

## PPC CAPITOL CONNECTION

December 11, 2018

### What Matters Now in Washington:

- Congress passed a bill funding the government through December 21 as the country grieves the death of former President George H. W. Bush. [More...](#)
- Congressional leaders are working to close out remaining legislative priorities with the current Congress set to expire at the end of the year. [More...](#)
- One NIH-funded laboratory has received mixed messages from the federal government over whether its current contract involving fetal tissue will be continued. [More...](#)
- Expansive promises on health care brought change to Washington in the midterms, but only modest health care legislation is expected from Congress in the coming year. [More...](#)

### CONGRESS, PRESIDENT PUNT ON GOVERNMENT FUNDING AS WASHINGTON PAUSES TO MOURN.

With funding for some federal agencies set to run dry on December 7, Congress passed a bill last Thursday to [fund the government through December 21](#), as Washington officials turned their attention to [mourning the passing of former President George H. W. Bush](#). Earlier this fall, Congress passed on-time Fiscal Year (FY) 2019 appropriations bills for multiple federal agencies, including the Department of Health and Human Services and the Department of Defense. However, congressional leaders were unable to come to an agreement on final government funding levels for several other agencies, including the Food and Drug Administration (FDA) and the Environmental Protection Agency (EPA), prior to the October 1 start of FY 2019, and instead chose to pass a [short-term continuing resolution](#) funding the government until after the midterm elections.

—**Border Wall Funding Remains Key Sticking Point in Funding Negotiations.** The government funding disagreement [stems from President Trump's demand for \\$5 billion in funding for a wall at the southern U.S. border](#), a long-touted campaign promise that has repeatedly stymied Congress and led to multiple impasses over the last two years. While congressional leaders have appropriated monies specifically for border security in recent years, President Trump is seeking a larger amount for his wall and has threatened to shut down those agencies for which Congress has not yet passed final FY 2019 appropriations bills if he doesn't get it. While Congress has bought itself another couple of weeks to settle this issue, a final compromise has so far been [elusive](#). Senate [Democrats](#) have indicated a willingness to fund broader border security at \$1.6 billion, the funding level agreed to in an earlier Senate appropriations bill for the Department of Homeland Security (DHS). Newly emboldened House Democrats, set to take back the majority in January, are less willing than their Senate counterparts to cede ground on this polarizing issue, hoping that whatever final bill makes it to President Trump contains no funding for the wall. During a meeting with Senate Minority Leader Chuck Schumer (D-NY) and presumptive incoming House Speaker Nancy Pelosi (D-Calif.) on December 11, President Trump indicated that he would [shut down the government](#) absent funding for the border wall, and the meeting ended with no clear plan to keep the government open.

### **WITH TIME RUNNING SHORT, CONGRESS WORKS TO CLOSE OUT REMAINING PRIORITIES IN LAME**

**DUCK SESSION.** With the midterm elections in the rearview mirror, lawmakers returned to Washington to finish work on outstanding legislative priorities before a new Congress convenes in January. There are a [number of items on Congress's year-end wish list](#), including a farm bill reauthorization that has been held up over disagreements between the House and Senate around work requirements for adult beneficiaries of the Supplemental Nutrition Assistance Program (SNAP) and an overhaul of the federal criminal justice system, for which President Trump signaled support recently. A long sought-after bill reforming the over-the-counter (OTC) drug monograph appeared at the outset of the lame duck session to be on the cusp of passage. In July, the House passed its version of OTC monograph reform, which makes it easier for FDA to update OTC monographs, or approved formulations with which manufacturers can produce OTC drugs without submitting an application to FDA. The current process for updating OTC monographs is cumbersome and complex, and the updated process would allow FDA to keep up with scientific developments, address safety concerns, and accommodate innovation. However, a [disagreement between two Republican senators](#) is preventing the Senate bill from moving out of committee, and it is now unclear whether the bill will pass this year. Additionally, it looks increasingly likely that Congress will not finish work on the Title VII Health Professions bill, which advocates had hoped would include a reauthorization of loan repayment for pediatric subspecialists. Any bill not passed before the end of the year will need to be reintroduced and moved through the legislative process again next year.

### **UNCERTAINTY GROWS AROUND FUTURE OF FEDERAL FUNDING FOR FETAL TISSUE RESEARCH AS HHS CONTINUES REVIEW OF PRACTICE.**

Amidst an ongoing review of fetal tissue research undertaken earlier this year by the Department of Health and Human Services (HHS), a [lab at the University of California San Francisco \(UCSF\) has received mixed signals](#) from the federal government about the continuation of funding for its research. Beginning in 2013, UCSF has been awarded millions of dollars from the National Institutes of Health (NIH) to study new HIV treatments that may be promising in humans using humanized mice models, developed with the use of fetal tissue. According to a report from the Washington Post, the university was notified this year that it would not receive its typical full-year funding, but would rather receive a 90-day funding extension as HHS's broader internal review of fetal tissue research continued. However, the lab's head researcher was reportedly told by an NIH representative several days prior that the contract would be terminated, despite recommendations to the contrary from NIH program staff. Further confusing matters was language included in the official 90-day funding extension notice that appeared to include instructions for the orderly closing of a research enterprise. [HHS has pushed back on the report](#), saying no official determinations have been made about this specific contract or funding for fetal tissue research more broadly.

### **LAWMAKERS PREAPRE FOR 116<sup>TH</sup> CONGRESS ARMED WITH NEW MARCHING ORDERS FROM VOTERS.**

With a new Congress convening in January, the [agenda in Washington](#) is set to shift after two years of unified Republican government. Democrats rode to power in the House with a campaign message focused heavily on health care, in particular maintaining protections for people with preexisting conditions and lowering prescription drug costs. Despite the electoral success of that message, divided government makes the likelihood of major health care legislation moving forward relatively low. House Democrats are likely to use their newfound majority to build support for future health care legislation, potentially including proposals to expand on the Affordable Care Act (ACA) with more generous financial support to purchase insurance for more individuals and an option for older adults below 65 years of age to [buy into Medicare](#). While major coverage expansions stand little chance of advancing in the current

political environment, there is an opening for bipartisan, bicameral legislation on prescription drug costs. Sen. Chuck Grassley (R-Iowa) is set to assume the chairmanship of the Senate Finance Committee, a key committee of jurisdiction on health care issues, and he is [widely seen as more receptive to tackling this issue](#) than his predecessor, outgoing Sen. Orrin Hatch (R-Utah). In a preview of potential action from this committee in the 116<sup>th</sup> Congress, Sen. Grassley and his Democratic counterpart on the committee [introduced a bill](#) to prevent drug companies from overcharging Medicaid for prescription drugs. There may also be a limited opening for bipartisan legislation to stabilize the ACA health insurance marketplaces if Republicans and Democrats are able to overcome an impasse around [legislative language prohibiting the use of federal dollars for abortion](#).