

ML Strategies Health Care Preview

WEEK OF MAY 6, 2019

This week, the full House is poised to take its first action on drug pricing, voting on a [pair of bills](#) that would improve access to drug patents. The first bill is H.R. 1520, the Purple Book Continuity Act of 2019, which would codify the publication of patents of approved biological products in the Purple Book, which is a list of approved or licensed biological products. The second bill is H.R. 1503, the Orange Book Transparency Act of 2019, would ensure that relevant patent information in the Orange Book is updated timely and accurately. The Orange Book is a list of approved drug products and therapeutic equivalents. The House is also expected to vote on the Protecting Americans with Preexisting Conditions Act.

The House is expected to advance several relevant health care bills over the coming weeks that focus on drug pricing and strengthening the Affordable Care Act. The question over the coming weeks will be what measures could have a viable pathway to advancing in the Senate. Stakeholders await signals from the Senate HELP and Finance Committee on a health package they are developing. There have been numerous drug pricing related bills introduced in both chambers, and this package could represent a clearing of the decks, laying out what the committee leaders believe can pass on a bipartisan basis.

Adding a wrinkle to the situation is the ongoing negotiations between the Congressional leadership and the White House, which are ramping up. These discussions have included policy discussions around price negotiations, but there are concerns that House progressives and conservative Republicans won't be fully supportive. Also receiving renewed interest and attention are [out-of-pocket caps](#) on seniors' Part D drug costs, although it's unclear what direction the policy will go.

REBATE RULE

Last week, the Congressional Budget Office (CBO) produced an estimate of the Administration's proposal to eliminate drug rebates. CBO said eliminating the rebates paid to pharmacy benefit managers (PBMs) would increase federal spending by \$177 billion over a decade. The proposal has not been met with overwhelming support thus far, mainly due to policymakers seeking additional information and evaluation of the impact of tinkering with the rebates currently in the system.

Both sides agree that more transparency is needed, and members on both sides of the aisle are committed to diving deeper into the issue as the drug pricing debate shifts to the Senate.

THIS WEEK IN THE HOUSE

Approps – Markup of FY2020 LHHB Bill ([Wed @ 10:30am](#))

E&C – Lowering Prescription Drug Prices: Deconstructing the Drug Supply Chain ([Thurs @ 10am](#))

THIS WEEK IN THE SENATE

HELP – 21st Century Cures: Making Electronic Health Information Available to Patients and Providers, Part II ([Tues @ 10am](#))

Finance – Medicare Physician Payment Reform After Two Years: Examining MACRA Implementation and the Road Ahead ([Wed @ 10:15am](#))

SIGN UP

MLSDCHealth@mintz.com

TEAM

Alex Hecht
Connie Garner
Frank Guinta
Aaron Josephson
Kate Josephson
Eli Greenspan