since President Reagan was in office. The bill (H.R. 1) went to President Trump, who signed it into law on December 22. The measure lawmakers adopted repeals the ACA's individual mandate, effective January 2019, but does not change the tax exemption for private-activity bonds. Other changes in the adopted measure include a temporary expansion of the medical expense deduction and the addition of a 21 percent excise tax on amounts exceeding \$1 million that are paid by tax-exempt organizations to their five highest-compensated employees.

While some believed the tax reform bill would include provisions stabilizing ACA markets, like funding the ACA's cost-sharing reduction payments or providing reinsurance funding to help insurers cover high-risk enrollees, these provisions were not included.

HEALTH-RELATED BILLS INTRODUCED THIS WEEK

Rep. Larry Bucshon (R-IN) introduced the 340B Protecting Access for the Underserved and Safety-Net Entities Act, or 340B PAUSE Act ([H.R. 4710](#)), to amend the Public Health Service Act to establish a moratorium on the registration of certain new 340B hospitals and associated sites. The legislation was introduced to address concerns of lack of transparency or oversight in the program. The 340B PAUSE Act temporarily pauses new enrollment of Disproportionate Share Hospitals into the 340B discount drug program and requires basic data reporting. Critical access hospitals, sole community hospitals and rural referral centers would not be affected by this legislation.

Sen. Debbie Stabenow (D-MI) introduced [S.2253](#) to amend Title XXI of the Social Security Act to ensure access to mental health services for children under the CHIP.

Rep. James Renacci (R-OH) introduced the CARES Act of 2017 ([H.R. 4701](#)) to amend Title XVIII of the Social Security Act to eliminate the three-day prior hospitalization requirement for Medicare coverage of skilled nursing facility services in qualified skilled nursing facilities.

Rep. Tom Reed (R-NY) introduced [H.R. 4679](#) to amend Title XVIII of the Social Security Act to provide for improvements to coverage and payment under the Medicare program for new drugs, devices and technology.

Rep. David Reichert (R-WA) introduced [H.R. 4683](#) to amend Title XVIII of the Social Security Act to revise the NTAP period under the Medicare inpatient prospective payment system and the pass-through period under the Medicare outpatient prospective payment system.

NEXT WEEK IN WASHINGTON

Congress has adjourned for 2017 and will return for the second session of the 115th Congress on January 3, 2018. With Congress in recess until next year, the next This Week in Washington will be published January 5, 2018. We wish all of our readers happy holidays. Thanks for reading, and we'll see you next year!

THIS WEEK IN WASHINGTON IN HISTORY

43 years ago this week, 1974: After weeks of intense congressional hearings, Nelson Rockefeller is confirmed by the House and Senate as Vice President of the United States on December 19. Rockefeller was nominated as vice president by President Ford, who assumed the presidency upon Richard Nixon's resignation.

19 years ago this week, 1998: On a rare Saturday session before Christmas, the House of Representatives approved two of the four articles of impeachment brought against President Clinton. President Clinton was charged with lying under oath to a federal grand jury and obstructing justice.

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