



Health Policy Briefing

February 5, 2018

Lawmakers Approach Another Government Funding Deadline

The continuing resolution (CR) under which the government is currently operating expires this Thursday, February 8. The conservative House Freedom Caucus is expected to oppose another short-term spending bill, which puts GOP leadership in a difficult position given that House Democrats may also oppose the next proposed government funding measure. The Freedom Caucus is pushing for an increase in defense appropriations, while Democrats are seeking to negotiate a bipartisan budget deal that lifts the caps for both defense and non-defense spending as well as additional funding for priorities like the opioid crisis and community health centers. Republicans are considering attaching funding for community health centers and Medicare extenders to the stopgap spending measure in an attempt to garner Democratic votes. Latest reports indicate that the House may vote on a spending bill to fund the government through March 22 as early as Tuesday. The late March date puts into question how Congress will opt to deal with the debt limit. The latest Congressional Budget Office (CBO) **projection** is that, if the debt limit is not raised, the Treasury will not be able borrow additional funds using extraordinary measures, and could run out of cash, in the first half of March 2018.

Congressional Committees Continue Work on Opioid Crisis

The House Energy and Commerce Committee announced that it would hold a series of legislative hearings on combating the opioid crisis beginning the week of February 26. A specific list of bills the panel will consider has not yet been released, but it is expected to include legislation regarding new treatments and technologies (e.g., dealing with how painkillers are administered) and disposal of unused opioids. Leadership on the Committee also expanded its bipartisan investigation into alleged pill dumping in West Virginia (W. Va). Chairman Greg Walden (R-Ore.), Ranking Member Frank Pallone (D-N.J.), Oversight and Investigations Subcommittee Chairman Gregg Harper (R-Miss.), Ranking Member Diana DeGette (D-Colo.), and David McKinley (R-W.V.) have sent follow-up **letters** to two regional drug distributors raising questions about high-volume shipments of

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hydrocodone and oxycodone to Williamson, W.Va.

Meanwhile, leadership on the Senate Finance Committee is requesting input from health care stakeholders about potential policy changes to Medicare and Medicaid that could prevent opioid abuse and reduce barriers to addiction treatment. Chairman Orrin Hatch (R-Utah) and Ranking Member Ron Wyden (D-Ore.) specifically ask if program incentives could be used to promote pain management that minimizes the risk of opioid addiction. The lawmakers also ask for suggestions about how to improve reporting on beneficiary risk of addiction.

In related news, the Drug Enforcement Administration (DEA) announced that it would be assigning a surge of agents over the next forty-five days to examine pharmacies and prescribers who appear to be overprescribing opioid painkillers. The DEA plans to look at data from the eighty million transaction reports it collects annually from prescription drug manufacturers and distributors to identify statistical outliers and suspicious patterns of distribution and inventories across the nation. The effort is aimed at leveraging DEA databases and improving investigations into alleged pill dumping, with the ultimate goal of increasing the number of offender arrests and convictions and reducing the number of available opioids for Americans to get addicted.

Right to Try, Opioids, and Drug Prices Featured in State of the Union

During his State of the Union address last week, President Trump discussed several healthcare-related issues. The President endorsed right-to-try legislation, stating that terminally ill patients should have immediate access to experimental treatments that have not yet completed the approval process. Such legislation passed the Senate unanimously last year and awaits action in the House. The President reiterated his commitment to fighting the opioid epidemic by increasing treatment for those struggling with addiction and immigration reform. Finally, President Trump stated that he has directed his Administration to make the issue of high drug prices one of its top priorities. Rep. Joe Kennedy (D-Mass.) delivered the Democrat's response to the speech, calling for increased resources for Medicaid and the Affordable Care Act (ACA) and urging support for a health care system that "offers mercy."

CDC Director Resigns

Director of the Centers for Disease Control and Prevention (CDC) Brenda Fitzgerald, MD has resigned amid a scandal involving her stock holdings. The announcement closely followed a Politico report that Fitzgerald bought shares in tobacco, food, and drug companies while serving as CDC director. The U.S. Department of Health and Human Services (HHS) stated that such financial interests "imposed a broad recusal limiting her ability to complete all of her duties as the CDC Director," and that she was unable to divest from them in a definitive period of time. Dr. Anne Schuchat, Principal Deputy Director of CDC, has been tapped to lead the agency as Acting Director.

CDC to Cut Spending on Global Epidemic Prevention Efforts

According to a report from the Washington Post, the Centers for Disease Control and Prevention (CDC) plans to significantly cut global epidemic prevention efforts. A five-year emergency package approved in 2014 to respond to the Ebola epidemic expires in September 2019, and the agency has cautioned its staff not to expect any new resources for the global health security programs. The CDC plans to cut activities in thirty-nine out of forty-nine countries and narrow its focus to the following ten priority countries: India, Thailand, Vietnam, Jordan, Kenya, Uganda, Liberia, Nigeria, Senegal, and Guatemala.

Bipartisan Lawmakers Inquire on Status of Product Shortages

Sens. Marco Rubio (R-Fla.) and Richard Blumenthal (D-Conn.) have **written** to Commissioner of Food and Drugs Scott Gottlieb regarding the shortage of intravenous fluid bags and other medical products resulting from the effects of Hurricane Maria in Puerto Rico last year. The lawmakers ask when the products will become widely available, whether approval of new suppliers is temporary or permanent, and what Congress can do to assist with the situation. On Thursday, the Food and Drug Administration (FDA) provided an update on the shortage, noting that this year's worse-than-normal flu season and workarounds deployed by health care providers in the wake of this shortage have increased demand for saline and other products. Most recently, the FDA was able to extend the expiration dates of certain **products**, including some 500 ml size saline bags, after carefully examining the data submitted by the company to ensure that it meets the FDA's quality and safety standards. The FDA will continue to encourage companies to submit data to extend expiration dates for drugs in shortage. The FDA has also been working with manufacturers, such as Baxter and B. Braun, to import products into the U.S. from their foreign facilities, including most recently additional products from a Baxter facility in Brazil.

Upcoming Congressional Hearings and Meetings

House Ways and Means Health Subcommittee hearing on the Opioid Crisis: Removing Barriers to Prevent and Treat Opioid Abuse and Dependence in Medicare; 3:00 p.m., 1100 Longworth Bldg.; February 6

House Committee on Veterans' Affairs hearing "VA Caregiver Support Program: Correcting Course for Veteran Caregivers;" 10:00 a.m., 334 Cannon Bldg.; February 6

Senate Health, Education, Labor, and Pensions (HELP) Committee hearing "The Opioid Crisis: Impact on Children and Families;" 430 Dirksen Bldg.; February 8

Recently Introduced Health Legislation

H.R.4894 (introduced by Rep. Kristi L. Noem): To amend the Patient Protection and Affordable Care Act to provide temporary relief from the annual fee imposed on health insurance providers; Energy and Commerce, Ways and Means

H.R.4897 (introduced by Rep. Frank A. LoBiondo): To require a study on women and lung cancer, and for other purposes; Energy and Commerce

H.R.4899 (introduced by Rep. Matt Cartwright): To amend the Public Health Service Act to provide grants for treatment of heroin, opioids, cocaine, methamphetamine, 3,4-methylenedioxymethamphetamine (ecstasy), and phencyclidine (PCP) abuse, and for other purposes; Energy and Commerce

H.R.4903 (introduced by Rep. David Kustoff): To direct the Comptroller General to conduct a study and submit a report to Congress on best practices in use by Federal departments and agencies to reduce opioid usage following medical procedures; Energy and Commerce

S.2357 (introduced by Sen. Jon Tester): A bill to require the Secretary of Veterans Affairs to review the processes and requirements of the Department of Veterans Affairs for scheduling appointments for health care and conducting consultations under the laws administered by the Secretary, and for other purposes; Veterans' Affairs

S.2358 (introduced by Sen. Marco Rubio): A bill to require a study on women and lung cancer, and for other purposes; Health, Education, Labor, and Pensions