Schedules: White House and Congress

WHITE HOUSE

- President Trump at his Mar-a-Lago resort in Florida; has no public events scheduled
- Vice President Mike Pence has no public events scheduled
- The administration told U.S. District Judge Ketanji Brown Jackson if she didn’t rule on a case compelling former White House Counsel Don McGahn to comply with a subpoena by this morning, it would ask the appeals court in Washington to put her ruling on hold

CONGRESS

- House, Senate out for Thanksgiving break

Congressional, Health Policy, and Political News

- Hospitals Receive Excess $500 Million From Medicare, Watchdog Says: Medicare overpaid 60 hospitals by more than half a billion dollars over a four-year period, the Health and Human Services Department Inspector General said in a report today. The $502 million in surplus payments came during the 2011-2014 fiscal years, and stemmed from the criteria that Medicare uses to decide when to review outlier payments. Outlier payments are made when the cost of care exceeds a threshold set by the Centers for Medicare & Medicaid Services. Those payments are reviewed and reconciled by regional Medicare administrative contractors, the private insurers that process claims.

- Drug Prices in TV Ads: The HHS maintains it has the power to require drug companies to disclose list prices in television advertising, according to a final brief filed in the U.S. Court of Appeals for the District of Columbia Circuit. Judge Amit P. Mehta of the U.S. District Court for the District of Columbia reached a “mistaken conclusion that HHS lacks statutory authority to promulgate the rule,” government lawyers argue in the brief.
  - HHS is appealing Mehta’s July 8 decision that said the agency lacked statutory authority to issue the rule. The case comes as the Trump administration—and both parties in Congress—are seeking ways to bring down costs of medication. The case, which raises First Amendment questions, will be a test of the federal government’s authority to impose new rules on the pharmaceutical industry via the Social Security Act.
• **Trump Denies Sending Giuliani to Ukraine for Biden Probe:** Trump denied directing Rudy Giuliani to go to Ukraine to look for dirt on his political rivals, in an interview with former Fox News host Bill O’Reilly. “No, I didn’t direct him, but he is a warrior, he is a warrior,” Trump told O’Reilly in an interview streamed on the internet yesterday. Giuliani has said publicly that he conducted an investigation “concerning 2016 Ukrainian collusion and corruption” on Trump’s behalf.
  o Asked by O’Reilly what Giuliani was doing in Ukraine, Trump said “you have to ask that to Rudy.”
  o “Rudy has other clients, other than me,” the president added. “He’s done a lot of work in Ukraine over the years.”

• **Committee Opposes Hold on McGahn Ruling:** The House Judiciary Committee urged a judge yesterday to deny a Justice Department request to put on hold her ruling compelling former White House Counsel Don McGahn to comply with a subpoena for his testimony. In a federal court filing in Washington, the committee said the requested hold would “undermine public interest” and thwart the committee’s ability to conduct an impeachment inquiry based on all of the relevant evidence, “which in turn could compromise the public’s faith in the process.”
  o The administration told U.S. District Judge Ketanji Brown Jackson if she didn’t rule by this morning, it would ask the appeals court in Washington to put her ruling on hold — a move the committee said was wholly unnecessary since it agreed to wait for seven days to let the judge decide before taking any action. If the judge denies the administration’s request, the committee said it would also give the appeals court seven days to consider the issue.

• **Warren Loses Momentum in 2020 Race:** Sen. Elizabeth Warren’s (D-Mass.) steady rise in the polls has shifted into reverse as attacks from her Democratic rivals over her Medicare for All plan take a toll. A Quinnipiac poll released yesterday found that Warren has dropped by 14 points since October, when she topped the field in the same poll. Joe Biden now has a clear lead and she is in a three-way statistical tie for second place with Pete Buttigieg and Sen. Bernie Sanders (I-Vt.). Every other candidate had 3% support or less.
  o Other surveys like Economist/YouGov show Warren’s support dipping in recent weeks, and her standing in the RealClearPolitics average of polls has fallen by 9 points since early October. There’s no obvious beneficiary of her struggles — Biden, Sanders and Buttigieg have each risen by a few points since then.

• **Incomes Boom in Swing States:** Personal income growth has been surging in some political battlegrounds, including a third of the counties in Pennsylvania, which Trump narrowly flipped in 2016 and may need to win re-election next year. In Trump’s first two years in office, a total of 325 counties representing nearly 6% of the U.S. population experienced their best annualized income gains since at least 1992. And 127 of those are located in perennial swing states, including Ohio and Iowa.
**Bloomberg Says He Should Pay More Taxes, Opposes Wealth Levy:** Democratic presidential candidate Michael Bloomberg pledged to support “taxing wealthy people like me” but dismissed a wealth levy tried in other countries and supported by rivals including Warren and Sanders because “it just doesn’t work.” Campaigning in Phoenix on the second day of the rollout of his campaign, Bloomberg didn’t offer a tax plan, but said one would be forthcoming.

**Zeldin Gets Democratic Challenger:** Bridget Fleming (D), a legislator in New York’s Suffolk County, announced a campaign and filed FEC papers to oppose three-term Republican Rep. Lee Zeldin in the state’s 1st congressional District. “For too long, politicians like Lee Zeldin have prioritized President Trump at the expense of our priorities,” Fleming says in a campaign video that emphasizes environmental protections and health care. She joins a Democratic field that already includes Nancy Goroff, a chemistry professor who’s endorsed by EMILY’s List, and Perry Gershon, who’s seeking rematch after losing 51%-47% to Zeldin in the 2018 election.

**Trump Says China Deal in ‘Final Throes’:** Trump declared yesterday that talks with China on the first phase of a trade deal were near completion after negotiators from both sides spoke by phone, signaling progress on an accord in the works for nearly two years. “We’re in the final throes of a very important deal,” Trump told reporters at the White House. “It’s going very well.” The president said later in the interview with O’Reilly that he’s holding up the trade deal to ensure better terms for the U.S. “I’m holding it up because it’s got to be a good deal,” he said in the interview for O’Reilly’s website. “We can’t make a deal that’s like, even. We have to make a deal where we do much better, because we have to catch up.”

**Trump to Designate Mexican Cartels as Terror Groups:** Trump said the U.S. government intends to designate Mexican drug cartels as terrorist groups in the near future, and declined to say whether he was considering taking military action like drone strikes against the groups. “I don’t want to say what I’m going to do, but they will be designated,” Trump told O’Reilly. Trump said that he had already offered Mexican president Andres Manuel Lopez Obrador assistance but that his counterpart had declined the offer. “I’ve actually offered him to let us go in and clean it out,” Trump said. “He so far has rejected the offer, but at some point something has to be done.

**Kim Jong Un Advances Nuke Threat:** It’s been about two years since Kim Jong Un launched a missile capable of hitting the entire U.S., declared his nuclear weapons program “complete” and halted all ICBM tests. In that time, the North Korean leader has also become an even bigger threat to America. Kim’s testing freeze ushered in unprecedented diplomacy with Trump, leading to historic meetings in Singapore, Vietnam and the demilitarized zone separating the two Koreas. But at the same time, Kim has been busy churning out fissile material for bombs and developing new missile technology that could make the next big launch of an intercontinental ballistic missile even more concerning to Pentagon military planners.
• **Merkel Defends NATO Alliance:** German Chancellor Angela Merkel made a spirited defense of the North Atlantic Treaty Organization, saying Europe is currently too weak to defend itself without the support of the U.S.-led military alliance. Merkel’s comments in a speech today to the Bundestag were clearly directed at French President Emmanuel Macron, who has cast doubt on NATO’s future by suggesting the 29-nation organization is “brain dead.” NATO heads of state are scheduled to meet in London Dec. 3-4.

• **Corbyn Says U.S. Targeting NHS:** British Labour leader Jeremy Corbyn accused the Conservative government of concealing secret negotiations between U.K. and U.S. officials on the future of Britain’s National Health Service in any trade deal. U.S. pharmaceutical companies want to force up the price the NHS pays for drugs as part of a U.S.-U.K. deal, Corbyn said, noting that Trump frequently complains about “unreasonably low prices” other countries pay for medicines. Corbyn said both sides have already finished initial talks on lengthening patents for medicines in the U.K.

• **Regulatory Chief Documents Sought:** Democrats on the Senate Homeland Security and Governmental Affairs Committee are demanding more documents in advance of a hearing scheduled for Dec. 4 on Paul Ray, Trump’s nominee to be the next regulatory chief. Sen. Gary Peters (D-Mich.), the ranking member of the committee, was joined by five panel Democrats in requesting the records from the White House Office of Management and Budget about the activities of its Office of Information and Regulatory Affairs.

• **SCOTUS to Confer on Tax Appeal:** The Supreme Court indicated yesterday that it will use its Dec. 13 private conference to consider taking up Trump’s bid to block a New York grand jury subpoena for his tax returns. The court could say as early as that day whether it will hear Trump’s appeal. The case is one of two fights that are testing the court’s willingness to shield the president from investigations into his personal and business affairs. Trump is separately fighting a subpoena for his financial records by a House committee.

• **FAA Rebuffs to Scrutinize All 737 Max Deliveries:** U.S. aviation regulators will conduct the final approval of factory-fresh Boeing 737 Max jets rather than allowing company employees to handle routine sign-offs before the planes are delivered. The plan amounted to the latest signal from the Federal Aviation Administration that it intends to retain full control over all aspects of the grounded jetliner as Boeing prepares to finalize fixes and restart shipments to customers. The Max, the company’s best-selling model, has been banned from flying since March after two deadly crashes killed 346 people.