

American Nephrology Nurses Association

Daily Capitol Hill Update – Thursday, April 9, 2020

(The following information comes from Bloomberg Government Website)

Schedules: White House and Congress

WHITE HOUSE

- 12:30pm: President Trump has lunch with Sec. of State Mike Pompeo
- 2:30pm: Trump participates in phone call with mental health advocates
- 5pm: Coronavirus task force briefing

CONGRESS

- Senate Majority Leader Mitch McConnell will press ahead with his plan for a quick vote on a \$250b boost in a small business aid program over opposition from Democrats

Congressional, Health Policy, and Political News

- **Revisions to Medicare Interest Rates:** Sens. Bill Cassidy (R-La.) and Jeanne Shaheen (D-N.H.) urged the Centers for Medicare & Medicaid Services in a bipartisan letter dated yesterday to revise interest rates for health-care providers seeking financial relief during the coronavirus outbreak through Medicare's Accelerated and Advance Payments Program. "Hospitals, physicians and other health-care providers have significant concerns" about the currently 10.25% interest rate, the lawmakers wrote in their letter to CMS Administrator Seema Verma and HHS Secretary Alex Azar.
- **HHS Awards \$1.3 Billion to Health Centers:** Community health centers, which provide primary care to 28 million Americans, will receive \$1.3 billion to prevent and treat Covid-19, the HHS announced yesterday. Funds will be divided among 1,387 centers and will help them maintain or increase capacity and staffing, the Department of Health and Human Services said. HHS secured the funding from the latest stimulus measure.
- **Countries Weigh How to Get People Back to Work:** Officials from Rome to Washington are urgently mapping out plans to loosen lockdowns and begin rebooting their economies even as the coronavirus pandemic still rages across swaths of the globe. Trouble is, there's no master plan.
 - The juggling act for policy makers will be to reopen without triggering a second wave of infections that leads to a fresh round of lockdowns and yet more economic damage. History serves as a warning: the 1918 Spanish Flu pandemic, the world's worst health crisis until this one, hit in three waves before finally being contained.
- **Powell Pushed to Edge of Fed's Boundaries:** By pushing the Federal Reserve into corners of financial markets it has mostly shunned in its 106-year history, Chairman Jerome Powell is

running into some thorny questions. Like, for instance, how to maintain independence from the U.S. Treasury when the economic-support package Congress passed says they should work together? Or whether the same guidelines for companies receiving federal aid, which range from compensation limits to off-shoring restrictions, apply to the Fed if it gets more money from Treasury? And how about which companies -- and perhaps eventually, municipalities and states -- are invited to borrow and at what cost?

- These are some of the issues that probably will come up when Powell speaks at a webinar hosted by the Brookings Institution at 10 a.m. in Washington -- in one of his few public appearances since the spread of the coronavirus took hold in the U.S.
- **Banks Get Big Capital Break for Small Business Loans:** The Federal Reserve and other regulators are planning to grant a sweeping capital break for banks providing loans to small businesses as part of the government's response to the coronavirus-fueled economic crisis. A rapidly written rule acknowledges that lending through the Paycheck Protection Program doesn't pose a risk for U.S. banks, according to documents posted on the Federal Deposit Insurance Corp.'s website. As a result, regulators won't make lenders maintain capital buffers as a protection against loans going bad, the documents show.
- **GOP Senators Eye Bailout for Coal:** A group of Republican senators want to make sure the bailout program administered by BlackRock on behalf of the federal government won't leave fossil-fuel companies behind. The U.S. government tapped BlackRock, the world's largest asset manager, to become the buyer of corporate bonds as part of a \$454 billion effort to bail out companies hit by the pandemic. That triggered a letter from Greenpeace, Sierra Club, 350.org and other environmental organizations last month urging Fed Chairman Powell to weigh climate risk in its guidelines for BlackRock as it decides what sectors of the economy get financial support.
 - Now, in a letter sent this week, a group of 17 Republicans including Jim Inhofe (Okla.) and Ted Cruz (Texas) want both Powell and Mnuchin to ensure that fossil-fuel companies aren't excluded.
- **Covid-19 Sparks Lobbying Boom:** Business has boomed on K Street since the coronavirus outbreak, with lobbying firms bringing in more than 100 new clients to work on congressional relief efforts and issues tied to Covid-19. The influx represents about 40% of all new lobbying clients that were signed between Feb. 24 and April 7, according to an analysis of lobbying disclosures maintained by the Senate. Hires by the health care industry comprise about one-third of all new Covid-19-connected lobbying contracts, with pharmaceuticals, telemedicine companies, medical device manufacturers, and medical centers or clinics all bringing on lobbying firepower.
- **Stimulus Said to Help Prevent Joblessness:** U.S. unemployment could hit 11% by the third quarter of fiscal 2020, but it would have been higher without the stimulus package signed into law late last month, according to a study from the University of Pennsylvania's Penn Wharton Budget Model. Unemployment would have grown to 12% by the third quarter without the stimulus law, which Penn Wharton projects to salvage about 1.5 million jobs.

- U.S. gross domestic product is projected to shrink by an annualized rate of 30%, according to the analysis. Without the stimulus, the number would've been 37%. The law's \$2.2 trillion in spending and tax measures are projected to lead to an \$812 billion GDP increase over the next two years. The most efficient measures in terms of their returns on investment are the funds for health-care providers and other disaster relief spending, which total \$225 billion in spending and are projected to increase GDP by \$174 billion over the next two years.
- **CDC Issues Critical Worker Protection Guidance:** The Centers for Disease Control and Prevention is changing its guidance for workers in critical industries to say that the people exposed to the coronavirus should return to work if they don't have symptoms of the illness, instead of self-quarantining for 14 days. Workers can return as long as they have no symptoms of the disease, wear a face mask, practice social distancing and monitor their body temperature for fever. There's no standard, national definition of what constitutes essential work, leaving states and local governments to make those decisions.
- **Airlines Squeezed By Delays in Aid:** U.S. airlines' desperate bid for \$29 billion in government rescue funding is being frustrated by a lengthening process and demands that companies provide more detailed financial information, sources familiar with the situation said. Carriers that filed April 3 for the grants intended to help meet payroll costs expected the checks to begin arriving days ago, said people familiar with the aid discussions. Instead, Treasury officials have asked for another round of data that appears to be more related to a separate loan process instead of the cash grants, further delaying the relief, the people said.
- **Deaths Expose Food-Supply Chain Fears:** Some of the workers who help produce America's food are starting to die because of the coronavirus. Plants across the U.S. are starting to reduce output or idle as cases spread from the main cities to rural America. At least three people who worked at plants owned by top U.S. meat packer Tyson Foods and a local unit of Brazil's JBS were reported to have died from the pandemic. Companies including Cargill, Sanderson Farms and Perdue Farms have also reported infections. Smithfield Foods has 80 cases at a facility in South Dakota.
- **Trump Urged to Limit Patent Rights on Ventilators, Treatments:** Medical device makers and scientists around the world are waiving their intellectual property rights to encourage companies to restore depleted stockpiles of emergency equipment and develop new tests and treatments for the Covid-19 pandemic. But it might not be enough. Some researchers and lawmakers are calling on Trump to follow the lead of Germany and Israel in restricting patent rights for work on coronavirus treatments.
- **Aid to States Said to Fall Short:** The House Oversight and Reform Committee released a report yesterday saying the federal government failed to distribute enough personal protective gear and other medical supplies to states. The Trump administration is leaving states "to fend for themselves, to scour the open market for these scarce supplies, and to

compete with each other,” Oversight Chairwoman Carolyn Maloney (D-N.Y.) said in a statement.

- HHS staff told lawmakers the agency won’t be shipping any more personal protective equipment from the Strategic National Stockpile to states, according to the statement from the House Oversight Committee. Agency staff told the committee on Tuesday that they have dispersed 90% of the stockpile’s PPE inventory. The remaining 10% would be kept for federal workers, the staff said.
 - Meanwhile, bipartisan House and Senate lawmakers pressed FEMA to increase the allotment of emergency medical supplies to the Washington, D.C. region, which the White House said is on track to become a virus hotspot in the coming days and weeks. “In their most recent request, Virginia, Maryland and the District received a very small percentage of the equipment they asked for from FEMA,” the lawmakers wrote.
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- **U.S., China Must Show ‘Honest Leadership’ Versus Virus, WHO Says:** The U.S. and China should work together to show “honest leadership” or risk transforming the pandemic into a bigger crisis, the head of the World Health Organization said in unusually stern comments on the two superpowers. At the height of the Cold War, the U.S. and the Soviet Union still came together to fight and eradicate smallpox, Director-General Tedros Adhanom Ghebreyesus said. He urged all countries, political parties and the media to stop trying to use the coronavirus issue to divide people.
 - **Health Insurers Say Virus Costs Could Surpass \$500 Billion:** Health insurers’ costs for testing and treating Covid-19 could be as high as \$556 billion in 2020 and 2021, a trade association for health insurers said yesterday. America’s Health Insurance Plans commissioned Wakely Consulting Group to study Covid-19 costs to U.S. health insurers. Wakely came up with a wide range: \$56 billion to \$556 billion over the next two years.
 - **Biden Pushes Health Insurance Subsidies:** Presumptive Democratic nominee and former Vice President Joe Biden yesterday said the next round of stimulus should include a full federal subsidy for the private health insurance premiums of workers who lose their jobs during the pandemic. “The government should pick up the full cost of Cobra premiums right now,” Biden said during a virtual town hall on unemployment, suggesting that the support should be part of the next coronavirus response bill that lawmakers are starting to discuss.
 - **Pharmacists OK’d to Test for Covid-19:** Pharmacists can administer Covid-19 tests, the HHS announced yesterday, expanding the workforce needed for rapid virus testing and cutting commute times to testing sites. Serology testing is included in pharmacists’ new authority, which will be crucial to quickly reopen the economy and test patients who might be eligible to donate plasma for Covid-19 treatments.
 - **Republican Senators Want Free Antibody Tests:** Senate Health, Education, Labor, and Pensions Committee Chairman Lamar Alexander (R-Tenn.) and Senate Appropriations HHS

Subcommittee Chairman Roy Blunt (R-Mo.) urged Health and Human Services Secretary Alex Azar in a letter to affirm that Americans who have recovered from Covid-19 can get free antibody testing, which they say would help restart the U.S. economy sooner.

- **Bipartisan Lawmakers Call for End to Live Animal Trade:** More than 60 lawmakers, including Sens. Cory Booker (D-N.J.) and Lindsey Graham (R-S.C.) called for a “permanent global ban” of live wildlife markets and the international trade of live wildlife, which is thought to have sparked the spread of coronavirus, in a letter to the World Health Organization yesterday.
- **Coronavirus May ‘Reactivate’ in Cured Patients:** The coronavirus may be “reactivating” in people who have been cured of the illness, according to Korea’s Centers for Disease Control and Prevention. About 51 patients classed as having been cured in South Korea have tested positive again, the CDC said in a briefing on Monday. Rather than being infected again, the virus may have been reactivated in these people, given they tested positive again shortly after being released from quarantine, said Jeong Eun-kyeong, director-general of the Korean CDC.
- **Biden Looks to Unify Party:** Joe Biden’s most urgent task as the presumptive Democratic nominee will be to unify a divided party for a bruising general election fight against Trump while the coronavirus consumes voters’ attention and halts traditional campaigning. The more than 16-month nominating contest, in which a historically large field of Democrats presented a range of visions for the country, ended Wednesday with Sen. Bernie Sanders (I-Vt.) quitting the race and leaving the progressive wing without a standard-bearer.
 - Biden, who won the primary with a pitch centered on steady leadership and pragmatism, has to persuade Sanders’s impassioned supporters to not only accept him but actively work to help beat Trump’s well-financed operation. Biden has to walk a tightrope between now and the fall to unite the party’s two wings and maintain that unity, while holding to the centrist positions that earned him the nomination in the first place. The pandemic has made that even trickier, as progressives argue it has laid bare the problems with income inequality and health care that their policies are designed to solve.
- **Harris Joins Biden for Fundraiser:** Sen. Kamala Harris (D-Calif.) joined Biden for a virtual fundraiser yesterday as speculation swirled about who he will choose for his running mate. The move by Harris, who will headline her first solo virtual fundraiser with the DNC today, could signal her desire to be on the ticket with Biden, who said he’d choose a woman as his running mate, and is under pressure from some Democrats to choose a woman of color.
- **Chamber Backs AOC’s Primary Challenger:** The U.S. Chamber of Commerce, the powerful lobbying group usually allied with Republicans, is planning to back a Democratic primary challenger to progressive freshman Alexandria Ocasio-Cortez (D-N.Y.), according to the group’s senior political strategist. The strategist, Scott Reed, said the group is looking to

support former CNBC anchor Michelle Caruso-Cabrera, who is challenging Ocasio-Cortez for the Democratic nomination in the New York City district.

- **Meadows Rattles White House:** Trump's newest chief of staff, Mark Meadows, has escalated tensions in the White House with a swift series of staff changes that have stirred up complaints from some in the West Wing about his management style, people familiar with the matter say. Trump changed his top aide last month just as the U.S. coronavirus outbreak began to accelerate. After a slow start, Meadows kicked off his tenure by ousting a legislative liaison, then on Monday, abruptly replaced press secretary Stephanie Grisham. Other aides may depart in the near future, such as domestic policy chief Joe Grogan, people familiar with the matter said.
- **Bipartisan Senators Push Trump to Explain IG Firing:** Eight senators, including Sens. Chuck Grassley (R-Iowa), Susan Collins (R-Maine), Gary Peters (D-Mich.) and Mitt Romney (R-Utah.), in a letter yesterday asked Trump for "a detailed written explanation" on the president's decision last week to fire Intelligence Community Inspector General Michael Atkinson. The senators said a 2008 law on inspectors general requires the president to provide Congress with a written explanation at least 30 days prior to removing an IG to ensure "there is clear evidence of wrongdoing or failure to perform the duties of the office, and not for reasons unrelated to their performance, to help preserve IG independence," the senators wrote.
- **Loeffler to Liquidate Stocks:** Sen. Kelly Loeffler (R-Ga.) said that she and her husband will liquidate their investment portfolio, following criticism of their sales and purchases of millions of dollars' worth of stocks before the virus outbreak became widespread. Loeffler, who is running to keep her Senate seat in a Nov. 3 nonpartisan primary, announced in a Wall Street Journal article that the couple's holdings will be converted into mutual funds and exchange-traded funds to be controlled by third-party advisers. Her husband, Jeffrey Sprecher, is the CEO of the parent company of the New York Stock Exchange. They're worth more than \$500 million.
- **States Ask Court to Reconsider Abortion 'Gag Rule' Decision:** States suing the federal government over restrictions on taxpayer-funded family planning services want an appeals court to reconsider its decision upholding the policy. The lawsuit was filed by multiple states, cities, and private organizations seeking to roll back a HHS rule that forbids family planning clinics from performing abortions or referring patients elsewhere for the procedure. Providers that want to offer abortion services must do so in facilities that are physically and financially separate from the tax-funded clinic, which they say is tantamount to being gagged.