



## President Previews Favored Nations Drug Clause

President Trump announced plans for an executive order to control drug costs that would align prices in the U.S. with lower prices paid abroad, known as a “favored nations” clause. The White House has not offered any further details about the executive order. However, it is unclear whether the President was referencing a previously announced international pricing index proposal. It is also unclear if the administration favors tying domestic drug prices to those in countries with similarly developed economies, or if the nation with the lowest price for each drug would be used as a benchmark.

### *E&C Surprise Billing Mark Up Expected This Week*

The House Energy and Commerce Committee is expected to be the first House committee to consider legislation on surprise insurance gaps. Committee rules require notice of at least 36 hours in advance, and the text of any bill to be marked up must be made available three days in advance. A substitute amendment must be available 24 hours in advance. Typically the committee requires amendments to be available 2 hours in advance of consideration.

### *Patient Protections in Surprise Insurance Gap Legislation*

Under current law, patients are to be held harmless for out-of-network emergency care at in-network facilities. However, these current law patient protections do not apply to deductibles and out-of-pocket maximums. Hart Health Strategies Inc. reviewed key legislation related to surprise insurance gaps to examine what additional patient protections are included. Specifically, our [comparison chart](#) examines when patients are “held harmless” for receiving certain out-of-network care and whether those protections extend to deductibles and out-of-pocket maximums, whether as part of emergency care (e.g., after stabilization) or other circumstances.

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### ***Finance Leadership Questions Opioid Maker Ties to Pain Advocacy Groups***

Senate Finance Committee Chairman Chuck Grassley (R-Iowa) and Ranking Member Ron Wyden (D-Ore.) have sent [letters](#) to several pain advocacy organizations and medical associations requesting details about their relationships with opioid manufacturers. The lawmakers are investigating the degree to which pharmaceutical companies fund the nonprofit organizations and how these ties may influence pain treatment practices and policy. The groups were asked to respond by July 29.

### ***Bipartisan Letter Sent on Opioid Treatment Education Requirements***

Rep. Katie Hill (D-Calif.) led a bipartisan letter signed by 30 other members of Congress regarding physician training in the area of opioid addiction treatment. The letter requests that the Accreditation Council of Graduate Medical Education (ACGME) require that all new physicians receive the necessary training to treat patients with opioid use disorder.

### ***Cassidy, Brown Write CMS Regarding Non-Invasive Ventilators***

Sens. Bill Cassidy, MD (R-La.) and Sherrod Brown (D-Ohio) are asking the Centers for Medicare and Medicaid Services (CMS) to ensure Medicare and Medicaid beneficiary access to non-invasive ventilators (NIVs). Their letter follows a proposal from the agency to add the devices to the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) competitive bidding program. Cassidy, Brown, and thirty-six other senators [urge](#) CMS to make sure that “the bidding and contract process takes into account medical need, care complexity, and beneficiary access to experienced providers in this specialized field.” They suggest that CMS evaluate other options to address the increased utilization of the products, such as changes to the criteria for coverage. Reps. Morgan Griffith (R-Va.), Peter Welch (D-Vt.) and other members of the House of Representatives had previously written to the agency also asking to keep NIVs out of the competitive bidding process.

### ***House Dems Push for End to Fetal Tissue Restrictions***

Thirty-three Democratic House lawmakers have [written](#) to U.S. Department of Health and Human Services (HHS) Secretary Alex Azar urging the department to reverse its restrictions on funding for the National Institutes of Health (NIH) around research involving fetal tissue obtained from abortions. The lawmakers outline the potential of such tissue in the development of treatments for Alzheimer’s, HIV, and other diseases.

### ***HHS Personnel Update***

The U.S. Department of Health and Human Services (HHS) has announced Secretary Alex Azar’s decision to elevate Centers for Medicare and Medicaid Services (CMS) Chief of Staff Paul Mango to serve as the department’s Deputy Chief of Staff for Policy. This is a newly created position that will oversee policy planning and coordination for HHS.

## Upcoming Congressional Hearings and Markups

*Senate Special Committee on Aging hearing “to examine how the special diabetes program is changing the lives of Americans with Type 1 diabetes;” 9:30 a.m., 106 Dirksen Bldg.; July 10*

*House Committee on Oversight and Reform hearing “The Trump Administration’s Attack on the ACA: Reversal in Court Case Threatens Health Care for Millions of Americans;” 10:00 a.m., 2154 Rayburn Bldg.; July 10*

*House Veterans’ Affairs Subcommittee on Health hearing “The Cost of Caring;” 2:00 p.m., Room 210, House Visitors Center; July 10*

*House Committee on Oversight and Reform hearing “Identifying, Preventing, and Treating Childhood Trauma: A Pervasive Public Health Issue that Needs Greater Federal Attention;” 10:00 a.m., 2154 Rayburn Bldg.; July 11*

## Recently Introduced Health Legislation

*H.R.3594 — To amend the Internal Revenue Code of 1986 to create health freedom accounts available to all individuals; Sponsor: Rep. Roy, Chip [R-TX-21]; Committees: House - Ways and Means*

*S.2051 — A bill to amend XVIII of the Social Security Act to require certain manufacturers to report drug pricing information with respect to drugs under the Medicare program; Sponsor: Sen. Menendez, Robert [D-NJ]; Committees: Senate - Finance*