

PPC CAPITOL CONNECTION

September 14, 2017

What Matters Now in Washington:

- A bipartisan deal to extend CHIP funding was announced in the Senate. [More...](#)
- Health care reform faces an uncertain future, as the Senate struggles with whether to advance a bipartisan market stabilization package or return to efforts to repeal the ACA. [More...](#)
- President Trump bypassed Republicans to negotiate a short-term government funding and hurricane relief package. [More...](#)
- The House and Senate are both poised to give NIH a billion dollar funding increase in 2018. [More...](#)
- NIH is moving forward with its plans to increase the number of early-stage researchers receiving funding with the release of its Next Generation Researchers policy. [More...](#)
- The Trump administration decision to end DACA was met with opposition from pediatricians. [More...](#)

BIPARTISAN DEAL TO EXTEND CHIP REACHED IN SENATE. The [Senate Finance Committee announced](#) a bipartisan deal late Tuesday to extend the Children's Health Insurance Program (CHIP). Under the proposal, [CHIP funding would be extended for five years](#), and the enhanced federal matching rate of 23 points introduced under the Affordable Care Act would be phased out gradually over that period. The announcement from Chairman Orrin Hatch (R-UT) and Ranking Member Ron Wyden (D-Ore.) comes just weeks before funding for CHIP runs out at the end of the month. While the Senate agreement represents a major step forward, [details on how the House plans to extend funding for CHIP are not yet clear](#). The bipartisan program covers more than 8 million children nationwide.

PATH FORWARD ON HEALTH CARE REFORM SPLITS SENATE. After congressional Republicans' efforts to repeal and replace the Affordable Care Act (ACA) collapsed in July, [the GOP remains split](#) over whether to plow ahead with efforts to replace the health care law or work with Democrats on a bipartisan solution.

—Senate Returns from Recess to A Glimmer of Bipartisanship. As Congress reconvened following the August recess, the two top members of the Senate Health, Education, Labor & Pensions Committee, Sen. Lamar Alexander (R-Tenn.) and Sen. Patty Murray (D-Wash.), [held bipartisan hearings](#) on ways to stabilize shaky insurance markets. The committee heard testimony from Democratic and Republican governors, state insurance commissioners, and insurance experts, [many of whom called for](#) certainty around the funding of cost sharing reductions (CSR) and money for reinsurance programs. It is well recognized that unbalanced risk pools and uncertainty among insurance carriers about the fate of CSR payments from the federal government have forced insurers to raise rates, problems which may lend themselves to small bipartisan fixes. Yet after years of partisan health care efforts, [Sen. Alexander has emphasized](#) that any bipartisan bill that works within the framework of ACA will require

compromise, likely in the form of structural reforms to the health care law that would allow states to more easily be granted waivers to some ACA requirements. At the same time, Democrats, who are pushing for permanent funding for CSRs, are likely to resist efforts that undermine the patient protections in the ACA. With the filing deadline for 2018 insurance rates approaching at the end of the month, [any bipartisan stabilization bill will have to be signed into law quickly](#) to have an impact on premiums.

—**Republican Senators Unveil Last-Ditch Obamacare Repeal Effort.** Sens. Lindsey Graham (R-S.C.) and Bill Cassidy (R-La.) [publicly announced their bill to repeal and replace the ACA](#). The bill would [take money spent under the ACA and give it to states](#) in the form of block grants, and it faces largely the same policy and political hurdles that previous Republican plans have. Energy for a Republican-only effort to repeal and replace the ACA has been largely sapped by negative headlines and the monthlong August recess. The Graham-Cassidy proposal is expected to be the last in this phase of health care reform, as Republicans' ability to use the budget reconciliation process—which they have been counting on to repeal the ACA with just 51 votes—[expires at the end of the month](#). Both publicly and privately, [Republicans are not expressing much confidence](#) in this effort, with just a couple of weeks left to execute on the plan.

PRESIDENT TRUMP NEGOTIATES, SIGNS SHORT-TERM GOVERNMENT FUNDING DEAL. With government funding set to expire on September 30, [President Trump has signed a short-term deal to temporarily fund the government through December 8](#). The bill also raises the debt ceiling on a short-term basis and provides \$15 billion in disaster relief for areas impacted by Hurricane Harvey. [In a shock to congressional Republicans, Trump negotiated the spending deal with Democratic leaders](#) during a meeting with leaders from both parties, bypassing the majority and empowering Democrats to push further for their priorities in the coming months.

CONGRESSIONAL APPROPRIATORS CONTINUE WORK ON FY 2018 FUNDING BILLS, PROTECT INDIRECT COSTS AT NIH. Both the House and Senate appropriations committees have passed health bills for 2018 that represent significant rebukes of the president's proposed massive cuts to health care and research. In a recently passed bill, [the Senate would provide a \\$2 billion funding increase for the National Institutes of Health \(NIH\)](#), including an additional \$4.3 million for the National Institute of Child Health and Human Development, while the House would provide an additional \$1 billion for NIH. The Senate bill proposes increases of \$140 million for the BRAIN Initiative and \$60 million for the All of Us Precision Medicine Initiative. Additionally, the House and the Senate bills prohibit the Trump administration from taking any actions to cap indirect cost reimbursements.

NIH RELEASES NEXT GENERATION RESEARCHERS POLICY. The National Institutes of Health (NIH) recently posted its Next Generation Researchers policy, which aims to bolster the biomedical research pipeline by helping early-stage researchers secure funding. Under the policy, NIH institutes and centers will [prioritize meritorious applications that request funding for Early Stage Investigators](#) (ESIs) and for Early Established Investigators (EIs) who are at risk for losing all NIH funding or who have only one active NIH award. This effort to increase funding

for researchers who are earlier in their career is driven in large part by the 21st Century Cures Act. [Read the full policy.](#)

PEDIATRICIANS OPPOSE TRUMP DECISION TO END DACA. The Trump Administration's recent decision to terminate the Deferred Action for Childhood Arrivals (DACA) program was met with opposition from pediatricians and others dedicated to improving the health and well-being of children. [Read one pediatrician's take on why the pediatric community is upset that Trump ended DACA.](#) [Read the American Academy of Pediatrics statement opposing the DACA decision.](#)