American Nephrology Nurses Association

Daily Capitol Hill Update - Tuesday, April 14, 2020

Schedules: White House and Congress

WHITE HOUSE

- 11:30am: President Trump participates in meeting with recovered coronavirus patients
- 2pm: Trump receives intelligence briefing
- 3:30pm: Trump participates in meeting with healthcare executives
- 5pm: Coronavirus task force holds news briefing
- Trump said he'll announce an "Opening Our Country Council" on Tuesday, a group charged with advising the administration on restoring the economy

CONGRESS

- Congress is under pressure to approve more stimulus money, though it's unclear how quickly it can act
 - House Majority Leader Steny Hoyer told lawmakers Monday the House is not expected to meet prior to May 4, absent an emergency
 - The House and Senate aren't scheduled to return to Washington for full sessions until the week of April 20

Congressional, Health Policy, and Political News

- Medicare Program Could See Exodus: More than half of health-care provider groups that participate in a Medicare cost-savings program will likely quit that program out of fear they'll suffer financial losses due to the virus, according to an organization that represents them. Fifty-six percent of 226 accountable care organizations responding to a survey by the National Association of Accountable Care Organizations said they that are likely to drop out, according to a report released yesterday.
- Hospitals Get Upper Hand in Payment Rate Talks: Insurers will have a tough time negotiating for lower payment rates from hospitals and other health-care providers on the front lines of the pandemic. Hospitals and doctors around the country have been working to battle the disease, oftentimes without adequate equipment and protective gear. They also face financial hardship from canceling elective surgeries and other procedures to free up space for Covid-19 patients. Those factors give providers more leverage as they negotiate deals over prices they charge insurance companies for medical services, analysts say.
- **Trump Defends His Coronavirus Record:** Trump yesterday declared "everything we did was right" and angrily denounced media reports suggesting his administration had failed to

adequately ramp up coronavirus testing or the production of medical supplies in a testy press conference at the White House.

- Trump, who said he was frustrated by the reports questioning his administration's response to the crisis that has left more than 20,000 Americans dead and millions unemployed, played a campaign-style video defending his record and highlighting instances where media and medical analysts downplayed the threat posed by the coronavirus.
- Governors Join to Plan for Reopening: Some of the nation's most prominent governors said they would form regional alliances to coordinate reopening schools and businesses after the coronavirus pandemic subsides, setting up a potential clash with the president, who claims that he alone has that authority. Six states in the Northeast, including New York, New Jersey and Pennsylvania, said they would jointly develop a plan to reopen schools and businesses after the outbreak subsides. On the West Coast, California, Washington and Oregon said they would join together on their own framework.
 - With health data suggesting that the spread of the coronavirus may be nearing a plateau in the U.S., public officials are under growing pressure to chart a path back to normality. The longer the statewide lockdowns last, the more economic hardship there will be. But dropping stay-at-home restrictions too soon may risk a second wave of infections.
- Trump Re-Election Imperiled as Coronavirus Hits Key States: Some battleground states crucial to Trump's political future are being particularly hard hit by the coronavirus crisis, a development that could decimate his central argument for re-election at a critical moment. The booming economy Trump hoped to ride to a second term may be collapsing with some forecasting a national unemployment rate as high as 30% and the trifecta of states that delivered him the presidency will likely bear the brunt.
 - Michigan, which Trump won in 2016 by 10,704 votes, now ranks just behind New York and New Jersey in the number of coronavirus deaths, with 1,479 fatalities as of yesterday. Pennsylvania, which has the fourth-largest number of coronavirus cases, ranked first in the nation in percentage of new unemployment claims in the last two weeks of March. He carried the Keystone State by 44,292 votes in 2016.
 - Franklin & Marshall College professor Terry Madonna, a veteran political analyst, said Pennsylvania will be one of the most fiercely contested states in November and much will depend on Trump's ability to restart the economy.
- Mnuchin Says Some Aid Coming Tomorrow: Treasury Secretary Steven Mnuchin said 80 million taxpayers should receive coronavirus relief payments by tomorrow and that the government is accelerating assistance to businesses as well. Mnuchin announced the payments yesterday at the White House news conference, along with progress the Small Business Administration has made in processing loans from the \$349 billion Paycheck Protection Program. Both relief programs were created in the \$2.2 trillion stimulus Trump signed last month.
 - o The Treasury Department and IRS are facing increasing pressure to ensure that debt collectors don't get access to relief checks. Democratic attorneys general from 26

- states sent a letter yesterday to Mnuchin asking him to designate relief checks under the new stimulus law as exempt from garnishments, effectively cordoning them off from private debt collectors.
- o Mnuchin offered reassurances yesterday on the stability of the U.S. mortgage market amid the coronavirus pandemic and the squeeze it has put on mortgage servicers. "We're going to make sure that the market functions properly," he told reporters at a White House briefing. He added that the Treasury Department has had discussions with the Federal Housing Finance Agency about the mortgage market. "We have all the appropriate people on it," he said. "We're very aware of the issue."
- **'Essential' Label Stirs Business Frenzy:** Pet stores are considered essential. So are landscapers. Hair salons aren't. Neither are shops that sell books or clothes.
 - The Trump administration's labeling of industries considered "essential" is quickly creating winners and losers as coronavirus shuts down swaths of the economy. It's also setting off a lobbying frenzy among industries -- from battery makers to poultry producers -- angling to join the ranks of hospitals, supermarkets, and other businesses whose continued operation has been deemed necessary.
 - o But because the designation by the Department of Homeland Security is advisory only, it's left a patchwork of rules from state to state. California has adopted the federal recommendations entirely, protecting whole sectors from the consequences of lengthy closings. Other state and local governments have used advisory as a guide and added their own orders -- leading to rules that vary by border, as some such as Pennsylvania opt to keep liquor stores closed while others consider them essential.
- Lobbyists, Consultants Sue U.S. for Covid Cash: A group representing political consultants, pollsters and lobbyists sued the U.S. government for a slice of the \$2.2 trillion Covid-19 bailout pie. The American Association of Political Consultants says it's unconstitutional for its members to be excluded from the small business loans provided by the CARES Act, which Congress passed last month in response to the coronavirus pandemic. "Denial of such important and valuable economic relief based on an otherwise eligible recipient's political or civic involvement clearly violates free speech and equal protection," the group said in the lawsuit, filed yesterday in federal court in Washington.
- **Boost to Student Borrower Protections Sought:** As many as 9 million student borrowers have federal loans not covered by protections in the latest stimulus, according to a letter to top lawmakers yesterday by the American Federation of Teachers, consumer advocates, and industry groups. The stimulus law provides automatic forbearance and waives interest on federally held student loans for six months. The letter urges lawmakers to expand those benefits to borrowers with Perkins loans or Federal Family Education Loan Program loans even if their debt is owned by colleges or banks.
- **Feds Order 64K Ventilators:** Seven manufacturers have received contracts from the U.S. government worth a total of \$1.43 billion to supply over 64,000 ventilators as part of the nation's response to the coronavirus, the Department of Health and Human Services

announced yesterday. General Electric, Hamilton, Hill-Rom, Medtronic, ResMed, Vyaire, and Zoll will deliver the equipment over the next three months, the department said. The contracts will increase the national stockpile and help states that say they don't have enough ventilators for all the Covid-19 patients who need one.

- NJ Issues Guide on Which Patients Should Get Ventilators: New Jersey has sent guidance to hospitals on how to allocate scarce ventilators among gravely ill patients stricken with the new coronavirus. Medical professionals should take into account patients' likelihood of surviving until discharge and any other conditions that may limit life expectancy. Those medical objectives, rather than factors such as age and race, should determine the need to assign ventilators to patients, according to Governor Phil Murphy (D). "No discrimination of any kind," he said.
- **Privacy of Apple's Covid-19 Tools:** Apple responded to Senate Democrats who sent a letter to CEO Tim Cook with questions related to the privacy of the iPhone maker's Covid-19 screening tools. In a letter dated Friday, Apple said the tools "were built to protect the privacy and security of users' data." The company also answered questions related to data sharing, deals with government agencies, and the accessibility of the tools. The letter refers to screening tools launched in March that help users determine if they should quarantine or seek medical help, not Apple and Google's new partnership for contact tracing.
 - Apple said it "drew upon its engineering and clinical resources to help develop a new Covid-19 website and Covid-19 app" at the request of HHS and outlined the privacy protections in its agreement with the agency. Apple said the tools, which are available as an app and on the web, are not subject to HIPAA guidelines and said it doesn't collect any personal data from individuals.
- Homeland Security Panel Begins Virus Probe: The Senate Homeland Security and Governmental Affairs Committee launched an investigation into the origin of and the government response to the coronavirus pandemic, citing an interview with Chairman Ron Johnson (R-Wis.). The probe will look into why the federal national stockpile wasn't better prepared, why pharmaceutical ingredients and medical devices are manufactured abroad, the World Health Organization's response, and how the virus initially spread.
- **Virus Revives Deregulation Debate:** A new panel intended to advise the White House on strategies for nursing the decimated U.S. economy back to health is poised to renew a debate over deregulation, with proponents touting potential large-scale benefits for businesses and critics calling rule rollbacks the wrong solution. Proposals to immediately cut rules that impose costs, or significantly trim health care, telecommunications, and financial regulations, were made by conservative groups last week as reports of the new task force surfaced. Trump is expected to unveil the task force's membership today.
- **Biden Wins Last Week's Wisconsin Primary:** Former Vice President Joe Biden, the presumptive Democratic presidential nominee, won the Wisconsin primary nearly a week after the state held controversial elections that forced voters to defy a stay-at-home order to

cast their ballots during the coronavirus pandemic. Biden had 63.9% of the vote, with two-thirds of precincts reporting. Sen. Bernie Sanders (I-Vt.), who dropped out of the race last week and endorsed Biden yesterday, had 30.8%.

- Seyond the presidential primary, voters were closely watching the race for a state Supreme Court seat, where Daniel Kelly, a conservative incumbent justice who was endorsed by Trump, was defeated by a liberal challenger, Jill Karofsky. She will serve on the court as it decides on a Republican push to purge more than 200,000 people from voter rolls before the November election in a state Trump won by just 0.77% in 2016.
- Democratic National Committee Chairman Tom Perez said Karofsky's victory came despite Republican attempts at "voter suppression" during a public health emergency. The result, Perez said, "speaks to Democrats' incredible enthusiasm advantage and should terrify Donald Trump and every other Wisconsin Republican."
- Democrats Look to Rein in Trump Spending Plans: House Democrats plan to introduce a bill that would require the Justice Department to investigate when watchdogs say officials have broken the law on government spending, and could lead to employees being fired, the head of the House Budget Committee said.
 - Rep. John Yarmuth (D-Ky.) is "pretty close" to finalizing the legislative language of a bill that would broadly rein in the president's flexibility with funds appropriated by Congress, the committee chairman said. The use of funds by the president is a major concern for Democrats after the Trump administration withheld aid for Ukraine and transferred military funds to build more fencing on the U.S.-Mexico border. The issue gained added urgency since Trump signed into law trillions of dollars in tax and spending measures to respond to the coronavirus. "The fundamental purpose of the legislation is to reassert Congress's power of the purse," Yarmuth said in a phone interview yesterday.
- Census Delay Planned by Commerce: The once-per-decade U.S. census will be delayed by at least three months, the Commerce Department told Congress yesterday, as the coronavirus pandemic hinders in-person data collection from households. Commerce Secretary Wilbur Ross announced field operations will be delayed until June 1, and that in turn would delay completion of the count until Oct. 31. Separately, he also asked Congress to grant his department a 120-day extension of statutory deadlines as a result of the outbreak. This would push back the delivery of data used to determine state redistricting, the apportionment of seats in the U.S. House of Representatives and the distribution of federal tax revenue to the states.
- Reading the Justices Becomes Difficult With Phone Arguments: The Supreme Court's plan to hold its first-ever arguments by phone next month introduces special challenges for those presenting their cases, including gauging the full reactions of the justices, high court advocates said. "We're in a new frontier here," said Colorado Attorney General Phil Weiser, who will argue remotely in an election case on behalf of the state.

- While lawyers are thankful that the court is showing historic flexibility amid the coronavirus pandemic and moving forward with their cases beginning May 4, they wonder how things will ultimately work via phone.
- DOD Networks Said at Risk: A government watchdog warned that the Defense Department failed to adequately protect its computer and information systems from "common and pervasive" cybersecurity threats, while the Pentagon on the same day announced a major increase in its capacity for remote work during the pandemic. Cybersecurity initiatives at the Pentagon are "incomplete—or their status is unknown because no one is in charge or reporting on progress," the Government Accountability Office said yesterday in a summary of a report to Congress called "DOD Needs to Take Decisive Actions to Improve Cyber Hygiene."
- Antitrust Enforcers Watch for Collusion: Corporate efforts to suppress wages or inhibit job mobility for workers on the front line of the pandemic will face legal action by the government, the nation's top antitrust enforcers said. In a joint statement released yesterday, the Justice Department and Federal Trade Commission said that they are "on watch" for potentially anti-competitive conduct by recruiters, staffing agencies, and employers who engage in collusion or other illegal activity that distorts the labor market.
- North Korea Fires Missile Barrage Ahead of South Korea Election: North Korea fired multiple missiles from its eastern coast today, in a show of military might ahead of parliamentary elections in South Korea. The projectiles were fired this morning from sites near Munchon and neighboring Wonsan on the east coast, the South Korean Ministry of National Defense said in a statement. North Korea launched short-range cruise missiles from Munchon that flew more than 150 kilometers (90 miles), the ministry said, while fighter jets conducted exercises with air-to- surf ace rockets.
 - The exercise comes on the eve of parliamentary elections in South Korea, a vote that will shape the remaining tenure of President Moon Jae-in. The South Korean leader, who was elected in 2017 on a pledge to improve ties with North Korea, has had his efforts frustrated by renewed tensions between Washington and Pyongyang.