

HLB Weekly Newsletter

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GOVERNMENT RELATIONS & PUBLIC POLICY

Your weekly dose of health care policy

CONGRESSIONAL

Senate Releases Updated ACA Replace Text

Today, Senate Republicans released an updated version of the [Better Care Reconciliation Act \(BCRA\)](#), legislation to replace parts of the Affordable Care Act (ACA). Updates were made to address concerns from various Senators who were opposed to the initial version. The largest update to the legislation is a provision that would allow insurers to provide ACA non-compliant plans, without protections for pre-existing conditions or coverage for essential health benefits, as long as they still offered ACA compliant plans. This provision has many concerned that it would create a separate healthy and sick risk pool with sicker individuals paying high premiums. Concerns

MACRA HIGHLIGHTS

Along with its 2018 Quality Payment Program proposed rule, CMS released a [fact sheet](#) comparing the 2017 final rule to the proposed 2018 changes.

HEALTH CARE ACTIVITIES ON THE HILL

House Energy and Commerce Committee

7/12 at 10:00am: Oversight and
Investigations Subcommittee

from Moderate Senators regarding cuts to Medicaid programs were largely unaddressed in the update. Majority Leader Mitch McConnell (R-KY) has indicated he will bring the legislation to a vote next week and has requested a score from the Congressional Budget Office (CBO), which should be released Monday. Initial reactions from Senators are mixed and there have already been calls to slow down the vote procedurally.

McConnell also announced this week that he is delaying the Senate's August recess by two weeks in order to address BCRA and other outstanding legislative issues.

House Passes FDA User Fee Legislation

On Wednesday, the House of Representatives passed the [FDA Reauthorization Act \(FDARA\) of 2017 \(H.R. 2430\)](#) by voice vote. The FDA bill renews user fee programs for prescription drugs, medical devices, generic drugs and biosimilar biological products for five years and provides reforms to FDA programs including faster approval for generic drugs. The legislation was crafted based on an agreement between the FDA and pharmaceutical industry on user fees. Updates to the House legislation make it similar to the Senate version which was passed out of the Senate Health, Education, Labor and Pensions (HELP) Committee this Spring. Although the deadline for passage is September 30, 2017, the legislation must be signed by the end of July to prevent the FDA from beginning the process of laying off employees. The Senate intends to pass the bipartisan legislation in time, but timing remains uncertain given work on the Better Care Reconciliation Act.

House Committee Releases FY 2018 Appropriations for Health Programs

On Wednesday, the House Appropriations Committee released its [draft](#) fiscal year 2018 Labor, Health and Human Services, and Education (LHHS) [funding bill](#). The legislation includes \$500 million in cuts from 2017 to the Department of

Hearing on [Combating the Opioid Crisis: Battles in the State](#)

House Energy and Commerce Committee

7/12 at 10:15am: Health Subcommittee Hearing on [Examining Medical Product Manufacturer Communications](#)

House Ways & Means Committee

7/13 at 2:00pm: Full Committee [Markup of Bills to Strengthen Medicare Programs & Protect Taxpayers](#)

House Veterans' Affairs Committee

7/13 at 2:00pm: Health Subcommittee Hearing on [Maximizing Access and Resources: An Examination of VA Productivity and Efficiency](#)

House Appropriations Committee

7/13 at 4:30pm: Labor HHS Subcommittee Markup of FY 2018 [Labor, Health and Human Services, and Education Appropriations Bill](#)

House Energy and Commerce Committee

7/18 at 10:00am: Oversight and Investigations Subcommittee hearing on [Examining HRSA's Oversight of the 340B Drug Pricing Program](#)

WEEKLY FUN FACT

Health and Human Services (HHS), including \$219 million less for the Centers for Medicare and Medicaid Services (CMS).

The legislation also blocks funding for certain Affordable Care Act (ACA) programs. The National Institutes of Health (NIH) would receive a \$1.1 billion increase in funding in the current draft. The full Committee intends to mark up the legislation next week.

ADMINISTRATION

CMS Releases 2018 Physician Fee Schedule

Proposed Rule

Today, CMS released its [2018 Physician Fee Schedule Proposed Rule](#). The [proposal](#) includes an overall 0.31 percent update based on current statute and program updates that include changes to telehealth, care management services, and implementation of payment rates for non-excepted Off-campus Provider-Based Hospital Departments under Section 603 of the Bipartisan Budget Act of 2015. The rule also includes a request for information regarding ways CMS can better achieve transparency, flexibility, program simplification, and innovation. Comments are due September 11.

CMS Releases 2018 Hospital Outpatient Prospective Payment System Proposed Rule

CMS also released its [2018 Hospital Outpatient Prospective Payment System Proposed Rule](#) earlier today. The [proposal](#) includes an overall payment increase of 2.0 percent, changes to the 340B program, updates to the Hospital Outpatient Quality Reporting (OQR), and payment updates to the Ambulatory Surgical Center (ASC) Payment System. CMS has also issued a request for information on ways it can implement policies to better achieve transparency, flexibility, program simplification and innovation. Comments are due September 11.

Did you know that the Smithsonian National Air and Space Museum displayed Wonder Woman's Invisible Jet for one day in Washington on April 1, 2015.

[Click here to read how this happened.](#)

Medicare Trustees Release 2017 Report

This afternoon, the Medicare Trustees released their [2017 report](#) on the program, indicating based on current funding, that the trust fund will become insolvent beginning in 2029, a year later than predicted last year. The Trustees also reported that the trigger for cuts through the Independent Payment Advisory Board (IPAB) would not occur until 2023 rather than previously expected in 2019.

CMS Delays Home Health Conditions of Participation

On July 10, CMS announced a [delay of the effective date](#) of the Conditions of Participation for Home Health Agencies. The changes were set to begin July 13, 2017 but will now be delayed until January 13, 2018. This delay will allow time for Home Health Agencies to comply based on updated guidance from CMS.

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