ML STRATEGIES

Health Care Congressional Outlook for the June Work Period

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The next six weeks are shaping up to be the final work period before the summer recess, with both chambers scheduled to leave DC by July 15th for party conventions followed by the August recess. The National Defense Authorization Act (NDAA), appropriations, and Puerto Rico will take up the lion's share of time we have left remaining on the schedule. In the health care space, there are still a number of issues that both chambers will have to address or leave in the balance for when both chambers return to session September 6th.

After July 15, there is about a month and change of legislative days left on the calendar in 2016, with most of that time coming in September. This makes prioritizing the issues with the best chance of making it to the President's desk that much more important. Let's start with what is most likely to happen this work period.

Opioid Legislation

There are a few questions that will have to be answered this month. First is whether a conference committee can actually resolve the differences between the 18 passed bills from the House and the Senate-passed Comprehensive Addiction and Recovery Act. The next is whether Congress will appropriate enough money to address the problem. The latest numbers leave Congressional Democrats and the Administration about $500 million apart, with Republicans insisting that any funding be offset. Action is certainly possible during this work period but policy and funding challenges remain.

This is an issue that has received consistent headline news, which could help to drive congressional action.

Mental Health

While there has been some speculation that the Senators may try to incorporate mental health legislation into the opioid conference committee, there are those who also feel that method would only slow down the process of finalizing an opioid package.

In the House, the full Energy & Commerce committee is expected to mark up the H.R. 2646, the bill introduced by Rep. Tim Murphy (R-PA) which was advanced by the health subcommittee six months ago. The bill, which expands mental health programs and training, was over patient privacy rights, outpatient treatment programs, and cost. As of last week, aides on both sides of the aisle have been meeting to hash out differences in the hopes of bringing more Democrats into the fold.

After an attempt at passing mental health reform by unanimous consent in the Senate failed, the Senate will have to go through the process via floor time. With appropriations bills and other non-health related priorities stacking up, how much floor time they can devote to mental health is a valid question. If the House passes something in short order, it may breathe life into the potential for a conference committee. This could set in motion a conference to be worked out over the summer recess, assuming both chambers can pass legislation.

Zika Funding

Democrats and Republicans in both chambers attempted to negotiate a deal on Zika funding before the Memorial Day recess, but settling on a figure that satisfies both parties is proving elusive. While President Obama has requested $1.9 billion for a national and global response, the Senate passed a $1.1 billion dollar package, and the House plan calls for $622 million but faces a veto threat from the White House.

Minority Leader Harry Reid (D-NV) is threatening to force a vote on full funding for Zika, but that is likely more an issue for the House side should they hold firm at their $622 million dollar package. In the meantime, the House took the procedural step to initiate a conference committee with the Senate on combining Zika funding with other appropriations bills, and work on that is expected to resume this week.

21st Century Cures

The Senate's version of the 21st Century Cures Act has been making gradual progress for much of 2016 and this work period will likely be the last opportunity for meaningful progress before the summer recess. Whether or not the Senate can consider this package on the floor will depend on how quickly the Senate can wrap up its work on NDAA and other appropriations bills, not to mention the issues already outlined in this article.

Last month, FDA Commissioner Robert Califf warned that the current Cures package could pose a significant risk to patients if the legislation fails to preserve safety and effectiveness standards. That will likely be something for the conference committee to consider, as securing passage in the Senate will be a heavy lift for HELP Committee Chairman Lamar Alexander (R-TN), who has been heading the Senate's Cures effort from the beginning.

Once the Senate passes its version, they will still have to go to conference with the House 21st Century Cures Act. The sooner they can get that done, the easier it will be to finalize a package this Congress.

Affordable Care Act

Last month, Representative Pete Sessions (TX-32) and Senator Bill Cassidy (R-LA) unveiled legislation which they think brings a practical ACA alternative to the table. The legislation would create a tax benefit of up to $2,500 per adult and $1,500 per dependent child which could then be transferred to a Roth health savings account to be used to purchase health insurance or pay for health care services. The legislation would also repeal the individual and employer mandate.

Republican leaders are expected to unveil a health plan sometime this month that would both repeal and replace the ACA. It is expected to be released as close to the July convention as possible, and will primarily consist of principles rather than concrete policy proposals, presumably to give members breathing room as they campaign at home. Still, Republicans have promised an alternative for a long time and we may finally see the foundation for such a plan.

The Republican plan is expected to include a proposal which caps the exclusion on employer health insurance. The GOP has already begun reaching out to stakeholders on the proposal, hoping to ease any concerns prior to the launch of the paper. It remains to be seen whether this new package will significantly alter the health reform debate.

Hearings Next Week

The Energy & Commerce Health Subcommittee will hold a hearing Friday, June 10, 2016, titled "Advancing Patient Solutions for Lower Costs and Better Care." This hearing will review five bills, including the Aligning Children's Dental Coverage Act, as well as legislation designed to address special enrollment periods, among others. For more information on this hearing, click here.

The Energy & Commerce Health Subcommittee will hold a markup on Tuesday, June 7, 2016, on bills H.R. 3299 and H.R. 921. Those two bills are H.R. 3299, the Strengthening Public Health Emergency Response Act of 2015, and H.R. 921, the Sports Medicine Licensure Clarity Act of 2015. For more information on this hearing, click here.

The House Ways & Means Committee will hold a hearing Wednesday, June 8, 2016, titled, "Hearing on Legislation to Improve and Sustain the Medicare Program." For more information on this hearing, click here.

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Alex Hecht is a trusted attorney and policy strategist with over 20 years of experience advising clients across a broad range of industries on how to navigate complex policy environments. His strategic insight and hands-on experience in both legislative and regulatory arenas empower clients to advance their priorities with clarity and confidence in an evolving policy landscape.