



Health Policy Briefing

April 29, 2019

E&C Requests Briefings on Maternal Mortality

Bipartisan leadership of the House Energy and Commerce Committee has sent [letters](#) to six federal agencies requesting information on efforts to address the rising rate of maternal morbidity and mortality in the U.S. The lawmakers request briefings on the subject from the Agency for Healthcare Research and Quality (AHRQ), Centers for Disease Control and Prevention (CDC), Centers for Medicare & Medicaid Services (CMS), Health Resources and Services Administration (HRSA), Indian Health Service (IHS), and Office of the Assistant Secretary for Health (OASH). The number of pregnancy-related deaths has more than doubled since 1987, with significantly wide ethnic and racial disparities.

House Rules to Hold First Medicare For All Hearing This Week

The House Rules Committee will hold the first congressional hearing on the concept of Medicare For All this week. The chamber’s main health care committees – Ways and Means and Energy and Commerce – have not committed to holding a hearing on the subject. The Rules Committee will consider the measure (H.R. 1384) introduced by Rep. Pramila Jayapal (D-Wash.). Chairman Jim McGovern (D-Mass.) has said that the idea deserves serious consideration as lawmakers work toward health care universal coverage in the U.S. While the bill has the support of 100 democratic co-sponsors, several of the Rules Committee democrats are still skeptical of the idea, including Reps. Donna Shalala (D-Fla.) and Mary Gay Scanlon (D-Pa.). Rep. Shalala supports the expansion of Medicaid to more individuals, and Rep. Scanlon wishes to strengthen the Affordable Care Act (ACA) before transitioning to a public option system and Medicare for All. This week’s hearing will feature testimony from Dr. Dean Baker, Senior Economist, Center for Economic and Policy Research; Dr. Sara Collins, Vice President for Health Care Coverage and Access, The Commonwealth Fund; Dr. Doris Browne, Immediate Past-President, National Medical Association; Dr. Farzon Nahvi, Emergency Room Physician; Ms. Grace Marie-Turner, President, Galen Institute; and Dr. Charles Blahous, J. Fish and Lillian F. Smith Chair and Senior Research Strategist, Mercatus Center.

The Congressional Budget Office’s (CBO) report on single-payer health care is scheduled to be released on May 1. The report will not be a formal score of Medicare for All; it is instead a response to House Budget Committee Chairman John Yarmuth’s

Inside

- [Finance Drug Pricing Bill Expected in June.....](#)2
- [Dems to Meet on Medicare Drug Negotiation This Week.....](#)2
- [Annual Medicare Trustees Report Released.....](#)2
- [OCR Offers New Legal Interpretation of HIPAA Violations.....](#)2
- [New Poll Finds Support for Incremental Health Care Reforms.....](#)3
- [Upcoming Congressional Hearings and Markups.....](#)3

(D-Ky.) request for design considerations for establishing a single-payer health care system. The Budget Committee is expected to hold a hearing on the report sometime in May.

Finance Drug Pricing Bill Expected in June

Senate Finance Committee Chairman Chuck Grassley (R-Iowa) has said that he is working with Ranking Member Ron Wyden (D-Ore.) to introduce a bipartisan bill on drug pricing by mid-June. It remains unclear what the legislation will entail, but Grassley has not endorsed the policy being pushed by Democrats to allow Medicare to negotiate prices.

Dems to Meet on Medicare Drug Negotiation This Week

The chairmen of the House Energy and Commerce and Ways and Means committees plan to meet this week with the Congressional Progressive Caucus to discuss legislation to allow Medicare to negotiate drug prices. There is currently an intra-party division regarding potential Democratic legislation to lower drug prices, with more progressive members of the party supporting a provision that would strip a manufacturer of its monopoly on a drug if it refuses to negotiate with the government. Meanwhile, Democratic leadership is working on a plan that would use an outside arbiter to set a price if the negotiation between the manufacturer and Medicare is not successful. No specific bill will be discussed at the meeting. Instead, Reps. Frank Pallone (D-N.J.) and Richard Neal (D-Mass.) plan to gather input from members about how to move forward. Speaker of the House Nancy Pelosi (D-Calif.) has expressed optimism in recent weeks about reaching a deal with the White House and President Trump on a drug pricing legislative solution.

Annual Medicare Trustees Report Released

The Social Security and Medicare Board of Trustees released its annual [report](#) last week, projecting that the Medicare Hospital Insurance Trust fund will run out of money in 2026. This is in line with the prediction made in last year's projection, despite a \$2 billion decrease in the fund's reserves in 2018. The trustees argue that further legislation is required to either increase revenue or decrease benefits to address Medicare's substantial financial shortfall. Starting in 2026, Medicare revenues would only pay for 89 percent of trust fund costs; this figure would drop to 77 percent by 2046, without action by Congress. The program's total costs are projected to grow from 3.7 percent of gross domestic product (GDP) in 2018 to nearly 6 percent by 2038 and 6.5 percent by 2093. Trustees attribute this growth to an increase in people aging into the program and increases in the volume and intensity of health care services. Part B expenditures are projected to grow at an average of 8.7 percent over the next decade. Premiums for Medicare prescription drug coverage are projected to grow at an average of 7.7 percent over the next decade. According to the report, the Social Security Old Age and Survivors Insurance program is funded through 2034, and the Social Security Disability Insurance program is funded through 2052. Medicare's Supplementary Medical Insurance Trust Fund will be adequately financed into the indefinite future, given that it is paid for through general revenue and beneficiary premiums.

OCR Offers New Legal Interpretation of HIPAA Violations

The U.S. Department of Health and Human Services' (HHS) Office for Civil Rights (OCR) has issued a legal interpretation regarding the fines health care providers pay for violations of HIPAA privacy and record-sharing regulations. Providers pay up to \$1.5 million annually for each category of HIPAA violation, regardless of severity. The penalties supplement OCR's operating budget. As a result of this latest legal interpretation, only top tier violators, or those who demonstrate "willful neglect," will face up to \$1.5 million in fines per violation. Lowest-tier violators will pay a maximum \$25,000 for each violation going forward. Last year, the Office collected \$28.6 million in penalties, with about 40 percent of cases involving at least one count of willful neglect. This year, OCR Director Roger Severino has stated that the Office's priority will be to better ensure patient access to their medical records.

New Poll Finds Support for Incremental Health Care Reforms

According to the latest Kaiser Family Foundation Health Tracking Poll, most Americans favor incremental steps to improve personal health care costs over broader reforms to the health care system. Respondents identified lowering prescription drug costs (68 percent), continuing ACA protections for people with pre-existing conditions (64 percent), and addressing surprise insurance gaps (50 percent) as top priorities for Congress, above implementing Medicare For All (31 percent) and replacing the ACA (27 percent). On surprise insurance gaps, individuals polled believe that patients should be protected from higher costs when they are taken to an emergency department by an out-of-network ambulance (78 percent), taken to an out-of-network emergency department during a medical emergency (78 percent), or treated at an in-network hospital by an out-of-network doctor or specialist (76 percent). Respondents were split on who should be responsible for the bill – with 47 percent of people believing the health provider and insurance company should absorb the cost, 43 percent of people believing that the insurer alone should cover the cost, and 5 percent of people believing the doctor should be responsible. The poll also found continued bipartisan support for the ACA's protections for people with preexisting conditions and the barring of insurers from charging sick individuals higher premiums.

Upcoming Congressional Hearings and Markups

House Rules Committee hearing on “H.R. 1384 - Medicare for All Act of 2019;” 10:00 a.m., H-313 Capitol; April 30

House Energy and Commerce Health Subcommittee hearing “Examining Prescription Drug Coverage in the Medicare Program;” 10:30 a.m., 2322 Rayburn Bldg.; April 30

House Homeland Security Cybersecurity, Infrastructure Protection, and Innovation Subcommittee hearing “Resourcing DHS’ Cybersecurity and Innovation Missions: A Review of the Fiscal Year 2020 Budget Request for the Cybersecurity and Infrastructure Security Agency and the Science and Technology Directorate;” 2:00 p.m., 310 Cannon Bldg.; April 30

House Committee on Oversight and Reform Environment Subcommittee hearing “Climate Change, Part II: The Public Health Effects;” 2:00 p.m., 2154 Rayburn Bldg.; April 30

Senate Commerce Subcommittee on Security hearing to examine strengthening the cybersecurity of the Internet; 2:30 p.m., 562 Dirksen Bldg.; April 30

Senate Committee on Appropriations State, Foreign Operations, and Related Programs Subcommittee hearing to examine proposed budget estimates and justification for fiscal year 2020 for the United States Agency for International Development; 2:30 p.m., 138 Dirksen Bldg.; April 30

Senate Committee on Appropriations Military Construction and Veterans Affairs, and Related Agencies Subcommittee hearing to examine proposed budget estimates and justification for fiscal year 2020 and advance appropriations requests for 2021 for the Department of Veterans Affairs; 2:30 p.m., 124 Dirksen Bldg.; April 30

House Appropriations Labor, Health and Human Services, Education, and Related Agencies Subcommittee FY2020 Labor/HHS markup; 4:00 p.m., 2358-C Rayburn Bldg.; April 30

House Committee on Appropriations Department of Homeland Security Subcommittee FY2020 Budget Hearing - Cybersecurity and Infrastructure Security Agency; 9:30 a.m., 2008 Rayburn Bldg.; May 1

Senate Commerce Committee hearing “Consumer Perspectives: Policy Principles for a Federal Data Privacy Framework;” 10:00 a.m., G50 Dirksen Bldg.; May 1

Senate Health, Education, Labor, and Pensions (HELP) Committee hearing “Implementing the 21st Century Cures Act: Making Electronic Health Information Available to Patients and Providers, Part II;” 10:00 a.m., 430 Dirksen Bldg.; May