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Drug Cost Relief, Anti-Fraud Bills Clear House Panel

A draft bill that would end “gag” clauses in Medicare and private health insurance plans that prevent consumers from paying the lowest price for medications unanimously cleared the House Energy and Commerce Health Subcommittee Sept. 7.

The bill moves to the full committee for a vote. The subcommittee also unanimously moved five other bills on resources and funding for Medicaid, fraud and abuse control, and access to drug rebate data for advisory panels to the full committee.

Subcommittee Chairman Michael Burgess (R-Texas) lauded the fact that all six bills have bipartisan support.

Burgess said some of the bills need an offset because of their Congressional Budget Office score on their cost before they can move to the floor of the House, but he did not specify which bills those were.

Gag Clauses Gag clauses prevent pharmacists from telling patients about the cheapest drugs available at the pharmacy, with or without insurance coverage.

The Senate unanimously approved a similar measure (S.2553) Sept. 4 and is expected to vote on a bill (S.2554) to end all gag clauses next week.

Regarding the gag clause bill, ranking committee member Frank Pallone Jr. (D-N.J.) said, “This cannot and should not be the committee’s only action to lower drug prices this Congress.”

“It’s important we have more transparency so consumers can make more decisions over their health care,” committee Chairman Greg Walden (R-Ore.) said.

“Often gag clauses are part of the take it or leave it contract” pharmacists have to agree to, Rep. Buddy Carter (R-Ga.), who introduced the draft bill, said.

Drug Rebate Data The subcommittee also approved a draft bill to provide the Medicare Payment Advisory Commission and Medicaid and CHIP Payment and Access Commission with access to drug rebate data. Both commissions advise Congress on Medicare and Medicaid policy.

This is a “common-sense solution that will provide MedPAC with a full picture of drug rebates,” Rep. Leonard Lance (R-N.J.) said.

Rep. Jan Schakowsky (D-Ill.) raised concerns that Congress doesn’t also have access to this data.

“How are we as policy makers to understand the true landscape of prescribing drug costs without having the full information” that is available, Schakowsky said, referring to prescription drug costs. “If we are to adequately address drug pricing and consider the differ-

ent policy options that are available to us, we have to have a clear understanding of what is happening currently.”

Fraud and Abuse The subcommittee voted on two measures to provide more resources and funding to detect and stop fraud and abuse.

One of the measures is a draft bill that would to codify a public-private partnership operated by the Centers for Medicare & Medicaid Services to detect and prevent health-care fraud.

“Congress should give the administration a better defined authority to detect and stop fraud and abuse,” Pallone said. “We’re aiming to give them the right tools to achieve their mission.”

The other bill (H.R. 3891) would clarify the authority of state Medicaid fraud and abuse control units to investigate and prosecute cases of Medicaid patient abuse and neglect in noninstitutional settings. It would also allow federal Medicaid fraud control unit funds to screen complaints or reports of potential abuse or neglect.

The bill was introduced by Reps. Tim Walberg (R-Mich.) and Peter Welch (D-Vt.).

“It is critical to protect the most vulnerable, and this bill does just that,” subcommittee ranking member Gene Green (D-Texas) said.

Medicaid The committee also approved a bill (H.R. 3325) to provide enhanced federal matching for a limited period of time for care coordination services provided through a health home for children with medically complex conditions.

Committee Vice Chairman Joe Barton (R-Texas) and Rep. Kathy Castor (D-Fla.) introduced the bill. Barton said the bill was the culmination of six years of work in both the House and Senate.

The subcommittee approved a bill (H.R. 5306) to extend the Money Follows the Person Demonstration Program for one year. The program provides resources to state Medicaid programs to transition people with chronic conditions and disabilities from institutions to qualified community settings.

The bill was introduced by subcommittee Vice Chairman Brett Guthrie (R-Ky.) and Rep. Debbie Dingell (D-Mich.).

This bill “provides great flexibility for those who wish to be back home,” Guthrie said.

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