



Health Policy Briefing

February 25, 2019

CMS Releases Updated Health Care Spending Estimates

The Centers for Medicare and Medicaid Services (CMS) Office of the Actuary has [published](#) updated projections of national health expenditures for 2018-2027. National health expenditure growth is expected to average 5.5 percent annually, similar to last year’s projected average, reaching nearly \$6 trillion by 2027. The health share of gross domestic product (GDP) is projected to rise from 17.9 percent in 2017 to 19.4 percent by 2027. This rise is driven in part by increases in prices for medical goods and services, which are projected to grow 2.5 percent from 2018-2027, compared to 1.1 percent from 2014-2017.

Senate Finance Launches Insulin Investigation

The Senate Finance Committee has announced a bipartisan investigation into insulin pricing practices. Chairman Chuck Grassley (R-Iowa) and Ranking Member Ron Wyden (D-Ore.) sent [letters](#) to three insulin manufacturers - Eli Lilly, Novo Nordisk, and Sanofi - requesting information on recent price increases and the processes used to determine list prices and net prices. The lawmakers express concerns that “the substantial increases in the price of insulin over the past several years will continue their upward drive and pose increasingly severe hardships not only on patients that require access to the drug in order to stay alive but also on the taxpayer.” They ask for data detailing the costs, revenues and margins from insulin sales. They also ask the manufacturers how the administration’s proposal to eliminate drug rebates would impact the pricing of insulin products. The lawmakers seek responses by March 8.

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Democrats Urge Rejection of 1115 Waivers

House Energy and Commerce Committee Chairman Frank Pallone (D-N.J.) and Senate Finance Committee Ranking Member Ron Wyden (D-Ore.) have [written](#) to U.S. Department of Health and Human Services (HHS) Secretary Azar regarding the administration's use of Section 1115 waivers in the Medicaid program. The Democrats express concerns that the waivers "threaten to impede access to critical care for millions of Americans," and point to the situation in Arkansas where more than 18,000 people have lost coverage following the approval of work requirements in the Medicaid program. Arkansas was the first state to implement work requirements for Medicaid enrollees; eight states have had waivers approved to implement the requirements. The lawmakers urge HHS to reject "any and all Section 1115 demonstration requests that jeopardize the health and financial security" of low-income Americans.

Dems Comment on 2020 Notice of Benefit and Payment Parameters

A group of Democrats have [written](#) to CMS Administrator Seema Verma outlining their concerns with the Administration's proposed changes to the 2020 health insurance marketplace. The lawmakers object to the proposed change in premium adjustment calculation, proposed changes in re-enrollment, proposed rules relating to coverage of women's services, and proposed prescription drug policies. They call on Verma to not finalize these policies and "instead work with Congress and stakeholders across the health care system to reduce costs, secure patient protections, and improve access to coverage." The letter was signed by House Energy and Commerce Committee Chairman Frank Pallone (D-N.J.), House Education and Labor Chairman Bobby Scott (D-Va.), Senate Health, Education, Labor, and Pensions (HELP) Committee Ranking Member Patty Murray (D-Wash.), and Senate Finance Committee Ranking Member Ron Wyden (D-Ore.).

Dear Colleague on Delay of Health Insurance Tax

A bipartisan group of senators is pushing for the Affordable Care Act's (ACA) health insurance tax to be delayed until 2022. Sens. Cory Gardner (R-Colo.), Jeanne Shaheen (D-N.H.), John Barrasso (R-Wyo.), Doug Jones (D-Ala.), Tim Scott (R-S.C.), and Kyrsten Sinema (D-Ariz.) are circulating a "Dear Colleague" [letter](#) seeking support for the Health Insurance Tax Relief Act (S. 172), which would delay the fee on health insurance plans for 2020 and 2021. According to the letter, the tax would impose an additional \$16 billion in taxes on health plans that could then be passed down to consumers and small businesses.

New Study Finds Improvement in Physician Burnout

The Mayo Clinic has released the [results](#) of a new study evaluating the prevalence of burnout and satisfaction with work-life integration among physicians and other U.S. workers. Researchers found that while physicians remain at increased risk for burnout relative to workers in other fields, satisfaction with work-life integration among physicians improved between 2014 and 2017. Physician burnout currently stands near 2011 levels, with 45 percent of U.S. physicians showing at least one manifestation of professional burnout (e.g., emotional exhaustion or depersonalization).

Upcoming Congressional Hearings and Meetings

SSenate Finance Committee hearing “Drug Pricing in America: A Prescription for Change, Part II;” 10:15 a.m., 215 Dirksen Bldg.; February 26

Energy and Commerce Oversight and Investigations Subcommittee hearing on measles outbreak and response efforts; 10:00 a.m., 2123 Rayburn Bldg.; February 27

Senate Commerce, Science, and Transportation Committee hearing to examine policy principles for a Federal data privacy framework in the United States; 10:00 a.m., 216 Hart Bldg.; February 27

House Education and Labor Subcommittee on Workforce Protections hearing “Caring for Our Caregivers: Protecting Health Care and Social Service Workers from Workplace Violence;” 2:00 p.m., 2175 Rayburn Bldg.; February 27

Senate Appropriations Subcommittee on Departments of Labor, Health and Human Services, and Education, and Related Agencies hearing to examine addressing the opioid epidemic in America, focusing on prevention, treatment, and recovery at the state and local level; 10:00 a.m., 124 Dirksen Bldg.; February 28

Senate Health, Education, Labor, and Pensions (HELP) Committee hearing “Vaccines Save Lives: What is Driving Preventable Disease Outbreaks?” 10:00 a.m., 430 Dirksen Bldg.; March 5

Senate Appropriations Subcommittee on Departments of Labor, Health and Human Services, and Education, and Related Agencies hearing to examine the Ebola outbreak in the Democratic Republic of the Congo and other emerging health threats; 10:00 a.m., 124 Dirksen Bldg.; March 14

Recently Introduced Health Legislation

H.R.1301 — To amend title XVIII of the Social Security Act to provide for coverage under the Medicare program of certain mental health telehealth services; Sponsor: Rep. DelBene, Suzan K. [D-WA-1]; Committees: House - Energy and Commerce, Ways and Means

H.R.1302 — To authorize the Assistant Secretary for Mental Health and Substance Use, acting through the Director of the Center for Substance Abuse Treatment, to award grants to States to expand access to clinically appropriate services for opioid abuse, dependence, or addiction; Sponsor: Rep. Foster, Bill [D-IL-11]; Committees: House - Energy and Commerce

H.R.1303 — To direct the Comptroller General of the United States to evaluate and report on the in-patient and outpatient treatment capacity, availability, and needs of the United States; Sponsor: Rep. Foster, Bill [D-IL-11]; Committees: House - Energy and Commerce, Natural Resources