



# The View from the Potomac

NDHA MEMBERS MEETING

OCTOBER 1, 2019

# 019: The Big Issues This Fall

- ▶ Budget & Appropriations
- ▶ Surprise Medical Bills
- ▶ Drug Pricing
- ▶ Odds & Ends



# . Budget & Appropriations

- ▶ Three Pieces in the Budget Puzzle
  - ▶ Spending caps due to expire October 1 – **DONE**
  - ▶ Debt ceiling increase – **DONE**
  - ▶ Fund federal programs and agencies by October 1
- ▶ Where We Are in the Process
  - ▶ House, Senate approved CR through November 21
- ▶ NDHA's Budget/Appropriations Agenda
  - ▶ Fully fund HHS rural health and workforce development programs
  - ▶ Prevent Medicare, Medicaid, other health program cuts
    - ▶ Most vulnerable on site neutral payment policies



# I. Surprise Medical Bills

## ▶ The problem

- ▶ Out-of-network providers in in-network ER, inpatient settings bill for the difference between the insurers' in-network payment and their charges

## ▶ Consensus

- ▶ Prohibit balance billing in these situations

## ▶ No-Consensus

- ▶ How to reimburse out-of-network providers



# What is Congress Doing?

## ▶ House Energy & Commerce: No Surprises Act

- ▶ Prohibit balance billing for ER, inpatient services – patients only responsible for amount they would have paid in-network
- ▶ Set payment for out-of-network providers at the median, contracted rate for the service in the geographic area in which it was delivered
- ▶ Arbitration process for disputed claims over \$1,250

## ▶ Senate HELP: Lower Health Care Costs

- ▶ Prohibit balance billing for ER, inpatient services – patients only responsible for amount they would have paid in-network
- ▶ Set payment for out-of-network providers at the median, contracted rate for the service in the geographic area in which it was delivered

# What Else is Going On?

- ▶ Other House committees with jurisdiction
  - ▶ Education and Labor oversees ERISA plans – action in Oct?
  - ▶ Ways and Means
- ▶ HELP bill stalled – leaders seek compromise/votes
- ▶ Ruiz/Cassidy bills: arbitration to resolve payment disputes
- ▶ House/Senate floor action this fall??????

# Where We Stand...

- ▶ Protect patients from surprise bills they may incur as a result of unexpected gaps in insurance coverage or medical emergencies
  - ▶ Prohibit balance billing for ER or out-of-network services obtained in an in-network facility when patient could have assumed that the providers were in-network with their health plan
- ▶ Reject rate-setting proposals
  - ▶ Allow providers and insurers to negotiate payment rates for services provided after the patient is protected

# II. Drug Pricing

- ▶ Consensus on need to slow drug price increases
- ▶ Senate Finance bill – penalize drug companies for price increases greater than inflation
- ▶ House – H.B. 3
  - ▶ HHS negotiate prices for brand-name drugs
  - ▶ New rebates to Part B and D drugs that have had price increases above inflation
  - ▶ Cap Medicare Part D annual out-of-pocket expenses
- ▶ White House – a priority but no direction
- ▶ 340B:
  - ▶ Court action ongoing – HHS looking for remedies
  - ▶ Proposals to cut program not prominent this year





# V. Other Stuff

- ▶ Medicaid DSH cuts – delayed in CR through 11/21
- ▶ Expiring workforce programs extended in CR through 11/21
  - ▶ National Health Service Corps
  - ▶ Teaching Health Center Program
  - ▶ Nurse development loan and scholarship programs
- ▶ Rural
  - ▶ Consensus that rural health is in crisis – No consensus on what to do about it
  - ▶ Senate Finance, House Ways & Means may develop proposals
  - ▶ AHA task force convened
  - ▶ Still need action on Conrad State 30 J-1 Visa Program

# What's Next

- ▶ Government funded through November 21
- ▶ Year-end package
  - ▶ Final appropriations for FY 2020
  - ▶ Other health care extenders, possibly surprise billing, drug pricing
- ▶ Christmas in DC???????





# Election 2020

# The Race for the House

- ▶ Democrats now hold 235 – 199 margin
- ▶ The Outlook
  - ▶ Solid: Dem = 182/GOP = 159
    - ▶ ND At-large = solid GOP
  - ▶ Likely or lean: D's/R's = each have 35
  - ▶ Toss-up seats: Dem = 18/Reps = 5
  - ▶ Targeted seats: Dems = 33/GOP = 55
- ▶ Other Factors
  - ▶ 31 Dem seats in districts Trump won in 2016
  - ▶ Suburban seats – esp. women voters – a key to the outcome



# The Battle for the Senate

▶ Current margin: GOP = 53 – 47 margin

## ▶ Outlook

▶ 21 GOP seats up in 2020

▶ 12 Democratic seats up in 2020

▶ Competitive GOP seats in AZ, CO, ME

▶ Potentially competitive GOP seats in GA (2), IA, NC, TX

▶ Dems potentially vulnerable in AL, MI, MN, NH, NM



# Where they Stand on Health Care

## ▶ Democrats

- ▶ Medicare-for-all, public option, Medicare buy-in
- ▶ Building on the ACA – i.e. risk pools, cost-sharing subsidies, end “skinny plans”, enrollment outreach
- ▶ ACA insurance reforms key to 2018 Dem victories – still key in 2020

## ▶ Republicans

- ▶ Consumer-driven plans – i.e. health savings accounts, high deductible plans, fewer mandates, cheaper plans with less comprehensive coverage
- ▶ Medicaid unsustainable – work requirements, block grants



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