

Impact Health Policy Weekly

Framing the Week

The House and Senate are both in recess until after Labor Day. During this Congressional break, we'd like to take the opportunity to dive a bit deeper into issues of interest. To start, we are highlighting federal investment in research and development.

Prior to adjournment, the Senate Appropriations Committee marked up all 12 of their fiscal year (FY) 2024 bills, all of which passed with overwhelming bipartisan votes. Senate Appropriations Committee leadership, Chair Patty Murray (D-WA) and Vice Chair Susan Collins (R-ME), stuck to the funding levels agreed to in the Fiscal Responsibility Act (also known as the bipartisan debt ceiling deal), however they added an additional \$13+ billion in emergency spending. This allowed them to provide either flat funding or small increases to the domestic spending bills, and a larger increase to the Department of Defense. The House, on the other hand, used the debt ceiling deal as a starting point, and then cut an additional \$119 billion while simultaneously rescinding \$115 billion in recent spending. The Committee has managed to pass 10 of the 12 bills, but the Commerce-Justice-Science bill and the Labor-HHS-Education bill have not yet been brought up in Committee. Additionally, the Agriculture bill was pulled from a floor vote prior to recess due to disagreement over spending totals. The House Freedom Caucus is pushing even more cuts, while Republican moderates are balking at the spending levels the Committee passed.

It is no surprise that House Republicans are seeking to cut social programs, but what about research and development (R&D), typically an area of investment that receives bipartisan support? The American Association for the Advancement of Science (AAAS) put out a [report](#) last week detailing the R&D estimates in both the House and Senate spending plans. Surprisingly, the House plan is \$237.67 billion, or 19% over FY 2023 final estimates, a significant departure from the drastic cuts that face many other programs. The Senate's total R&D budget estimate is \$191.25 billion, a 4% decrease from FY 2023, despite giving themselves more funding. The increases, however, are not widespread. The House provides a 56% increase in developmental science at the DOD (specifically Army and Defense-Wide RDT&E accounts) compared to the Senate's more modest 2.2%. Outside of the DOD and a modest increase in research at the VA and a couple programs, most R&D programs are cut or flat funded in both the House and Senate bills. For example, the House cut funding for the National Institutes of Health (NIH), an agency that typically receives bipartisan support, by an unprecedented \$2 billion and further cut the Centers for Disease Control by \$1.6 billion. The Senate provided a \$943 million increase to NIH, but flat funded the CDC. The overall cuts to non-defense R&D are distressing to the community considering the impact these cuts will have on our potential for innovation in the future and the U.S.'s standing as an international science superpower.

Regulatory Update

No new rules have cleared review at the Office of Management and Budget. OMB is reviewing the following rules:

- **Minimum staffing standards for long-term care facilities** – [Proposed rule](#) would address staffing requirements at long-term care facilities, including nursing homes. Industry pushback has delayed the release of the rule, initially intended for June. Stakeholders are meeting with OMB in early September, meaning we are unlikely to see the proposal until the fall.
- **Medicaid and CHIP Enrollment and Eligibility** – [Final rules](#) intended to simplify the processes for eligible individuals to enroll and retain eligibility in Medicaid, CHIP and the Basic Health Program. The first final rule expected in September 2023 will remove barriers and facilitate enrollment of new applicants, particularly those dually eligible for Medicare and Medicaid. The second final rule expected in February 2024 will implement changes to align enrollment and renewal requirements for most individuals in Medicaid and promote maintenance of coverage.
- **Mandatory Medicaid and CHIP Core Set Reporting** – [Final rule](#) would establish requirements for mandatory reporting of the Core Set of Children’s Health Care Quality Measures for Medicaid and CHIP, the behavioral health measures on Adult Health Care Quality Measures for Medicaid, and the Core Set of Health Care Quality Measures for Medicaid Health Home Programs. The final rule is expected in August 2023.

This Week in Health Policy

Mon. (8/7)

- **4:00pm – Urban Institute Discussion: Health Equity** – The Urban Institute holds a discussion on the opportunities and challenges in achieving a health system that centers health, wellness, and equity. Health equity leaders Anthony Iton and Damon Francis will preview the principles, values, and key questions that must be addressed from their paper, “Envisioning a New Health System Rooted in Equity.” The paper is part of the Urban Institute’s review of the nation’s progress toward health care equity in the 20 years since the Institute of Medicine’s *Unequal Treatment* report and will be released by the Urban Institute later this year. [Details.](#)

Tue. (8/8)

- **3:00pm – BPC Discussion: Housing** – The Bipartisan Policy Center (BPC) holds a discussion with the Government National Mortgage Association President Alanna McCargo on priorities for the organization and strategies to expand homeownership opportunities for underserved people and communities. [Details.](#)

Wed. (8/9)

- **10:30am – HITAC Meeting: Pharmacy Interoperability** – The Health Information Technology Advisory Committee (HITAC) holds a meeting of the Pharmacy Interoperability and Emerging Therapeutics Task Force to discuss program updates. [Details.](#)

Additional Multi-Day Events

- **August 9-August 10 – HRSA Meeting: Nurse Education** – The Health Resources and Services Administration (HRSA) holds a meeting of the National Advisory Council on Nurse Education and Practice (NACNEP) to discuss updates to the status of the NACNEP Report and future topic recommendations. [Details.](#)
- **August 10-August 11 – HRSA Meeting: Heritable Disorders in Newborns** – HRSA holds a meeting of the Advisory Committee on Heritable Disorders in Newborns and Children (ACHDNC) to discuss health equity and newborn screening, and a potential vote on whether to recommend Duchenne muscular dystrophy to full evidence-based review. [Details.](#)

Featured Analysis

- **Impact Regulatory Outlook: 2023 Unified Agenda** – In the Policy Hub Insight Bank [here.](#)
- **Impact Updated Chart: PBM Legislation Under Consideration** – In the Policy Hub Insight Bank [here.](#)
- **Impact Tracker of COVID-19 PHE Flexibilities** – In the Policy Hub Insight Bank [here](#)
- **Impact Health Policy Guide to the 118th Congress** – In the Policy Hub Insight Bank [here.](#)
- **Impact Roundup of Surprise Billing and Transparency Updates**– In the Policy Hub Insight Bank [here.](#)

Regulatory Lookback

Fri. (8/4)

- **AHRQ** released two new toolkits aimed at enhancing the safety culture in labor and delivery units, thereby reducing maternal and neonatal adverse events arising from communication gaps and system failures. [Details.](#)
- **SAMHSA** shared four new resources created in July to support parenting and pregnant people struggling with substance use disorder. [Details.](#)

Thurs. (8/3)

- **ASPE** [released](#) a report showing that the national uninsured rate in the United States reached an all-time low of 7.7 percent in early 2023. [Details.](#)

Weds. (8/2)

- **HHS** [announced](#) the establishment of the Office of Long COVID Research and Practice to coordinate the response to Long COVID across the federal government. [Details.](#)
- **HHS OIG** [released](#) a report revealing that while end-stage renal disease (ESRD) patients benefited from telehealth services during the COVID-19 pandemic in 2020. [Details.](#)
- The USPSTF [released](#) a final recommendation statement on folic acid supplementation to prevent neural tube defects. [Details.](#)

Tues. (8/1)

- **CMS** [released](#) the FY 2023 IPPS final rule. [Details.](#)

Mon. (7/31)

- CMS [released](#) the FY 2024 SNF PPS final rule. [Details.](#)
- CMS [announced](#) the projected 2024 Medicare Part D premiums and bid information. [Details.](#)
- CMMI [announced](#) the Guiding an Improved Dementia Experience (GUIDE) Centers for Medicare and Medicaid Innovation (CMMI) Model. [Details.](#)

Comment & Application Deadlines

- **August 17:** CMMI issued an [RFI](#) to inform the development of an episode-based payment model focused on improving beneficiary care and lowering Medicare expenditures. [Details.](#)
- **August 23:** The FDA issued [draft guidance](#) entitled: “Psychedelic Drugs: Considerations for Clinical Investigations. [Details.](#)
- **August 25:** CMS released the CY 2024 ESRD PPS [proposed rule](#). [Details.](#)
- **August 26:** CMS released a [notice with comment](#) to establish the TCET pathway. [Details.](#)
- **August 28:** The FDA [issued](#) an RFI to assess whether in-home disposal products can mitigate the risk of nonmedical use or overdose of opioid analgesics. Submissions are due August 28. [Details.](#)
- **September 5:** CMS issued a [proposed rule](#) that describes the agency’s proposed actions to remedy the payment for 340B drugs for calendar years (CYs) 2018 through 2022. [Details.](#)
- **September 5:** The CFPB and HHS issued an [RFI](#) on high-cost specialty financial products used to pay for health care. [Details.](#)
- **September 6:** The FDA [issued](#) a proposed rule to establish tobacco product manufacturing practice (TPMP) requirements. [Details.](#)
- **September 11:** HHS released a [proposed rule](#) to ensure short-term, limited duration insurance (STLDI) and fixed indemnity benefits coverage do not undermine consumer protections and requirements under the ACA. [Details.](#)
- **September 11:** CMS released the CY 2024 MPFS [proposed rule](#). [Details.](#)
- **September 11:** CMS released the CY 2024 OPPS [proposed rule](#). [Details.](#)
- **September 29:** The CDC [issued](#) a request for nominations for members to serve on the Healthcare Infection Control Practices Advisory Committee (HIPAC). [Details.](#)
- **November 17:** The FDA [issued](#) a proposed rule to amend its prescription drug labeling regulations to require the inclusion Patient Medication Information (PMI). [Details.](#)