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## Senate Finance Committee Holds Hearing on Department of Health and Human Services Secretary Nominee Rep. Tom Price on January 24, 2017

On January 24, 2017, the Senate Finance Committee held a confirmation hearing for President Trump's Health and Human Services (HHS) Secretary nominee Representative Tom Price (R-GA). Chairman Orrin Hatch (R-UT) has not scheduled the Committee's vote for Rep. Price, which must happen before the full Senate votes on his nomination.

Highlights from this hearing include the following:

- **ACA repeal and replace:** Rep. Price stated that the goals of the Trump Administration's ACA repeal and replace plan are to provide Americans with more choice, higher quality care and more affordable health insurance. Rep. Price expressed support for high-risk pools and "[accommodating] individuals' pre-existing conditions." Although he stated that Americans would have access to care, Rep. Price did not commit to ensuring maintenance of the coverage gains under the ACA.
- **Center for Medicare & Medicaid Innovation (CMMI):** Rep. Price noted that CMMI could serve as a vehicle for innovation, but he stated that the Center has "gone off the tracks" because of the mandatory nature of some demonstrations and their impact on patients and providers.
- **Medicare reform and the Part D doughnut hole:** Rep. Price stated that he does not wish to privatize Medicare, but that, in light of the program's solvency issues, he looks forward to working with Congress to "save, strengthen and secure Medicare." On the issue of the Part D doughnut hole, Rep. Price stated that it is "imperative [to] provide . . . seniors [with] access to the drugs that they need." However, he noted that there could be alternative policies to address the issue.
- **Medicaid reform:** Rep. Price emphasized his view that there is a need for enhanced state flexibility in the Medicaid program, although he did not answer questions regarding block grant proposals. He stated that "patient-centered" mechanisms in the Medicaid program, including health savings

accounts, were a step in the right direction because “when people are more engaged in healthcare, they tend to make better choices.”

- **Drug pricing and transparency:** Rep. Price said that he was “committed to making sure prescription drugs are affordable,” and he pointed to the Medicare Part D program as a success story for managing drug costs. He specifically noted that pharmacy benefit managers already play a role in negotiating prescription drug costs in Part D.

If you have any questions regarding this Sidley Update, please contact the Sidley lawyer with whom you usually work or

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