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Health Care Update

- **Congress passes CROmnibus:** On Saturday, the Senate [passed](#), by a 56-to-40 vote, the [Cromnibus](#), a \$1.1 trillion spending package which the House had passed earlier in the week. The 1,603-page bill contains a number of key health provisions:
 - **Ebola:** \$5.4 billion of the President's \$6.2 billion funding request is included in the funding measure, including \$2.7 billion for the Department of Health and Human Services (HHS), \$1.2 billion for the Centers for Disease Control (CDC), and \$2.5 billion to combat the virus in Africa.
 - **NIH Funding:** Perhaps prompted by the additional attention given to the importance of medical research in the wake of the Ebola epidemic, the National Institutes of Health (NIH) will receive a \$150 million funding increase—for a total of \$30.3 billion.
 - **Home Health:** Requires CMS to present a plan for how the home health requirements can be streamlined and asks the agency to produce reports on how "rebasin" efforts are affecting home health agencies and how a proposed rule that would eliminate critical-access designation for hospitals within 10 miles of each other would affect access to health care providers in rural areas.
 - **Drug Prices:** Provisions require that the Health Resources and Services Administration (HRSA) conduct a report on its progress to create a website to document prescription drug prices under the 340B program
 - **ACA:** The bill contains several measures targeting the health care law, including cutting funding for the Independent Payment Advisory Board's budget by \$10 million, prohibiting CMS from providing additional funding to health insurers to subsidize losses under the ACA, and extending the Health Coverage Tax Credit.

With this must-pass legislation in the rear view mirror, health care stakeholders can now look towards the new Congress for more activity around the 21st Century Cures initiative, discussions around a Sustainable Growth Rate (SGR) replacement bill, telehealth and eHealth innovation, and more initiatives focused on quality improvement while reducing costs. Although we fully expect the new GOP-controlled Congress to continue some ACA repeal efforts, 2015 appears to be shaping up for more bipartisan legislative activity that could have significant ramifications for the health care industry.

Implementation of the Affordable Care Act

HHS Awards Funding for Health Center Quality: HHS Secretary Sylvia Burwell [announced](#) \$36.3 million in ACA funding is being awarded to 1,113 health centers. The funding recognizes health center quality improvement achievements and invests in ongoing quality improvement activities.

Enrollment Week Three Update: HHS [released](#) an update on ACA enrollment numbers in week three of Open Enrollment for 2015, noting that more than 1.3 million consumers have selected plans since enrollment opened and over 618,000 individuals selected plans between November 29th and December 5th—33 percent more people than in week one.

Other Federal Regulatory Initiatives

ONC Releases Health IT Strategic Plan: Following collaboration with 35 federal agencies, HHS' Office of the National Coordinator for Health Information Technology (ONC) released the [Federal Health IT Strategic Plan 2015-2020](#). The plan lays out a path to "appropriately collect, share, and use interoperable health information to improve health care, individual, community and public health, and advance research across the federal government and in collaboration with private industry."

HHS OIG Report on Medicaid Provider Availability: The HHS Office of Inspector General (OIG) released a [study](#) examining the adequacy of access to care for enrollees in Medicaid managed care. The report found that 51 percent of providers listed as participating in a managed care plan could not offer appointments as they were not participating at the location included in the directory or were not accepting new patients.

FDA Calls for UDI Roll Out: In a [blog post](#), FDA Director of the Center for Devices and Radiological Health Jeffrey Shuren wrote about the need for the Unique Device Identifier (UDI) system. Shuren notes, "UDIs are intended to streamline the monitoring of devices, improve safety tracking and recall efficiency, and even make it easier to evaluate device performance over time."

HHS Announces Head-Start Grants: The HHS Administration for Children and Families [announced](#) the first winners of the Early Head Start-Child Care Partnership grants. The grants will be used by 234 applicants to improve the quality of existing child care programs and expand access to high-quality care for infants and toddlers.

CFPB Tackles Medical Debt: The Consumer Financial Protection Bureau (CFPB) released a [report](#), ahead of a field hearing in Oklahoma City, on medical debt collection. The CFPB will require major credit reporting companies to conduct regular studies on how they handle consumer disputes of medical debt errors.

Congressional Initiatives

House E&C Review Health Spending: The House Energy and Commerce Subcommittee on Health met for a [hearing](#) to consider federal health spending and to identify opportunities for savings ahead of the 114th Congress. The hearing touched on CHIP funding, SGR reform, and the spending trajectories of Medicare and Medicaid.

House Oversight Grills Gruber, Tavenner: The House Oversight and Government Reform Committee held a [hearing](#) to examine transparency and the ACA. Lawmakers grilled MIT economist Jonathan Gruber and CMS Administrator Marilyn Tavenner on enrollment estimates and Gruber's statements on the ACA.

Cures Initiative Seeks Diagnostic Tests Feedback: As part of the 21st Century Cures Initiative, the House Energy and Commerce Committee released a [white paper](#) requesting feedback on the regulation of in vitro diagnostic test kits and laboratory developed tests.

Push to Strengthen Graduate Medical Education: Bipartisan Members of the House Energy and Commerce Committee today—including Health Subcommittee Chairman Joe Pitts (R-PA), Health Subcommittee Ranking Member Frank Pallone (D-NJ) and six additional bipartisan Members—released an [open letter](#) requesting ideas and feedback from the public on graduate medical education financing.

Congress Passes Newborn Screening Bill: The Senate and House both [passed](#) the Newborn Screening Saves Lives Reauthorization Act, which reauthorized federal programs and grants to assist states with improvements to their newborn screening programs.

House Passes EARLY Act: The House passed the [H.R. 5185](#), the EARLY Act Reauthorization. The bill, introduced by Representatives Debbie Wasserman Schultz (D-FL) and Renee Ellmers (R-NC), reauthorizes the Breast Cancer Education and Awareness Requires Learning Young Act of 2009.

Congress Asks ONC for EHR Action: In a [report](#) filed with the Omnibus, the Congress requested that the ONC examine electronic health record (EHR) vendors with “products that proactively block the sharing of information.” The report seeks to identify EBR vendors that make the certified EHR technology less valuable.

Ongoing Ebola Response

Burwell Invokes PREP Act to Support Vaccines: HHS Secretary Burwell [announced](#) a declaration under the Public Readiness and Emergency Preparedness (PREP) Act that will help facilitate in the development and availability of an Ebola vaccine. The declaration allows immunity against legal claims related to the manufacturing, testing, development, distribution, and administration of three vaccines for Ebola virus disease.

Senate Foreign Relations Considers Ebola: As Congress considered the \$5.4 billion in funding for Ebola treatment and prevention measures in the Cromnibus, the Senate Foreign Relations Subcommittee on Africa held a [hearing](#) to examine current international efforts to address Ebola in West Africa—with a specific focus on progress being made in Liberia, where the U.S. Government is leading the response effort.

USAID Announces Grand Challenge Winners: The U.S. Agency for International Development (USAID) [announced](#) the first nominees for awards in the Fighting Ebola: a Grand Challenge for Development program. Johns Hopkins University’s Center for Bioengineering Innovation & Design (CBID) & Jhpiego, Aquarius GEP LLC and Innovative BioDefense, and SPR Advanced Technologies, Inc. will receive support and testing to ensure readiness for production and field deployment.

Other Health Care News

Iowa Adopts Telemedicine Guidelines: The Iowa medical Board [published](#) proposed rules that would govern the practice of telemedicine in the state. The rules are similar to the American Medical Association (AMA) endorsed rules.

Frist Op-Ed on Health IT: Former Senate Majority Leader Bill Frist [authored](#) an op-ed in *The Hill* about the need for a regulatory framework for health information technology. Frist writes: “New innovation is always met with the age-old problem of existing regulation.”

Study on Post-Acute Care Telemedicine: The Alliance for Connect Care released a [study](#), “Assessment of the Feasibility and Cost of Replacing In-Person Care with Acute Care Telehealth Services,” which found “replacing in-person acute care services with telehealth visits reimbursed at the same rate as a doctor’s office visit could save the Medicare program an estimated \$45/visit.”

Upcoming Congressional Hearings

There are no scheduled hearings.

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