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SENATE

{ REPORT  
113-71

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATION BILL, 2014

JULY 11, 2013.—Ordered to be printed

Mr. HARKIN, from the Committee on Appropriations,  
submitted the following

**REPORT**

[To accompany S. 1284]

The Committee on Appropriations reports the bill (S. 1284) making appropriations for Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2014, and for other purposes, reports favorably thereon and recommends that the bill do pass.

*Amounts in new budget authority*

Total of bill as reported to the Senate .....	\$783,365,379,000
Amount of 2013 appropriations <sup>1 2</sup> .....	757,440,498,000
Amount of 2014 budget estimate .....	787,803,163,000
Bill as recommended to Senate compared to—	
2013 appropriations .....	+ 25,924,881,000
2014 budget estimate .....	- 4,437,784,000

<sup>1</sup>Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

<sup>2</sup>Includes emergency funding of \$825,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113-2).

that have been previously shown in peer-reviewed publications of clinical trials to reduce cardiovascular risk factors, mortality, myocardial infarction, and stroke.

*Outpatient Drug Dispensing.*—The Committee is strongly committed to eliminating waste in Medicare part D and believes that more should be done to reduce wasteful spending on outpatient prescription drugs in long-term care facilities. The Committee directs the Administrator of CMS to develop additional proposals designed to encourage short-cycle dispensing of outpatient prescription drugs in long-term care facilities and investigate the effects of dispensing fee changes on cost savings in the short-cycle dispensing program. These proposals should be submitted to the Committee no later than 180 days after enactment of this act.

*Provider Nondiscrimination.*—Section 2706 of the ACA prohibits certain types of health plans and issuers from discriminating against any healthcare provider who is acting within the scope of that provider's license or certification under applicable State law, when determining networks of care eligible for reimbursement. The goal of this provision is to ensure that patients have the right to access covered health services from the full range of providers licensed and certified in their State. The Committee is therefore concerned that the FAQ document issued by HHS, DOL, and the Department of Treasury on April 29, 2013, advises insurers that this nondiscrimination provision allows them to exclude from participation whole categories of providers operating under a State license or certification. In addition, the FAQ advises insurers that section 2706 allows discrimination in reimbursement rates based on broad "market considerations" rather than the more limited exception cited in the law for performance and quality measures. Section 2706 was intended to prohibit exactly these types of discrimination. The Committee believes that insurers should be made aware of their obligation under section 2706 before their health plans begin operating in 2014. The Committee directs HHS to work with DOL and the Department of Treasury to correct the FAQ to reflect the law and congressional intent within 30 days of enactment of this act.

*Research.*—The Committee strongly supports the research activities that CMS undertakes to improve the efficiency of payment, delivery, access, and quality of Medicare, Medicaid, and ACA programs. In particular, the Committee supports the proposed increase for the Chronic Conditions Data Warehouse, which makes data on chronic disease rates and health utilization trends within the beneficiary population available to researchers. In addition, the Committee recommendation includes sufficient funding to fulfill the President's request for the Medicare Current Beneficiaries Survey, the Research Data Assistance Center, public use data files, and Medicaid Analytic Data.

*Treatment of Hard-to-Heal Wounds.*—The Committee recommendation includes \$500,000 for CMS to initiate a pilot study on the health outcomes of new medical technologies for treating hard-to-heal wounds. This pilot study should focus on medical technologies that are not currently eligible for reimbursement in CMS programs.