

Health Care Weekly Preview Week of January 16th

The shutdown countdown feels more real this time. Congress now has four days to hash out a spending deal that avoids a government shutdown. A deal could include any number of legislative priorities. DACA talks were progressing last week and the contours of a deal can be envisioned. The recent CBO scores make a deal for CHIP a matter of time (six years, ten years, or permanent). Negotiators continue to discuss defense and non-defense spending increases. These issues can be resolved this week or extended in the short-term in order to avoid a government shutdown and finalize the outstanding issues.

The point is there's no real policy reason for a shutdown this week. But can a short-term deal be reached in the current environment? There's no question that the President's 'shithole' comments have thrown a wrench into the process. Can both sides find ways to compromise over politically sensitive issues in this atmosphere? It is very hard to imagine a week ending with happiness and signing ceremonies.

THIS WEEK IN THE HOUSE

On Wednesday (1/17), the House Ways & Means Committee will hold a hearing titled, "<u>The Opioid Crisis: The</u> <u>Current Landscape and CMS Actions to Prevent Opioid Misuse</u>."

THIS WEEK IN THE SENATE

On Wednesday, (1/17), the Senate HELP Committee will hold a hearing titled "Facing 21st Century Threats: Our Nation's Preparedness and Response Capabilities, Part I."

On Wednesday (1/17), the Senate Homeland Security & Government Affairs Committee will hold a hearing titled, "<u>Unintended Consequences: Medicaid and the Opioid Epidemic</u>."

AZAR

On Wednesday, the Senate Finance Committee will vote on whether to advance Alex Azar's nomination for full Senate consideration. Last week a few Senate Democrats noted that they would support Azar, including Sens. Manchin (D-WV) and Heitkamp (D-ND). It appears very likely he will be confirmed, despite Rand Paul's (R-KY) statement on Azar last week.

THE MINIBUS

By now you are probably sick of hearing us talk about the minibus. The other minibus provisions have largely stayed in the shadow of CHIP. There's always been an expectation that the remaining health extenders would be moved concurrently with CHIP as the political driver. Politics may find CHIP moving by itself, especially if there is a ten-year or permanent extension. The reality is the failure to extend the other health provisions (and delay the ACA taxes) will have a real world impact. DSH cuts are in effect. Device taxes will need to be paid by the end of the month. Some Medicare beneficiaries needing physical, occupational, or speech therapy may find themselves exceeding the therapy cap early next month.

To date, it's all been about CHIP. Sooner than later the other health provisions will become a real problem for providers and beneficiaries who depend on them.