



H&K Health Dose: November 19, 2024

A weekly dose of healthcare policy news

The U.S. House of Representatives and U.S. Senate reconvened last week, launching the post-election lame-duck session. Lawmakers are focusing on preparations for the 119th Congress, set to convene in January 2025 under Republican control. In leadership elections, House Republicans largely maintained their leadership team, while Senate Republicans elected Sen. John Thune (R-S.D.) as majority leader – the first new leader in 17 years – after a closely watched contest against Sens. John Cornyn (R-Texas) and Rick Scott (R-Fla). Across the aisle, House Democrats are scheduled to hold their leadership elections on Nov. 19, 2024, with Senate Democrats following on Dec. 3, 2024.

This week, the House Committee on Veterans' Affairs' Subcommittee on Technology Modernization will address cybersecurity in a hearing, the Senate Committee on the Judiciary will consider patent reform in a markup session, and National Institutes of Health (NIH) Director Monica Bertagnolli will testify before the House Committee on Appropriations' Subcommittee on Labor, Health and Human Services, Education, and Related Agencies.

As the Dec. 20, 2024, deadline for the expiration of government funding approaches, Holland & Knight continues to track developments on an end-of-year package, though its size, scope and duration remain uncertain.

ADMINISTRATIVE UPDATES

Trump Transition Team

President-Elect Donald Trump will not sign the Transition Memorandum of Understanding (MOU), revoking the transition team of the ability to participate in the activities of the various administrative agencies. Though the prior Trump Administration did follow this process, it is not required, and sources close to the issue say they do not plan to engage, which means they'll be influencing governance from the outside until they officially take office. Although it's somewhat unprecedented, Holland & Knight is ready to help navigate clients through that process and operate within that context. Please reach out should you have questions or need assistance.

Trump Taps RFK Jr. for HHS Secretary

President-Elect Trump has announced Robert F. Kennedy Jr. as his nominee for Secretary of the U.S. Department of Health and Human Services (HHS). Kennedy, a former Democrat who ran as an Independent in this year's presidential race before endorsing Trump, has recently championed the "Make America Healthy Again" movement, advocating for reforms in pesticide, food additive and vaccine regulations.

The nomination has drawn strong opposition from Democrats, while many Republicans have yet to comment publicly. The Senate Committee on Finance will vote on Kennedy's nomination following confirmation hearings before both the Finance and Health, Education, Labor, and Pensions (HELP) Committees.

Biden-Harris Administration Approves Medicaid Continuous Eligibility Waivers in Five States

These waivers authorize Colorado, Hawaii, Minnesota, New York and Pennsylvania to provide additional years of continuous eligibility for children beyond the minimum 12 months required by law. The waivers provide a new continuous eligibility to individuals leaving incarceration in Colorado and Pennsylvania as well. The [press release](#) provides additional information.



LEGISLATIVE UPDATES

Cassidy to Chair HELP Committee in the 119th Congress

Sen. Bill Cassidy, MD (R-La.) will assume leadership of the Senate Committee on Health, Education, Labor and Pensions (HELP) in the next Congress. Sen. Rand Paul (R-Ky.), who holds seniority on the panel, has opted to chair the Senate Committee on Homeland Security and Governmental Affairs (HSGAC) instead. As HSGAC chair, Sen. Paul plans to expand the committee's biosecurity investigations. Sen. Cassidy, a gastroenterologist and hepatologist, will be the first medical doctor to chair the HELP Committee since 1933. As the committee's Ranking Member during the 118th Congress, he has collaborated across party lines to reduce healthcare costs and address pharmacy benefit manager reform. Cassidy has also released a white paper on the NIH and, earlier this month, unveiled a bipartisan legislative framework for site-neutral payment reform alongside Sen. Maggie Hassan (D-N.H.).

GOP Doctors Caucus Announces Co-Chairs for the 119th Congress

The House GOP Doctors Caucus has elected Rep. John Joyce, MD (R-Pa.), a dermatologist, as co-chair for the 119th Congress, alongside Rep. Greg Murphy, MD (R-N.C.), a urologist.

While six healthcare professionals retired this cycle, the 119th Congress will include 19 returning healthcare professional members in the House and five in the Senate. Additionally, six newly elected healthcare professionals will join the ranks, including Kelly Morrison (D-Minn., an obstetrician gynecologist), Maxine Dexter (D-Ore., a pulmonary and critical care physician), Mike Kennedy (R-Utah, an allergist-immunologist), Herb Conaway (D-N.J., an internal medicine physician) and Sheri Biggs (R-S.C., a family and mental health nurse practitioner).

REGULATORY UPDATES

DEA Extends COVID-Era Telehealth Flexibilities

On Nov. 15, 2024, the Drug Enforcement Administration (DEA) released a temporary [rule](#) titled "Third Temporary Extension of COVID-19 Telemedicine Flexibilities for Prescription of Controlled Medications." This regulation extends, through Dec. 31, 2025, the pandemic-era telemedicine flexibilities that have been in place since March 2020 for prescribing controlled medications via the practice of telemedicine. The flexibilities allow Schedule II-V substances to be prescribed without an in-person visit. The final rule extends regulations with no substantive changes to the current rules. The agency states that its latest decision will provide more time to finalize regulations that mitigate the risk of diversion while also avoiding disruptions in access to care.

OMB Releases Rare Disease Report

On Nov. 18, 2024, the U.S. Office of Management and Budget (OMB) released a [report](#) much anticipated by the rare disease community. The report highlights rare disease community and drug sponsor experiences in working with the U.S. Food and Drug Administration (FDA) and examines FDA's efforts toward the coordination of rare disease efforts.

GAO Releases Report on Healthcare Cybersecurity

The U.S. Government Accountability Office (GAO) released a [report](#) that reemphasizes prior recommendations for HHS to strengthen cybersecurity in the healthcare sector. The report highlights that HHS has failed to implement past GAO recommendations related to supporting healthcare cyber risk management, assessing sector cybersecurity risks, and coordinating and collaborating for sector cybersecurity.



VA Announces Telehealth Grant Program

The U.S. Department of Veterans Affairs (VA) released a [proposed rule](#) to eliminate copays for all VA telehealth services and establish the Accessing Telehealth Through Local Area Stations (ATLAS) grant program to fund VA telehealth access points in rural and underserved communities. The [press release](#) provides additional information.