



**Buchanan  
Ingersoll &  
Rooney PC**

# State Legislative Update and Post Election Results

Brian Kelly, Senior Principal  
PA State Government Relations

# Agenda

## 2018 Year in Review

- Agency Consolidation
- HealthChoices Update
- Medical Marijuana Program
- Opioid Crisis
- Community HealthChoices Implementation
- Legislative Wins, Losses and Unfinished Business

## Looking Ahead to 2019

- Fiscal Year 2018-2019 State Budget
- What to watch for legislatively

## General Election Results

- Gubernatorial Race
- PA General Assembly
- Congressional Seats

# Agency Consolidation

- Gov. Wolf called for the merger of four health-related state agencies as part of his proposed budget for FY 2017-18:

Department of Health

Department of Human Services

Department of Aging

Department of Drug & Alcohol Programs

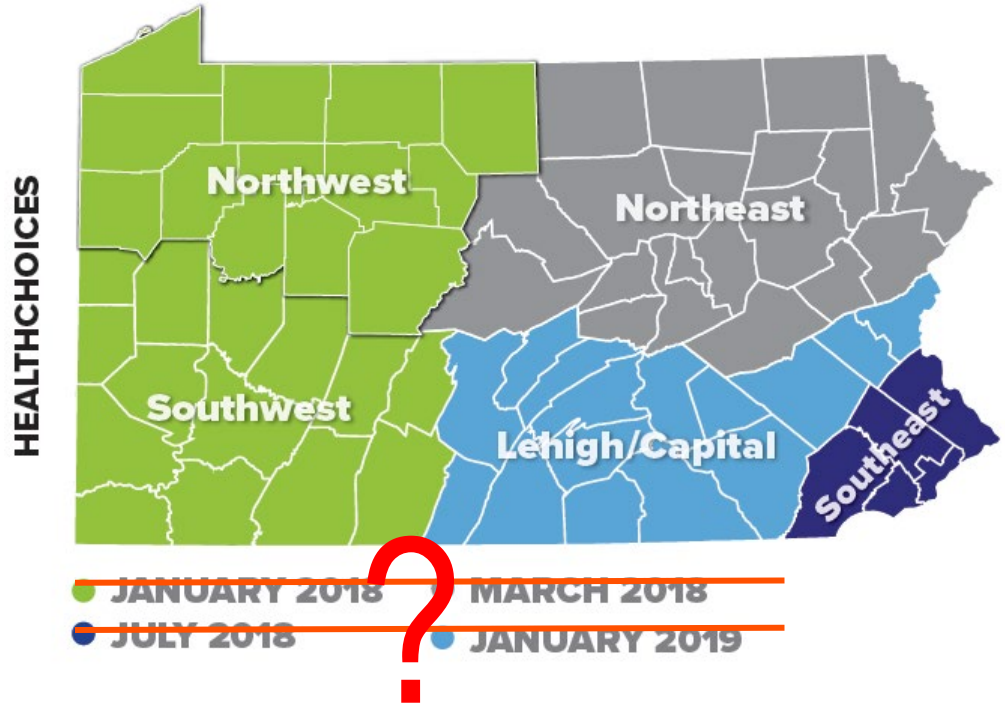


*“Department of Health and Human Services”*

- *Cost savings? Streamlining of service delivery? Increased efficiencies?*
- No formal efforts to implement the merger
- Additional information requested

# Healthchoices Update

- PA's statewide mandatory managed care program for 2.2 million Medicaid recipients, currently in a "stay"
- DHS announced selection of 6 MCOs to administer HC in 5 regions on 1/5/17 → Ensuing bid protests
- Challenges heard in Commonwealth Court 10/18/17 → Decision pending
- Potential (third) re-procurement - TBD



# Community Health Choices (CHC)

- Mandatory managed care program for dually eligible persons and persons with physical disabilities
- Enhances access to and improves coordination of medical care
- Creates a person-driven, long-term support system in which people have choice, control and access to a full array of services that provide independence, health and quality of life



## SOUTHWEST

JANUARY 2018

Allegheny  
Armstrong  
Beaver  
Bedford  
Blair  
Butler  
Cambria  
Fayette  
Greene  
Indiana  
Lawrence  
Somerset  
Washington  
Westmoreland

## SOUTHEAST

JANUARY 2019

Bucks  
Chester  
Delaware  
Montgomery  
Philadelphia



*Affected individuals will be notified at least 90 days before CHC begins in each zone, so they will be ready for the change.*

## LEHIGH/CAPITAL, NORTHWEST & NORTHEAST

JANUARY 2020

Adams	Franklin	Northampton
Berks	Fulton	Northumberland
Bradford	Huntingdon	Perry
Cameron	Jefferson	Pike
Carbon	Junata	Potter
Centre	Lackawanna	Schuylkill
Clarion	Lancaster	Snyder
Clearfield	Lebanon	Sullivan
Clinton	Lehigh	Susquehanna
Columbia	Luzerne	Tioga
Crawford	Lycoming	Union
Cumberland	McKean	Venango
Dauphin	Mercer	Warren
Elk	Mifflin	Wayne
Erie	Monroe	Wyoming
Forest	Montour	York

REVISED: JUNE 2018

Source: PA Department of Human Services

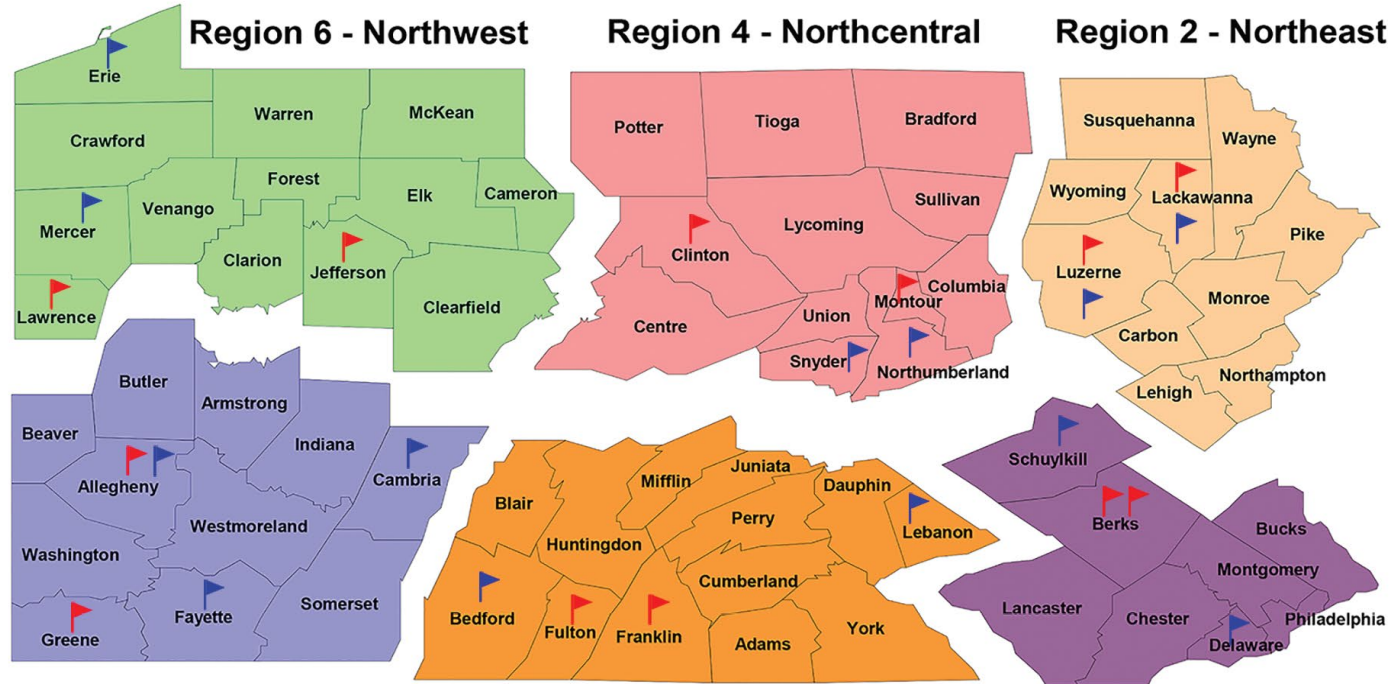


# Medical Marijuana Program

- Act 16 of 2016 (Folmer, R-Lebanon) established a program, administered by the Department of Health, for the use of medical marijuana by patients with a “serious medical condition.”
- Doctors may apply to become registered as a “practitioner” in order to certify patients to use medical marijuana.
- Initial amount of permits:
  - 50 dispensaries (can open up to three separate locations)
  - 25 growers/processors
  - 8 clinical registrants (contract with an academic research center to dispense medical marijuana for research purposes)



# Medical Marijuana Grower/Processor Permit Awardees



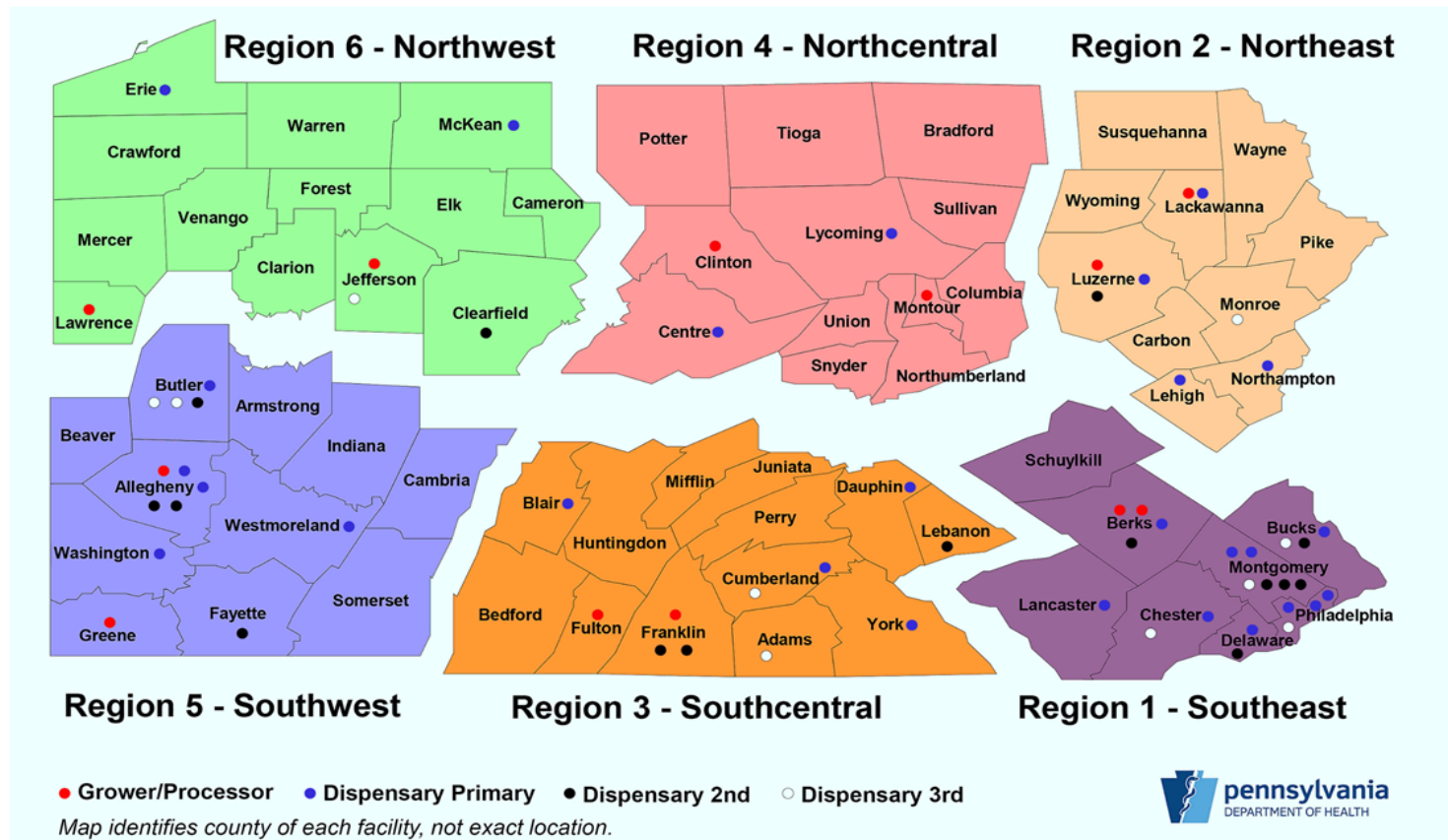
## Region 5 - Southwest

Phase I Phase II

Map identifies county of each facility, not exact location.

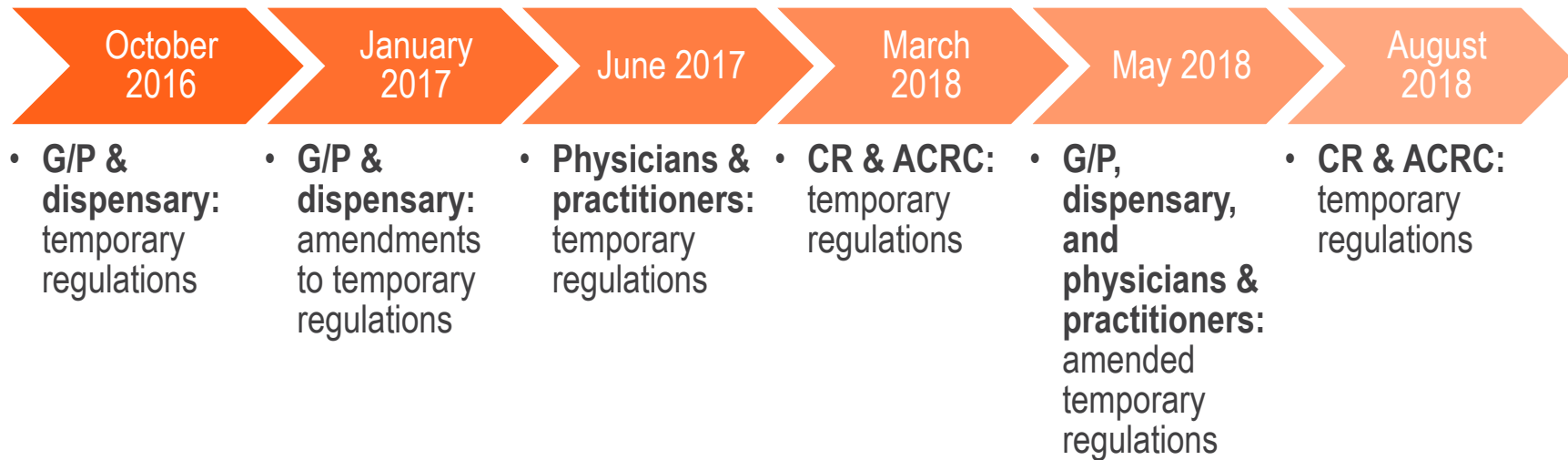


# Medical Marijuana Dispensary Permit Awardees





# Medical Marijuana Regulations



**G/P: Growers/Processors**

**CR: Clinical Registrants**

**ACRC: Academic Clinical Research Centers**

# Opioid Crisis

- Emergency Declaration is first of its kind – Command Center at PEMA
- Agencies involved include Health, DHS, DDAP, PEMA, PCCD and PSP
- 13 initial initiatives in 3 key areas:
  - Enhancing Coordination/Data Collection to Bolster State/Local Response
  - Improving Tools for Families, First Responders and Others to Save Lives
  - Speeding Up and Expanding Access to Treatment
- Extended for a third 90-day period in September
- Ongoing federal funding to PA to combat epidemic
  - 21<sup>st</sup> Century Cures Act
  - SAMHSA State Opioid Response Grant

# Opioid-Related Legislation

*More than 130 Bills Introduced by General Assembly:*

- ✓ *Consent to Treatment (Act 47-2018)*
- ✓ *Drug & Alcohol Recovery House Certification (Act 59-2017)*
- ✓ *Emergency D&A Detox. Program (Act 40-2017)*
- ✓ *Opioid abuse prevention education in schools (Act 55-2017)*
- ✓ *E-prescribing for controlled substances (Act 96-2018)*
- ✓ *Prescribing opioids to minors (Act 93-2018)*
- ✓ *Epilepsy Drug Exemption from ABC-MAP (Act 79-2017)*
- ✓ *Drug Disposal after Hospice Care (Act 69-2018)*



# What Did the General Assembly Do?



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What Was Accomplished



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Unfinished Business



# Bill Summary, 2017-18 Legislative Session

**23%**

Of all bills  
introduced were  
health or  
insurance-related

	Democrat	Republican	Total
House	1,114	1,569	2,683
Senate	447	811	1,258
Total	1,561	2,380	3,941

Source: PA Legislative Services



# Legislative Activity in 2017-18

- ✓ Medicaid “reforms” → *HB 59 vetoed by Governor 10/19/17*
- ✓ Abortion restrictions → *SB 3 vetoed by Governor 12/18/17*
- ✓ CHIP reauthorization → *Act 58-2017*
- ✓ Rare Disease Advisory Council → *Act 14-2017*
- ✓ “Right to Try” Investigational Drugs → *Act 33-2017*
- ✓ MA eligibility / work requirements → *HB 2138 vetoed by Governor 10/19/18*
- ✓ Public Assistance Integrity Act → *Act 125-2018*

# Legislative Activity in 2017-18

- ✓ Medication Synchronization → *Act 87-2018*
- ✓ “Treat no Transport” → *Act 103-2018*
- ✓ Assisted Outpatient Mental Health Treatment Standards → *Act 106-2018*
- ✓ Patient Test Results Notification → *Act 112-2018*
- ✓ Spinal Cord Injury Research Program → *Act 126-2018*
- ✓ Organ and Tissue Donation → *Act 90-2018*

# Unfinished Business

- Project Lazarus Commission (overdose prevention)
- Purchasing health insurance products sold in other states
- Certification of voluntary healthcare practitioners
- ABC-MAP prescription queries
- Grant funding limitations on FQHCs
- Mcare Act: Punitive damages permitted
- Surprised balanced billing
- Uniform insurer credentialing
- Reauthorization of PA Health Care Cost Containment Council

# Unfinished Business

- MA Presumptive eligibility for home health / behavioral health services
- Medication Assisted Treatment
- Gender / sex reassignment / transition services reimbursement
- Prohibition of pharmacy “gag” clauses
- Pharmacy reimbursement / drug pricing transparency
- OAPSA reforms
- PA orders for life sustaining treatment (POLST)
- Scope of practice
- Rural health redesign
- Telemedicine

# Looking Ahead to 2019-20 Session

- FY 2018-2019 Budget
- CHC implementation, in Southeast PA, 1/1/19
- Legislative action to watch for:
  - Telemedicine
  - Surprise balance billing
  - Pharmaceutical price transparency / PBM regulation/oversight
  - Presumptive eligibility – Home care, Behavioral Health
  - Uniform insurance credentialing
  - Behavioral health re-integration
  - Nurse Staffing
  - MAT / Opioid related legislation





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# Mid-Term Election Results

# Pennsylvania House of Representatives

- All 203 members were up for reelection.
- House makeup prior to the election:
  - 121 Republicans
  - 82 Democrats
- House makeup after the election (**Democrats picked up 11 seats**):
  - 109 Republicans
  - 93 Democrats (one vacancy – Sid Michaels Kavulich)

# Open House Seats (incumbent not on ballot)

- **HD-2** (Erie): **Robert Merski** (D) will replace Rep. Flo Fabrizio (D)
- **HD-15** (Beaver): **Joshua Kail** (R) will replace Rep. Jim Christiana (R)
- **HD-21** (Allegheny): **Sara Innamorato** (D) will replace Rep. Dom Costa (D)
- **HD-25** (Allegheny): **Brandon Markosek** (D) will replace Rep. Joe Markosek (D)
- **HD-29** (Bucks): **Meghan Schroeder** (R) will replace Rep. Bernie O'Neill (R)
- **HD-30** (Allegheny): **Lori Mizgorski** (R) will replace Rep. Hal English (R)
- **HD-34** (Allegheny): **Summer Lee** (D) will replace Rep. Paul Costa (D)
- **HD-39** (Allegheny): **Michael Puskaric** (R) will replace Rep. Rick Saccone (R)
- **HD-40** (Allegheny): **Natalie Mihalek** (R) will replace Rep. John Maher (R)
- **HD-44** (Allegheny): **Valerie Gaydos** (R) will replace Rep. Mark Mustio (R)

# Open House Seats (incumbent not on ballot)

- **HD-53** (Montgomery): **Steven Malagari** (D) will replace Rep. Bob Godshall (R) – **pick up for Democrats**
- **HD-54** (Westmoreland): **Robert Brooks** (R) will replace Rep. Eli Evankovich (R)
- **HD-62** (Indiana): **James Struzzi** (R) will replace Rep. Dave Reed (R)
- **HD-74** (Chester): **Dan Williams** (D) will replace Rep. Harry Lewis (R) – **pick up for Democrats**
- **HD-76** (Clinton): **Stephanie Borowicz** (R) will replace Rep. Mike Hanna (D) – **pick up for Republicans**
- **HD-79** (Blair): **Louis Schmitt, Jr.** (R) will replace Rep. John McGinnis (R)
- **HD-80** (Blair): **James Gregory** (R) will replace Rep. Judith Ward (R)

# Open House Seats (incumbent not on ballot)

- **HD-82** (Juniata): **Johnathan Hershey** (R) will replace Rep. Adam Harris (R)
- **HD-93** (York): **Paul Jones** (R) will replace Rep. Kristin Phillips-Hill (R)
- **HD-105** (Dauphin): **Andrew Lewis** (R) will replace Rep. Ron Marsico (R)
- **HD-112** (Lackawanna): **Kyle Mullins** (D) will replace Rep. Kevin Haggerty (D)
- **HD-143** (Bucks): **Wendy Ullman** (D) will replace Rep. Marguerite Quinn (R) – **pick up for Democrats**
- **HD-144** (Bucks): **Todd Polinchock** (R) will replace Rep. Kathy Watson (R)
- **HD-150** (Montgomery): **Joseph Webster** (D) will replace Rep. Michael Corr (R) – **pick up for Democrats**



# Open House Seats (incumbent not on ballot)

- **HD-153** (Montgomery): **Ben Sanchez** (D) will replace Rep. Madeleine Dean (D)
- **HD-162** (Delaware): **David Delloso** (D) will replace Rep. Mick Miccarelli (R) – **pick up for Democrats**
- **HD-175** (Philadelphia): **MaryLouise Isaacson** (D) will replace Rep. Michael O'Brien (D)
- **HD-177** (Philadelphia): **Joseph Hohenstein** (D) will replace Rep. John Taylor (R) – **pick up for Democrats**
- **HD-181** (Philadelphia): **Malcolm Kenyatta** (D) will replace Rep. Curtis Thomas (D)
- **HD-184** (Philadelphia): **Elizabeth Fielder** (D) will replace Rep. Bill Keller (D)
- **HD-193** (Adams): **Torren Ecker** (R) will replace Rep. Will Tallman (R)
- **HD-197** (Philadelphia): **Danilo Burgos** (D) will replace Rep. Emilio Vazquez (D)
- **HD-199** (Cumberland): **Barbara Gleim** (R) will replace Rep. Stephen Bloom (R)

# House Members That Lost in General Election

- HD-61 (Montgomery): **Laura Hanbidge (D)** defeated **Rep. Kate Harper (R)** – **pick up for Democrats**
- HD-71 (Cambria): **James Rigby (R)** defeated **Rep. Bryan Barbin (D)** – **pick up for Republicans**
- HD-146 (Montgomery): **Joseph Ciresi (D)** defeated **Rep. Thomas Quigley (R)** – **pick up for Democrats**
- HD-155 (Chester): **Danielle Otten (D)** defeated **Rep. Becky Corbin (R)** – **pick up for Democrats**
- HD-157 (Chester): **Melissa Shusterman (D)** defeated **Rep. Warren Kampf (R)** – **pick up for Democrats**

# House Members That Lost in General Election

- **HD-158 (Chester): Christina Sappey (D) defeated Rep. Eric Roe (R) – pick up for Democrats**
- **HD-163 (Delaware): Michael Zabel (D) defeated Rep. James Santora (R) – pick up for Democrats**
- **HD-165 (Delaware): Jennifer Omara (D) defeated Rep. Alex Charlton (R) – pick up for Democrats**
- **HD-167 (Chester): Kristine Howard (D) defeated Rep. Duane Milne (R) – pick up for Democrats**
- **HD-178 (Bucks): Wendi Thomas (R) defeated Rep. Helen Tai (D) – pick up for Republicans**

# Vacancies in House Legislative Committee Chairs

- **Appropriations** : Rep. Joe Markosek (D)
- **Children & Youth** : Rep. Kathy Watson (R)
- **Commerce**: Rep. Curtis Thomas (D)
- **Consumer Affairs** : Rep. Robert Godshall (R)
- **Environmental Resources & Energy**: Rep. John Maher (R)
- **Finance**: Rep. Bernie O'Neill (R)
- **Game and Fisheries**: Rep. Brian Barbin (D)
- **Health** : Rep. Flo Fabrizio (D)
- **Judiciary** : Rep. Ron Marsico (R)
- **Liquor Control**: Rep. Adam Harris (R) & Rep. Paul Costa (D)
- **Local Government**: Rep. Kate Harper (R)
- **Professional Licensure**: Rep. Mark Mustio (R)
- **Transportation**: Rep. John Taylor (R) & Rep. Bill Keller (D)
- **Urban Affairs**: Rep. Mike O'Brien (D)

# Pennsylvania Senate

- 25 members (even-numbered districts) were up for reelection; 18 Republicans and 7 Democrats.
- Senate makeup prior to the election:
  - 34 Republicans
  - 16 Democrats
- Senate makeup after the election (**Democrats picked up 5 seats**):
  - 29 Republicans
  - 21 Democrats

# Open Senate Seats (incumbent not on ballot)

- **SD-10** (Bucks): **Steve Santarsiero** (D) will replace Sen. Chuck McIlhinney (R) – **pick up for Democrats**
- **SD-12** (Montgomery): **Maria Collett** (D) will replace Sen. Stewart Greenleaf (R) – **pick up for Democrats**
- **SD-28** (York): **Kristin Phillips-Hill** (R) will replace Sen. Scott Wagner (R)
- **SD-30** (Blair): **Judith Ward** (R) will replace Sen. John Eichelberger (R)
- **SD-38** (Allegheny): **Lindsey Williams** (D) will replace Sen. Randy Vulakovich (R) – **pick up for Democrats**

# Senate Members That Lost in General Election

- **SD-26 (Delaware): Timothy Kearney (D) defeated Sen. Tom McGarrigle (R) – pick up for Democrats**
- **SD-44 (Montgomery): Katie Muth (D) defeated Sen. John Rafferty (R) – pick up for Democrats**

# Vacancies in Senate Legislative Committee Chairs

- **Education:** Sen. John Eichelberger (R)
- **Judiciary :** Sen. Stewart Greenleaf (R)
- **Law & Justice :** Sen. Chuck McIlhinney (R)
- **Local Government:** Sen. Scott Wagner (R)
- **Transportation:** Sen. John Rafferty (R)
- **Urban Affairs and Housing:** Sen. Tom McGarrigle (R)
- **Veterans Affairs & Emergency Preparedness:** Sen. Randy Vulakovich (R)

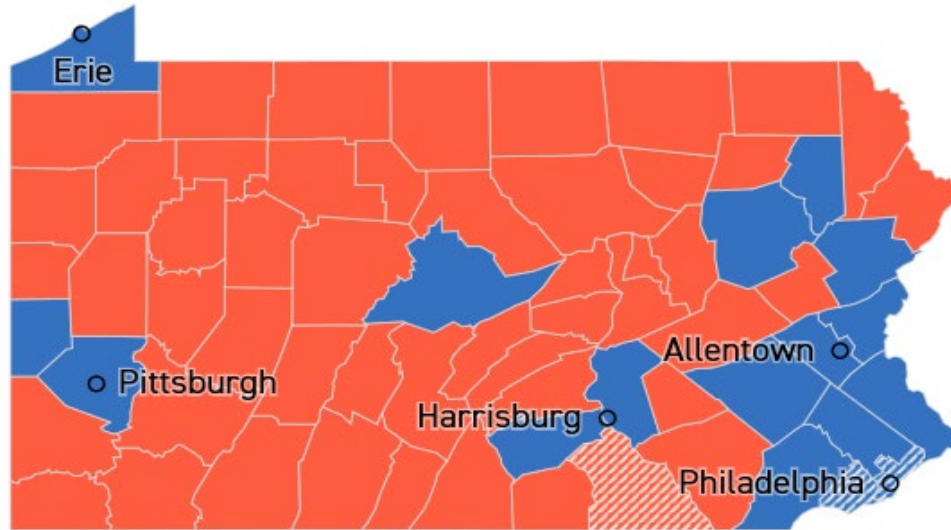


# Health-related Committee Chairs

(\*Denotes new Chair)

Committee	Chairman (R)	Chairman (D)
House Aging & Older Adult Services	Rep. Tom Murt*	Rep. Steve Samuelson
House Health	Rep. Kathy Rapp	Rep. Dan Frankel*
House Human Services	Rep. Gene DiGirolamo	Rep. Angel Cruz
House Insurance	Rep. Tina Pickett	Rep. Tony DeLuca
House Professional Licensure	Rep. Dave Hickernell*	Rep. Harry Readshaw
Senate Aging & Youth	Sen. John DiSanto*	Sen. Maria Collett*
Senate Banking & Insurance	Sen. Don White	Sen. Sharif Street
Senate Consumer Protection & Professional Licensure	Sen. Tommy Tomlinson	Sen. Lisa Boscola
Senate Health & Human Services	Sen. Michele Brooks*	Sen. Art Haywood*

# Governor



- **Governor Tom Wolf (D)** and his running mate for **Lieutenant Governor John Fetterman (D)** defeated the ticket of Scott Wagner (R) and Jeff Bartos (R).
- Wolf received 2,799,1559 votes (57.66%), while Wagner got 1,981,027 votes (40.81%).

# Key Dates

- **New Elected Officials Reception** – January 28, 2019
- **Governor's Budget Address** – February 5, 2019
- **Budget Hearings** – February 11 - March 7, 2019
- **Budget Deadline** – June 30, 2019
- **House/Senate Session Days = 50**

# Thank you



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# Federal Legislative and Regulatory Update

Michael P. Strazzella

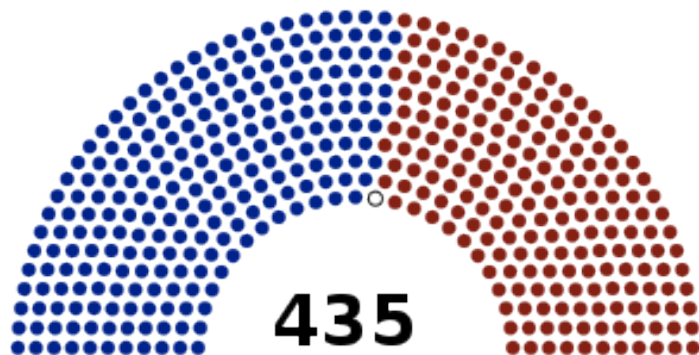
January 16, 2019

# 116<sup>th</sup> Congress Party Split

## House

235 Democrats; 199 Republicans;

1 Vacancy

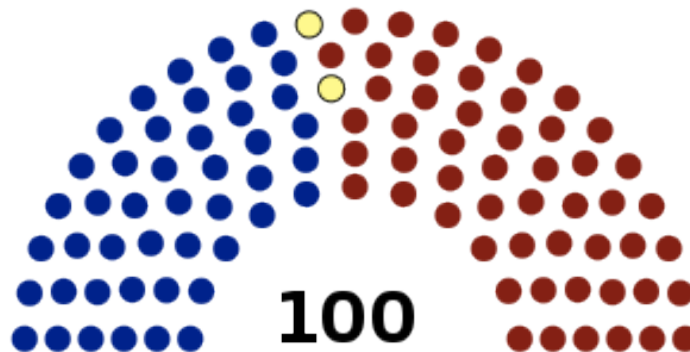


Speaker of the House: Nancy Pelosi (D-CA)  
Minority Leader: Kevin McCarthy (R-CA)

## Senate

53 Republicans; 45 Democrats;

2 Independents



Majority Leader: Mitch McConnell (R-KY)  
Minority Leader: Chuck Schumer (D-NY)

# 116th Congress - House Committee Leadership

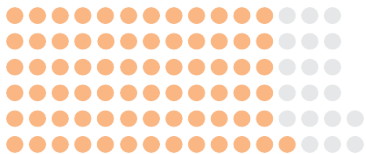
	Republican	Democrat
<b>Agriculture</b>	Rep. Collin Peterson (MN)	Rep. Mike Conway (TX)
<b>Appropriations</b>	Rep. Nita Lowey (NY)	Rep. Kay Granger (TX)
<b>Armed Services</b>	Rep. Adam Smith (WA)	Rep. Mac Thornberry (TX)
<b>Budget</b>	Rep. John Yarmuth (KY)	Rep. Steve Womack (AR)
<b>Education &amp; Labor</b>	Rep. Bobby Scott (VA)	Rep. Virginia Foxx (NC)
<b>Energy &amp; Commerce</b>	Rep. Frank Pallone (NJ)	Rep. Greg Walden (OR)
<b>Financial Services</b>	Rep. Maxine Waters (CA)	Rep. Patrick McHenry (NC)
<b>Foreign Affairs</b>	Rep. Eliot Engel (NY)	Rep. Mike McCaul (TX)
<b>Homeland Security</b>	Rep. Bennie Thompson (MS)	Rep. Mike Rogers (AL)
<b>House Administration</b>	Rep. Zoe Lofgren (CA)	Rep. Rodney Davis (IL)
<b>Intelligence</b>	Rep. Adam Schiff (CA)	Rep. Devin Nunes (CA)
<b>Judiciary</b>	Rep. Jerry Nadler (NY)	Rep. Doug Collins (GA)
<b>Natural Resources</b>	Rep. Raul Grijalva (AZ)	Rep. Rob Bishop (UT)
<b>Oversight &amp; Government Reform</b>	Rep. Elijah Cummings (MD)	Rep. Jim Jordan (OH)
<b>Rules</b>	Rep. Jim McGovern (MA)	Rep. Tom Cole (OK)
<b>Science, Space and Technology</b>	Rep. Eddie Bernice Johnson (TX)	Rep. Frank Lucas (OK)
<b>Small Business</b>	Rep. Nydia Velazquez (NY)	Rep. Steve Chabot (OH)
<b>Transportation &amp; Infrastructure</b>	Rep. Peter DeFazio (OR)	Rep. Sam Graves (MO)
<b>Veterans' Affairs</b>	Rep. Mark Takano (VA)	Rep. Phil Roe (TX)
<b>Ways &amp; Means</b>	Rep. Richard Neal (MA)	Rep. Kevin Brady (TX)

# 116th Congress - Senate Committee Leadership

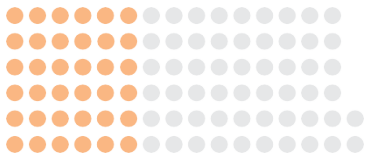
	Republican	Democrat
Agriculture	Sen. Pat Roberts (KS)	Sen. Debbie Stabenow (MI)
Appropriations	Sen. Richard Shelby (AL)	Sen. Patrick Leahy (VT)
Armed Services	Sen. James Inhofe (OK)	Sen. Jack Reed (RI)
Banking, Housing & Urban Affairs	Sen. Mike Crapo (ID)	Sen. Sherrod Brown (OH)
Budget	Sen. Michael Enzi (WY)	Sen. Bernie Sanders (VT)
Commerce, Science & Transportation	Sen. Roger Wicker (MS)	Sen. Maria Cantwell (WA)
Energy & Natural Resources	Sen. Lisa Murkowski (AK)	Sen. Joe Manchin (WV)
Environment & Public Works	Sen. John Barrasso (WY)	Sen. Tom Carper (DE)
Finance	Sen. Chuck Grassley (IA)	Sen. Ron Wyden (OR)
Foreign Relations	Sen. Jim Risch (ID)	Sen. Bob Menendez (NJ)
Health Education Labor & Pensions	Sen. Lamar Alexander (TN)	Sen. Patty Murray (WA)
Homeland Security & Governmental Affairs	Sen. Ron Johnson (WI)	Sen. Gary Peters (MI)
Judiciary	Sen. Lindsey Graham (SC)	Sen. Dianne Feinstein (CA)
Rules & Administration	Sen. Roy Blunt (MO)	Sen. Amy Klobuchar (MN)
Small Business & Entrepreneurship	Sen. Marco Rubio (FL)	Sen. Ben Cardin (MD)
Veterans' Affairs	Sen. Johnny Isakson (GA)	Sen. Jon Tester (MT)
Select Committee on Intelligence	Sen. Richard Burr (NC)	Sen. Mark Warner (VA)
Special Committee on Aging	Sen. Susan Collins (ME)	Sen. Bob Casey (PA)



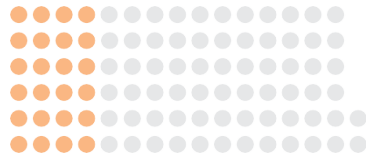
# Freshman of the 116<sup>th</sup> Congress



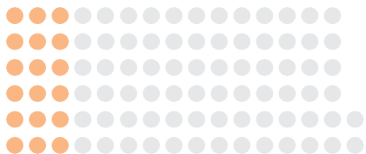
**At least 73** went to graduate school. A third of them have law degrees and 12 have MBAs. Seven freshmen earned at least two graduate degrees.



**36 women** — 35 Democrat, 1 Republican



**At least 24** of the new members elected to the House this cycle are Hispanic, Native American and people of color.



**At least 18** members of the incoming class have served in the military. Six served in the Army, 11 in the Navy and two in the Air Force.



**Five** worked in education or were teachers.



There are **at least five** medical professionals: three doctors, one dentist and one nurse.

Source: Politico Pro Datapoint

# 116<sup>th</sup> Congress Agenda

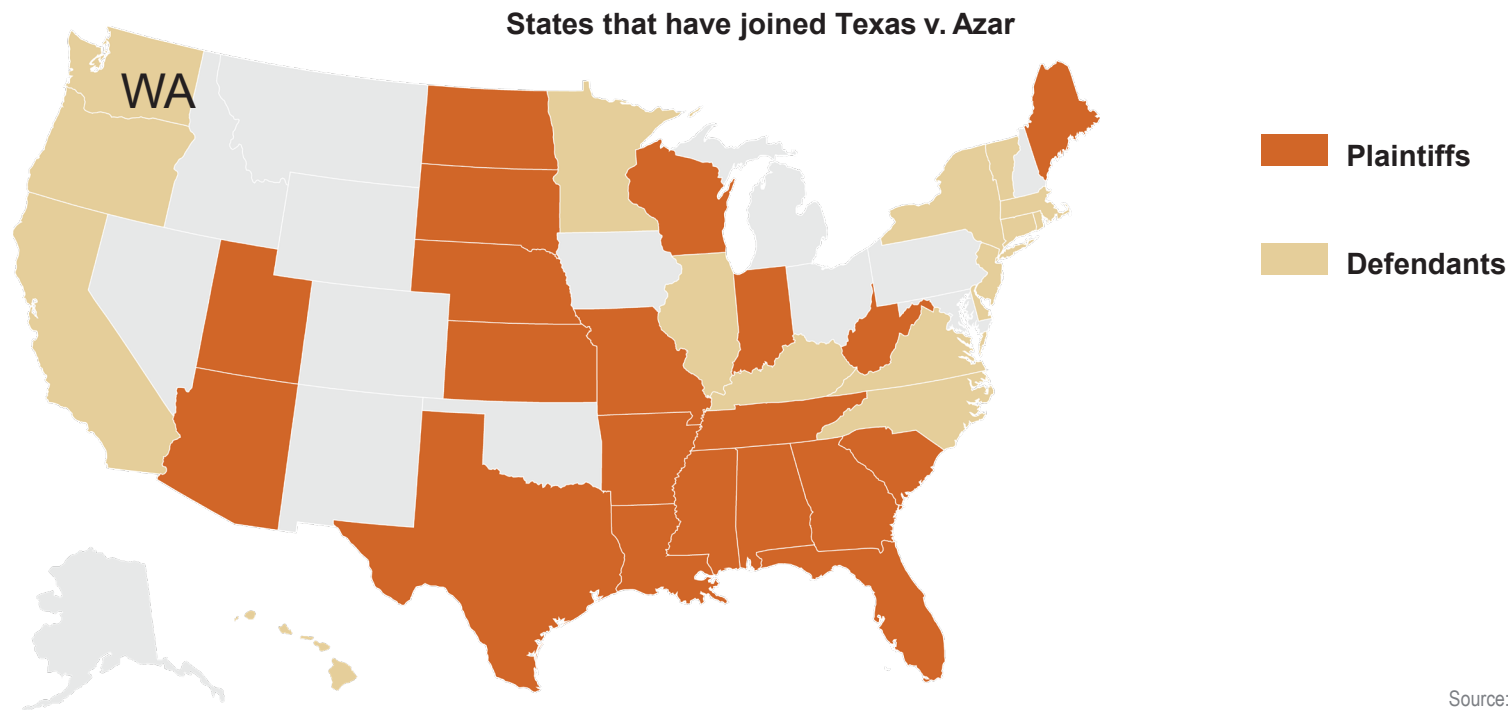
- ACA
- Health IT/Telemedicine
- Drug Pricing
- Hospitals

# Future of the ACA: The Lawsuit

## The Basics:

- 20 Republican state attorneys general filed suit challenging the ACA after the individual mandate was effectively eliminated in last year's tax bill
- A TX judge found the ACA unconstitutional in December 2018
- Democratic state attorneys general will appeal with support from House Democrats
- **The law is still in effect while pending appeal**
- If affirmed by higher courts, entire ACA would be repealed including popular provisions like pre-existing condition protections

# Future of the ACA: The Lawsuit



Source: Politico Pro Datapoint

# Future of the ACA: Congress

- Senate HELP may again take up stabilization compromise
- We may see legislation to protect pre-existing conditions
- Bipartisan permanent repeal of “Cadillac tax” and medical device tax
- Will the House see a vote on Medicare for all?

# Future of Medicaid

- In 2018 CMS memo to states allowed for implementation of Medicaid work requirements
- 7 states have received 1115 waivers to enact work requirements
- 8 states have pending 1115 waivers
- New Democratic Governors likely to expand Medicaid under the ACA

# Pending and Approved Medicaid Work Requirements

## Approved

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- Arkansas
- Indiana
- Kentucky
- Maine
- Michigan
- New Hampshire
- Wisconsin

## Pending

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- Alabama
- Arizona
- Mississippi
- Ohio
- Oklahoma
- South Dakota
- Utah
- Virginia

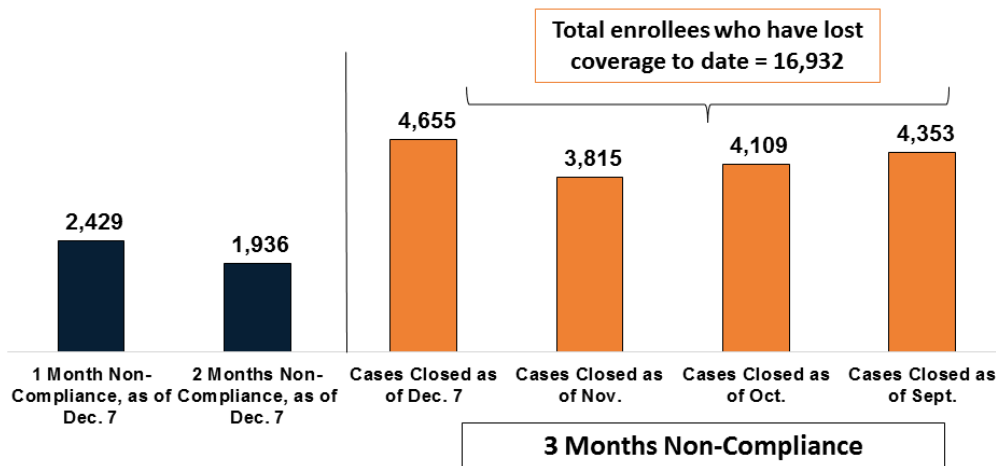
Source: Kaiser Family Foundation and CMS

# Future of Medicaid: Arkansas Work Requirements Snapshot

Figure 1

Nearly 17,000 AR Works enrollees have lost Medicaid coverage for failure to meet work and reporting requirements.

Number of Enrollees Who Did Not Meet Work and Reporting Requirements:



SOURCES: Ark. Dep't of Human Servs., Ark. Works Program, [Nov. 2018 Report](#) (data as of Dec. 7, 2018, released Dec. 17, 2018); [Oct. 2018 Report](#) (data as of Nov. 7, 2018, released Nov. 15, 2018); [Sept. 2018 Report](#) (data as of Oct. 8, 2018, released Oct. 15, 2018); [Aug. 2018 Report](#) (data as of Sept. 9, 2018, released Sept. 12, 2018).

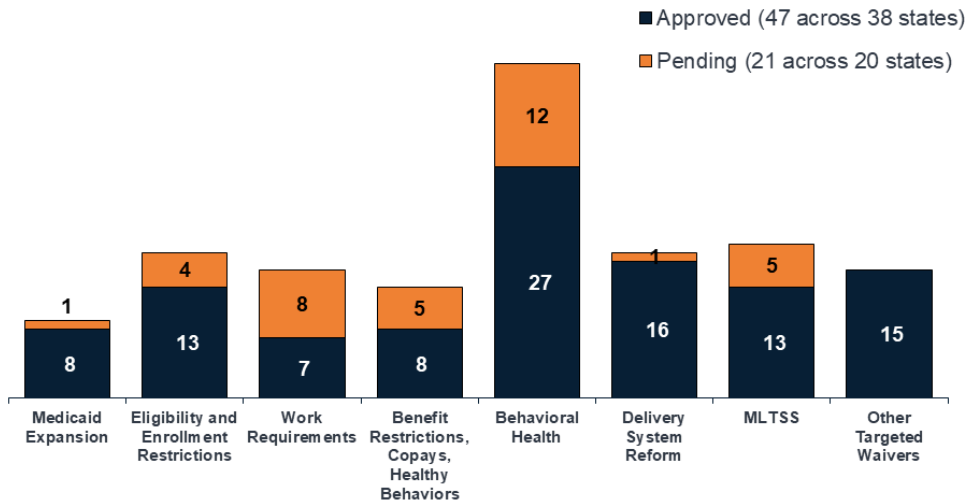


Source: Kaiser Family Foundation



# Future of Medicaid: Other 1115 Pending and Approved Waivers

## Landscape of Approved vs. Pending Section 1115 Medicaid Demonstration Waivers, January 3, 2019



NOTES: Some states have multiple approved and/or multiple pending waivers, and many waivers are comprehensive and may fall into a few different areas. Therefore, the total number of pending or approved waivers across states cannot be calculated by summing counts of waivers in each category. Pending waiver applications are not included here until they are officially accepted by CMS and posted on Medicaid.gov. For more detailed information on each Section 1115 waiver, download the detailed approved and pending waiver tables posted on the tracker page. \*MLTSS\* = Managed long-term services and supports.



Source: Kaiser Family Foundation

# 116th Congress Agenda: Health IT and Telemedicine

- In 2018, CMS continued the trend of expanding reimbursement and pilot projects for telehealth services – expect this to continue
  - ✓ Medicare Advantage
  - ✓ Removal of geographic and originating site restrictions
  - ✓ Nursing homes and senior care
  - ✓ Expanded broadband – especially into rural areas
  - ✓ Telebehavioral health

# Drug Pricing: Administration

- Trump Administration's Blueprint to Lower Drug Prices released May of 2018 identified four strategies:
  1. Improved Competition
  2. Better Negotiation
  3. Incentives for Lower List Prices
  4. Lowering Out-of-Pocket Costs
- Other Trump Administration approaches to drug pricing include:
  - Proposed demonstration to lower Part B prices
  - International Pricing Index
  - Drug reimportation under consideration at FDA

# Drug Pricing: Congress

- One of the few areas of bipartisan interest, expect drug pricing to be a priority in the 116<sup>th</sup> Congress
  - Look for “bad actor” scapegoat companies
  - Pharmacy Benefit Managers will continue to be focus
  - 340B cuts and lawsuit impact pricing
  - Medicaid misclassification by pharmaceutical companies
  - Incentives to increase competition and generic drugs including sample-blocking

# Hospitals

The ways in which hospitals and providers are compensated are always of interest to lawmakers:

- Surprise medical bills and “balance billing”
- Executive compensation: Relive Sen. Grassley’s Non-for-Profit scrutiny?
- The 340B cut and lawsuit continue to be big news in 2019
  - 30% cut went into effect in 2018
  - Saved by the gavel: On Dec. 28th a judge issued a permanent injunction blocking the cut – huge win for hospitals
  - HHS is “evaluating next steps”

# Thank you



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