



## FY 2017 Labor, Health & Human Services, Education and Related Agencies Appropriations Bill and Report

### Background

On July 14, the House Appropriations Committee approved the Labor, Health & Human Services, Education and Related Agencies (Labor-HHS) funding bill for Fiscal Year (FY) 2017. Below is an outline of health IT-related provisions in the bill and the Committee Report.

### Interoperability

- \$65.3 million is made available to the Office of the National Coordinator for HIT “for the development and advancement of interoperable health information technology.”
- \$1 million is also made available to fund a grant program to facilitate coordination of rural providers and the VA EHR system.
- AHRQ - Report: \$15.7 million for the Agency for Healthcare Research and Quality for health IT, \$13.7 million of which will go to “Health IT to improve quality.”
- Provides \$33 billion to the VA for IT modernization.

### Telehealth

- \$14.9 million is made available to the Small Rural Hospital Improvement Grant Program “for quality improvement and adoption of health information technology.”
- Report:
  - RURAL HEALTH The Committee recommends \$169,571,000 for Rural Health programs, which is \$20,000,000 more than the fiscal year 2016 enacted level and \$25,409,000 more than the fiscal year 2017 budget request. Rural Health programs provide funding to improve access, quality, and coordination of care in rural communities; for research on rural health issues; for technical assistance and recruitment of health care providers; for screening activities for individuals affected by the mining, transport, and processing of uranium; for the outreach and treatment of coal miners and others with occupation related respiratory and pulmonary impairments; and for the expansion of telehealth services. Within the total for Rural Health activities, the Committee recommends the following amounts:
    - Outreach Programs -\$65,500,000
    - Rural Health Research - \$9,351,000
    - Rural Hospital Flexibility Grants-\$45,609,000
    - State Offices of Rural Health-\$10,511,000
    - Black Lung Clinics-\$7,766,000
    - Radiation Exposure Screening and Education-\$1,834,000
    - Telehealth-\$19,000,000
    - Rural Opioid Overdose Reversal Grant-\$10,000,000 Rural
  - Telehealth.—The Committee directs HRSA to give priority in making grant awards to small hospitals serving communities with high rates of poverty, unemployment, and substance abuse.
  - Department of Labor Licensing.—The Committee continues to support the Department’s efforts to address ways in which harmonizing licensing requirements across States can reduce barriers to labor market entry and mobility including for dislocated workers, transitioning service members, and veterans. \$7,500,000 is provided for the Occupational Licensing Grant program, the same as the fiscal year 2016 enacted level.

### Prescription Drug Monitoring

- Report: The Committee understands that the spread of the prescription drug epidemic throughout the Nation has made the creation, implementation, and use of State Prescription Drug Monitoring Programs (PDMPs) and their ability to operate in concert with Electronic Health Records (EHR) and electronic prescribing (e-prescribing) systems more

important than ever. In furthering this goal, the Committee encourages ONC to continue its support for pilot programs to find usability challenges among PDMP, EHR, and e-prescribing systems; develop and award challenge awards to private entities for health information technology innovation; and offer targeted technical assistance to help medical professionals use PDMP, EHR, and e-prescribing systems. The Committee further encourages ONC to collaborate and coordinate its efforts toward creation, implementation, and use of PDMPs with partner agencies such as the Substance Abuse and Mental Health Services Administration within HHS and the Bureau of Justice Assistance within the Department of Justice.

#### **Unique Patient Identifier**

- Report: The Committee is aware that one of the most significant challenges inhibiting the safe and secure electronic exchange of health information is the lack of a consistent patient data matching strategy. With the passage of the HITECH Act, a clear mandate was placed on the Nation's healthcare community to adopt electronic health records and health exchange capability. Although the Committee continues to carry a prohibition against HHS using funds to promulgate or adopt any final standard providing for the assignment of a unique health identifier for an individual until such activity is authorized, the Committee notes that this limitation does not prohibit HHS from examining the issues around patient matching. Accordingly, the Committee encourages the Secretary, acting through the Office of the National Coordinator for Health Information Technology and CMS, to provide technical assistance to private-sector led initiatives to develop a coordinated national strategy that will promote patient safety by accurately identifying patients to their health information.

#### **Protected Health Information**

- Report: The Committee is concerned about the breadth and consequences of the February 25, 2016 HIPAA guidance regarding access to protected health information (PHI) issued by the Office for Civil Rights in the form of Frequently Asked Questions. In particular, OCR's issuance of the guidance without notice and formal, comment rulemaking newly regulates that covered entities and business associates must use one of three restrictive methods to calculate the reasonable, cost-based fee that they may charge an individual for providing PHI, one of which is an arbitrary "flat fee" option of \$6.50. The guidance also expressly mandates that covered entities and business associates must apply this restrictive calculation scheme not only to an individual's requests for personal access to his or her own PHI or an individual's request to direct records to third parties for patient care and research, but also for commercial uses unrelated to patient care and research. This mandate could result in a significant shift of costs onto patient care for the production of such commercial requests. The Committee urges that OCR delay the enforcement of the guidance and eliminate, or at the very least modify, the three methods to calculate the reasonable, cost-based fee that may be charged the individual; and clarify that the reasonable, cost-based fee applies only to patient access and patient requests directing transmittal of PHI to third parties for patient care and research.

#### **Precision Medicine Initiative**

- Provides \$300 million, an increase of \$100 million, for NIH Precision Medicine Initiative.
- Report:
  - Precision Medicine Initiative (PMI) and Pediatrics.— The Committee recommendation includes a \$100,000,000 increase within the CF for PMI for a total of \$300,000,000 across NIH for PMI. The Committee is aware that the Advisory Committee to the Director (ACD) in its final report supported the inclusion of children in the PMI cohort program and recommends that NIH consider how to best incorporate necessary safeguards to ensure appropriate enrollment, retention and protections for children. The Committee encourages NIH to ensure the process of awarding funds for the PMI cohort appropriately represents the pediatric populations. Further, the Committee requests an update in the fiscal year 2018 budget request on specific steps taken in the PMI to ensure the research cohort includes children in sufficient numbers and of appropriate diversity to make meaningful studies possible.
  - NCI's PMI - The Committee continues support for pediatric oncology research, including clinical studies for children with brain tumors, pediatric preclinical testing program, evaluating new agents for treating pediatric malignancies, and the pediatric Molecular Analysis for Therapy Choice (MATCH) study. The Committee is pleased a goal of the NCI MATCH trial is for at least 25 percent of the total patients enrolled in the trial to have rare cancers, and that results of NCI's recent interim analysis demonstrate the goal is exceeded. The Committee encourages NCI to continue to prioritize rare cancers in the MATCH trial. The Committee requests NCI provide an update on its plans to utilize the PMI and MATCH to identify and test more effective, less toxic treatments, and to improve the targeting of treatments for children battling brain cancer in the fiscal year 2018 budget request.