

McDermottPlus Healthcare Preview

WEEK OF NOVEMBER 11, 2019



Two Weeks to Address Government Funding and the Extenders.

- + **THE HOUSE WILL NOT VOTE ON H.R. 3, THE LOWER DRUG COSTS NOW ACT, THIS WEEK.** The House has returned from its one week recess but will not be voting on H.R. 3 until December. The vote has been delayed to give the Congressional Budget Office (CBO) more time to complete a score of the bill. This is a comprehensive bill that makes significant changes in prescription drug pricing, such as allowing for government negotiations, imposing an inflationary rebate, and restructuring the Medicare Part D catastrophic phase. These provisions are all likely to save the federal government money. However, H.R. 3 also has been tied to a large expansion of Medicare benefits - vision, hearing, and dental. These provisions add costs to the federal deficit. It is not surprising that CBO needs additional time to determine the savings and costs of the bill. So we wait for CBO complete score before seeing a vote in the House.
- + **THE NOVEMBER 21ST DEADLINE IS RAPIDLY APPROACHING.** Congress has two weeks, or really eight working days, to fund the government to prevent a shutdown and to address the health care extenders. The last continuing resolution (CR) and health care extenders are set to expire on November 21, meaning Congress needs to address both of those priorities before they head into the Thanksgiving recess. It is becoming extremely likely that Congress will pass another short-term CR to allow more time to work through remaining issues. However, it is still unclear if that CR will be for one month or potentially even three months.

Regardless of the length of the CR, it appears that Congress is still willing and working to also include short-term funding for the extenders. Meaning the extenders would again be put on the same timeline as government funding. This gives Congress more time to reach a deal on the extenders and address how to pay for the extenders long-term. If it is only a one month CR, Congress likely has enough funding to pay for the costs of the extenders for one additional month. However, if the CR is longer than one month, it is unclear where the money for the short-term extender funding will come from. Congress is also working to find funding for the extenders when they are finally addressed on a longer-term scale. Surprise billing and the consensus drug pricing policies (i.e., the CREATES Act) save money. These policies can still appear at the last minute to pay for the extenders.

THIS WEEK IN THE SENATE

Senate Health, Education, Labor and Pensions Committee

[Examining the Response to Lung Illnesses and Rising Youth Electronic Cigarette Use](#)

Wednesday, November 13 at 10am

THIS WEEK IN THE HOUSE

House Ways and Means Committee

[Caring for Aging Americans](#)

Thursday, November 14 at 10am

CONTACT INFO

Please reach out to us at:

rwhitlock@mcdermottplus.com

kwaldo@mcdermottplus.com

emmazimmerman@mcdermottplus.com