

INSIDE THE BELTWAY



CONGRESS ADJOURNS FOR AUGUST WITHOUT A COVID STIMULUS DEAL: SELF-INSURED HEALTH CARE POLICY IMPACTS

Recently Congress decided to halt negotiations on a fourth round of economic stimulus legislation and head home for the August recess. While the House is slated to reconvene in the coming days to consider funding and policy related to the U.S. Postal Service, and the Senate set to consider a “skinny” stimulus plan, broader bicameral negotiations remain on hold.

According to recent SIAA conversations with Senate staff, any actions surrounding another round of stimulus will likely not be taken up until September, if at all. In addition, it is important to note that government funding runs out on September 30th, raising the specter of a government shutdown, and another tough political and policy fight on the near-term horizon.



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CONGRESSIONAL STALEMATE

It is no secret that negotiations between House and Senate leadership surrounding a new round of stimulus have gained little traction. Negotiations have thus far been an exercise between White House Chief of Staff Mark Meadows, U.S. Treasury Secretary Mnuchin, Speaker Pelosi and Senate Minority Leader Schumer. Senate Majority Leader McConnell, while keeping apprised of negotiations, has not been physically in the room.

While Sec. Mnuchin and Speaker Pelosi have made a number of past deals, the addition of former Congressman Meadows to the table, who does not have a friendly history with Speaker Pelosi as a leader of the House Freedom Caucus, gives a new and tougher dimension to the current discussions. As one leadership staffer recently told SIIA, the negotiating environment in the room has been one of the 'most toxic' they have ever seen.

IMPACT ON SELF-INSURED HEALTH PLANS

What do these stalled negotiations mean to the self-insurance industry? On one hand, key priorities like surprise billing and price transparency are not likely to make it into legislation in the short-term. On the other hand, concerning policy proposals, such as additional coverage mandates and risk corridor payments now appear unlikely as congressional negotiators focus on other priorities.

A particular policy priority that seems to have been put on ice is Federal subsidies for COBRA coverage. Self-insurance industry stakeholders continue to wrestle

with issues relating to the recent extension of various HIPAA and COBRA deadlines, with particular concern over the COBRA deadline extensions and the impact these extensions could have on the administration of self-insured plans.

Surprise billing is one issue that has ebbed and flowed throughout the legislative year, with interest groups, including hospitals and private equity firms, spending tens of millions of dollars to kill a bipartisan, bicameral compromise that called for a private sector in-network benchmark rate and an arbitration process as way to solve the surprise billing problem.

Speaker Pelosi has indicated that she will not move on surprise billing language until there is an agreement among the Chairs of the House Energy & Commerce, House Ways & Means, and House Education & Labor Committees.

While Energy & Commerce and Education & Labor have engaged in productive discussions over the past few weeks, Ways and Means has largely been absent from recent talks, preferring a pure arbitration and rulemaking approach favored by provider groups.

In addition, Majority Leader McConnell, while open to a solution, is not willing to include surprise billing in the next stimulus package according to recent SIIA conversations. Like many complicated health care policy issues, the debate over surprise billing is likely to be tabled, perhaps until 2021 and beyond. SIIA has – and will – continue to be heavily involved in this debate.

Another hot topic that will not likely see inclusion in upcoming legislation is the Trump Administration's regulations to increase the transparency of medical prices. However, with a District Court recently upholding the Department of Health & Human Services ('HHS') hospital transparency regulations, the Department continues to move forward on implementing the rule, despite a forthcoming appeal of the ruling by the hospital industry.

SIIA is also waiting for HHS's proposed transparency in coverage regulations for "group health plans" to be finalized. At this point, the best guess is that a final regulation may be issued as early as end of September and as late as mid- to late-October.

SIIA'S ONGOING ADVOCACY EFFORTS

While Congress may have adjourned for August without enacting any new health care policy, SIIA's Government Relations Team continues to talk to congressional offices, educating them about the self-insurance industry and SIIA's policy priorities.

We also continue to work with federal agency officials on issues relating to transparency and COBRA coverage, suggesting ways to improve and streamline these administrative requirements. Lastly, SIIA is proactively engaging with congressional offices on issues related to the use of Flexible Savings Accounts, and

other means, by which employers can continue to provide cost-effective and efficient health care coverage for employees and their families.

SIIA is closely tracking the upcoming political conventions and the November election, and is already underway in developing strategic plans for 2021 and beyond. We look forward to member engagement as we enter 2021, and a new political and policy landscape.

Speaking of the election, you will not want to miss the keynote presentation included as part of SIIA's Virtual National Conference & Expo, scheduled for October 12-15. One of the country's top political pollsters, Kristin Soltis Anderson, will provide a live "Election Day Preview" presentation and take questions from the audience. Event details can be accessed at www.siiaconferences.org

Should you have questions regarding this update or would like additional information, please contact Ryan Work (rwork@siaa.org) or Chris Condeluci (ccondeluci@siaa.org). ■

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* MyHealthGuide. (2019, March). Stop-loss Premium Ranking. MyHealthGuide Newsletter. Retrieved from myhealthguide.com.

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