

CLIENT ALERT

Biden Highlights Health Care Agenda During State of the Union Remarks; International Policy Dominated by Ukraine and China Uncertainty

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During his first [State of the Union address](#), President Joseph Biden promised continued coordination with allies and pressure against Russia in response to that country's invasion of Ukraine before pivoting to a domestic agenda and economic recovery plan centered on improving health care for all Americans, rebuilding American manufacturing and infrastructure, and addressing lingering effects of the pandemic. President Biden highlighted accomplishments of his first year in office, such as enactment of the American Rescue Plan and the bipartisan Infrastructure Investment and Jobs Act, and renewed a call for reforming the tax code and immigration system, raising the minimum wage, lowering pharmaceutical prices, subsidizing child care, banning assault weapons and high-capacity magazines, and strengthening voting rights – all major priorities of the Democratic party that have stalled in the closely divided Congress.

President Biden concluded his remarks by laying out a four-point set of bipartisan goals he described as a “Unity Agenda” that he wants to tackle in the year ahead which included (1) beating the opioid epidemic, (2) improving mental health, (3) aiding veterans sickened by burn pits, and (4) cutting the national cancer death rate by at least 50 percent over the next 25 years.

Domestic Agenda

The president's so-called “[Unity Agenda](#)” – and many of the other policy priorities discussed during the State of the Union – centered on improving health care and the lives of working and middle class Americans.

President Biden outlined plans to (1) tackle the opioid epidemic and (2) mental health crises, (3) strengthen nursing home oversight, (4) cut the national cancer death rate, and (5) prepare for the next potential wave of COVID-19. Though not mentioning his now stalled signature domestic policy priority by name, the President also called on Congress to take back up several proposals included in the Build Back Better Plan, namely, extending the temporarily enhanced Affordable Care Act premium tax credits, closing the Medicaid coverage gap, supporting home and community-based care and lowering prescription drug costs by giving Medicare the authority to negotiate drug prices. Below are a few health care-focused provisions of Biden's address:

(1) End the Opioid Crisis: President Biden outlined a plan to tackle the opioid epidemic by (1) increasing funding for treatment and prevention of addiction, (2) getting rid of "outdated" rules that prevent doctors from prescribing treatments for opioid use disorder, (3) expanding evidence-based prevention, harm reduction, and recovery models, and (4) stemming the “flow of illicit drugs by working with state and local law enforcement to go after traffickers.”

(2) Improve Nursing Home Quality: President Biden announced a major overhaul of nursing home quality, including minimum staffing levels and steps to beef up inspections while continuing to mitigate the effects of COVID-19. In a [fact sheet](#) released on February 28, the administration outlined more than 20 separate actions to improve nursing home quality, some of which were sought by advocates and opposed by the industry. In his speech, Biden specifically called out private equity-owned facilities,

noting, “As Wall Street firms take over more nursing homes, quality in those homes has gone down and costs have gone up. That ends on my watch.”

(3) Stand up ARPA-H to accelerate the fight against cancer: President Biden called for Congress to fund his proposed biomedical research agency, the Advanced Research Projects Agency for Health (“ARPA-H”), which he has proposed to place inside the National Institutes of Health (“NIH”), as central to the administration’s goal of cutting the cancer death rate in half over the next 25 years. Modeled after the Defense Advanced Research Projects Agency (“DARPA”), the President stated “ARPA-H will have a singular purpose — to drive breakthroughs in cancer, Alzheimer’s, diabetes and more.”

(4) Address the mental health crisis: Biden also briefly mentioned his plan to address the mental health crisis by increasing access to behavioral health providers and requiring full parity between physical and mental health care. Biden specifically highlighted youth mental health, asking Congress to strengthen privacy protections, ban advertisements targeting children and prohibit technology companies from collecting personal data on kids. The president also highlighted a new telehealth initiative aimed at expanding access to tele- and virtual health (“telemental”) services as one part of a broader roadmap the White House plans to follow to tackle the nation’s mental health crisis.

(5) COVID-19 Preparedness Plan with “Test to treat:” President Biden highlighted an evolved pandemic plan focused on protecting against infection and treating people who develop COVID-19; preparing for new variants; preventing economic and school shutdowns; and supporting efforts to continue to prevent and treat infections around the world. Part of the plan is a new “test to treat” initiative “so people can get tested at a pharmacy, and if they prove positive, receive antiviral pills on the spot at no cost.” The administration is expected to announce participating sites and community centers this month. The president also announced another round of free COVID-19 home tests that will be made available at covidtests.gov starting next week.

Lowering insulin, prescription drug costs: President Biden also renewed his priority pledge to lower prescription drug prices, specifically calling on Congress to enact legislation to “cap the cost of insulin at \$35 a month so everyone can afford it,” and to allow Medicare to negotiate the price of prescription drugs. Both of these measures were included in the House-passed Build Back Better bill which stalled in the Senate late last year.

Other Domestic Priorities: While President Biden took a victory lap for signing into law the largest infrastructure spending law in the nation’s history, he also repeated his commitment to building a network of 500,000 electric vehicle charging stations and replacing all lead contaminated drinking water lines, a subtle reminder that the Bipartisan Infrastructure Law provided only partial funding for these projects and that the Build Back Better agenda remains unfinished.

President Biden also stated that the investments in infrastructure – and strong Buy America requirements – will also help boost domestic manufacturing and secure supply chains across industry sectors.

The president announced the creation of a Department of Justice led task force to combat identify theft and criminal fraud associated with the pandemic relief programs, which has diverted resources away from individuals and small businesses impacted by the COVID-19 pandemic.

While the president said the administration would release 30 million barrels of oil from the Strategic Petroleum Reserve in response to the war in Ukraine, he did not announce any major shift on energy policy or support for increased domestic production of oil and gas to mitigate against inflation and recent increases in gas prices.

International Issues

The war and humanitarian crisis in Ukraine were the focus of the president's remarks on the state of the world. In addition to highlighting the recent imposition of sanctions, the president announced the creation of a task force, to be led by the Department of Justice, "to go after crimes of the Russian oligarchs" and "to find and seize their yachts, their luxury apartments, [and] their private jets." He also pledged that the United States would close off its airspace to all Russian flights.

The president also turned his attention to China, remarking the recently enacted infrastructure law was needed to keep pace with China, but that more needs to be done to bolster the domestic manufacturing capacity for microchips.

Conclusion

The 2022 State of the Union address makes clear that the Biden administration has much it wants to accomplish over the coming year from lower drug prices and decreased use of fossil fuels to higher taxes on corporations and increased wages for workers. Both the international stage and domestic economy are as uncertain and volatile as they have been in decades, and a range of industry sectors – from health care and pharmaceuticals, to energy, transportation, and manufacturing – will have to navigate this uncertainty during a time when they can also expect increased regulation and oversight by the Biden administration and Democrats in Congress. In the end, with the pending November 2022 Congressional elections potentially leading to a switch to Republican control of the U.S. House or Senate, this will be an important year for the Biden team to attempt to move its legislative agenda through the U.S. Congress.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

Byron R. Brown

Senior Counsel – Washington, D.C.

Phone: +1.202.624.2546

Email: bbrown@crowell.com

Stacie Heller

Senior Policy Director – Washington, D.C.

Email: sheller@crowell.com

James G. Flood

Partner – Washington, D.C.

Phone: +1.202.624.2716

Email: jflood@crowell.com

Kate Beale

Senior Policy Director – Washington, D.C.(CMI)

Phone: +1.202.508.8997

Email: kbeale@crowell.com

W. Scott Douglas

Senior Policy Director – Washington, D.C.

Phone: +1.202.508.8944

Email: sdouglas@crowell.com

Tim Shadyac

Director, Government Affairs – Washington, D.C.

Phone: +1.202.624.2958

Email: tshadyac@crowell.com