

1301 K Street NW, Suite 300W Washington, D.C. 20005 (202) 309-0796

Impact Health Policy Weekly

Framing the Week

This week promises to be a busy one in Washington! Almost halfway into the fiscal year (FY), this week the House and Senate are poised to finally pass six of the 12 FY 2024 appropriations bills as well as a long-awaited healthcare package. Text was released on the Agriculture, Energy and Water, MilCon-VA, Transportation-HUD, Commerce-Justice-Science, and Interior spending bills at levels consistent with the bipartisan budget agreement (Senate and House press releases). The House is expected to vote on the package on Wednesday followed by the Senate prior to the expiration of the first continuing resolution (CR) on Friday, March 8. The remaining six bills, including the largest two bills that fund HHS and the Department of Defense, are on a Continuing Resolution until March 22. The Committee, however, has indicated that text for the second package should be released "soon" and votes should occur well before the 22nd. Bipartisan support will be needed for both packages to pass.

Also included in this week's budget bill is a healthcare package that, while smaller than many hoped for, includes funding increases and authorization extensions for several key healthcare programs as well as funding to restore recent cuts to Medicare payments for physicians (details). Lawmakers agreed to a 10% increase in funding for the Community Health Centers program, a 17% increase for the National Health Service Corps, a 56% increase for the Teaching Health Center Graduate Medical Education Program and increases for the Special Diabetes Program and the Special Diabetes Program for Indians. All of these programs will be extended until December 31, 2024. The agreement further restores 1.68% of the 3.4% cut to the Medicare physician fee reimbursement that went into effect on January 1 and includes a 1.88% increase to Advanced Payment Model (APM) bonuses. Finally, the package eliminates scheduled cuts to disproportionate share hospitals (DSH) through the end of the year, secures permanent Medicaid coverage for medication-assisted treatment for those struggling with substance use disorders, and provides Medicaid protections for incarcerated individuals. The package does not include any of the site neutral or price transparency requirements for hospitals, insurers, and pharmacy benefit managers that were included in the House passed Lower Costs, More Transparency (LCMT) Act (H.R. 5378),

<u>State of the Union</u>: On Thursday, President Biden will speak to a joint session of Congress at the annual State of the Union speech. Among the health care issues expected to be highlighted include the Administration's efforts on lowering the cost of prescription drugs, the ACA, cancer research, and others. Alabama Senator Katie Britt is going to give the Republican response following the President's address.

2024 Election: On Tuesday, 16 states will vote in their primary elections allocating approximately onethird of all delegates to the presidential nominating conventions. President Joe Biden and former President Donald Trump are expected to easily win all 16 contests. This could be the end of the road for former South Carolina Governor Nikki Haley's bid for the Republican nomination.

Hearings and Markups



Senate Homeland Security Committee: On Wednesday the Senate Homeland Security and Governmental Affairs will hold a <u>markup</u> to consider several cybersecurity bills, including a bill to improve the President's Cup Cybersecurity Competitions, and one to prohibit contracting with certain biotechnology providers connected to foreign adversaries.

Senate Budget Committee: On Wednesday the Senate Budget Committee will hold a <u>hearing</u> "Primary Care's Role in Health Care Efficiency " to examine how primary care improves health care efficiency.

Select Committee on the Coronavirus Pandemic: Also on Wednesday, the House Oversight and Accountability Select Subcommittee on the Coronavirus Pandemic will hold a <u>hearing</u> titled "Examining the White House's Role in Pandemic Preparedness and Response." Maj. Gen. Paul Friedrichs, Director of the Office of Pandemic Preparedness and Response Policy at the White House will be testifying.

Regulatory Update

The Office of Management and Budget (OMB) is reviewing the following rules:

Medicare

- Alternative Payment Models The <u>proposed rule</u> would implement a new Medicare payment model titled, Increasing Organ Transplant Access (IOTA) Model (was set for December 2023).
- Payment Update The proposed rules would make policy payment updates for <u>acute care</u> <u>hospitals inpatient and long-term care hospitals</u>, <u>hospice</u>, <u>inpatient psychiatric facilities</u> (April 2024).
- Nursing Homes The <u>final rule</u> would establish minimum staffing standards for long-term care facilities and establish Medicaid institutional payment transparency reporting requirements (September 2026).

Medicaid

- Disproportionate Share Hospital Program The <u>final rule</u> would implement requirements under section 203 of the Consolidated Appropriations Act, 2021 (CAA), which relate to Medicaid shortfall and third-party payments (February 2024).
- Eligibility and Enrollment The <u>final rule</u> would implement changes to align enrollment and renewal requirements for most individuals in Medicaid and promote maintenance of coverage (February 2024).
- Access to Care A pair of final rule intended to access to care and quality outcomes for Medicaid and CHIP beneficiaries enrolled in <u>managed care delivery systems</u> and <u>fee-for-service Medicaid</u> (April 2024).

Commercial Insurance



- ACA Marketplace The <u>final rule</u> would make changes to regulations governing Affordable Care Act (ACA) Marketplace plans, insurance standards, and the risk adjustment program for plan year 2025 (not specified but likely April 2024).
- Short-Term Plans The <u>final rule</u> would modify definitions to ensure short-term, limited duration insurance and fixed indemnity benefits coverage do not undermine consumer protections and requirements under the Affordable Care Act (April 2024).

Other Topics:

- Healthcare System Resiliency and Modernization The proposed rule would revise and update national emergency preparedness requirements for Medicare- and Medicaid-participating providers and suppliers (was set for December 2023).
- **Reproductive Health Care Privacy** The <u>final rule</u> would modify the HIPAA Privacy Rule to support reproductive health care privacy (March 20240.
- Health IT The proposed rule would advance interoperability through proposals for: standards adoption; public health IT certification; expanded uses of certified application programming interfaces (APIs), such as for electronic prior authorization, patient engagement, care management, and care coordination; and information sharing under the information blocking regulations (was set for November 2023).

This Week in Health Policy

<u>Mon. (3/4)</u>

 1:00pm – BPC Discussion: Child Care Workforce – The Bipartisan Policy Center (BPC) holds a discussion on state-led policies that pave the way for successful compensation interventions to support a competent and stable child care workforce. <u>Details</u>.

<u>Tue. (3/5)</u>

- 9:00am FDA Meeting: 2024/2025 Influenza Vaccines The Food and Drug Administration (FDA) holds a meeting of the Vaccines and Related Biological Products Advisory Committee to discuss and make recommendations on the selection of strains to be included in the influenza virus vaccines for the 2024 to 2025 influenza season. <u>Details</u>.
- 10:00am SAMHSA Meeting: Drug Testing Panels The Substance Abuse and Mental Health Services Administration (SAMHSA) holds a meeting of the Center for Substance Abuse Prevention's Drug Testing Advisory Board to hear presentations regarding proposed changes to the analyte table including fentanyl prevalence, fentanyl immunoassay updates, cost and benefits analysis and a summary of public comments received regarding the proposed changes to the HHS Drug Testing Panels. <u>Details</u>.
- **10:00am NIST Meeting: AI Safety** The National Institute of Standards and Technology (NIST) holds a meeting of the National Artificial Intelligence Advisory Committee (NAIAC) to examine the concept of "AI safety" through the testimony of a group of experts. <u>Details</u>.
- 10:00am HITAC Meeting: Interoperability Standards The Health Information Technology Advisory Committee (HITAC) holds a meeting of the Interoperability Standards Workgroup to discuss program updates. <u>Details</u>.



 12:00pm – ITIF Discussion: Biopharmaceutical Innovation – The Information Technology and Innovation Foundation (ITIF) holds an expert briefing on a new report examining why the United States lost its lead in other advanced technology industries, and how policymakers can ensure continued innovation the biopharmaceutical sector. <u>Details</u>.

Wed. (3/6)

- 8:30am The Hill Discussion: PBM Reform The Hill holds a discussion on addressing bipartisan concerns regarding Pharmacy Benefit Manager (PBM) reform, exploring strategies to increase PBM accountability, and discussing the role of transparent PBMs in driving change and reduce costs. Reps. James Comer (R-KY) and Kake Auchincloss (D-MA) will be participating. <u>Details</u>.
- 9:30am Markup: Cybersecurity The Senate Homeland Security and Governmental Affairs holds a markup to consider several cybersecurity bills, including a bill to improve the President's Cup Cybersecurity Competitions, and one to prohibit contracting with certain biotechnology providers connected to foreign adversaries. <u>Details</u>.
- **10:00am Hearing: Primary Care's Role in Health Care Efficiency –** The Senate Budget Committee holds a hearing to examine how primary care improves health care efficiency. <u>Details</u>.
- 10:00am Hearing: White House's Role in Pandemic Preparedness The House Oversight and Accountability Select Subcommittee on the Coronavirus Pandemic holds a hearing titled "Examining the White House's Role in Pandemic Preparedness and Response." Maj. Gen. Paul Friedrichs, Director of the Office of Pandemic Preparedness and Response Policy at the White House will be testifying. <u>Details</u>.

<u>Thurs. (3/7)</u>

- 10:00am HITAC Meeting: Health IT Advisory Committee HITAC holds a meeting to discuss program updates, including recommendations to the National Coordinator on the topics of interoperability, privacy and security, patient access, and use of technologies that support public health. <u>Details</u>.
- 11:00am Hearing: Older Americans Act The Senate Health, Education, Labor, and Pensions Committee holds a hearing to examine the Older Americans Act, focusing on supporting efforts to meet the needs of seniors. <u>Details</u>.
- 12:00pm HHS Meeting: Catalytic Program on Utilizing the IRA The Department of Health and Human Services (HHS) holds a meeting as part of a "catalytic program" to support health care providers and safety net organizations in taking advantage of the tax credits, grants and other supports made available by the Inflation Reduction Act (IRA). This session will focus on other IRA opportunities, including energy efficient buildings and clean vehicles tax credits. <u>Details</u>.
- 2:00pm AHRQ Meeting: Health Data Software Development The Agency for Healthcare Research and Quality (AHRQ) holds a meeting to discuss implementation of the Common Formats for patient safety data collection with software developers and other interested parties. <u>Details</u>.



- 9:00pm State of the Union President Joe Biden delivers the State of the Union address to a joint session of Congress. <u>Details</u>.
- **Meeting: MACPAC** The Medicaid and CHIP Payment and Access Commission (MACPAC) holds a public meeting to discuss Medicaid and CHIP payment and policy issues. <u>Details</u>.
- Meeting: MedPAC The Medicare Payment Advisory Commission (MedPAC) meets to discuss Medicare issues and policy questions. <u>Details</u>.

<u>Fri. (3/8)</u>

- 1:00pm BPC Discussion: Hispanic Parents Child Care Preferences BPC holds a discussion on surveys it conducted of employed Hispanic parents with children under five to better understand their child care arrangements, values, and the factors they consider related to child care. <u>Details</u>.
- **Meeting: MACPAC** The Medicaid and CHIP Payment and Access Commission (MACPAC) holds a public meeting to discuss Medicaid and CHIP payment and policy issues. <u>Details</u>.
- Meeting: MedPAC The Medicare Payment Advisory Commission (MedPAC) meets to discuss Medicare issues and policy questions. <u>Details</u>.

Additional Multi-Day Events

- Mar. 4-Mar. 4 HRSA Meeting: Team-Based Care/Graduate Medical Education Data The Health Resources and Services Administration (HRSA) holds a meeting of the Council on Graduate Medical Education (COGME) for discussions on team-based care and graduate medical education data. <u>Details</u>.
- Mar. 7-Mar. 8 HRSA Meeting: Childhood Vaccines HRSA holds a meeting of the Advisory Commission on Childhood Vaccines (ACCV) to discuss updates from the Department of Justice (DOJ), the Office of Infectious Disease and HIV/AIDS Policy, and an overview of the Vaccine Adverse Event Reporting System (VAERS), among others. <u>Details</u>.

Featured Analysis

- Impact Roundup of January Behavioral Health Actions In the Policy Hub Insight Bank here.
- Impact Chart of Key Provisions of Legislative Proposals on Health Care Price Transparency
 Requirements In the Policy Hub Insight Bank <u>here</u>.
- Impact Regulatory Outlook: Fall 2023 Unified Agenda In the Policy Hub Insight Bank here.
- Impact Mental Health Legislative Update In the Policy Hub Insight Bank <u>here</u>.
- Impact Artificial Intelligence Policy Round Up In the Policy Hub Insight Bank <u>here</u>.

Congressional Lookback

<u>Fri. (3/1)</u>

The Senate Committee on Agriculture, Nutrition, and Forestry held a <u>hearing</u> on oversight of the Department of Agriculture (USDA) with USDA Secretary Tom Vilsack



<u>Thurs. (2/29)</u>

• The House E&C Health Subcommittee convened a <u>legislative hearing</u> to examine 18 bills aimed at improving patient access to treatments for rare diseases (<u>hearing memo</u>). <u>Details</u>.

Regulatory Lookback

<u>Thurs. (2/29)</u>

- **CMS** issued <u>final part one guidance</u> on a select set of topics for the Medicare Prescription Payment Plan and an <u>ICR</u> for model materials. Comments on the model materials are due April 29. <u>Details</u>.
- **The USPSTF** is requesting comment on a <u>draft recommendation statement</u> and draft evidence review on screening and supplementation for iron deficiency during pregnancy. Comments are due March 25. <u>Details</u>.
- **The USDA** convened its inaugural National Equity Summit to announce and publish the USDA Equity Commission's <u>final report</u>. <u>Details</u>.
- HHS OCR issues two reports on HIPPA compliance and enforcement (here and here). Details.
- **HHS OIG** recently published the final <u>report</u> of a comprehensive three-part series examining the repercussions of the COVID-19 pandemic on nursing homes. <u>Details</u>.
- The GAO has released the <u>first</u> report examining potential duplication of biomedical research efforts within HHS. <u>Details</u>.

Weds. (2/28)

- **President Biden** issued an <u>Executive Order</u> aimed at safeguarding Americans' sensitive personal data from exploitation by countries of concern. <u>Details</u>.
- HHS <u>announced</u> new initiatives from the ACL's <u>Direct Care Workforce (DCW) Strategies Center</u>.
 <u>Details</u>.
- The Biden-Harris Administration announced a <u>\$100 million investment</u> in research and development for women's health through the Advanced Research Projects Agency for Health (ARPA-H). <u>Details</u>.
- AHRQ EHC Program has an opportunity to support the development of a review entitled, <u>"Evidence Map on Home and Community-Based Services</u>." Comments are due March 22. <u>Details</u>.
- The GAO released a <u>report</u> examining opportunities for the Head Start Program to modify its resource allocation to better meet community needs as reflected by a community's child poverty rate. <u>Details</u>.

Tues. (2/27)

• **NIST** released <u>version 2.0</u> of its Cybersecurity Framework (CSF), marking a significant update since its inception in 2014. <u>Details</u>.



Mon. (2/26)

• The Aspen Health Strategy Group released a <u>new report</u> examining the pressing need to reduce firearm injury and offering strategies for the health sector to mitigate its impact. <u>Details</u>.

Comment & Application Deadlines

- March 4: AHRQ issued an <u>RFI</u> regarding the usability, feasibility, and likely uptake of a measure of severe maternal morbidity (SMM). <u>Details</u>.
- March 6: CMMI announced the <u>State Advancing AHEAD Model</u> to address unsustainable health care cost growth, poor population health, and disparities in health outcomes. <u>Details</u>.
- March 15: The USPSTF issued a <u>request for nominations</u> to serve as members of the Task Force. <u>Details</u>.
- March 15: The House Ed and Workforce Committee issued a <u>request for information (RFI)</u> to inform legislative reforms to employer-sponsored health care. <u>Details</u>.
- March 16: CMS issued <u>draft part two guidance</u> on select topics of the Medicare Prescription Payment Plan. <u>Details</u>.
- March 22: AHRQ EHC Program has an opportunity to support the development of a review entitled, "Evidence Map on Home and Community-Based Services". Details.
- March 22: HRSA <u>announced</u> \$8,750,000 for the Behavioral Health Integration (BHI) Evidence Based Telehealth Network Program (EB-TNP) grant program. <u>Details</u>.
- March 25: The USPSTF is requesting comment on a <u>draft recommendation statement</u> and draft evidence review on screening and supplementation for iron deficiency during pregnancy. <u>Details</u>.
- March 28: The NIH, through the Office of AIDS Research, issued an <u>RFI</u> to solicit input for the development of the FY 2026–2030 NIH Strategic Plan for HIV and HIV-Related Research. <u>Details</u>.
- April 1: The Senate 340B Bipartisan Working Group released a <u>discussion draft</u> for the SUSTAIN 340B Act. <u>Details</u>.
- April 2: HRSA announced a <u>notice of funding opportunity</u> under the State Maternal Health Innovation program. <u>Details</u>.
- April 12: SAMHSA <u>announced</u> \$9,995,000 for the Screening, Brief Intervention, and Referral to Treatment (SBIRT) grant program. <u>Details</u>.
- April 15: CMS released a proposed rule to strengthen oversight of accrediting organizations (AOs) by addressing conflicts of interest, establishing consistent standards, and updating the validation and performance systems. <u>Details</u>.
- April 15: SAMHSA <u>announced</u> \$5,400,000 for states and territories under the Provider's Clinical Support System grant program. <u>Details</u>.
- April 15: The FTC and HHS issued an <u>RFI</u> regarding market concentration among large health care group purchasing organizations (GPOs) and drug wholesalers. <u>Details</u>.



• April 29: CMS issued <u>final part one guidance</u> on a select set of topics for the Medicare Prescription Payment Plan and an <u>ICR</u> for model materials. <u>Details</u>.

