

McDermottPlus Health Care Preview

WEEK OF SEPTEMBER 16, 2019



The Government Funding Deadline is Quickly Approaching...

+ CONGRESS HAS TWO WEEKS TO ADDRESS GOVERNMENT

FUNDING. Last week, we expected that the Senate Appropriations Committee would mark up of four fiscal year 2020 appropriations bills. However, partisan divides over hot button issues led the Health Subcommittee to cancel its markup of the Labor-Health and Human Services-Education spending bill. The markup has not yet been rescheduled. To avoid a government shutdown, the House is moving forward with a short-term continuing resolution (CR), giving Congress more time to work out remaining issues. Senate Majority Leader Mitch McConnell has also signaled that a CR will likely be needed. What remains to be seen is how long the CR will be, but early reports point to November 21, the last working day before the Thanksgiving recess. As a result, health care stakeholders should reset their expectations for action to November.

+ PRESCRIPTION DRUG PRICING REMAINS A LEADING ISSUE.

Last week, a leaked and reportedly outdated version of Speaker Pelosi's prescription drug pricing package surfaced. This week, we are expecting the actual language of this package, and it will be interesting to watch how the Speaker's bill plays a role in this week's Energy and Commerce hearing focusing on pharmaceutical manufacturer's profits. Additionally, we are still awaiting the actual language for the Senate Finance Committee's prescription drug package, the Prescription Drug Pricing Reduction Act of 2019. As we await the official details of these packages, it is important to keep in mind the major players needed for an agreement on prescription drug pricing: the President/Administration, Finance Committee Chairman Grassley and Ranking Member Wyden, and Speaker Pelosi. All three have developed their own prescription drug pricing reform agenda and have to choose to reach a compromise rather than use the issue for political gain. Speaker Pelosi's package is highly unlikely to receive significant Republican support in the House. However, this does not rule out the fact that the Administration could view parts of the Pelosi proposal, such as the International Pricing Index model, in a positive light. Additionally, there could be common ground between the Senate Finance Committee bill and the Pelosi bill, meaning it is still plausible that an agreement on prescription drug pricing reform can be reached by these three actors. What is less clear is if there is political interest in reaching the policy agreement. And don't forget that the Fifth Circuit Court of Appeals decision on *Texas v. Azar* could railroad any potential agreement.

THIS WEEK IN THE SENATE

No health care related hearings in the Senate this week.

THIS WEEK IN THE HOUSE

House Energy and Commerce Committee

[*Profits Over Consumers: Exposing How Pharmaceutical Companies Game the System*](#)

Thursday, September 19th at 10:30 am

CONTACT INFO

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