

Health Care Weekly Preview

Week of July 31st

Following the dramatic conclusion of the failed vote on the repeal of the Affordable Care Act (ACA), it appears the Senate will pivot to other issues, namely the National Defense Authorization Act (NDAA). However, the Administration remains squarely focused on the ACA, with OMB Budget Director Mick Mulvaney calling for no other votes until Senate votes on a health care reform bill. Saturday morning the President threatened the cost-sharing reduction subsidies (CSRs) that are currently being paid on a monthly-basis until the conclusion of *House v. Price*. The CSRs are payments to insurance companies to help low-income enrollees pay for deductibles, copayments, and coinsurance.

The President will <u>reportedly</u> make a decision this week on whether he will continue CSRs payments or end them. This puts Congress in an interesting place, as it may have to consider permanently funding these payments to avoid upending the insurance markets. The President's view is that this could force Democrats to negotiate, but Sen. Susan Collins (ME) <u>threw water</u> on such an idea, saying a move to cut payments would not change her vote. The President also <u>threatened</u> to end the employer contribution for Members of Congress and staff, a new development in the month's long hand wringing on the CSR payments.

THIS WEEK IN THE HOUSE

The House is in recess until September 5, 2017.

THIS WEEK IN THE SENATE

On Tuesday (8/1), the Senate HELP Committee will hold a nomination hearing to consider the following: Mr. Lance Robertson for Assistant Secretary for Aging, Dr. Robert Kadlec for Assistant Secretary for Preparedness and Response, Dr. Brett Giroir for Assistant Secretary of Health, Dr. Elinore F. McCrance-Katz for Assistant Secretary for Mental Health and Substance Use, and Dr. Jerome Adams to be Surgeon General of the Public Health Service.

On Thursday (8/3), the Senate Finance Committee will consider the nomination of Matthew Bassett to be an Assistant Secretary of Health and Human Services.

GRAHAM-CASSIDY-HELLER

While it does appear that the Senate will take up other issues this week, Senator Lindsey Graham's (SC) <u>proposal</u>, along with Senators Cassidy (LA) and Heller (NV), appears to have gained some traction with the Administration and a handful of Republicans. It has yet to be scored by CBO, but aspects of this bill have been scored by CBO in recent months, suggesting that block-granting proposals – especially as it relates to Medicaid – would fail to change the narrative regarding coverage estimates. The Administration may use the proposal as a way to jumpstart repeal talks.

In the short term, we wait to see what happens with the CSRs. In the longer term (post-Labor Day), we look for signs that a 'repair it' caucus forms on the Republican-side and if they do, will there be Democrats there to meet them or will they get squashed by Republican Leadership.