



McDermottPlus Healthcare Preview

WEEK OF AUGUST 1, 2022

Democrats Moving Forward With Reconciliation

Senate Majority Leader Schumer aims to pass the Inflation Reduction Act of 2022 this week. However, that vote may slip into next week. The Senate parliamentarian is still reviewing the draft bill to ensure that it complies with budget reconciliation rules. It is unclear when the parliamentarian's review process will conclude and how many changes staff will have to make to finalize the bill. We are also expecting new language on the prescription drug front that will incorporate insulin pricing protections in some fashion. Exact timing depends on the parliamentarian's review, the health of all 50 Democratic senators, and whether Senator Sinema will vote for the bill as constructed. Regardless of the exact timing in the Senate, the House will need to be called back into session to consider the reconciliation bill soon after that, as the House is on recess. Speaker Pelosi has stated she will provide 24 hours of notice to members before scheduling the vote.

THIS WEEK IN THE HOUSE

The House of Representatives is in recess.

This Week in the Senate

Senate Judiciary Committee

[Protecting Our Democracy's Frontline Workers](#)

Wednesday, August 3, at 10:00 am EDT

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It seems unlikely that any new health-related details will be added in this process, although stakeholders continue to press for some. As a reminder, the draft bill includes Medicare prescription drug pricing negotiation, an inflationary rebate for manufacturers when the price of a drug outpaces inflation, Part D benefit redesign, repeal of the pharmacy benefit manager rebate rule, and a three-year extension of the expanded advanced premium tax credits.

Non-health care provisions in the Inflation Reduction Act of 2022 include a 15 percent minimum tax on adjusted financial statement income for corporations with profits in excess of \$1 billion beginning December 31, 2022; additional funding to the Internal Revenue Service (IRS) to support tax enforcement and compliance; and closure of the carried interest loophole, which allows private equity firms and other money managers to treat part of their earnings as capital gains rather than being subject to higher income tax. The bill also includes a \$369 investment in energy security and climate change. The bill ultimately is estimated to reduce the federal deficit by \$300 billion.