

COVID-19: A Weekly Health Care Update from Washington
June 8-12, 2020

IN BRIEF

What Happened This Week: Congressional committees in both chambers conducted several COVID-related hearings this week – all with modified layouts and/or remotely in an effort to adhere to social distancing guidelines. On Wednesday, Treasury Secretary Steve Mnuchin told members of the Senate Small Business Committee there was a “strong likelihood” that another stimulus bill would be needed to respond to the pandemic, though he also emphasized that the Administration’s priority right now is making sure the three previous bills are implemented successfully. And in that same vein, HHS announced Tuesday that it would be distributing approximately an \$25 million in provider relief funding to Medicaid & CHIP Providers and Safety Net Hospitals. A bipartisan, bicameral group of health committee leaders expressed support for the Department’s move, but also suggested that “more needs to be done to address the ongoing needs of large numbers of Medicaid-dependent providers.”

What to Expect Next Week: The Senate is expected to be in session next week. The House will meet (pro forma) on Monday and Thursday, though no votes are expected. 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 Action on Fourth COVID-19 Stimulus Bill Not Expected Until Later This Summer: Despite House Democrats’ swift passage of the [HEROES Act](#) last month, Senate Republicans are [reportedly](#) not planning to engage in any serious dialogue about a fourth COVID stimulus bill until after the July 4 recess. And if / when the Senate does take up a fourth piece of legislation, the details of any such proposal will have to be ironed out with House Democrats in order to secure passage in both chambers (some of the major sticking points between Senate Republicans and House Democrats include liability protections for business owners – a priority for Leader McConnell, and the bill’s price tag – Republicans panned House Democrats’ \$3 trillion dollar HEROES Act as “totally unserious”).

Help Committee Chairman Solicits Stakeholder Feedback on Preparing for the Next Pandemic: Senate HELP Committee Chairman Lamar Alexander (R-TN) said this week he hopes his Committee will be able to take up and pass pandemic preparation legislation before the end of the year. As a starting point to help inform members and staff, the Chairman is soliciting stakeholder feedback on a white paper entitled, [Preparing for the Next Pandemic](#). “In this internet age, attention spans are short...memories fade and attention moves quickly to the next crisis...that makes it imperative that Congress act on needed changes this year in order to better prepare for the next pandemic,” Alexander said. Feedback is due to the Committee NLT June 26. For more details on submitting comments, click [here](#).

Treasury Secretary and SBA Administrator Testify Before Senate Committee on CARES Act Implementation: On Wednesday, June 10, the Senate Small Business Committee held a hearing entitled, “Implementation of Title I of the CARES Act.” Treasury Secretary Steve Mnuchin and SBA Administrator Jovita Carranza testified. When asked about what he would like to see included in a future COVID bill, Secretary Mnuchin said he’d like to see the following: 1) money to encourage businesses to rehire employees; 2) targeted support for sectors of the economy that have been severely

impacted by the shutdown (such as the travel, leisure, and restaurants); 3) a fix for unemployment; and 3) additional direct stimulus money. A full summary of the discussion can be found [here](#).

House Oversight Subcommittee Holds Briefing on Antibody Testing: The House Oversight and Reform Subcommittee on Economic and Consumer Policy held a [briefing](#) on Tuesday, June 9 to examine potential uses, abuses, limitations, and the federal response to antibody testing during the COVID-19 pandemic. During the briefing, Subcommittee Chair Raja Krishnamoorthi (D-IL) urged the FDA to quickly to review the some-200 remaining antibody tests that were released for public use under a now-rescinded FDA [policy](#) which allowed commercial manufacturers to sell their tests without the need for an emergency use authorization (EUA). Former FDA Chief Scientist Dr. Jesse Goodman agreed with the Chairman's concern and suggested that the Agencies involved "stumbled" to make diagnostic testing decisions early on. Looking ahead, Goodman suggested that the Agency should prioritize its review of tests that are considered "high risk."

Senate Homeland Security Committee Examines the Federal Government's Procurement and Distribution Strategies During and After the COVID-19 Pandemic: The Senate Homeland Security and Governmental Affairs Committee held a hearing on Tuesday, June 9 to look at the federal government's procurement and distribution strategies during and after the COVID-19 pandemic. Witnesses included: FEMA Administrator Peter Gaynor, Rear Admiral John Polowczyk, DOD Joint Chiefs of Staff Vice Director of Logistics, and Dr. Brett Giroir, HHS Assistant Secretary for Health. During the hearing, officials acknowledged the supply issues with the Strategic National Stockpile, and suggested that inventory management practices will have to be updated to better respond to future events. "You can't just put it on a shelf and then walk away from it," said Admiral Polowczyk. A full summary of the discussion can be found [here](#). Shortly after the hearing (at the request from Sen. Hassen (D-NH)), the White House's Supply Chain Task Force publicly released PPE [projection](#) data showing that the US will have approximately 20 million *more* N95 masks than will be needed for each month between August and October.

Senate Finance Committee Holds Hearing on Unemployment Insurance During COVID-19 Pandemic: Members of the Senate Finance Committee heard from two panels of witnesses, including Labor Secretary Gene Scalia, during a hearing on unemployment insurance during the COVID-19 pandemic earlier this week. During the hearing, Secretary Scalia pointed to the slight uptick in the unemployment rate last month as a sign that Americans are gradually returning to work as states begin to reopen. "There still is important work to be done, but we are making progress, and programs and the CARES Act are helping," he said." A full summary of the discussion can be found [here](#).

The CARES Act (which was the largest of the four stimulus bills that Congress passed in response to COVID) included an unemployment insurance subsidy (an additional \$600 per week) for those people who are out of work due to COVID. The subsidy is scheduled to sunset (aka end) at the end of July, so expect discussion about whether or not Congress should include an extension of this in a future COVID bill. Keep in mind, though, that just last week, the Department of Labor said that while another 1.9 million Americans filed for unemployment, the overall unemployment rate dropped from 14.7 percent in April to 13.3 percent in May (presumably because of states reopening). So with that in mind, it's likely that Scalia will point to this as a sign that people are getting back to work and might not need the subsidy, etc.

COVID-19 Congressional Panel Holds Briefing on Impact of Coronavirus Crisis on Nursing Homes: On Thursday, June 11, the House Select Subcommittee on the Coronavirus Crisis, chaired by Rep. James Clyburn, held a video [briefing](#) to examine the impact of the coronavirus pandemic on nursing home residents and workers. In his opening [remarks](#), Republican Whip and Ranking Member Steve Scalise (R-LA) emphasized the balancing reopening the economy while also protecting the country's most vulnerable populations – including those in nursing homes. He also criticized the

policies put in place by some state governors – including New York and Michigan – who had nursing homes readmit COVID-positive patients to facilities. One of the witnesses, Dr. David Grabowski of Harvard Medical School, told the Subcommittee that “much of the negative impact of COVID in nursing homes could have been avoided; however, rather than prioritizing the safety of the 1.3 million individuals who live in nursing homes and the staff that care for them, we failed to invest in testing, PPE and the workforce.” He added: “we allowed a problem that could have been contained to grow into a national crisis. Now that we are here, it is time for the federal government to make the necessary investment to mitigate the spread of COVID across all U.S. nursing homes.”

Unemployment Rate Drops Slightly as States Gradually Reopen: According to the [latest numbers](#) from the Department of Labor, another 1.5 million Americans filed for unemployment this week, though the Department did [report](#) last week that the overall unemployment *rate* dropped from 14.7 percent in April to 13.3 percent in May (presumably because of states reopening).

GOP Senator Introduces Legislation to Improve FDA’s Breakthrough Pathway Process: On Monday, June 8, Republican Senator Martha McSally (AZ) introduced legislation (the [Ensuring Patient Access to Critical Breakthrough Products Act](#)) aimed at ensuring more prompt coverage of breakthrough devices under the Medicare program by temporarily requiring Medicare to provide coverage for these treatments. “Unfortunately, it can take up to three years after FDA approval for these breakthrough technologies to be approved by Medicare for seniors,” McSally said. “My bill fixes that by allowing seniors to get equal access to new medical technologies right away.”

HHS to Distribute Additional Provider Relief Funding in Response to COVID-19: On Tuesday, June 9, HHS’ Health Resources and Services Administration (HRSA) [announced](#) its intent to distribute approximately \$15 billion in Provider Relief Funding to eligible Medicaid and CHIP providers. According to the Department, providers’ annual patient revenue will be used as a factor to determine their eligibility for funding. In order to be eligible, providers must not have already received payment through the fund’s general allocation earlier this spring and must also either have directly billed their state Medicaid/CHIP programs or Medicaid managed care plans for healthcare related services between January 1, 2018 and May 31, 2020. More information about eligibility and the application process is available [here](#). In an effort to help eligible Medicaid and CHIP providers apply for the funding, the Department [launched](#) a new Medicaid and CHIP Targeted Distribution Provider Relief Fund Payment Portal.

The Department also [said](#) it would distribute (via direct deposit) \$10 billion in Provider Relief Funding to safety net hospitals. To qualify, hospitals must meet the following criteria:

1. A Medicare Disproportionate Payment Percentage (DPP) of 20.2 percent or greater;
2. Average Uncompensated Care per bed of \$25,000 or more. For example, a hospital with 100 beds would need to provide \$2,500,000 in Uncompensated Care in a year to meet this requirement;
3. Profitability of 3 percent or less, as reported to CMS in its most recently filed Cost Report.

And in an effort to allocate funding to COVID-19 “hot spots”, the Department sent out an [inquiry](#) on Monday, June 8 to hospitals requesting that they submit data on all COVID-19 positive inpatient admissions between January 1 and June 10, 2020. In order to receive this funding, the data must be submitted to the Department NLT 9PM ET on June 15, 2020.

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 over \$70 billion of that total amount; however, lawmakers on both sides of the

aisle have been calling on the Department to distribute the remaining funds ASAP. In response to this latest funding announcement, a bipartisan, bicameral group of health committee leaders acknowledged the Department's latest efforts, but [suggested](#) that HHS should "build on this announcement with additional funds for providers that rely on, but do not exclusively care for, Medicaid beneficiaries, ensuring that our most vulnerable can continue to access care."

Senate Finance Committee Leaders Asking HHS Where Provider Relief Funding Is Going: On Thursday, June 11, Senate Finance Committee Chairman Chuck Grassley (R-IA) and Ranking Member Ron Wyden (D-OR) sent to [letter](#) to HHS asking the Department to create a public database of funds distributed from the CARES Act to health care providers. "We write to you today regarding the need for increased transparency of funds distributed to health care providers during the COVID-19 emergency," the lawmakers wrote. "We urge you to expeditiously establish a single, comprehensive and publicly available data source that easily shows the amount of funding received by each provider."

HRSA Awards \$8 Million to Expand Training and Technical Assistant for Health Centers: On Thursday, June 11, HHS' HRSA [announced](#) the award of awarded \$8 million to 73 organizations that provide training and technical assistance to HRSA-funded health centers across the country. The Agency says these organizations will provide "critical COVID-19 resources to health centers, including support and expertise to advance health centers' ability to prevent, prepare, and respond to the COVID-19 pandemic."

CMS Releases Guidelines for Reopening Health Care Facilities: On Tuesday, June 8, CMS released guidance for health care facilities and patients to use as they consider resuming non-emergency in-person health care visits. In the first document, the Agency stressed that while telehealth should still be used wherever possible to minimize contact, facilities located in Phase II areas can resume in-person visits so long as they have sufficient staff on site, and access to adequate testing and PPE. To view the Agency's full list of *Recommendations on Re-opening Facilities to Provide Non-emergent Non-COVID-19 Healthcare* document, click [here](#). To view the Agency's guidance document for patients, click [here](#).

CMS Administrator on Expanded Use of Telehealth During Pandemic: "I Can't Imagine Going Back": While speaking at a [STAT News](#) live event earlier this week, CMS Administrator Seema Verma acknowledged that Medicare beneficiaries' widespread use of telehealth during the COVID-19 pandemic has "made a big contribution in saving lives because it didn't require our Medicare beneficiaries to leave their home." She added that although any permanent changes to expand these types of services nationally must be made by Congress, the Administration would be looking at ways to maintain access to telehealth in certain settings for beneficiaries who wish to do so. She added that the Agency would also be looking at ways to permanently expand the kinds of services provided (ex. emergency care, physical therapy, and mental health appointments), and suggested that the Administration would be supportive of permanently allowing telehealth providers to practice across state lines. "For us to truly leverage the potential in the power of telehealth, we're going to have to rethink our laws around licensing. Is it really necessary to have those borders? We should allow...practicing across state lines, because it really has the potential to provide better services and reduce some of those shortages, especially in some of the highly specialized fields," Verma said.

CDC Issues Guidance on the Use of Telehealth to For Essential Health Services During the COVID-19 Pandemic: The CDC recently released [guidance](#) describing the landscape of telehealth services and offering considerations for healthcare systems, practices, and providers using telehealth services to provide virtual care during and after the COVID-19 pandemic. In the guidance, the Agency said providers should consider the following safeguards when practicing telehealth:

- Understand individual federal and state regulations and restrictions, temporary mandates and directives, and expiration dates
- Monitor for updated regulatory actions for healthcare systems and HCP
- Regional systems that provide services in multiple states must be particularly attentive to individual state requirements
- HCP should track eligibility criteria based on their specific profession
- Maintain awareness of the Office for Civil Rights (OCR) announcements related to HIPAA and COVID-19 
- Train providers and staff on policies, practices, and protocols for using telehealth services, including appointment scheduling, documentation and billing, referral processes for specialty care, urgent and emergent care, laboratory services, pharmacy prescriptions, medical equipment, and follow-up visits
- Explore the use of telehealth services in all parts of the healthcare delivery system including FQHCs, community clinics, pharmacies, and school-based health centers

Other Noteworthy CDC Guidance Updates: The CDC updated several guidance documents this week, including one on [running essential errands](#). In the document, the Agency offers suggestions for how to best protect oneself and others from COVID-19 when running errands such as grocery shopping, getting take-out, banking, and getting gas. The Agency also updated its guidance on [contact tracing](#) resources for getting and keeping America open by supporting states, tribes, localities, and territories. This updated version includes a contact tracing “checklist” for health departments to use, a daily temperature/symptom log for close contacts, and a self-isolation and self-quarantine home assessment checklist.

WHO Official Backtracks on Earlier Suggestion That Asymptomatic Virus Spread is “Very Rare”: An official from the World Health Organization (WHO) is now [backtracking](#) on a suggestion made earlier in the week that the spread of COVID-19 by asymptomatic individuals was “very rare”. Dr. Maria Van Kerkhove later explained that her use of the phrase ‘very rare’ was a misunderstanding. “What I was referring to was a subset of studies. I was also referring to some data that isn’t published,” she said.

UPCOMING CONGRESSIONAL HEARINGS

[House Committee on Education and Labor Hearing](#)

Topic: Budget Cuts and Lost Learning: Assessing the Impact of COVID-19 on Public Education

Date: Monday, June 15 at 12pm

Witnesses:

TBA

[House Permanent Select Committee on Intelligence Hearing](#)

Topic: Impact of COVID-19 in Sub-Saharan Africa

Date: Monday, June 15 at 12pm

Witnesses:

- Ambassador Linda Thomas-Greenfield, Senior Vice President at the Albright Stonebridge Group and former U.S. Assistant Secretary of State for African Affairs
- Ambassador Michelle Gavin, Senior Fellow at Council on Foreign Relations and former U.S. Ambassador to Botswana

- Stephen Morrison, Senior Vice President and Director, Global Health Policy Center at Center for Strategic and International Studies
- Judd Devermont, Director of the Africa Program at the Center for Strategic and International Studies and former national intelligence officer for Africa

[Senate Energy and Natural Resources Committee Hearing](#)

Topic: To Examine the Impacts of COVID-19 on the Energy Industry

Date: Tuesday, June 16 at 10am

Witnesses:

- TBA

[House Committee on Financial Services Hearing](#)

Topic: Cybercriminals and Fraudsters: How Bad Actors Are Exploiting the Financial System During the COVID-19 Pandemic

Date: Tuesday, June 16 at 12pm

Witnesses:

- TBA

[House Committee on Energy and Commerce Hearing](#)

Topic: Reviving our Economy: COVID-19's Impact on the Energy Sector

Date: Tuesday, June 16 at 12pm

Witnesses:

- TBA

[Senate Health, Education, Labor and Pensions Committee Hearing](#)

Topic: Telehealth: Lessons from the COVID-19 Pandemic

Date: Wednesday, June 17 at 10am

Witnesses:

- Karen Rheuban, M.D., Professor Of Pediatrics, Senior Associate Dean Of Continuing Medical Education, And Director, University of Virginia Karen S. Rheuban Center for Telehealth
- Joseph Kvedar, M.D., President, American Telemedicine Association, Professor, Harvard Medical School, Virtual Care, Mass General Brigham, Editor, npj Digital Medicine
- Sanjeev Arora, M.D., M.A.C.P., F.A.C.G., Distinguished And Regents' Professor, University Of New Mexico Health Sciences Center, Founder and Director, Project ECHO/ECHO Institute
- Andrea Willis, M.D., M.P.H., F.A.A.P., Senior Vice President, Chief Medical Officer, BlueCross BlueShield of Tennessee

[House Committee on Energy and Commerce Hearing](#)

Topic: Health Care Inequality: Confronting Racial and Ethnic Disparities in COVID-19 and the Health Care System

Date: Wednesday, June 17 at 11:30am

Witnesses:

- TBA

[House Permanent Select Committee on Intelligence Hearing](#)

Topic: Emerging Trends in Online Foreign Influence Operations: Social Media, COVID-19, and Election Security

Date: Thursday, June 18 at 12pm

Witnesses:

- TBA

[House Committee on Ways and Means Hearing](#)

Topic: Tax Relief to Support Workers and Families during the COVID-19 Recession

Date: Thursday, June 18 at 12pm

Witnesses:

- TBA

ADMINISTRATION ANNOUNCEMENTS

Department of Health and Human Services

- [Remarks to the Press on Medicaid and Safety Net Hospital Provider Relief Fund Distribution](#)
- [Trump Administration Encourages Reopening of Healthcare Facilities](#)
- [HHS Announces Enhanced Provider Portal, Relief Fund Payments for Safety Net Hospitals, Medicaid & CHIP Providers](#)
- [OCR Resolves Complaints after State of Connecticut and Private Hospital Safeguard the Rights of Persons with Disabilities to Have Reasonable Access to Support Persons in Hospital Settings During COVID-19](#)
- [NIH-Funded Study to Evaluate Drugs Prescribed to Children With COVID-19](#)

Centers for Medicare & Medicaid Services

- N/A

Centers for Disease Control and Prevention

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

Food and Drug Administration

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

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](#)