

Health Care Policy Newsletter - Week of July 23-27, 2018

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The Week in Health Care Policy (July 23-27, 2018)

Congress

Legislation and Committee Activity

Politico: Timetable For Senate Opioid Bill May Slip – The Senate is increasingly unlikely to vote on sweeping opioid legislation by Labor Day, potentially depriving Democrats in some hard-hit states of a vote on a bill before going home to voters. The looming fight over the nomination of Supreme Court nominee Brett Kavanaugh combined with negotiations over what gets into the bill are threatening to delay a vote on the bipartisan response to the crisis, which Senate Majority Leader Mitch McConnell said was among his priorities after scrapping the August recess. [Read More](#)

House Passes Four Bipartisan Bills to Advance Public Health – On Monday, The House of Representatives passed four bipartisan bills that will advance our public health efforts – *the Educating Medical Professionals and Optimizing Workforce Efficiency Readiness (EMPOWER) Act* (H.R. 3728), *the Dr. Benjy Frances Brooks Children’s Hospital GME Support Reauthorization Act of 2018* (H.R. 5385), *the Palliative Care and Hospice Education and Training Act* (H.R. 1676), and *the Title VIII Nursing Workforce Reauthorization Act of 2017* (H.R. 959).

USA Today: House Votes To Delay Obamacare Insurance Tax, Loosen Health Savings Accounts Restrictions – On Wednesday, the House of Representatives voted on bills to delay an Affordable Care Act tax and allow consumers broader use of health savings accounts. In a 242-176 vote, House Republicans joined one dozen Democrats to support a bill that would postpone the health insurance tax through 2021. The tax, which already had been delayed through 2019, is intended to help fund the health law’s insurance expansion. [Read More](#)

House Passes Bill Providing Lower Costs For Consumers Seeking Relief From Rising Premiums – On Wednesday, the House of Representatives passed *the Increasing Access to Lower Premium Plans and Expanding Health Savings Accounts Act of 2018* (H.R. 6311), by a vote of 242-176. [Read More](#)

The Hill: House Dems Introduce Bill To Allow Medicare To Negotiate Drug Prices – House Democrats on Wednesday introduced a bill to allow Medicare to negotiate drug prices, hoping to lay the groundwork for a push on the issue next year. [Read More](#)

Senate Committee Approves Bill Allowing Pharmacists to Tell Patients That a Drug is Cheaper if They Use Cash Instead of Insurance – On Wednesday, The Senate Health, Education, Labor and Pensions (HELP) Committee approved four important pieces of legislation, including a bill that will help Americans who are struggling to afford their prescriptions, and a bill that will encourage research to help treat sickle cell disease. [Read More](#)

Hearing Continues Committee's Bipartisan Investigation into Patient Brokering – On Tuesday, the House Energy and Commerce Subcommittee on Oversight and Investigations, chaired by Rep. Gregg Harper (R-MS), held a hearing examining practices within the substance use treatment industry, including advertising and marketing practices. The hearing builds on the committee's ongoing bipartisan investigation into patient brokering, which began one year ago. [Read More](#)

Modern Healthcare: As Opioid Crisis Fuels Patient-Brokering Fraud, Congress Urged To Act – A representative of the addiction treatment industry on Tuesday urged a key House panel to consider policies to crack down on patient-brokering—a complicated, fraudulent practice stemming from the opioid epidemic that insurance companies have been navigating for the past few years. [Read More](#)

House SubHealth Hears from FDA and NIH on Implementation of Landmark 21st Century Cures Act – On Wednesday, the House Energy and Commerce Subcommittee on Health, chaired by Rep. Michael C. Burgess, M.D. (R-TX), held a hearing continuing its review of the implementation of the landmark *21st Century Cures Act* (Cures), with a focus on the work being done at the Food and Drug Administration (FDA) and the National Institutes of Health (NIH). [Read More](#)

House SubHealth Gets Update on Implementation of MIPS – On Thursday, the House Energy and Commerce Subcommittee on Health, held a hearing continuing its review of the implementation of the *Medicare Access and CHIP Reauthorization Act* (MACRA) of 2015. [Read More](#)

Administration

The Hill: High Hopes For President Trump's Drug Pricing Plan – In May, the President gave his first major speech on lowering drug prices, making good on his campaign promise to go after drug makers to get lower prices for consumers. Following the speech, the White House released the Administration's blueprint for lowering drug prices. Two months later, we are starting to see results, as some of the details of the plan are starting to come into focus. [Read More](#)

HHS

Modern Healthcare: Azar Promises Continued Medicare Billing Overhaul, Regulatory Relief – On Thursday, HHS Secretary Alex Azar doubled down on promises to overhaul the Medicare billing structures to drive down government costs and vowed to put out new guidance for providers on the

anti-kickback laws and HIPAA. HHS will write new guidance for laws that “stand in the way of healthcare providers” and hold back the healthcare system’s transition to value-based care, Azar told a conservative audience at the Heritage Foundation. [Read More](#)

Bloomberg Government: HHS Expected to Allow States to Waive Obamacare Provisions – States may receive more flexibility to make changes to their Obamacare markets under new rules likely to be issued soon by the Trump administration. [Read More](#)

2017 Annual Report Of HHS Projects To Build Data Capacity For Patient-Centered Outcomes Research – On Tuesday, HHS released a report on HHS Projects To Build Data Capacity For Patient-Centered Outcomes Research that were active in 2017. [Read More](#)

Data Point: Savings Available Under Full Generic Substitution Of Multiple Source Brand Drugs In Medicare Part D – The Office of the Assistant Secretary for Planning and Evaluation (ASPE) at HHS analyzed Part D prescription drug event data from 2016 to estimate spending on brand drugs with generic therapeutic equivalents. [Read More](#)

CMS

CMS Empowers Patients and Ensures Site-Neutral Payment in Proposed Rule – On Wednesday, the Centers for Medicare & Medicaid Services (CMS) took steps to strengthen the Medicare program with proposed changes to ensure that seniors can access the care they need at the site of care that they choose. In addition, as part of the agency’s ongoing efforts to lower drug prices as outlined in the President’s Blueprint, CMS included a Request for Information on how best to develop a model leveraging authority provided to the agency under the Competitive Acquisition Program (CAP) to strengthen negotiations for prescription drugs. [Read More](#)

CMS Adopts the Methodology for the Permanent Risk Adjustment Program under the Patient Protection and Affordable Care Act for the 2017 Benefit Year – On Tuesday, CMS posted a final rule that reissues, with additional explanation, the risk adjustment methodology that CMS previously established for transfers related to the 2017 benefit year. This important step fills a void created by a federal district court’s vacating of the previously issued methodology, and enables the agency to resume the CMS-operated risk adjustment program in the individual and small group markets. [Read More](#)

AJMC: CMS Expands Site-Neutral Payments, Extends 340B Drug Discounts – CMS announced a draft of proposed changes Wednesday, including expanding its site-neutral payments between what Medicare pays for at physicians’ offices and off-campus hospital clinics, where rates are higher because of added hospital facility fees. It is also extending 340B drug discounts to off-site hospital clinics. [Read More](#)

Modern Healthcare: CBO underestimates Medicare Part D savings by \$4 billion due to oversight lapse – The Congressional Budget Office vowed it would ramp up oversight of its cost-estimate process after it underestimated the impact of a Medicare Part D change made by Congress by \$4 billion. After initially estimating that the *Bipartisan Budget Act of 2018* would save Medicare \$7.7 billion over a decade, the CBO discovered the law’s changes to the drug discount program would actually save \$11.8 billion during that timeframe. [Read More](#)

FDA

FDA Announces Two Initiatives to Modernize Drug Quality Programs – Patients expect and deserve high-quality drugs – this means consistently safe and effective medicines, free of defects and contamination. To satisfy these important expectations, the FDA strives to make sure that FDA-approved drugs are manufactured to meet quality standards to ensure that every dose is safe, effective, and capable of providing its intended benefit. [Read More](#)

FDA Continues Taking Key Actions On Bulk Drug Substances Used For Compounding To Advance The Regulatory Framework Governing Compounded Drugs And To Protect Patients – As part of its ongoing implementation of the *Drug Quality and Security Act* and to advance the goals of its 2018 Compounding Policy Priorities Plan, the U.S. Food and Drug Administration is announcing several actions to protect public health related to the compounding of human drug products. [Read More](#)

FDA Approves Magnetic Device System For Guiding Sentinel Lymph Node Biopsies In Certain Patients With Breast Cancer – On Tuesday, the U.S. Food and Drug Administration approved a magnetic device system for guiding lymph node biopsies in patients with breast cancer undergoing mastectomy. The Magtrace and Sentimag Magnetic Localization System (Sentimag System) uses magnetic detection during sentinel lymph node biopsy procedures to identify specific lymph nodes, known as sentinel lymph nodes, for surgical removal. [Read More](#)

GAO

Improvements Needed to Better Oversee Payment Risks – On Thursday, the Government Accountability Office (GAO) released a report on Medicaid managed care. Almost half—\$171 billion—of Medicaid spending in 2017 went to managed care organizations (MCO). In Medicaid managed care, states pay a set periodic amount to MCOs for each enrollee, and MCOs pay health care providers for the services delivered to enrollees. [Read More](#)

States

The Hill: States Sue Trump Administration Over Expansion Of Skimpy Group Insurance Plans – A group of 11 states and Washington, D.C., are suing the Trump administration in an attempt to roll back a regulation that allowed for the expansion of certain health plans that skirt ObamaCare regulations. [Read More](#)

ABC News: Kentucky Drug Overdose Deaths Jump 11.5 Percent In 2017 – Since 2011, a year when Kentucky was flooded with 371 million doses of opioid painkillers, state officials have cracked down on pain clinics, sued pharmaceutical companies and limited how many pills doctors can prescribe. The result is nearly 100 million fewer opioid prescriptions in 2017 — and an 11.5 percent increase in drug overdose deaths. [Read More](#)

The Hill: To Tackle The Opioid Crisis, Look To The States –The opioid crisis is devastating families and communities across the country. To tackle this emergency and reduce the number of overdose deaths, Congress is considering an extensive package of bipartisan legislation to address various specific aspects of the crisis. [Read More](#)

WTOP: Appeals Court Won't Rehear Maryland Price-Gouging Law Case – A federal appeals court has turned down Attorney General Brian Frosh's petition for a re-hearing in a lawsuit over Maryland's first-in-the-nation law against pharmaceutical price gouging. The Richmond, Virginia-

based 4th U.S. Circuit Court of Appeals denied a request from Frosh that the full court hear the case in an order published Wednesday. [Read More](#)

Bloomberg Law: New Hampshire Seeks Extension of Medicaid Work Rule – New Hampshire has asked federal officials for permission to continue to impose a work requirement on people receiving Medicaid expansion benefits in the state. Federal authorization for New Hampshire's Granite Advantage Health program, which provides Medicaid expansion health benefits to 50,000 people and requires many of them to work, has been in place since May and is set to expire Dec. 31. [Read More](#)

Looking Ahead

The Senate is in session next week and the House is out for August recess.

On Tuesday, the Senate HELP Committee will hold a hearing on reducing health care costs and decreasing administrative spending. [Read More](#)

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