

# McDermottPlus Check-Up

*McDermott+Consulting is pleased to introduce the McDermottPlus Check-Up, your regular update on health care policy from Washington, DC.*



**This Week's Diagnosis:** Newly elected congressional members were welcomed to Washington this week, while currently serving members returned for a brief, but important post-election lame duck session.

## CONGRESS

- + **LEADERSHIP ELECTIONS.** Republicans held House and Senate leadership elections on Wednesday. Senator Mitch McConnell (R-KY) will retain his position as Senate Majority Leader, while Representative Kevin McCarthy (R-CA) will become the House Minority Leader, replacing retiring Speaker Paul Ryan (R-WI) as the lead Republican in the House. Senate Democrats also voted on Wednesday to keep Chuck Schumer (D-NY) as Senate Minority Leader. House Democrats will hold their leadership elections after Thanksgiving. There is growing uncertainty as to whether Congresswoman Nancy Pelosi (D-CA) has sufficient support to take the Speaker's gavel.
- + **PEPFAR.** The House passed reauthorization of the President's Emergency Plan for AIDS Relief (PEPFAR) by voice vote on Tuesday. PEPFAR began as a government initiative to address HIV/AIDS on a global scale in 2003, focusing primarily on supporting efforts in Africa. PEPFAR was set to expire at the end of the year. Despite historic bipartisan support, an extension of the popular program became uncertain when conservative Members objected to reproductive health provisions. In the end, the bill that passed the House was a straight reauthorization, with no changes to the program. The House version is expected to pass in the Senate with no changes.
- + **BUDGET.** The Joint Select Committee on Budget and Appropriations, formed by the Bipartisan Budget Act of 2018, is required to make legislative recommendations for improving efficiencies in the budget process by November 30, 2018. Some leaders of the Committee have expressed disappointment that the recommendations are not more ambitious, but one is noteworthy: moving to a two-year budget cycle. The two-year budget cycle would free up a significant amount of committee and floor time currently dedicated to the annual process. The Budget Committees still need to vote on the recommendations for them to become effective.

## Administration

- + **MEDICAID IMD WAIVER CHANGES.** The Centers for Medicare and Medicaid Services (CMS) [announced](#) that states can now use the Medicaid innovation waiver process to effectively get around the so-called "Institutions for Mental Diseases (IMD) exclusion" for serious mental health issues. Existing law limits federal Medicaid funding for services

provided at certain residential treatment facilities. There have been recent efforts to eliminate this restriction. The the final opioid bill (H.R. 6) included a limited change to the IMD exclusion. Now states can turn to the CMS waiver process for additional tools to treat this population.

- + **ADMINISTRATION HINTS AT SOCIAL DETERMINANTS DEMO.** In a speech this week, Secretary of Health and Human Services Alex Azar spoke about the importance of addressing social determinants of health, such as food, housing, and the environment. Center for Medicare and Medicaid Innovation Director Adam Boehler spoke of an early stage model, Model One, which could allow for a single payment that an accountable entity could use to invest in social needs. The administration's efforts build on existing models, such as Accountable Health Communities, Accountable Care Organizations, and Medicare Advantage plan efforts to address social determinants.

## Next Week's Dose

- + Members leave again for Thanksgiving break. They return to a long list of to-dos, including keeping the government open and House Democratic Leadership elections.
- + The McDermottPlus Check-Up will not publish next week. We wish all of our readers a happy holiday.

For more information, contact [Mara McDermott](#) or [Rachel Stauffer](#).

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