

ML Strategies Health Care Preview

WEEK OF JULY 29, 2019

This week, the Senate is expected to consider the House-passed two-year budget deal that will also suspend the debt limit for two years. This carefully brokered bipartisan deal clears a major hurdle for congressional negotiators who have a number of priorities piling up, including appropriations and health care extenders who both have end of September deadlines.

The Administration and Congress have made drug pricing a top priority this year, putting forward a number of policy proposals, holding numerous congressional hearings and introducing dozens of bills to rein in costs for consumers. The contentious debate has at times pitted key stakeholders against one another, which was on full display last week during the Senate Finance Committee markup of the [Prescription Drug Pricing Reduction Act \(PDPRA\) of 2019](#).

Sen. Pat Toomey (PA) led an effort to strike a proposal that would limit drug price increases to the rate of inflation, or else be subject to a penalty. A number of Republicans are also opposed to including the Administration's [International Pricing Index \(IPI\)](#) demonstration, although the measure was supported by Chairman Chuck Grassley (IA) and Sen. Richard Burr (NC). Both of these amendments voted on were deadlocked at 14-14, meaning they were not struck from the bill. While Democrats were largely supportive of PDPRA, there were calls to have a vote on providing HHS the authority to negotiate drug prices in Medicare. The vote on that amendment, led by Sen. Debbie Stabenow (MI), did not pass by a vote of 15-12. Ranking Member Ron Wyden (OR) insisted that this issue, as well as a vote for pre-existing conditions protections, must occur before Democrats would support this legislation on the floor. Ultimately, the bill advanced out of committee by a vote of 19-9.

Both the Finance bill and the Senate HELP bill, championed by Chairman Lamar Alexander and Ranking Member Patty Murray, are likely to be considered on the floor in September. While the HELP bill includes a handful of drug pricing provisions, the most noteworthy of provisions is around surprise billing. The House Energy & Commerce committee approved legislation to address surprise billing, which includes a benchmark payment rate for out-of-network charges with an arbitration backstop in certain cases. The Senate HELP committee's version only included the benchmark rate, but some members of the committee support the House-proposal and are working to add [a fix](#) to the Senate bill more in line with the House measure.

The House E&C Committee [advanced a number of relevant](#) public health programs set for reauthorization at the end of the fiscal year, including funding for workforce development grants, community health centers, Special Diabetes program, and others. With all these priorities lined up for September, we could see a large package come together that is inclusive of appropriations after the recess.

THIS WEEK IN THE HOUSE

The House is in recess.

THIS WEEK IN THE SENATE

No hearings this week.

SIGN UP

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