EDITION: April 5, 2019





CONGRESSIONAL

E&C Committee Passes Drug Pricing and ACA Bills

On Wednesday, the House Energy & Commerce Committee voted unanimously to pass six bills to cut drug prices after changes were made to gain Republican support.

- Bringing Low-cost Options and Competition while Keeping Incentives for New Generics (BLOCKING) Act of 2019 (H.R. 938)
- Purple Book Continuity Act of 2019 (H.R. 1520)
- Orange Book Transparency Act of 2019 (H.R. 1503)
- Payment Commission Data Act of 2019 (H.R. 1781)
- Protecting Consumer Access to Generic Drugs Act of 2019 (H.R. 1499)
- <u>Creating and Restoring Equal Access to Equivalent Samples</u> (<u>CREATES</u>) Act of 2019 (H.R. 965)

Changes made to CREATES include a provision to shield brands from lawsuits when they offer a sufficient number of samples to generics. This change is not included in the Senate version of the legislation.

Additionally, the Committee passed six bills addressing the Democrat's positions on the Affordable Care Act (ACA) along party lines including

MACRA HIGHLIGHTS

Check out CMS' recent report on the 2017 Quality Payment Program reporting and trends. Take note, that 2017 was the first year of the program and followed a "Pick Your Pace" approach that won't necessarily be comparable in future years.

HEALTH CARE ACTIVITIES ON THE HILL

Senate Finance Committee 4/9 at 10:15am: Full Committee Hearing on Drug Pricing in America: A Prescription for Change, Part III.

House Energy & Commerce Committee

4/10 at 10:30am: Oversight and Investigations
Subcommittee <u>Hearing</u> titled;
"Priced Out of a Lifesaving
Drug: The Human Impact of

- State Allowance for a Variety of Exchanges (SAVE) Act (H.R. 1385)
- Expand Navigators' Resources for Outreach, Learning, and Longevity (ENROLL) Act (H.R. 1386)
- State Health Care Premium Reduction Act (H.R. 1425)
- Marketing and Outreach Restoration to Empower (MORE)
 Health Education Act (H.R. 987)
- Protecting Americans with Preexisting Conditions Act of 2019 (H.R. 986)
- To provide that the rule entitled "short-Term, Limited Duration Insurance" shall have no force or effect (H.R. 1010)

These bills now head to the House floor for a vote. The drug pricing bills have bipartisan support, but the ACA bills do not.

Medicaid Bill Passes in Senate

On Tuesday, the Senate passed the House version of the Medicaid Services Investment and Accountability Act of 2019 (H.R. 1839) by voice vote. The legislation contains a number of Medicaid provisions, including the ACE Kids Act, which would allow state Medicaid programs to use a health home model to coordinate care for children with medically complex conditions. Additionally the bill extends states' flexibility to disregard individuals' spousal income and assets when determining eligibility for home and community-based services, extends the Community Mental Health Services Demonstration Program, provides \$20 million in additional grant funds for the Money Follows the Person Program, and establishes a civil monetary penalty for misclassifying covered outpatient drugs, among other things. The legislation now will head to the President's desk for signing.

ADMINISTRATION

CMS Releases Final MA and Part D Rules

On Monday, the Centers for Medicare and Medicaid Services (CMS) released the 2020 Medicare Advantage (MA) and Part D Rate Announcement and Final Call Letter. The final Rate Announcement includes a 2.53% rate increase for 2020 and an update to the Part C Risk Adjustment model to take into account the number of conditions and make an additional adjustment as the number of conditions increases. The updated risk adjustment model also adds dementia and pressure ulcers and will phase in by 2022. Additionally, CMS has finalized an increased use of encounter data in 2020. The

WEEKLY TRIVIA

What year was the first cherry blossom tree planted in Washington DC?

Click here to find the answer.

Final Call Letter includes provisions to more effectively manage pain in the population through opioid controls, access to opioid reversal agents, and complementary treatment for pain management. It also includes updates to the star ratings program and the special supplemental benefits for the chronically ill.

April 9 Webinar on Hospice Benefit in VBID Model

The Centers for Medicare and Medicaid Innovation (CMMI) will host a webinar to review some of the details around the hospice benefit set to be included in the Medicare Advantage VBID model beginning in plan year 2021. The webinar will introduce the key model design considerations, and provide a general timeline for the coming months. You can register for the webinar on April 9 here.

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