

American Nephrology Nurses Association

Weekly Capitol Hill Update - Tuesday, March 12, 2019

Congressional Schedule

Senate

- Senate meets at 10am; set to resume consideration of judicial nominees, incl. Neomi Rao, who would replace Supreme Court Justice Brett Kavanaugh on the D.C. Circuit

House

- House meets at 10am; first/last votes: 2:00 p.m.–3:00 p.m.; set to consider 7 bills including a resolution that would call for “accountability and justice for the assassination of Boris Nemtsov”
 - Measure would condemn Russian President Vladimir Putin and his regime for targeting political opponents and concealing the assassination of Nemtsov, a Russian opposition leader who was killed in Feb. 2015
 - House to also consider H.R. 1404, which would require the Office of the Director of National Intelligence to submit an assessment to Congress on the net worth of assets owned by Putin

Legislative Update

- **Week in Review**
 - *Lawmakers United Against High Drug Prices Bare Partisan Teeth.* “While the high cost of prescription drugs seems to be a universally agreed-upon trouble spot in the American health system, a House Ways and Means subcommittee hearing Thursday showed that Democrats and Republicans are still miles apart on what to do about it.”
 - Read more: <https://khn.org/news/lawmakers-united-against-high-drug-prices-bare-partisan-teeth/>
 - *Biologic Patent Thickets: New Bill Aims to Publicize Info.* “A bipartisan group of senators are sponsoring a bill introduced this week that would make public new information about the various patents that can restrict the market entry of

new biosimilars. Known as the Biologic Patent Transparency Act, the bill would publish and make available to the public a single, easily searchable, list that includes various information about the biologics, in addition to explicit information about the patents associated with each product. Michael Carrier, distinguished professor at Rutgers Law School, told Focus: "In the small-molecule setting, the generics know the relevant patents since they're listed in the Orange Book. But biosimilars don't know which patents are held by biologics manufacturers. So this increases transparency. The bill also could conceivably exert a 'shaming' effect if a company is obtaining lots of patents."

- Read more: <https://www.raps.org/news-and-articles/news-articles/2019/3/biologic-patent-thickets-new-bill-aims-to-publici>
- **Senator introduces bill to end PBM drug rebates in commercial plans.** "The Trump administration has made moves to eliminate drug rebates in federal payers, and now, thanks to a bill introduced in Congress on Wednesday, such contracts in the commercial sector are also on the chopping block. Sen. Mike Braun, R-Ind., introduced the Drug Price Transparency Act alongside two other bills aimed at lowering drug prices. The bill looks much like the Department of Health and Human Services' plan: prohibit pharmacy benefit managers from receiving rebates from drug companies and instead require that such discounts be passed directly on to consumers."
 - Read more: <https://www.fiercehealthcare.com/payer/senator-introduces-bill-to-end-pbm-drug-rebates-commercial-plans>
- **Senators Seek Changes to FDA Guidance to Speed Entry of Insulin Biosimilars.** "As Eli Lilly announced Monday that it would introduce an authorized generic version of its Humalog insulin at half the original price, four senators on both sides of the aisle are seeking tweaks to recent US Food and Drug Administration (FDA) guidance to speed up the marketing of new biosimilar insulin products. The guidance is part of FDA's work to begin, starting in March 2020, transitioning approved marketing applications for a subset of products, including insulin and human growth hormone – previously approved as drugs under section 505 of the FD&C Act – to be biologics."
 - Read more: <https://www.raps.org/news-and-articles/news-articles/2019/3/senators-seek-changes-to-fda-guidance-to-speed-ent>
- **Week Ahead**
 - **Trump budget pitches capping seniors' out-of-pocket drug costs, cutting NIH funding.** "The White House on Monday proposed capping out-of-pocket prescription drug expenses for seniors covered by Medicare, re-emphasizing Trump administration support for a concept endorsed both by pharmaceutical companies and congressional Democrats."
 - Read more: <https://www.statnews.com/2019/03/11/trump-budget-pitches-capping-seniors-out-of-pocket-drug-costs/>

- ***Senate GOP goes down to wire in showdown with Trump.*** “Republicans are going down to the wire as they try to find a way out of their showdown with President Trump over his national emergency to build a wall on the Mexican border. Republicans have just days to find a more palatable solution than the House-passed resolution blocking Trump's actions, which is expected to come up for a vote by Friday. They are looking for ways that Trump could win more wall funding without using the emergency declaration, a controversial move that has caused angst on Capitol Hill.”
 - Read more: <https://thehill.com/homenews/senate/433302-senate-gop-goes-down-to-wire-in-showdown-with-trump>

- ***Trump releases budget calling for 5 percent cuts in domestic spending.*** “President Trump on Monday unveiled his 2020 budget proposal, calling for domestic spending cuts of 5 percent across the federal government. The White House, in Trump's latest budget, would turbo-charge defense spending while providing \$8.6 billion to fund his proposed southern border wall.”
 - Read more: <https://thehill.com/policy/finance/433492-trump-releases-budget-calling-for-5-percent-cuts-in-domestic-spending>

- ***Trump calls for cutting NIH budget, imposing user fees on e-cigarette industry.*** “President Trump on Monday called for cutting the National Institutes of Health (NIH) budget by 12 percent while imposing \$100 million in user fees for the e-cigarette industry. NIH, the government's medical research agency, would see its spending slashed by about \$5 billion under the administration's fiscal 2020 budget proposal. Congress in recent years has rejected the administration's proposed cuts to NIH and has instead approved funding increases.”
 - Read more: <https://thehill.com/policy/healthcare/433527-trump-requests-12-percent-funding-cut-to-health-department>

Regulatory and Administration Update

- ***FDA Commissioner Scott Gottlieb to resign.*** “Scott Gottlieb, the commissioner of the Food and Drug Administration, will resign in one month, the Trump administration announced Tuesday. Gottlieb had served as FDA chief since May 2017. The 46-year-old doctor was among President Trump's most popular appointees. While some Democrats initially questioned his ties to conservative groups and the pharmaceutical industry during his confirmation, Gottlieb quickly won respect from lawmakers of both parties.”
 - Read more: <https://www.statnews.com/2019/03/05/fda-commissioner-scott-gottlieb-to-resign/>

- ***CMS seeks recommendations that allow Americans to purchase health insurance across state lines.*** “The Centers for Medicare & Medicaid Services (CMS) issued a request for information (RFI) today that solicits recommendations on how to eliminate regulatory, operational and financial barriers to enhance issuers' ability to sell health insurance coverage across state lines. This announcement builds on President Trump's October 12, 2017 Executive Order, “Promoting Healthcare Choice and Competition Across the

United States,” which intends to provide Americans relief from rising premiums by increasing consumer choice and competition.”

- Read more: <https://www.cms.gov/newsroom/press-releases/cms-seeks-recommendations-allow-americans-purchase-health-insurance-across-state-lines>
- ***First-Year Report Cards From the Merit-Based Incentive Payment System (MIPS).*** “In 2015, Congress passed the Medicare Access and CHIP Reauthorization Act (MACRA), which eliminated the unpopular Sustainable Growth Rate (SGR) formula for updating clinician fees and, with it, the annual prospect of a massive fee cut that required Congressional action to override. In place of the SGR, MACRA established slow rates of fee growth and created the Merit-Based Incentive Payment System (MIPS) to give clinicians opportunities to receive higher fees for providing higher-value care. The MIPS has thus presented the Centers for Medicare & Medicaid Services (CMS) with the daunting task of individualizing fee updates for hundreds of thousands of clinicians. CMS is expected to soon release clinician performance scores for the inaugural year (2017) of the MIPS. Based on clinicians’ 2017 performance in 3 domains (quality, promoting interoperability, and improvement activities), Medicare will adjust fees for Part B services in 2019 by -4.00% to +1.88%.¹ Of these domains, the MIPS gives greatest weight to quality.”
 - Read more: <https://jamanetwork.com/journals/jama/fullarticle/2727554>
- ***Gottlieb: Drug rebates not benefiting sicker patients.*** “Food and Drug Administration (FDA) Commissioner Scott Gottlieb said Wednesday that drug discounts known as rebates are not directly benefiting sicker patients, an area where the Trump administration is looking to make changes. Gottlieb, who announced Tuesday that he is resigning from the FDA, indicated that rebates should be passed directly to patients, rather than going to insurers and being used to lower premiums for everyone.”
 - Read more: <https://thehill.com/policy/healthcare/432857-gottlieb-drug-rebates-not-benefiting-sicker-patients>
- ***Trump admin floats publicizing provider-payer negotiated rates.*** “The Trump administration is considering publicizing the negotiated rates payers make with providers for healthcare services, drugs and medical devices, according to a request for comment tucked in the middle of a 700-page ONC interoperability rule released last month. The request could lead to subsequent HHS rulemaking to mandate price information transparency to help consumers make decisions between hospitals, doctors and other sites of care. It would also eviscerate traditional industry control of price negotiations.”
 - Read more: <https://www.healthcaredive.com/news/trump-admin-floats-mandating-disclosure-of-provider-payer-negotiated-rates/550028/>

Articles of Interest

- ***NEW DATA ANALYSIS: Improvements in Dialysis Care Are Outpacing Other Serious Chronic Disease Conditions - Including Cancer and Heart Failure.*** “Improvements in dialysis care are outpacing outcomes for other chronic disease conditions, improvements

that allow patients with End Stage Renal Disease (ESRD) to live longer lives – and yielding substantial savings to Medicare – according to a new fact sheet created from the health care consulting firm Discern Health, which analyzed United States Renal Data System (USRDS) data. An analysis of the USRDS data set by Discern Health reveals that, although ESRD patients are among the most complex and costly Medicare beneficiaries to treat, improvements in dialysis care have led to improvements that translate into larger gains in patient survival than other chronic conditions such as cancer, diabetes, heart failure, stroke, and myocardial infarction.”

- Read more: <https://kidneycarepartners.com/press/new-data-analysis-improvements-in-dialysis-care-are-outpacing-other-serious-chronic-disease-conditions-including-cancer-and-heart-failure/>
- ***As Hospitals Post Price Lists, Consumers Are Asked To Check Up On Them.*** “With much fanfare, federal officials required hospitals nationwide this year to post their “list” prices online. But it’s not yet clear how many are doing it, even as the government has taken the rare step of asking consumers to monitor hospital compliance.”
 - Read more: <https://khn.org/news/as-hospitals-post-price-lists-consumers-are-asked-to-check-up-on-them/>
- ***Amazon's joint health-care venture finally has a name: Haven.*** “The joint health-care venture between Amazon, J.P. Morgan and Berkshire Hathaway finally has a name: “Haven.” Amazon CEO Jeff Bezos, J.P. Morgan CEO Jamie Dimon and Berkshire Hathaway CEO Warren Buffett last January announced they were teaming up to tackle rising health-care costs. They formed a nonprofit company and named renowned surgeon, author and speaker Dr. Atul Gawande as CEO in June.”
 - Read more: <https://www.cnbc.com/2019/03/06/amazon-jp-morgan-berkshire-hathaway-health-care-venture-named-haven.html>
- ***Blue Cross Blue Shield operator did not pay federal taxes in 2018, got \$1.7B refund.*** “Health Care Service Corp., which operates Blue Cross Blue Shield plans in a handful of states, did not pay any federal taxes in 2018 and received a \$1.7 billion tax refund, according to its latest financial report. The tax refund boosted the health insurance conglomerate's net profit to \$4.1 billion last year, compared to \$1.3 billion in 2017, according to Axios, which first reported about Health Care Service's tax refund.”
 - Read more: <https://thehill.com/policy/healthcare/433555-blue-cross-blue-shield-insurer-didnt-pay-any-federal-taxes-in-2018-got-17>
- ***How Much Difference Will Eli Lilly's Half-Price Insulin Make?*** “Last October in Minnesota, then state Attorney General Lori Swanson sued insulin manufacturers alleging price gouging. Pharmaceutical executives were grilled about high drug prices by the Senate Finance Committee on Feb. 26. This is the backdrop for Lilly saying Monday that it is rolling out a half-priced, generic version of Humalog called “insulin lispro.” The list price: \$137.35 per vial. “Patients, doctors and policymakers are demanding lower list prices for medicines and lower patient costs at the pharmacy counter,” Eli Lilly CEO David Ricks wrote in a blog post about the move. “You might be surprised to hear that we agree – it's time for change in our system and for consumer prices to come down.””

- Read more: https://www.npr.org/sections/health-shots/2019/03/10/701538016/how-much-difference-will-eli-lillys-half-price-insulin-make?utm_medium=RSS&utm_campaign=health