

COVID-19: A Weekly Health Care Update from Washington
June 1-5, 2020

IN BRIEF

What Happened This Week: The Senate approved a bipartisan House [bill](#) to give businesses more time and flexibility to make qualifying expenditures under the CARES Act's Paycheck Protection Program. Three governors appeared before a House Subcommittee to [testify](#) about how their states are battling the pandemic. The Trump Administration [announced](#) its plans to distribute an additional \$250 million in CARES Act funding to health care providers; however, a bipartisan group of health committee leaders [say](#) they are "concerned" about the delays in getting the remaining funding out to providers.

What to Expect Next Week: Both the House and Senate will be in session next week. On the Senate floor, expect lawmakers to take up [legislation](#) to permanently fund the Land and Water Conservation Fund and address a backlog of projects at national parks. No votes are expected in the House; however House Democrats are expected to unveil a police reform [proposal](#) on Monday. Several COVID-related hearings are scheduled in both chambers (see the "Upcoming Congressional Hearings" section of this document for the full list).

DEEP DIVE

Senate Approves House's Bipartisan PPP Loan Extension Bill: On Wednesday, June 3, the Senate approved the Paycheck Protection Program Flexibility Act ([H.R. 7010](#)) under unanimous consent. The bipartisan bill gives businesses more time and flexibility to make qualifying expenditures under the Paycheck Protection Program and also extends the deadline to apply for a PPP loan from June 30, 2020 to December 31, 2020. The House overwhelmingly approved the legislation (417-1) during a vote last week. It now heads to the President's desk for signature.

Lawmakers Hear From State Governors During COVID-19 Oversight Subcommittee Hearing: On Tuesday, June 2, the House Energy and Commerce Subcommittee on Oversight and Investigations held a hearing to examine how governors are battling the COVID-19 pandemic. Witnesses included Colorado Governor Polis, Michigan Governor Whitmer, and Arkansas Governor Hutchinson. During the hearing, all three governors stressed the importance of using accurate, reliable data to make decisions about reopening states. When pressed about her state's policy to put positive and negative COVID-19 patients in the same nursing homes, Governor Whitmer responded, saying the decision to do so was made "early on when there wasn't as much data as there is now about how the virus spreads." She added that the state has since changed its policy and has "recognized that a number of decisions should have been made differently and have worked to address them." All three witnesses stressed the importance of testing in nursing homes and an adequate supply of PPE. A full summary of the discussion can be found [here](#).

Senate Finance Committee Holds Hearing to Examine FDA's Foreign Drug Manufacturing Inspection Process: Members of the Senate Finance Committee heard from two panels of witnesses during a hearing on the FDA's foreign drug manufacturing inspection process earlier this week. In his opening statement, Chairman Chuck Grassley (R-IA) emphasized that the Agency "must maintain an aggressive inspections regime to ensure drug quality but also impose a strong enforcement regime on bad actors." He acknowledged there was bipartisan interest in solving the problem, but

added that both Republican and Democrat administrations have “come up short” in the past. In his own opening remarks, Ranking Member Ron Wyden (D-OR) expressed frustration for the Trump Administration’s refusal to allow FDA Commissioner Stephen Hahn to testify before the Committee during the hearing. Members on both sides of the aisle expressed concern for the US’ reliance on China for drugs and other medical supplies like PPE. A full summary of the discussion can be found [here](#).

House E&C Committee Republicans Announce New “Second Wave” Preparedness Project: Earlier this week, Republican members of the House Energy and Commerce Committee – led by Ranking Member Greg Walden (OR) and Oversight and Investigations Subcommittee Ranking Member Brett Guthrie (KY) – released several recommendations related to COVID-19 testing and surveillance that they say could help to prevent / minimize any future spikes in infections. In an accompanying [press release](#), Ranking Member Walden and Rep. Guthrie explained that if, implemented, their recommendations “could save time, resources, and most importantly, lives.” The members said these recommendations are the “first in a series of working documents” that the members expect to issue as part of an ongoing project. Click [here](#) for the full report and click [here](#) for a one-page summary.

Bipartisan Group of Senators Introduce Privacy Legislation: On Monday, June 1, Senators Maria Cantwell (D-WA) and Bill Cassidy (R-LA) introduced a bipartisan bill ([Exposure Notification Privacy Act](#)), which would make participation in commercial online COVID-19 exposure notification systems voluntary in an effort to give consumers the more control over their personal information. The legislation would also require that public health officials be involved with the deployment of any exposure notification systems, only allow medically-authorized diagnoses to be submitted to exposure notification systems, and limit the collection and use of data to that which is necessary for the purpose of the system and prohibit any commercial use of data. Senator Amy Klobuchar (D-MN) is an original cosponsor of the legislation as well. Click [here](#) for a full one-pager on the bill.

Senate Health Committee to Hold Hearing on the Use of Telehealth During COVID-19 Pandemic: Looking ahead to later this month, the Senate Health, Education, Labor, and Pensions (HELP) Committee will hold a hearing on June 17 at 10am to examine the use of telehealth during the COVID-19 pandemic. Witnesses have not yet been announced.

Unemployment Rate Drops Slightly as States Gradually Reopen: The Department of Labor is reporting today that the overall [unemployment rate](#) dropped from 14.7 percent in April to 13.3 percent in May (presumably because of states reopening). Nevertheless, another 1.9 million Americans filed for [unemployment](#) this week, bringing the total number of Americans unemployed to 42.6 million.

Trump Administration Reportedly Planning to Discuss Additional COVID-19 Stimulus Legislation: The Trump Administration is [reportedly](#) preparing to discuss additional COVID-19 stimulus legislation in the near future, though officials say they would prefer to monitor state reopening efforts and the economic situation before throwing their support behind any future policies. As such, we do not expect Congress to pass any major stimulus proposals until mid-summer at the earliest. Late last month, House Democrats sent a new \$3 trillion COVID-19 response proposal ([H.R. 6800](#), the HEROES Act) to the Senate for consideration; however, Senate Republicans and the President declared that bill “dead on arrival” and instead, suggested focusing on oversight of the funds that have already been appropriated and on growing deficit spending. Majority Leader Mitch McConnell (R-KY) also continues to maintain that any new COVID legislation should include significant new liability protections for business owners who decide to open their doors.

HHS ASPR to Distribute \$250 Million in CARES Act Funding to Health Care Systems in Response to COVID-19: On Wednesday, June 2, the Department of Health and Human Services Office of the Assistant Secretary for Preparedness

and Response (HHS ASPR) [announced](#) it will distribute an additional \$250 million in CARES Act funding to US hospitals and other health care providers responding to the COVID-19 pandemic. According to the Agency, the funding will specifically be used to train workforces, expand telemedicine / virtual health care, obtain supplies and equipment, and coordinate across regional, state and jurisdictional, and local health care facilities to respond to COVID-19. A portion of it will also go towards the [National Special Pathogen System](#) in an effort to “enhance national capacity and capability to respond to highly infectious diseases now and in the future.”

The bipartisan CARES Act ([H.R. 748](#)) and subsequent Paycheck Protection Program and Health Care Enhancement Act ([H.R. 266](#)) provided approximately \$175 billion in provider relief funding to support hospitals and other health care providers. So far, HHS has distributed approximately \$77 billion of that total amount. In response to [recent criticism](#) that the Department has been slow to distribute the funding provided in the CARES Act, a spokesperson said they are working to ensure that the money distributed “fairly, transparently, and with appropriate oversight into the process.” On Wednesday, June 2, a bipartisan group of health committee leaders – including House Energy and Commerce Chairman Frank Pallone (D-NJ), House Energy and Commerce Ranking Member Greg Walden (R-OR), Senate Finance Chairman Chuck Grassley (R-IA) and Senate Finance Ranking Member Ron Wyden (D-OR) – sent a [letter](#) to HHS on Wednesday urging the Department to disperse COVID-19 relief funds to Medicaid providers. In the letter, the committee leaders wrote that they are “concerned that a delay in disbursing funds from the Public Health and Social Services Emergency Fund (PHSSEF) for Medicaid-dependent providers could result in long term financial hardship for providers who serve some of our most vulnerable populations.”

CMS Announces New Flexibilities & Adjustments to Current and Future CMMI Models: On Wednesday, June 3, in response to COVID-19, CMS announced new flexibilities and adjustments to current and future Center for Medicare and Medicaid Innovation (CMMI) models. A chart of model adjustments is available [here](#). A *Health Affairs* blog post, which details CMS’ announcement, is available [here](#).

President Trump Announces Plans for US to Terminate Relationship With WHO: While speaking to reporters at the White House late last week, President Trump [announced](#) that the US would be “terminating” its relationship with the World Health Organization (WHO) after he says the group “failed to make the requested and greatly needed reforms” with regard to China and its COVID-19 reporting obligations. “Chinese officials ignored their reporting obligations to the World Health Organization and pressured the World Health Organization to mislead the world when the virus was first discovered by Chinese authorities,” he said. The announcement drew criticism from health experts around the world; however, the nation’s top infectious disease expert, Dr. Anthony Fauci, said this week that he will “continue to have a close relationship with the WHO,” adding that the group is “an important part of the global health response to any outbreak.” US contributions to the WHO account for approximately 14 percent of the organization’s total budget.

UPCOMING CONGRESSIONAL HEARINGS

[Senate Homeland Security and Governmental Affairs Committee Hearing](#)

- **Topic:** Evaluating the Federal Government’s Procurement and Distribution Strategies in Response to COVID-19
- **Date:** Tuesday, June 9 at 10am
- **Witnesses:**
 - The Honorable Peter Gaynor, FEMA Administrator
 - Rear Admiral John Polowczyk, DOD Vice Director of Logistics Joint Chiefs of Staff
 - The Honorable Brett Giroir, M.D., HHS Assistant Secretary for Health

Senate Judiciary Committee Hearing

- **Topic:** COVID-19 Fraud: Law Enforcement's Response to Those Exploiting the Pandemic
- **Date:** Tuesday, June 9 at 10am
- **Witnesses:**
 - TBA

House Committee on Energy and Commerce Hearing

- **Topic:** Pollution and Pandemics: COVID-19's Disproportionate Impact on Environmental Justice Communities
- **Date:** Tuesday, June 9 at 12pm
- **Witnesses:**
 - TBA

House Committee on Transportation and Infrastructure Hearing

- **Topic:** On the Front Lines: The Impacts of COVID-19 on Transportation Workers
- **Date:** Tuesday, June 9 at 1pm
- **Witnesses:**
 - TBA

Senate Finance Committee Hearing

- **Topic:** The CARES Act and the Role of Unemployment Insurance During the Pandemic
- **Date:** Tuesday, June 9 at 2:30pm
- **Witnesses:**
 - The Honorable Eugene Scalia, Secretary of Labor
 - Michele Evermore, Senior Policy Analyst, National Employment Law Project
 - Les Neilly, President, Neilly Canvas Goods Company
 - José Javier Rodríguez, Florida State Senator
 - Scott Sanders, Executive Director, National Association of State Workforce Agencies
 - Beth Townsend, Director, Iowa Workforce Development

Senate Health, Education, Labor and Pensions Committee Hearing

- **Topic:** COVID-19: Going Back to School Safely
- **Date:** Wednesday, June 10 at 10am
- **Witnesses:**
 - Dr. Penny Schwinn, Commissioner of Education, Tennessee Department of Education
 - Dr. Matthew Blomstedt, Commissioner of Education, Nebraska Department of Education
 - Susana Cordova, Superintendent, Denver Public Schools
 - The Honorable John B. King, Jr., President and CEO, The Education Trust

Senate Small Business and Entrepreneurship Committee Hearing

- **Topic:** Implementation of Title I of the CARES Act
- **Date:** Wednesday, June 10 at 10am
- **Witnesses:**
 - The Honorable Jovita Carranza, SBA Administrator
 - The Honorable Steven Mnuchin, Treasury Secretary

House Committee on Financial Services Hearing

- **Topic:** The Rent Is Still Due: America's Renters, COVID-19 and an Unprecedented Eviction Crisis
- **Date:** Wednesday, June 10 at 12pm
- **Witnesses:**
 - TBA

House Committee on Oversight and Reform Hearing

- **Topic:** No Worker Left Behind: Supporting Essential Workers
- **Date:** Wednesday, June 10 at 12pm
- **Witnesses:**
 - TBA

Senate Special Committee on Aging Hearing

- **Topic:** Combating Social Isolation and Loneliness During the COVID-19 Pandemic
- **Date:** Thursday, June 11 at 9:30am
- **Witnesses:**
 - Carla Perissinotto MD, Associate Chief for Geriatrics Clinical Programs Associate Professor School of Medicine, The University of California
 - Peter Reed PhD, Director Sanford Center for Aging; Professor Community Health Sciences School of Medicine University of Nevada
 - Betsy Sawyer-Manter, President and CEO, SeniorsPlus
 - Najja Orr, President and CEO, Philadelphia Corporation for Aging

House Committee on Financial Services Hearing

- **Topic:** Using FedAccounts and Digital Tools to Improve Delivery of Stimulus Payments
- **Date:** Thursday, June 11 at 12pm
- **Witnesses:**
 - TBA

House Committee on Appropriations Hearing

- **Topic:** Indian Health Service Covid-19 Response
- **Date:** Thursday, June 11 at 1pm
- **Witnesses:**
 - Rear Adm. Michael Weahkee, Director, Indian Health Services
 - Stacey Bohlen, Chief Executive Officer, National Indian Health Board
 - Francys Crevier, Executive Director, National Council of Urban Indian Health

House Committee on Veterans' Affairs Hearing

- **Topic:** Assessing VA's Response to the COVID-19 Pandemic: 90 Days Later
- **Date:** Thursday, June 11 at 2pm
- **Witnesses:**

- TBA

ADMINISTRATION ANNOUNCEMENTS

Department of Health and Human Services

- [HHS Announces New Laboratory Data Reporting Guidance for COVID-19 Testing](#)
- [HHS Provides an Additional \\$250 Million to Help U.S. Health Care Systems Respond to COVID-19](#)
- [Critical Care Response Team Will Further Enhance Patient Care Across the Indian Health Service](#)
- [HHS Adds \\$628 Million to Contract with Emergent BioSolutions to Secure CDMO Manufacturing Capacity for Operation Warp Speed](#)
- [Indian Health Service Tribal and Urban Indian Organization Leader Message on COVID-19](#)

Centers for Medicare & Medicaid Services

- [Trump Administration Unveils Enhanced Enforcement Actions Based on Nursing Home COVID-19 Data and Inspection Results](#)
- [Nursing Home COVID-19 Data and Inspections Results Available on Nursing Home Compare](#)
- [New CMS Payment Model Flexibilities For COVID-19](#)

Centers for Disease Control and Prevention

- [Click here for the full list of all new CDC updates.](#)

Food and Drug Administration

- [FDA Takes Action to Protect Public Health; Increase Supply of Alcohol-Based Hand Sanitizer](#)
- [Click here for the full list of all new FDA updates.](#)

National Institutes of Health

- [Blog Post: Will Warm Weather Slow Spread of Novel Coronavirus?](#)

QUICK LINKS

- [Mehlman Castagnetti's Infographics Analysis on Post-Pandemics Politics and Policy](#)
- [Additional Mehlman Castagnetti Resources on COVID-19](#)
- [Johns Hopkins University Map of Global Cases of Coronavirus](#)
- [CDC Map of Coronavirus Cases in the US](#)
- [CMS COVID-19 Stakeholder Call Recording/Transcripts](#)
- [Kaiser Family Foundation: State Data and Policy Actions to Address Coronavirus](#)
- [CRS Report: COVID-19 – Global Implications and Responses](#)