The “Cures” for What Ails You


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The 21st Century Cures Act [6] was signed into law on Dec. 13, 2016. It will, in all likelihood, be the final piece of health care legislation that President Obama will ever sign into law. It will bring to a close the legislative components of a presidency that has fundamentally sought to reshape health care delivery in this country.

While books have and will likely continue to be written on the overall impact (and uncertain fate) of President Obama’s health reform law, I want to focus on this last legislative act impacting health care: The 21st Century Cures Act.

House Energy and Commerce Chairman Fred Upton (R-Mich.) and Rep. Diana DeGette (D-Colo.) worked tirelessly over the last two years to develop and advance a bipartisan bill to improve the processes in place within the Food and Drug Administration (FDA) and the National Institutes of Health (NIH) to spur the development of new treatments, drugs and devices. The process engaged the Obama administration and involved significant stakeholder feedback at every step. It was a great example of how Congress is supposed to operate and get things done.

Vizient supported [7] passage when Congress considered a final version of the bill because it includes a number of provisions [8] that are important for hospitals. The law makes a major change to better reflect socioeconomic status in the hospital readmissions reduction program. It also modifies a controversial provision in 2015’s Bipartisan Budget Act to allow certain under-construction, off-campus hospital outpatient departments to be reimbursed under the outpatient payment system instead of facing payment cuts. In addition, the law includes provisions that aim to improve treatment options for mental and behavioral health patients.

Among other provisions, it also promotes interoperability of electronic health records, discourages information blocking and provides relief from both direct-supervision requirements for outpatient therapeutic services and the “25 percent rule” for long-term care hospitals.

The bill does all that, on top of authorizing meaningful investments in the NIH and FDA along with process changes to support the underlying goal of spurring innovations in the development of new treatments, drugs and medical devices.

While the law may lead to some longer-term improvements, and new and innovative cures could eventually reach the market, it is far from perfect. It lacks guaranteed funding for many of its key provisions. And some have argued that the law’s changes may dilute the “gold standard” of FDA approval for drugs and devices.

How well the law actually delivers on many of its promises remains to be seen. The final passage of the law is a welcome, bipartisan moment at the close of a presidency fraught with partisan battles around his signature legacy: the Affordable Care Act. For hospitals, the positive improvements in the 21st Century Cures law may provide some relief, especially in the face of the uncertainty surrounding repeal-and-replace efforts that loom in the immediate future.

About the author. As government relations director for the Vizient office of public policy and government relations, Steve Rixen closely tracks legislative and regulatory challenges for hospitals, and helps shape advocacy strategies to effectively communicate with policymakers on behalf of Vizient and our members. He has previously served as a strategic policy and communications consultant and also worked as a professional staffer for U.S. Senator Byron Dorgan.

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