

HFMA Region 9 Annual Conference
New Orleans, Louisiana

Federal Policy Update & the Opioid Crisis

Freddy Warner

Chief Government Relations Officer

Memorial Hermann Health System

November 12, 2018

Presentation Outline

- **National Opioid Crisis**
- **Congressional Response**
- **2018 Federal Election Cycle**
- **Election Cycle Impacts on the 2019 Congress**

National Opioid Crisis

- **The Centers for Disease Control and Prevention (CDC) reported 42,000 opioid-related deaths in 2016, and almost 75,000 drug overdose deaths last year**
- **CDC estimates the economic impact, and health sector and societal costs of opioid abuse at \$55 billion per year**
- **AMA reports 1 in 16 prescribed opioids become addicted; it only takes 7 days to become addicted**
- **American Society of Addiction Medicine (ASAM) reported 21.5 Million Americans age 12 or older had a substance abuse disorder (SUD) in 2014**
- **ASAM identifies *drug overdose* as the leading cause of accidental death in the US, and a 10-15 % per year increase in accidental drug overdose deaths since 2014**
 - **1.9 Million Americans had a substance abuse disorder (SUD) involving prescription pain relievers**
 - **Nearly 600,000 had a SUD involving heroin**
 - **Of the estimated 75,000 accidental drug overdose deaths last year, more than 65% attributed to opioids**

National Opioid Crisis

- **ASAM reported 259 Million prescriptions written for opioids in 2012: a steadily increasing trend, that has now begun to decline in response to the opioid crisis**
- **94% of respondents to a 2014 survey of those in treatment for opioid addiction reported that they *chose to use heroin*, because prescription opioids were “far more expensive and harder to obtain.”**
- **2014 CBS News Special Report found that “while cumulative pain levels have remained constant among Americans, prescriptions for pain medications quadrupled between 1999 and 2010.”**
- **2017 International Narcotics Control Board report found the “average days of opioid use per resident per year” in the US is 50-300% that of other industrialized nations.**

National Opioid Crisis

- **The Centers for Disease Control and Prevention (CDC) reports that *on an average day in the US*:**
 - More than 650,000 opioid prescriptions are dispensed
 - 3,900 people initiate *nonmedical use* of prescription opioids
 - 580 people initiate heroin use
 - 115 people die from an opioid-related overdose
 - 1,000 are treated in hospital emergency departments for *not using prescription opioids as directed*
- **The Advisory Board reported that opioid misuse and abuse contributes to 420,000 emergency department visits per year**
- **A Substance Abuse and Mental Health Services Administration (SAMHSA) survey found that \$20 Billion per year is spent on ED and inpatient care for *opioid poisoning***

How Has Congress Responded?

- **Congress has appropriated more funding in response to the opioid crisis in recent years, with significant bipartisan support**
- **Passage of the Comprehensive Addiction and Recovery Act of 2016 (CARA)**
 - Addresses the continuum of care from prevention to recovery support
 - Expands access to addiction treatment services and overdose reversal medications
 - Various criminal justice and law enforcement provisions
 - Creates state demonstration grants for comprehensive opioid abuse response
 - Improves prescription drug monitoring
 - Funding for an array of programs, including drug courts, veterans programs, juvenile justice
- **Congress recently negotiated a 2-Year budget agreement, allocating \$4.65 Billion over the 2018 and 2019 federal fiscal years; and \$3 Billion per year for the 2020 and 2021 fiscal years**

How Has Congress Responded?

- **Senate and House Committees considered dozens of bills advancing strategies focused on response to the opioid crisis:**
 - **Law Enforcement**
 - **Border Security**
 - **Veterans Programs**
 - **Medicare and Medicaid Reimbursement**
 - **Changes in opioid regulation, prescription, reporting**
 - **Education for Physicians and Healthcare Providers**
 - **Electronic Health Records**
 - **HIPAA/Privacy Concerns**
 - **Pain Management**
 - **Use of Telemedicine**
 - **Drug Courts**

How Has Congress Responded?

- **Congressional Appropriations have included new or increased funding for:**
 - **US Department of Health and Human Services (HHS)**
 - **Centers for Disease Control and Prevention**
 - **Monitoring and Reporting Opioid prescriptions**
 - **National Institutes of Health**
 - **National Institute on Drug Abuse(NIDA)**
 - **National Institute of Neurological Disorders and Stroke programs**
 - **Substance Abuse and Mental Health Services Administration (SAMHSA) Programs of Regional and National Significance (PRNS)**
 - **State Block Grants focused on Prevention and Treatment**
 - **21st Century Cures Opioid Treatment and Response**
 - **Health Resources and Services Administration (HRSA)**
 - **Community Health Centers**
 - **Rural Communities Opioid Response**
 - **Telemedicine Services**
 - **State Opioid Response Grants**
 - **US Department of Justice (DOJ)**
 - **Establishment/Expansion of Drug and Veterans Treatment Courts**
 - **Residential Substance Abuse and Treatment programs**

HR 6 – SUPPORT for Patients and Communities Act

- **In October, 2018, Congress passed, and President Trump signed into law, HR 6, the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act**
- **The legislation represented the work product of 8 House and 5 Senate legislative committees, and passed with overwhelming, bipartisan support: 98-1 vote in the Senate; 396-14 vote in the House**
- **HR 6 contains provisions impacting all aspects of the opioid epidemic, including substance abuse prevention and treatment; screening of Medicare and Medicaid beneficiaries; requirements that prescriptions for controlled substances shall be transmitted electronically; establishment of state and local grant designed to improve Prescription Drug Monitoring Programs (PDMPs); collection and reporting of public health data; and research.**

HR 6 – SUPPORT for Patients and Communities Act

- **Medicare Provisions:**
 - **Expands use of telehealth services for substance use disorder (SUD) treatment**
 - **Beginning January, 2021, requires prior authorization for prescriptions for controlled substances covered under Medicare Part D to be transmitted electronically**
 - **Provides Medicare reimbursement for certain services provided by SUD treatment programs**
 - **Requires screening of new Medicare beneficiaries for SUDs**
 - **Requires Medicare drug plan sponsors to establish prescription management plans for at-risk beneficiaries**
 - **Establishes opioid use disorder demonstration projects**
 - **Expands access to addiction treatment centers in federally qualified health centers (FQHCs) and rural health clinics**

HR 6 – SUPPORT for Patients and Communities Act

• Medicaid Provisions:

- **Improves Medicaid beneficiaries' access to substance use disorder (SUD) treatment; Expands upon an ACA requirement that states must include SUD services as a covered Medicaid benefit**
- **Establishes demonstration projects designed to improve Medicaid provider capacity for those with SUDs**
- **Provides Medicaid reimbursement for institutional care for Medicaid enrollees with SUDs**
- **Requires Medicaid providers to check prescription drug monitoring programs (PDMPs) prior to prescribing a controlled substance**
- **Requires state Medicaid programs to report PDMP data to CMS**
- **Requires Medicaid providers to note experiences in patient record systems, to help low income patients with SUDs**

HR 6 – SUPPORT for Patients and Communities Act

• Other provisions:

- **HHS must develop standards for hospitals and physicians, regarding the inclusion of a history of opioid addiction in medical records of patients who have previously disclosed their addiction to a healthcare provider (Jessie's Law)**
- **Encourages the use of non-opioid painkillers**
- **Requires the safe disposal of unused opioids**
- **Includes FDA provisions allowing for greater flexibility for incorporation of *medication-assisted treatment (MAT)* for opioid use disorders**
- **Mandates the US Postal Service to screen packages for postal shipments**
- **Expands the ability of non-physicians (nurse practitioners (NPs) and physician assistants (PAs) to prescribe *Buprenorphine* for opioid addiction, following completion of 24 hours of training**

2018 Election Cycle

- **Politico/Harvard School of Public Health Survey of likely Republican and Democratic voters: List top 5 issues**
- **Republicans:**
 - **Terrorism (48%)**
 - **Jobs and the economy (47%)**
 - **Gun policy (47%)**
 - **Immigration (43%)**
 - **Taxes (41%)**
- **Democrats:**
 - **Healthcare (55%)**
 - **Education (49%)**
 - **Supreme Court nominees (47%)**
 - **Environment and climate change (43%)**
 - **Gun policy (43%)**

2018 Election Cycle

- **Politico/Harvard School of Public Health Survey**
- **Democrats rank healthcare as the *most important issue* in the 2018 midterm election cycle**
- **Republicans and Democrats view healthcare priorities differently:**
 - **Republicans**
 - **Overall cost of healthcare (75%)**
 - **Protecting coverage for pre-existing conditions (60%)**
 - **Protecting Medicare benefits (56%)**
 - **Lowering prescription drug prices (56%)**
 - **Democrats**
 - **Protecting coverage for pre-existing conditions (82%)**
 - **Ensuring people can keep their health insurance (78%)**
 - **Protecting Medicare benefits (77%)**
 - **Ensuring low-income people do not lose Medicaid benefits (77%)**

2018 Election Cycle

- **Politico/Harvard School of Public Health Survey**
- **2019 Congress will continue to debate the Affordable Care Act (ACA), 340 B Discount Drug Program, children's health insurance, Health sector regulation (Stark Law), etc.**
- **How voters view the ACA?**
 - **51% of likely voters view the ACA favorably**
 - **Latest public approval rate for the ACA is 50%**
 - **82% of Republicans have an unfavorable view of the ACA**
 - **9% of Democrats have an unfavorable view of the ACA**
- **How voters view single-payer/Medicare for all?**
 - **76% of Republicans oppose**
 - **70% of Democrats support**

2018 Election Cycle

- ***Trump* factor**
- **Recent unemployment rate (-4%), jobs (+/-200,000 per month) and recent wage index (2.9%) figures evidence strong US economy**
- **Hispanic, African American unemployment rates lowest on record**
- **Impact of SCOTUS/Brett Kavanaugh hearing**
 - **Hardened Republican *and* Democratic bases**
- **Most expensive election cycle in history: +\$5 Billion**
- **Largest number of female candidates in history**
- **Largest number of first-time candidates in history**

2018 Election Cycle

- **Early voting numbers suggest record midterm turnout; many states and regions show turnout surpassing 2016 presidential cycle**
- **US Senate: 33 seats in cycle; Democrats defending 24**
 - **Republicans currently hold 51/49 majority**
- **US House: Democrats need 23 to control the chamber**
 - **Republicans currently hold 235/193 majority**
 - **41 Republicans vacating seats (retirement, losses in primaries)**
- **Impact of election cycle on *Lame Duck session***
- **US House – Speaker’s race (Paul Ryan retiring)**
- **36 governorships at stake**
- **Impact on 2020 Census**

QUESTIONS

Freddy Warner

Chief Government Relations Officer

Memorial Hermann Health System

frederic.warner@memorialhermann.org

(713)392-9750