

McDermottPlus Healthcare Preview

WEEK OF MARCH 9, 2020

ADDRESSING CORONAVIRUS.

- + **CORONAVIRUS CONSEQUENCES.** Last week, Congress passed, and the President signed an \$8.3 billion coronavirus supplemental funding package. The package includes \$3 billion for the research and development of vaccines, \$2.2 billion for the Centers for Disease Control and Prevention (including \$950 million to support state and local agencies), \$836 million for the National Institutes of Health, and \$61 million for the Food and Drug Administration.
- + **BUT IS A SECOND CORONAVIRUS SUPPLEMENTAL PACKAGE ON THE HORIZON?** The ink is barely dry on the coronavirus supplemental funding package, but as fall out from the coronavirus increases, another supplemental funding package could be on the horizon. Although the first supplemental package was focused on preparation for addressing an outbreak, the second supplemental package would likely focus on economic stimulus. The economic consequences that are starting to bubble will require some level of attention through any number of means from the government. In healthcare, Medicaid can be used as a mechanism to provide services during disaster declarations such as Hurricane Katrina or during economic downturns that hit state budgets. We should expect a second supplemental to start to form in the not-too-distant future as members of Congress consider the now deepening impact of the coronavirus on the economy.
- + **IMPACT OF THE CORONAVIRUS ON OTHER HEALTHCARE PRIORITIES.** As it relates to healthcare, the Congressional calendar is still very much tied to the May 22 deadline for the expiring health extenders. The major issue that has tied up the extenders is addressing how to pay for the package. If there is another supplemental funding package to address coronavirus, Congress could use this as an opportunity to fund the extenders without providing a separate avenue to pay for them. If Congress is trying to provide dollars in a coronavirus supplemental package that flows into the healthcare space, then paying for the healthcare extenders does not make sense.

THIS WEEK IN THE SENATE

No healthcare related hearings in the Senate this week.

THIS WEEK IN THE HOUSE

No healthcare related hearings in the House this week.

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