

# ML Strategies Health Care Preview

Week of July 9<sup>th</sup>



This week, Congress returns from recess to another four-week work period that will immediately become contentious. Tonight, President Trump is expected to make his Supreme Court pick this week. This could change the dynamics in Congress. With the Senate now able to move a Supreme Court nominee free from the consensus-driving role of the filibuster, will Democrats want to be seen as working with Senate Republicans on any issue? Before Justice Kennedy's retirement, an opioids package passing Congress seemed plausible bordering on likely. After tonight and the reaction that follows, opioids may be pushed off the table through the election.

Over the weekend, the Trump Administration announced that it would suspend risk adjustment payments. CMS stated the decision to halt payments came after a New Mexico district court decided the payments were based on flawed rules. CMS is seeking a "quick resolution to the legal issues" due to a conflicting ruling in a Massachusetts court which upheld the payments. The decision to freeze risk adjustment payments, however temporary, could negatively impact premiums for plan year 2019 as uncertainly mounts. The impact will vary down to the state and even county level.

## **FUTURE OF WORK REQUIREMENTS**

Late last month, a court blocked Medicaid work requirements from going into effect in Kentucky. The court [held that](#) HHS did not adequately consider "whether Kentucky HEALTH would in fact help the state furnish medical assistance to its citizens, a central objective of Medicaid." Should the requirement have gone into effect, over 90,000 people could have lost coverage under the plan.

CMS has approved work requirements for Arkansas, Indiana, and New Hampshire with more states looking at utilizing the requirement in their Medicaid programs. However, this court ruling could slow the momentum toward work requirements as states may have to consider potential legal challenges to their programs. Mississippi, a state with a pending 1115 waiver application with a work requirement provision, [has already revamped its application after this ruling.](#)

Arizona, Kansas, Maine, Mississippi, Ohio, Utah, and Wisconsin have work requirement proposals awaiting approval from CMS with more states heading in that direction. You can read more about our coverage of work requirements and Medicaid 1115 Waivers by clicking [here.](#)

## **THIS WEEK IN THE HOUSE**

On Wednesday (7/11), the E&C Health Subcommittee will hold a hearing titled, "Opportunities to Improve the 340B Drug Pricing Program." Click [here](#) for more information.

## **THIS WEEK IN THE SENATE**

On Wednesday (7/11), the Senate Finance Subcommittee on Social Security, Pensions, and Family Policy will hold a hearing titled, "Examining the Importance of Paid Family Leave for American Working Families." Click [here](#) for more information.

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## **TEAM**

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