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## **Will it be a complete GOP sweep? Or a triple flip? What does it mean for health care?**

In January 2025, President Trump will be president, again. The GOP could have as many as 55 senate seats (there are still a number of undecided races) and the House could be controlled by either party – that will likely be determined within a few days.

So, the presidency flipped, the Senate flipped and the House could go either way.

What does this mean for health care? This memo will outline where we believe it could go next year.

### Kennedy May Run Health Policy

One headline this morning said Trump’s win “paves the way for the MAHA movement.” MAHA: Make America Healthy Again. This is a group led by Robert F. Kennedy, Jr., who stopped his campaign for president and threw his support to Trump. (Click [here](#) for the MAHA website that has more details about its agenda.) Trump referred to Kennedy in his victory speech last night saying “he’s going to help make America healthy again...and we’re going to let him go do it.

Trump could nominate him to run HHS, but more than likely he will be appointed as more of a “Health Czar” in the White House with broad influence over government health policy. It will not only influence HHS, CMS, NIH, FDA, CDC, HRSA, but also the congressional health policy agenda. Kennedy is a vaccine ‘skeptic’ and wants America to stop fluoridating our drinking water. He wants to root out big business influence at the FDA and other health agencies.

The good news for providers, Kennedy’s number one target is chronic disease, which is the primary driver of health care costs in the U.S., according to the CDC.

### HHS Secretary

The two names most often mentioned in GOP circles for the next HHS Secretary are Eric Hargan, former HHS deputy secretary under the first Trump administration and Bobby Jindal, the former Louisiana governor and U.S. Representative. We have also learned that former CMS Administrator in the first Trump Administration, Seema Verma, is also angling for the HHS Secretary job. We know that Hargan has been quietly campaigning for this position for at least a year. Our team has been meeting periodically with Hargan’s current chief of staff over this last

year. There have been several other names floated for HHS Secretary and CMS (both require Senate confirmation, but that will not be an issue with the GOP in firm Senate control.)

### The Senate

With a certain flip to GOP control, there will be substantial changes to health policy. The GOP could have as many as 55 votes, which isn't filibuster proof, but gives the Majority Leader (yet to be determined but the vote is likely next week) control of the floor agenda and much more. I worked for almost eight years for a Republican Senator.

The committee with the most impact on health care payment policy, Senate Finance, will now be led by Mike Crapo, a long-time Senator from Idaho (Strategic Health Care employed his daughter a number of years ago). Crapo is a free-market conservative and not a big fan of the growth of government health care spending. He will take over from Senator Ron Wyden (D-OR) who championed mental health and numerous other Democratic priorities. Almost all Medicare and Medicaid policies run through this committee.

Senator Bill Cassidy (R-LA) is likely to take the helm of the Senate Health, Education, Labor and Pensions Committee from current chair Bernie Sanders (I-VT). Cassidy is also on the Finance Committee, which arguably makes him the most important health care policy senator in the chamber. Cassidy isn't a supporter of the current 340B program. He is also leading the site neutral payment reform effort (which won't happen this year, but will be on the agenda in the next Congress.)

### The House

There are still too many races undecided, so this will be short paragraph. The Republicans are more likely at this time to keep their majority. If this happens, there will likely be a new chair of the Energy & Commerce Committee, which has jurisdiction over Medicaid policy. Reps. Brett Guthrie (R-KY), Bob Latta (R-OH) and Richard Hudson (R-NC) are all in play to chair this important committee. There is also growing speculation that there could be a fight for the chairmanship of the Ways & Means Committee between current Chair Jason Smith (R-MO) and Health Subcommittee Chair Vern Buchanan (R-FL). Note that Buchanan is a major supporter of tackling chronic disease and also views it as the primary health care cost driver.

### The Issues

Big headwinds for providers are likely in a GOP Washington. Here's why:

- **ACA subsidies.** The current ACA premium subsidies expire later next year. GOP leaders have said they are inclined to let those subsidies expire. Several studies show that the loss of these subsidies likely push more people into the ranks of the uninsured. One thing is certain, provider and insurers are likely ramp up advocacy to keep these subsidies going.
- **Medicaid reform.** GOP leaders believe that Medicaid growth is "eating the federal budget" more than any other major program. [Here's](#) a good summary from the State Medicaid Directors Association. All of the Medicaid add-on programs – Direct Payment Program, provider tax, IGTs and Upper Payment Limit – are all under increasing scrutiny on Capitol Hill.

- **Mandatory Staffing.** The GOP would like to overturn the new mandatory staffing regulation for nursing homes and save about \$22 billion (over ten years). They are generally opposed to staffing mandates, which have been strongly pushed by nurses unions, the AARP and other Democratic constituencies.
- **Site Neutral, Price Transparency...** These policies are more strongly supported by GOP members of Congress. While it is unlikely that any of these policies will pass this year's year-end package, they will be front and center in the next Congress. One important factor, a growing number of GOP members of Congress have raised serious concerns about Arnold Ventures, the billionaire-led group that is pushing anti-hospital policies. Many Republicans see the Arnolds as very liberal and pushing initiatives (other than health care) that Republicans oppose. There has even been some Senate discussion about holding a hearing next year into Arnold Ventures' activities.

### Going Forward

Strategic Health Care remains in a very strong position to advocate on behalf of its clients in Washinton. Our advocacy team has deep GOP connections and – despite some likely tough headwinds for providers – will be able to advocate effectively. Our success is also tied to our clients who understand the importance of government in health care, good relationships and always looking forward. We will provide additional election updates to you in the coming weeks through our weekly client report and special memos.