

McDermottPlus Healthcare Preview

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WEEK OF JULY 20, 2020

Congress is Back.

- REPUBLICANS ARE SET TO RELEASE A COVID-19 STIMULUS PACKAGE. It is expected that Senate Major Leader Mitch McConnell (R-KY) will release the Republican proposal for the next COVID-19 stimulus package this week. Senate Republicans have kept a close hold on their priorities in this package. However, it is likely to include liability protections for businesses as they bring people back to work, and may also address the extra \$600 per week expanded unemployment benefits that is set to expire next week. It is also reported that the package will increase funding for schools and COVID-19 testing and extend the Paycheck Protection Program. The Republican package is expected to be significantly narrower than the House Democrat bill, the Heroes Act, which passed the House in May and would provide nearly \$3.5 trillion in funding.
- A NARROW PROPOSAL DOES NOT NECESSARILY MEAN AND NARROW FINAL DEAL. If a sector is not included in the package, stakeholders should not conclude that Senate Republicans do not want to address those issues. Instead, stakeholders should view whatever is in the Republican package as the launching point of negotiations. Excluding areas that have Democratic support is a negotiation tactic. This causes others to fight to add every dollar into the final bill and allows McConnell to ask for something in return. Adding a layer of complication to the negotiation process, President Trump recently announced interest in including a payroll tax cut or suspension in the package. However, the idea lacks support from lawmakers in either party. It is important to remember that the final bill is not written, and the final dollar amount is unknown. There will be a lot of horse trading in the meantime to get us there.

+ TIME IS RUNNING OUT. August recess is rapidly approaching. The House is scheduled to break on July 31, and the Senate is scheduled to break on August 7. Congress has little time to finalize a COVID-19 package and address any other pending priorities before the month-long recess. Senate Republicans and the Administration are not likely to want to go into August recess in an election year without passing something. As a result, we have the potential to see a smaller package passed prior to August recess if negotiations stall, with another package later in the fall.

THIS WEEK IN THE SENATE

Senate Committee of Aging <u>The COVID-19 Pandemic and</u> <u>Seniors: A Look at Racial Health</u> <u>Disparities</u> Tuesday, July 21, 9:30 AM

THIS WEEK IN THE HOUSE

House Energy and Commerce Committee

Pathway to a Vaccine: Efforts to Develop a Safe, Effective and Accessible COVID-19 Vaccine

Tuesday, July 21, 10:00 AM

House Education and Labor Committee

Underfunded & Unprepared: Examining How to Overcome Obstacles to Safely Reopen Public Schools Thursday, July 23, 10:15 AM

CONTACT INFO

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