



Senate Health, Education, Labor and Pensions Committee Holds Hearing on Department of Health and Human Services Secretary Nominee Rep. Tom Price on January 18, 2017

On January 18, 2017, the Senate Health, Education, Labor and Pensions (HELP) Committee held a confirmation hearing for President Trump's HHS Secretary nominee Representative Tom Price (R-GA). The HELP Committee will not vote on Rep. Price's nomination because confirming the HHS Secretary falls under the jurisdiction of the Senate Finance Committee. The Senate Finance Committee held its confirmation hearing for Rep. Price on January 24, 2017.

Highlights from the HELP hearing include the following:

- **ACA repeal and replace:** Rep. Price stated that ACA repeal and replace will occur simultaneously, but that there would not be a single, comprehensive replacement bill. He also said that the Administration would put additional measures in place to ensure that individuals have access to coverage post ACA repeal. He stated that it is imperative that patients are at the center of a replacement plan.
- **Center for Medicare & Medicaid Innovation (CMMI):** Rep. Price noted that he is a proponent of innovation, and that CMMI has potential promise to advance innovation. However, he stated that he is "vehemently opposed" to the mandatory nature of certain CMMI programs, including the Medicare Part B Drug Payment Model and the Comprehensive Care for Joint Replacement Model.
- **Medicare reform and the Part D doughnut hole:** Rep. Price said that he does not believe Medicare reform should be included in the ACA repeal and replace package, and that he expects the president to keep his campaign promise not to make cuts to the Medicare program. He also said that he was unaware of plans to reopen the Medicare Part D doughnut hole, which was closed as part of the ACA.
- **Medicaid reform:** Rep. Price emphasized his view that there is a need for enhanced state flexibility in the Medicaid program, stating that "states know best" when it comes to structuring the program to

meet the needs of their specific patient populations. He also said that he expects the president to keep his campaign promise not to make cuts to the Medicaid program.

- **Drug pricing and transparency:** Rep. Price did not directly respond to questions from Democratic members of the Committee regarding negotiated pricing in the Medicare program, which was supported by President Trump during his campaign. In addition, the president has recently called for “bidding” on prescription drugs. On the issue of price transparency, Rep. Price stated that “there is a lot of merit to transparency in this area,” and that he looks forward to working with Congress on the issue.
- **Investments:** Several Democratic members of the Committee asked questions about Rep. Price’s investments in certain healthcare companies. Some Democrats have urged the Senate Finance Committee to delay its confirmation vote on Rep. Price until Congress can complete a full investigation regarding those investments.

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

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