

American Nephrology Nurses Association

Daily Capitol Hill Update – Thursday, February 27, 2020

(The following information comes from Bloomberg Government Website)

Schedules: White House and Congress

WHITE HOUSE

- 2:30pm: President Trump receives intelligence briefing
- 6pm: Trump attends African American History Month reception
- 12:25pm: Mike Pence speaks at CPAC conference
- 2:30pm: Pence leads coronavirus task force meeting at HHS

CONGRESS

- House meets at 10am; first votes expected 2pm
 - Set to consider a rule on H.R. 2339, which would impose a tax on nicotine used in vaping products and would also ban flavored vaping products

Congressional, Health Policy, and Political News

- **Cigna Faulted Over Insulin Probe:** Senate Finance Chairman Chuck Grassley (R-Iowa) and top Democrat Ron Wyden (D-Ore.) threatened Cigna's Express Scripts business with a subpoena after the lawmakers said that the pharmacy-benefit manager hasn't complied with an investigation into rising insulin costs. Grassley and Wyden wrote in a letter to Express Scripts President Timothy Wentworth on Feb. 25 that the company "failed to even attempt to answer" questions posed to it in April 2019. The senators are seeking information about how Express Scripts chooses which insulin medications to cover and the rebates it has negotiated with drugmakers.
 - The Senate duo, whose committee has jurisdiction over Medicare and Medicaid, said the letter served as a final notice for the company to provide the requested documents. Failure to comply by March 10 would result in a subpoena, Grassley and Wyden said. "We take the Committee's inquiry very seriously and have been engaged with them on this request," Cigna spokeswoman Jennifer Luddy said in a statement.
- **Virus Hearing Today:** The House Foreign Affairs Committee's Asia, the Pacific, and Nonproliferation Subcommittee meets for a hearing on the coronavirus and the U.S. and international response. CDC Director Robert Redfield and others from the State Department will testify. Meanwhile, Azar will testify at a House Ways and Means Committee hearing on his department's fiscal 2021 budget, where he'll likely face more questions on the virus.
 - U.S. health authorities said they've identified the first case of coronavirus that doesn't have known ties to an existing outbreak, a worrying signal that the virus is circulating in the U.S. The CDC said the patient doesn't appear to have traveled to China or been exposed to another known case of the coronavirus. Health authorities

are increasingly concerned about what's known as community spread, where the virus begins circulating freely among people outside of quarantines or known contacts with other patients.

- One senior official at the FDA said the outbreak is on now track to become a pandemic. "For all intents and purposes, I think it's fair to say we are on the cusp of the pandemic," said Peter Marks, who heads of the FDA's Center for Biologics Evaluation and Research. "Is it definitely going to happen? No, but there is significant concern." The FDA is looking for alternative sourcing and manufacturing of medical devices and drugs given the shutdowns in China, he said, citing items like syringes and face masks.
 - Gilead Sciences says it's starting studies to evaluate safety and efficacy of remdesivir in adults with Covid-19. The multicenter studies will enroll about 1,000 patients at medical centers mainly across Asian countries, as well as other nations with high numbers of diagnosed cases, starting in March. The studies will assess two sessions of dosing of remdesivir, administered intravenously.
 - Saudi Arabia halted religious visits that draw millions to cities including Mecca and Medina, while Japan asked for all schools to shut from March 2. More new cases were reported outside China than within the country for the first time, highlighting the spread of the epidemic. Britain added two cases, Switzerland three and South Korea reported 505 new infections. China plans to suspend retail government bond sales and Malaysia unveiled a stimulus package valued at about \$4.8 billion. Equities fell and bond yields reached record lows.
- **Faults in Antibiotics Pipeline Exposed:** The prospect of a pandemic will strain the pipeline for antibiotics, a network that's heavily reliant on components from China and already beset by bankruptcies. A global outbreak would mean more patients will have to rely on antibiotics to fight pneumonia and other respiratory infections that can come with the virus. Doctors may feel compelled to prescribe antibiotics even in instances where the cause of patients' symptoms are unclear, running the risk that new infections develop resistance to the drugs.
 - The threat may lead governments to consider stockpiling vital medications like antibiotics for these kinds of outbreaks and boosting the development of new treatments, which have lagged because they are not profitable for drugmakers. Companies like Novartis have already stopped antibiotic research, and Aradigm and Achaogen have declared bankruptcy.
 - **U.S. Cities Prepare for Coronavirus:** Major cities around the U.S. didn't wait for federal health officials to tell them to brace for an outbreak of the coronavirus -- some have been preparing for weeks. In San Francisco, local officials have declared a state of emergency despite no confirmed cases. In Illinois, they're checking stockpiles of gloves, gowns and masks. In Dallas, they've set up war rooms to monitor the spread of the disease worldwide, designated quarantine beds and assigned medical teams for potential patients.
 - **Opioid Task Force Agenda:** The House Bipartisan Opioid Task Force will unveil its legislative agenda today, a slate of bills lawmakers believe can clear Congress this year. The over two dozen bills hope to address prevention, treatment, law enforcement, criminal justice reform and veterans issues related to the ongoing opioid crisis, which was connected

to over 69,000 deaths in the U.S. last year. Some of the bills, including ones to authorize over \$1 billion in opioid response grants and to lift the ban on states using Medicaid funds to give health services to people in prison, will hit the House Energy and Commerce Committee next week.

- **Yellen Says Recession Possible:** Former Federal Reserve Chair Janet Yellen said depending on how widely the coronavirus spreads, the economic impact could have a significant impact on Europe and veer the U.S. toward a recession. “We could see a significant impact on Europe, which has been weak to start with, and it’s just conceivable that it could throw the United States into a recession,” Yellen said yesterday at an event in Michigan. “If it doesn’t hit in a substantial way in the United States, that’s less likely. We had a pretty solid outlook before this happened -- and there is some risk, but basically I think the U.S. outlook looks pretty good.”
- **Toomey Says He Will Back Shelton for Fed:** Sen. Pat Toomey (R-Pa.) said he’ll support Trump’s nomination of Judy Shelton for the Federal Reserve Board. Toomey’s backing is essential to Shelton’s prospects for clearing the Senate Banking Committee, but isn’t enough to assure her nomination gets sent to the floor for a vote. Two other GOP senators are undecided on her nomination, and a single Republican “no” would be enough to block her, with Democrats on the panel likely united in opposition.
 - Shelton, a former economic adviser to Trump’s presidential campaign, has drawn skepticism because of her past advocacy of returning the dollar to the gold standard. She’s also described herself as “highly skeptical” the Fed’s congressional mandate to pursue maximum employment and stable prices was relevant.
- **Border Funds Said at Risk:** The Homeland Security Department is endangering funding for its own immigration and border security priorities by keeping critical information from Congress, the chairwoman of the House panel controlling the agency’s appropriations said. Homeland Security Appropriations Subcommittee Chairwoman Lucille Roybal-Allard (D-Calif.) said she’s never seen such a lack of transparency by the department since it was created after 9/11.
- **Census Concerns:** Acting Department of Homeland Security Secretary Chad Wolf told lawmakers at a House Appropriations Homeland Security panel hearing on DHS’s budget yesterday that he would look into what could be done to address concerns that U.S. Census participation would be affected by DHS’s decision to put tactical border agents in several sanctuary cities to help U.S. Immigration and Customs Enforcement operations. Rep. Grace Meng (D-N.Y.) said the timing of the move, weeks before the survey launches nationwide in March, would make it difficult for census workers to do their job without being seen as coordinating with law enforcement.
- **State Laws on ‘Forever Chemicals’ Bind DOD:** The Pentagon may be forced to follow new state environmental pollution standards for a family of manmade “forever chemicals” that may have been spilled at hundreds of military sites in the U.S., Defense Secretary Mark

Esper told lawmakers. Esper was pressed at a House Armed Services Committee hearing over the military's use of widely used firefighting foam containing chemicals known as PFAS, per- and polyfluoroalkyl substances, that never degrade. He said the Pentagon will report to Congress in about two weeks on pollution that may have occurred at hundreds of U.S. military sites.

- Committee member Elissa Slotkin (D-Mich.) pressed Esper on whether the Pentagon would adhere to new environmental pollution standards that her state is close to approving even as the EPA mulls federal guidelines that could affect the rest of the country. Michigan has been wrangling with the Pentagon about the handling of pollution at current and former bases there. "EPA has not done its job in setting a standard for what is safe and what is not safe," Slotkin said. "So you can't live up to that standard that doesn't exist."
- **Judiciary Workplace Office Expansion:** The federal judiciary seeks funding for more positions at its recently created unit for dealing with misconduct claims, the head of the court's administrative office told House lawmakers yesterday. The Administrative Office of the U.S. Courts requested \$364,000 in funding for two new positions in the Judicial Integrity Office, which was established by the judiciary's policy making body to be a reporting hub for harassment complaints.
- **Buttigieg Executed Strategy But Isn't Winning:** Pete Buttigieg executed his strategy almost perfectly. He won in Iowa and finished in a closer-than-expected second place in New Hampshire. But those early successes have failed to catapult him, as his campaign long argued, to becoming a front-runner for the Democratic presidential nomination. Instead, he's barely budged in national polls, voters of color have not turned in large numbers to his candidacy and a surge of fund-raising never materialized. Now, Buttigieg, the barrier-breaking candidate who stunned the Democratic Party with his meteoric rise, is facing his most serious test yet as the race turns national.
 - Buttigieg is expected to finish outside the top three in Saturday's South Carolina primary, where more than 60% of Democratic voters are black. His campaign is setting expectations low, and it is already turning attention to next week's Super Tuesday and beyond.
- **Conservatives Urge for Sanders in S.C.:** Some conservatives in South Carolina are urging Republican voters to cross party lines and back Sen. Bernie Sanders (I-Vt.) in the Democratic primary. Their goal: to help secure the nomination of the candidate they think is most likely to lose to Trump this November. "We think we have the opportunity here to get enough Republicans to vote to swing four or five or six points to help Senator Sanders win on Saturday," said Stephen Brown, former chairman of the Greenville County Republican Party.
 - Senate Majority Leader Mitch McConnell (R-Ky.) warned about such a strategy. "I think Republicans speculating about which Democratic candidate for president being easiest to beat may be a bit foolish," he said on Tuesday.

- **Obama Urges Killing Anti-Biden Ads:** Former President Barack Obama asked TV stations yesterday to stop airing TV spots featuring his voice over on-screen attacks of his vice president Joe Biden in hopes of depressing African-American votes in Saturday's South Carolina Democratic primary. The ads, funded by the pro-Trump super PAC Committee to Defend the President, began airing Tuesday in the state. In them, a clip from Obama's reading of his 1995 memoir *Dreams from My Father* is paired with unfavorable media quotes about Biden's record on race.
- **Trump's Facebook Ads Look Different Than Democrats':** Trump has run a more aggressive, and often more experimental, social media ad campaign than his Democratic rivals so far in 2020, according to new analysis by the nonprofit Tech for Campaigns. The dynamic echoes the campaign's strategies in the 2016 election, the group said. It's not a secret that Trump has spent more than most Democratic candidates. His campaign has put more than \$25 million into Facebook ads since the beginning of last year, two and a half times as much as Democratic frontrunner Sanders, and more than any other candidate except Michael Bloomberg.
 - But besides spending more, Trump has also run a greater number of ads than the average Democrat. Together, all of the Democratic candidates ran about 228,000 individual ads on Facebook between May 2018 and January 2020. Trump, meanwhile, ran 286,000 ads, or about 25% more than the entire Democratic field combined – even though he spent less in aggregate.
- **Digital Tax Talks May Result in Trade War:** A brewing fight about which country has the right to tax some of the world's most profitable companies, including Facebook and Google, could devolve into a multi-front trade war, regardless of whether Trump is still in the White House. Even if a Democrat wins the presidency in November, it could be tempting to continue the Trump administration's policy of using trade sanctions to retaliate against new taxes on U.S. tech companies.
 - A tit-for-tat trade war is already building with France, which passed a 3% tax on large tech companies that went into effect at the start of 2019. The U.S. responded with the threat of tariffs on \$2.4 billion worth of French cheese, sparkling wine, and makeup, prompting the European Union to consider tariffs on U.S. goods. All sides have agreed to a tax cease-fire until the end of the year to see if a broader global agreement can be worked out at the Organization for Economic Cooperation and Development.
- **Trump to Nominate DOD Undersecretary:** The White House announced that Trump intends to nominate Air Force Undersecretary Col. Matthew Donovan to be the Defense Department's next undersecretary for personnel and readiness. Donovan was the Air Force's acting secretary between June 2019 and October in 2019, the White House said in a statement. Previously, he served as a director of policy for the Senate Armed Services Committee, the statement said.

- **Trump Taps Ex-Foley & Lardner Partner:** Trump will nominate Brett Ludwig, a bankruptcy judge for the Eastern District of Wisconsin and a former partner at Foley & Lardner, to serve as a U.S. district judge in the same district, the White House said. Ludwig took the bench in 2017 after his commercial litigation stint at Foley & Lardner. The administration also yesterday announced three others Trump intends to nominate for vacancies in Ohio. They are: Philip Calabrese and James Knepp II to the Northern District of Ohio, and Michael Newman to the Southern District of Ohio.
- **Environment Regulator's Husband Listed as Lobbying Her Agency:** A disclosure form lists the husband of the general counsel of the White House Council on Environmental Quality as lobbying his wife's employer on the National Environmental Policy Act, the council's top issue. But both the council and lobbying group deny any such lobbying happened. The Council on Environmental Quality issued a proposal last month to speed environmental permitting for major projects such as roads, bridges, and pipelines, seeking the most significant changes to National Environmental Policy Act regulations in more than four decades. The proposal has drawn near-universal criticism from environmentalists and Democratic lawmakers, but also strong support from industry representatives.
- **Science Advisers to Get Early Notice on EPA Rules:** The EPA will give its science advisers early notification about upcoming regulations rather than catching them by surprise, under a new policy issued yesterday by Administrator Andrew Wheeler. Last June, Wheeler promised the agency's Science Advisory Board, which advises the administrator on technical underpinnings of agency actions, that he would not leave them in the dark. Under Wheeler's predecessor, Scott Pruitt, the EPA surprised the science advisers when it released a proposal for increasing transparency in the science used for regulations. The board learned of the rule through a press event in April 2018.
- **Trump's Huawei Demands Risk Splintering NATO:** NATO is a slightly odd collection of countries. Some of its 29 members fought wars against each other. Some are sparring even now over territory and influence. One – Turkey – is busily stirring the pot over everything from Syria to Libya to control of energy sources in the eastern Mediterranean. Even so, for 70 years the alliance has provided a security umbrella across Europe, held together in no small measure by the moral and financial imprimatur of the U.S. Differences have been papered over because states have kept their eyes on the prize of collective defense.
 - That's changing under Trump. The U.S. president has spent his time in office needling NATO for taking advantage of American largesse (with some validity: the U.S. has borne the largest share of the cost of funding the alliance). And, increasingly, Trump and his aides are dragging the alliance into broader trans-Atlantic tensions.
- **Idlib Siege Sparks U.N. Security Response:** A majority of nations on the United Nations Security Council asked Secretary-General Antonio Guterres yesterday to take urgent action to halt the violence in northwestern Syria, diplomats familiar with the matter said. Ambassadors for nine of the council's 15 total members personally gave a petition to

Guterres' office yesterday urging him to launch an immediate initiative to win a cease-fire in Syria, the diplomats said. Supported by Russian air power, Syrian President Bashar al-Assad's forces have regained much of the nation and captured dozens of villages in Idlib in recent days.

- **Turkey Gears Up to War Alone in Syria:** Defense Secretary Esper said the U.S. has no plans to re-engage in Syria's civil war, where NATO ally Turkey is facing off against Russian-backed Syrian government forces to try to prevent the fall of the last major rebel bastion. Thousands of Turkish troops and allied Syrian rebels launched a counteroffensive earlier this month to free four Turkish units in the northwestern province of Idlib cut off by a Syrian government advance. An airstrike killed two Turkish soldiers yesterday, the Defense Ministry said Thursday, without pinning the blame on Russian or Syrian aircraft. A total of 17 Turkish soldiers and one civilian have been killed in Idlib, which borders southern Turkey, in airstrikes and artillery fire this month.