

Viewpoints

ML Strategies Health Care Preview WEEK OF JANUARY 14, 2019

It's now the 24th day of the partial government shutdown and we have yet to see signs of a breakthrough. There doesn't seem to be <u>much of any negotiating</u> happening at the moment either. Will this be the week where stories of unpaid TSA officers and FDA food inspectors drive the parties to end the shutdown? We shall see.

The business of government – while centered on this partial shutdown – will begin to pick up as February comes into view. House member committee assignments are being finalized with the first hearings scheduled in the next two weeks.

There was <u>news late last week</u> that the Administration is also looking to push its regulatory agenda by exploring ways to reform the Medicaid program. The plan, while still under development, would allow states to consider using block grants for the Medicaid program. The Administration has not said anything publicly about the scope of the proposed reforms, but the news of such deliberations are sure to lead to intense scrutiny from House Democrats.

DRUG PRICING: NOISE V. ACTION

Health care stakeholders know that drug prices will be a hot topic this Congress with House Democrats expected to focus in on a number of transparency issues. Last week, House Oversight Chairman Elijah Cummings announced that the initial Oversight and Reform Committee hearing of the 116th Congress would examine prescription drug prices. And today he sent letters to 12 drug companies seeking information on pricing practices as part of an investigation into pharmaceutical costs. Additionally, Senator Grassley, Chairman of the Finance Committee, indicated that the committee will look at Pharmacy Benefit Manager (PBM) transparency, specifically Ranking Member Wyden's legislation, the Creating Transparency to Have Drug Rebates Unlocked Act.

For health care stakeholders, the challenge is discerning noise from action. We watch for Congress to take actions that will create change. There will typically be a lot of noise (hearings, reports, etc.) preceding Congressional action. But noise doesn't guarantee action. Just because Congress is talking about a subject doesn't mean policy change is imminent. With drug prices, a highly charged political issue, we need to carefully look for signs that bipartisan action to create real policy change could happen.

THIS WEEK IN THE HOUSE

No health care hearings scheduled.

THIS WEEK IN THE SENATE

No health care hearings scheduled.

MedPAC Meeting

MedPAC will hold its January meeting January 17-18th.

SIGN UP

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TEAM

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