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MOVING PEOPLE TO MOVE POLICY:

A Quarterly Look at Health Policy from BCW

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A Quarterly Look at Health Policy from BCW

Launching a quarterly newsletter dedicated to providing a snapshot of the nation's health policy landscape in October 2021 means jumping into the deepest, murkiest water with both feet. But the need to try to make sense of the current healthcare environment is as clear as ever. That is why BCW's health policy experts meet regularly to share insights and discuss changing policy and what those changes mean for the organizations we support. Joining the group are:

bcw group

bcw

BCW's experts in communications, public affairs, earned media, advertising, and digital & social innovation

d|irectimpact

Direct Impact's specialists in grassroots and driving local opinion

PRIME
POLICY GROUP

Prime Policy Group's lobbyists and campaign professionals

psb

PSB's survey research, branding and strategic insights counselors

Our new quarterly update, **Moving People to Move Policy**, will provide an easily digestible snapshot of the topics our experts are watching and reporting to the organizations we support.

SECTION 01

An Unsettled Environment

Entering the fourth quarter of 2021, two topics are dominating our national health policy conversation. The first is the nation's ongoing response to the COVID-19 pandemic and, second, the legislative effort to use the budget reconciliation process to enact a \$3.5 trillion budget overhaul to Medicare, drug pricing, Obamacare access, childcare, family leave and climate change.

As of our writing, the number of new COVID-19 cases is falling in the U.S., but COVID-19 deaths, a lagging indicator, are still approximately 1,600 per day. According to the [CDC](#), daily new vaccinations administered have been mostly trending downward since August 27th, when a two-month high of 1.1 million doses were administered.

In fact, this entire quarterly update could be about the nation's pandemic response; but given how central budget reconciliation is to Washington's current policy debates and the volume of lobbying, media communications, grassroots activity and advertising around it, we felt compelled to focus on reconciliation.

Reconciliation

Representing the centerpiece of President Biden's domestic agenda, the 10-year, \$3.5 trillion spending/investment plan will affect healthcare by making the following changes:



Adding new Dental, Vision, and Hearing benefits to the Medicare program



Investing in home and community-based services to help seniors, people with disabilities and home care workers



Creating a new federal health program for Americans in the "Medicaid gap"



Extending the recent expansion of the Affordable Care Act



Promising to reduce prescription drug costs for patients and save hundreds of billions by giving the government new authority to negotiate prices on the cost of medications it purchases through Medicare and by extending those prices to private insurers

Media Review

Since early August, Congress has been working at breakneck pace to enact reconciliation. Here is what we're watching:

Traditionally, media coverage of policy issues slows in August as Congress leaves Washington for recess and a district work period, but this year the media environment was actively driven by:

- Senate Democrats unveiling text of a \$3.5 trillion budget framework on August 9th with the goal of having written legislation by September 15th;
- A resurgent COVID pandemic driven by the Delta variant;
- A chaotic withdrawal from Afghanistan in the days around August 31st

Building on these events, the last 60 days were an extremely busy media cycle. What's more, hurricanes, a spike in Haitian immigration, an impending vote on the infrastructure bill and looming votes to raise the government's debt limit and fund government operations are creating a crowded media environment stretching from August into mid-October.

Within this torrent of media, we are seeing a substantial volume of health-related stories focusing on the budget reconciliation process and its anticipated changes to healthcare.

Over the last 30 days there have been more than 4,200 stories - including 154 television news stories - on reconciliation in outlets across the U.S. In addition, there were more than 24,000 social media posts including the terms "reconciliation" or "budget plan" and some version of "health," "health care" or "healthcare." The line graph shows the daily volume of social media posts during September. As you would expect, the dips in volume correspond to weekends and the peaks are either Wednesdays or Thursdays.



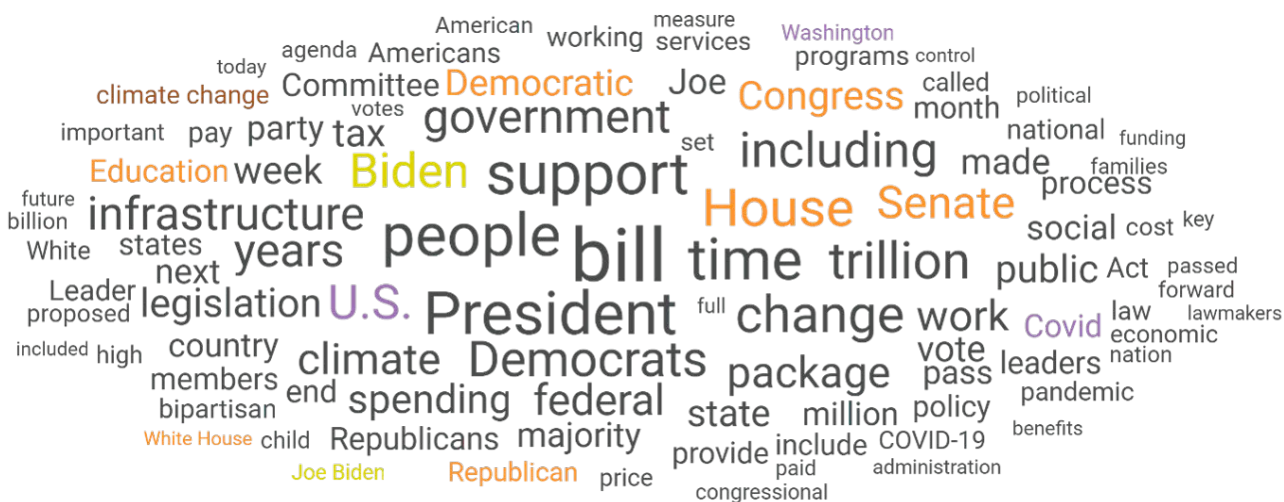
Including terms like “Medicare expansion,” “drug pricing,” and “home care” to the other health-related terms being discussed in the reform package quickly adds more than 20,000 additional social media posts to the monthly total.

Media Takeaways

From an analysis of the reporters and the outlets for which they report, we found:

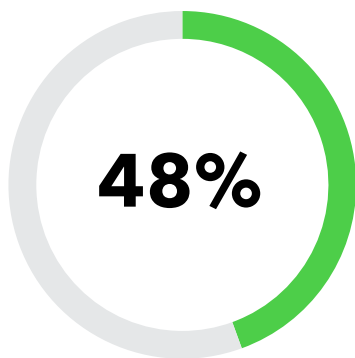
- The stories being shared the most on social media are drawn from news services like AP and Reuters.
- It is critical to look beyond national outlets and have thought leaders engage wire service reporters as an important conduit for messaging.
- Reporters at top-tier outlets may break stories or get better access to policymakers, but it is the news service reporters whose stories are getting picked up and reprinted in local outlets and then shared on social media by the same local outlets. This increases their reach, making them the most widely engaged reporters. It also shows the story is being pulled into Members of Congress’ districts even if the outlets do not have the resources to write their own stories.
- Most reporters driving the narrative on social media have beats focusing on Congress or politics. Very few are healthcare reporters, meaning stories conveying why and how the bill benefits patients, physicians and families are not being written.

The word cloud below of the 100 most common terms from the 24,000-healthcare focused social posts using the terms “reconciliation” or “budget plan” and some version of “health,” “health care” or “healthcare” over the last month shows the words “patient” and “physician” are nonexistent and the term “families” was barely mentioned. Advocates seeking to tell their stories in human, relatable terms are losing the battle. There’s no discussion of need, access, availability or benefits to patients; instead, this a policy battle focusing on cost and process. For more about messaging around the benefit to patients see [this piece](#).

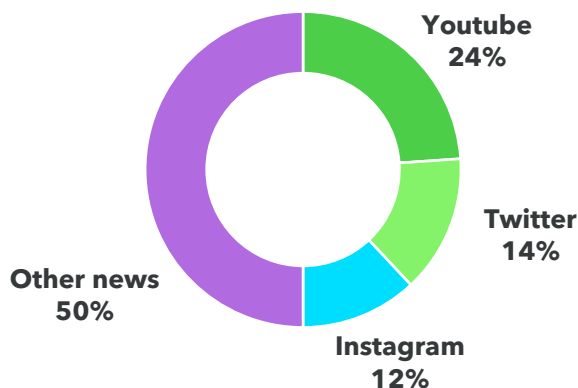


Other Trends in Media Consumption

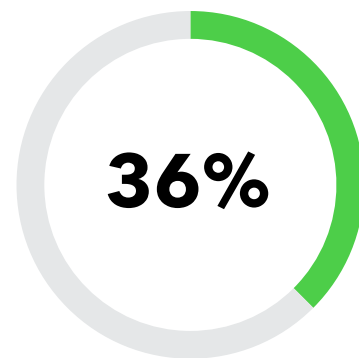
A recent report shows us why combining an earned media and social media approach is so important. According to a Pew Research Center [survey](#) conducted July 26-Aug. 8, 2021, Americans continue to turn to social media sites for news.



Forty-eight percent of U.S. adults say they get news from social media "often" or "sometimes."

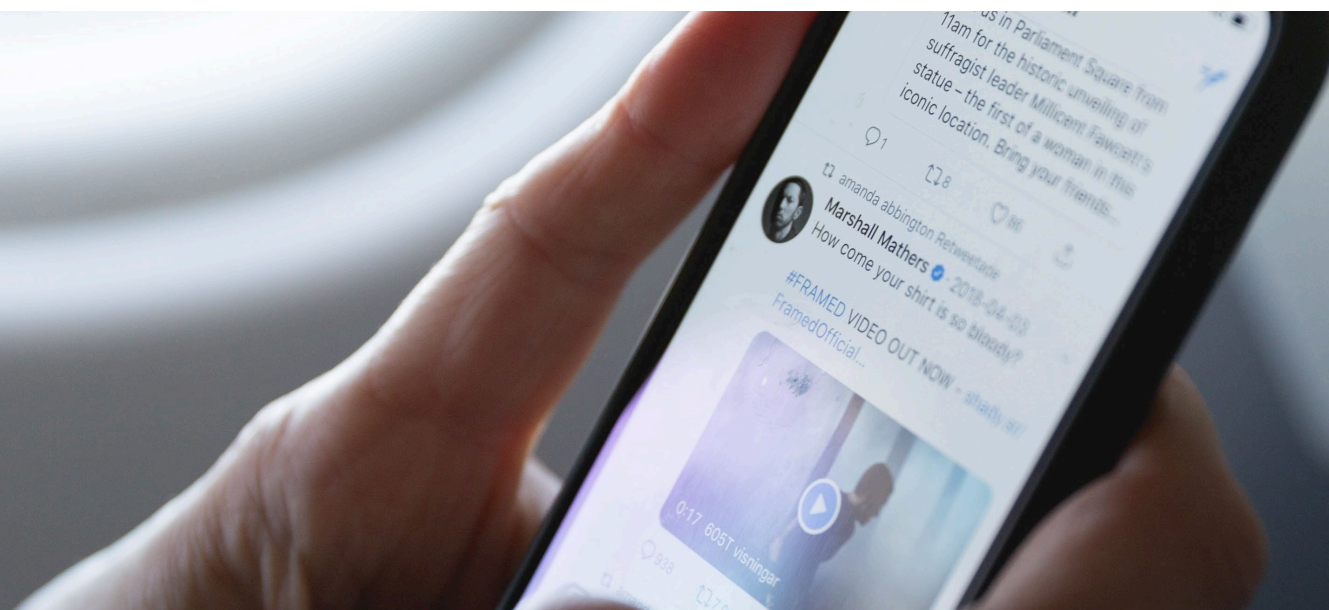


Pew found that 22% of Americans regularly get their news from YouTube, 13% from Twitter and 11% from Instagram.



About a third of U.S. adults (31%) say they regularly get news on Facebook.

Twitter is the third most regularly consulted social platform, with 23% percent of U.S. adults regularly using Twitter (compared to 66% for Facebook), but more than half of Twitter users (55%) get news from the site. Because fewer Twitter users have private accounts compared to Facebook and Instagram it is a significantly better proxy than other social media sites for understanding which news stories are most impactful or trending. For organizations monitoring social media as a barometer of the national conversation, Twitter remains a better source than any other channel.



Government Relations

Reconciliation

As negotiations continue on the multitrillion-dollar social spending package, Democratic leaders have acknowledged the package will not total \$3.5 trillion in spending. Instead, the expected number is thought to be significantly smaller. Senator Joe Manchin (D-WV) continues to dig in on his top line number of \$1.5 trillion. The end of September deadline to vote on both the reconciliation and infrastructure packages came and went, with both parties instead reaching a compromise on extending current government funding as well as the debt ceiling until early December. While this prevented a government shutdown and a default on U.S. debt, it did not allow for reconciliation to take place. The almost two months bought by extensions of government funding and the debt ceiling will provide time for reconciliation talks to resume and potentially come to an agreement.

Senate

Two standout names from the reconciliation process are moderate Democratic Senators Manchin and Kyrsten Sinema (D-AZ). The pair has proven to be difficult to negotiate with, and many progressive Democrats blame them for the lack of compromise within the party. Manchin initially insisted on the bill being \$1.5 trillion, a number progressives say is unacceptably low. He did, however, agree that drug pricing reform should be kept in the bill. Sinema has not publicly announced a price tag she would support, leading to frustration among some Democrats. On the progressive side are Senators Bernie Sanders (I-VT) and Elizabeth Warren (D-MA), who have been pushing for the \$3.5 trillion number and all included social spending programs from the start. Progressives view the \$3.5 trillion figure as a compromise, as they initially wanted to spend between \$6 and \$8 trillion.

For Republicans, eyes are on Senate Minority Leader Mitch McConnell (R-KY), who offered an agreement for a lifting of the debt ceiling sufficient to maintain current spending levels for a short period of time until early December. McConnell insists that Democrats pass a long-term raise to the debt ceiling through the budget reconciliation process. Democrats have repeatedly said they will not raise the debt ceiling through reconciliation, meaning a similar standoff over the debt ceiling could take place again in weeks.

House

House Speaker Nancy Pelosi (D-CA) delayed a vote on the Senate-passed infrastructure bill negotiated by President Biden as progressive lawmakers pledged to vote against it unless the reconciliation bill also came up for a vote. She then set a new deadline for the end of October for approving the \$1.2 trillion infrastructure bill. She and Senate Majority Leader Chuck Schumer (D-NY) have had continued meetings with White House officials.

Congressman Josh Gottheimer (D-NJ) is the leader of a group of moderate Democrats urging the House to pass the \$1.2 trillion infrastructure bill as soon as possible. The group has tension with the Congressional Progressive Caucus, led by Congresswoman Pramila Jayapal (D-WA), who want to first pass the reconciliation bill before bringing the infrastructure bill up for a vote. Gottheimer has stated that he supports the reconciliation proposal as well.



How to Reduce the Price Tag

There are two schools of thought when considering how to lower the original \$3.5 trillion price tag:

1. Cutting all programs down to be funded for a shorter period of time.
2. Cutting out whole programs and keeping the scale and length of only the ones deemed most important.

President Biden has advocated for a “haircut” of all programs, pushing for future extensions of the programs that prove successful. Manchin previously demanded progressives pick programs to cut entirely from the bill. President Biden spent weeks meeting with lawmakers to broker a deal, even having a one-on-one meetings with Manchin and other lawmakers at the White House. While many moderates are trying to agree upon a number first, Jayapal said in an interview that Democrats need to agree on what programs will be included in the bill and how long they should be funded before deciding on the cost.

Programs being negotiated include:

- Medicare expansion
- Extension of the child tax credit
- Paid medical and family leave
- Prescription drug pricing cuts
- Universal pre-k and childcare
- Free community college

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State Insights

The COVID-19 pandemic remains a central focus for state legislatures heading into the second half of the 2021-2022 session cycle. Health-related legislative priorities for states in 2022 will encompass a range of pandemic-related issues from mandates to permanent changes to telehealth/telemedicine to the impact on hospital systems and programs such as Medicaid.

- Debates continue in most states around masks and vaccine mandates, as well as who the key decisionmakers should be when it comes to enacting unprecedented public health measures such as the lockdowns and school closures. According to the Kaiser Family Foundation, 26 states have enacted laws this year granting officials from school boards to county commissioners the authority to overrule public health officials' decisions on imposing COVID-19 related mandates.
- As they reopened K-12 schools to in-person instruction this academic year, 17 states imposed universal masking requirements on students, staff, teachers and visitors, regardless of vaccination status, while five states banned such requirements. Two states where school mask mandates have been particularly contentious are Florida and Pennsylvania.
 - The Florida Board of Education recently voted to sanction eight school districts and withhold funding for imposing mask mandates in defiance of Governor Ron DeSantis's (R) executive order to allow parents the choice to opt their students out.
 - Meanwhile, leaders of the Republican-controlled legislature in Pennsylvania have prioritized overturning Governor Tom Wolf's (D) statewide school mask mandate during the fall session. Legislation that would allow parents to opt their students out of Pennsylvania's school mask mandate recently passed the State Senate Education Committee.
- Beyond masks and vaccines, legislatures are also focused on addressing the long-term effects of COVID-19 on their states' respective healthcare systems. This includes consideration of permanent changes allowing expanded access to telemedicine services.
 - At the beginning of this year, Massachusetts Governor Charlie Baker (R) signed comprehensive legislation into law which mandated permanent payment parity for telemental health and established two years of parity for primary and chronic care services.
 - The Ohio legislature is also considering a bill that will codify new telemedicine standards into law that were temporarily enacted by the State Medical Board of Ohio at the onset of the pandemic.
- Lastly, Medicaid will remain a key priority for legislatures in 2022, particularly regarding balancing increased spending in response to the pandemic with the need to balance state budgets amid reduced revenues. The National Conference of State Legislatures predicts Medicaid enrollment will remain inflated given how long it takes for the gradual economic recovery to reach low-income communities.

SECTION 03

Other Topics We're Watching

Beyond the topics included in reconciliation, there are still many healthcare issues that different interests would like to see on the legislative agenda. Given that it seems there will not be time in the fall, what do we anticipate the spring of an election year to look like? Thoughts from our team:

Drug Pricing: If legislation addressing the cost of prescriptions isn't included in reconciliation, will the 2020 Trump Republicans and current Democrats in favor of pricing reform come together to claim an election year victory? The likelihood seems more remote every day, but if it happens, expect it to happen around insulin pricing.

Medicare Sequestration: Will Congress delay cuts again or will they move to settle the issue permanently? Cuts are still looming, but it seems hard to believe Congress will let them go into effect. The messaging seems clear on the issue: How can you cut the payment to healthcare providers who just pulled us through a pandemic? An industry simultaneously struggling to maintain patient encounters/care for patients in many segments and another witnessing Herculean efforts to save lives shouldn't be punished by cuts in reimbursements.

Social Determinants: At the beginning of the Biden Administration, advocates for addressing Social Determinants of Health were excited about the prospect of addressing these long-standing challenges. If Progressives are disappointed with how their priorities are handled in reconciliation, will they push for strong action on SDOH? Regardless, with insurers rushing to define the parameters of an SDOH debate before advocates, hospitals and physicians do, advocates need to begin asking themselves how and where they will coalesce to achieve movement in 2022 - 2024.

Medical Devices: What should the medical device industry do about MCIT? It appears the only option to encourage CMS to reverse their repeal decision was by submitting comments over a 30-day public comment period that ended on October 15, 2021 (<https://public-inspection.federalregister.gov/2021-20016.pdf>). If that doesn't work, we see the possibility of launching a public awareness campaign to generate broad support for reinstating MCIT - particularly against the backdrop of the 2022 midterms.

340B: Disagreements over the 340B program continue to pit hospitals (particularly safety net providers) and the federal government against pharmaceutical companies. As the federal government moves toward fining individual drugmakers, we anticipate this becoming a significantly more involved battle with Congress eventually weighing in.

National Conference of State Legislatures' Annual Legislative Summit: From November 3-5, 2021, legislators from across the country will convene in Tampa, Florida, for the annual NCSL Legislative Summit. We anticipate discussions involving healthcare at the conference will set the tone for the 2022 legislative agenda.



Conclusion

Thank you for reading our initial Moving People to Move Policy Quarterly Snapshot. Our next issue will come out in early 2022 in which we will handicap the outlook for healthcare policy as Congress begins the run up to the mid-term elections. If you'd like to learn more about our healthcare expertise, please contact:

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