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Election 2020 Snapshot:
Helping our life sciences and
health care clients make sense
of the U.S. election results

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President-elect Joe Biden has pledged to expand the role of the federal government in response to the COVID-19 public health emergency, build on the Affordable Care Act, and continue drug pricing reform efforts. These actions will create opportunities for companies in the life sciences and health care space, who may find more ways to partner with the government under the Biden administration.

Anticipated policy changes

In response to the COVID-19 pandemic, President-elect Joe Biden has pledged to ramp up testing to prevent spread of the disease. Efforts to expand testing could include offering free testing regardless of insurance, increasing drive-by testing, and promoting the creation of at-home tests and instant tests. Biden said he would also invest in next-generation testing, create a pandemic testing board, and establish a U.S. Public Health Jobs Corps to perform contact tracing.

Joe Biden has further pledged to expand the federal response by using the Defense Production Act to ramp up production of masks, face shields, and other personal protective equipment, while promoting American-sourced manufacturing capabilities. Biden would encourage more CDC guidance, establish a renewable fund for state and local governments to help prevent budget shortfalls, and press Congress to pass additional funding measures to support schools and small businesses, including full federal subsidies for COBRA premiums during the pandemic.

In addition to these increases in federal spending, Biden would invest \$25 billion in a vaccine manufacturing and distribution plan, and establish a COVID-19 Racial and

Ethnic Disparities Task Force that would transition to a permanent Infectious Disease Racial Disparities Task Force, and create the Nationwide Pandemic Dashboard. Last, Biden would promote greater international cooperation, including restoring the White House National Security Council Directorate for Global Health Security and Biodefense, as well as the United States' relationship with the World Health Organization

Meanwhile, the Biden Administration will seek to protect the Affordable Care Act and Biden said he would also build on the ACA to create "Bidencare" – a program that would offer all Americans a public health care option similar to Medicare, which would be available on the ACA insurance exchanges. Bidencare would have power to negotiate lower prices from hospitals and other health care providers, coordinate among all of a patient's doctors, cover primary care without any co-payments, increase the value of tax credits to lower premiums, and offer premium-free access to the public option for people in the 14 states that have not taken up the ACA's expansion of Medicaid eligibility.

Continuing the efforts of the Trump administration, Joe Biden said he would push drug pricing reforms

including permitting drug importation, stopping surprise billing, and repealing the existing law explicitly barring Medicare from negotiating lower prices with drug corporations. Biden also pledged that the Department of Health and Human Services (HHS) would work in his administration to establish an independent review board to assess drugs' value and recommend a reasonable price, based on the average price in other countries (a process called external reference pricing); or, if the drug is entering the U.S. market first, based on an evaluation by the independent board members. In addition, Biden said he would work to prohibit all brand, biotech, and "abusively priced" generic drugs from increasing their prices more than the general inflation rate. Furthermore, Biden said he would end the tax deduction for prescription drug ad spending, and he supports proposals to accelerate the development of safe generics.

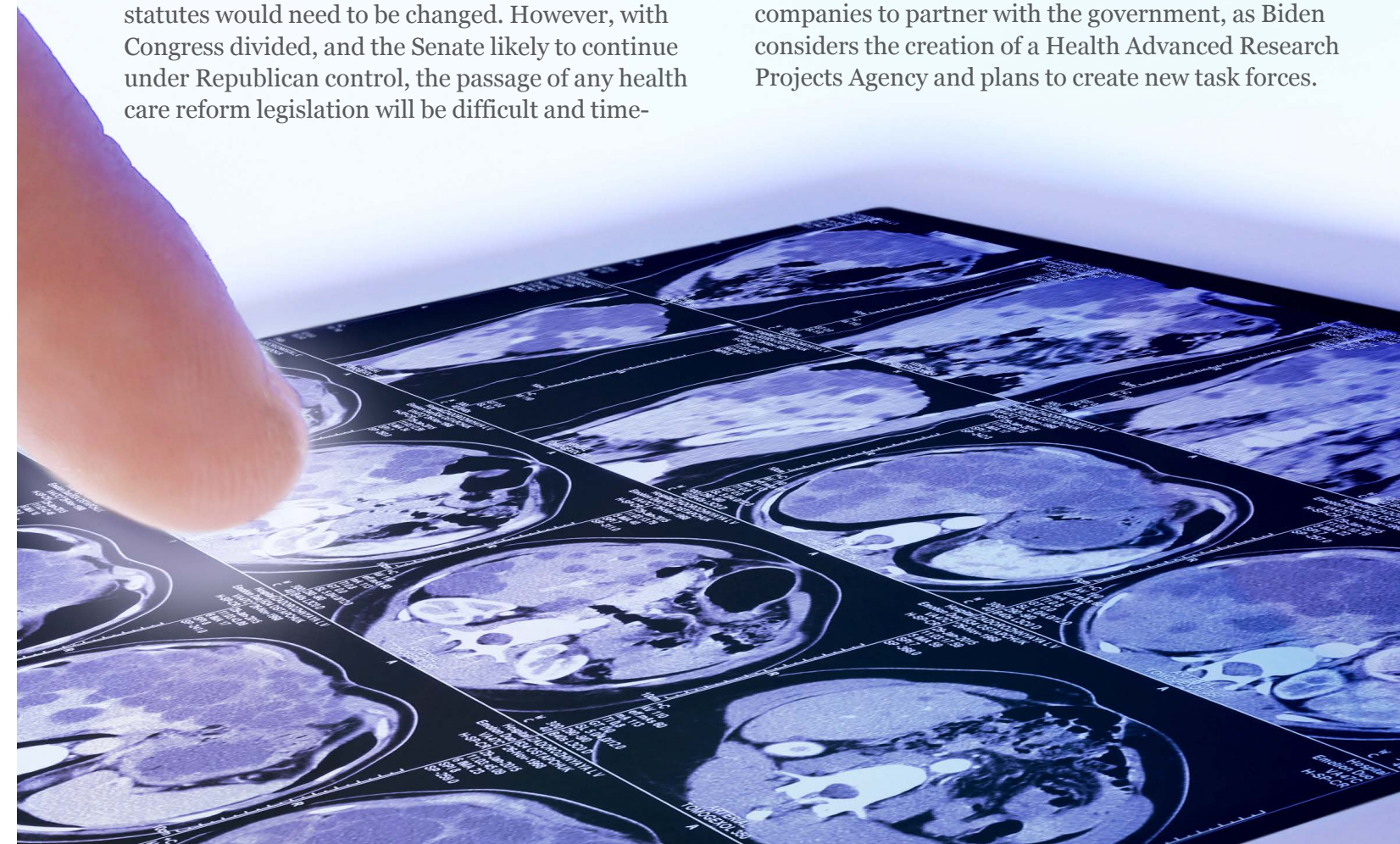
Implications/Opportunities

While some of the reform efforts promised by Joe Biden can be accomplished through executive action, some larger changes will require legislation, because statutes would need to be changed. However, with Congress divided, and the Senate likely to continue under Republican control, the passage of any health care reform legislation will be difficult and time-

consuming. For example, Biden's plans to expand to a public health care option and to expand Medicare to younger people would face huge obstacles in a Republican-controlled Senate, and could be challenging to pass even if the Democrats win the two seats in Georgia that will have run-off elections in January. Even in areas where both parties' goals align, such as drug pricing reform, partisanship may continue to keep each party from approving the other's proposals.

Nevertheless, we should expect the Biden administration to work to make health care more affordable to patients through mechanisms already available in the law. For example, Biden likely will encourage states to expand their Medicaid programs without work requirements or eliminate those requirements in existing programs. Biden can also seek to increase advertising for the open enrollment period and expand that period.

Regarding COVID-19, we can expect the Biden administration to be focused on a national plan for testing, vaccines, and PPE production and distribution, along with the dissemination of federal public health guidelines. This will create opportunities for life sciences and health care companies to partner with the government, as Biden considers the creation of a Health Advanced Research Projects Agency and plans to create new task forces.



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Useful resources

- [FDA advises drug manufacturers on best practices for restarting operations during COVID-19 pandemic](#)
- [COVID relief legislation update \(Phase 4/CARES 2.0\)](#)
- [HHS tackles barriers to value-based care: Part 1 – new protections for value-based arrangements under Stark and the AKS and other key AKS changes](#)
- [Trump administration reversal would take away FDA's authority to approve biosimilars](#)
- [Protecting biomedical innovation as a national security asset](#)
- [HHS ends EUA requirement for Laboratory Developed Tests; FDA may continue to assert authority](#)
- [FDA, CMS actions on drug importation promise much, likely deliver little](#)

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