ML Strategies Health Care Preview Week of June 4th

Congress is in session for the next four weeks and the focus is expected to be primarily on opioids. The House is preparing a massive package of legislation to send to the Senate. Meanwhile, most Senate committees have considered opioid-related legislation (HELP, Commerce) or plan to this work period (Finance). This four-week stretch will determine if the House and Senate are close enough on policy that they might reconcile their differences and send something to the President's desk during the four-week July work period.

While the President said last week that drug manufacturers will announce massive drug cuts sometime this month, many in the industry were caught off guard by the comments. The Senate will be holding a hearing on drug pricing this month with Secretary Azar present, so it's possible some light could be shed on these comments. He is certainly going to be asked what the President meant. Given the Administration's intense focus and rhetoric on lowering drug costs, stakeholders will constantly be challenged to divine the difference between talk and action.

It's probable this month that rules regarding association health plans and short-term plans will be finalized. Early rate proposals for 2019 have already led to finger pointing over who is to blame for the rising costs, and this announcement could fuel further debate over who is responsible for health costs come this fall.

MEDICAID

Last week, Virginia became the latest state to expand Medicaid. Its expansion also included a provision to include work requirements for certain Medicaid beneficiaries. To date, 34 states (including DC) have adopted Medicaid expansion. Our summary of recent state activity relating to Medicaid expansion can be <u>found here</u>.

Late last week, Arkansas rolled out its work requirements for the first time. While roughly 70,000 beneficiaries may be subject to Arkansas' work requirements, only about half are not currently working and at risk of losing coverage, according to <u>outside analysis</u>. The Arkansas requirements only apply to those aged 19 to 49, which is lower than most states. You can read our coverage of Arkansas and other states <u>here</u>.

More conservative states are examining their own proposals for work requirements, time limits, and lock outs. With the receptive nature of the current Administration to those concepts driving policy development, we will continue updating <u>our series</u> on Medicaid waivers as we see proposals moving forward.



THIS WEEK IN THE HOUSE

On Wednesday (6/6), the House Energy & Commerce Health Subcommittee will hold a hearing titled, "Examining the Reauthorization of the Pandemic and All-Hazards Preparedness Act." Click here for more information.

On Wednesday (6/6), the House Ways & Means (W&M) Health Subcommittee will hold a hearing titled, "Hearing on Lowering Costs and Expanding Access to Health Care through Consumer-Directed Health Plans." Click here for more information.

On Wednesday (6/6), the House Committee on Education & the Workforce will hold a hearing titled, "Examining the Policies and Priorities of HHS." Secretary Azar will be testifying. Click here for more information.

On Thursday (6/7), the House W&M Health Subcommittee will hold a hearing titled, "Hearing on Examining Social Security's Solvency Challenge: The Status of Social Security's Trust Funds." Click here for more information.

THIS WEEK IN THE SENATE

No hearings announced this week.

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