2023 State & Federal Healthcare Legislative & Regulatory Landscape

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OUTLINE

- **Impact of 2022 Election Cycle on the Health Sector**
  - State
  - Federal
- **2023 Texas Legislative Session**
  - 2021-22 Interim Legislative Activity
  - Health Sector Impacts
- **2023 Federal and Congressional**
  - Health Sector Impacts

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2022 Election Cycle Overview

- **Republicans swept all statewide offices in Texas**
- **Republicans gained seats in the Texas Senate and House**
- **Texas gained 2 congressional districts this cycle**
  - CD 38 (Houston); and CD 37 (Austin/Central Texas)
- **Republicans gained ground in South Texas**
  - Including CD 15 Monica De La Cruz
- **Democrats generally outperformed expectations nationally**
- **Republicans regained control of US House**
- **Democrats maintained control of US Senate**
- **Expect most ideologically conservative Texas legislature in history**
- **Expect significant congressional gridlock, particularly as the 2024 presidential election cycle looms**

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2022 Election Cycle Overview - State

- **Republicans maintained control of all statewide offices**
  - Last Democrat elected statewide was in 1994
- **Republicans gained one seat in the Texas Senate**
  - 19/12 Republican majority
  - With incremental weakening of the *traditional "2/3 rule,"* Republicans only need 18 votes to advance legislation
  - 6 new freshman senators
  - Only one Democrat chairs a Senate committee
- **Republicans gained three seats in the Texas House**
  - 86/64 Republican majority
  - 25 new freshmen House members
  - Republicans hold majorities of all House committees
  - Democrats chair one-third of House committees

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2022 Election Cycle Overview - Federal

- **In considering historical mid-term, election cycle performance, Republicans generally underperformed, and Democrats outperformed expectations**
- **Democrats retained control of the US Senate; picked up seats**
  - 49 Republicans; 48 Democrats; 3 Independents (Sanders, King and Sinema, all of whom caucus with Democrats)
- **Republicans took control of the US House**
  - 222/213 Republican majority
  - House Speaker Kevin McCarthy
  - Democratic Majority Leader Hakeem Jeffries supplants Nancy Pelosi; signals the future of US House leadership
  - House Republican leadership has prioritized "cutting federal spending" and balancing the federal budget within 10 years
  - Anticipate considerable investment of House committees' time exploring COVID mandates and funding

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2021-22 Interim Legislative Activity

- **Several Texas Senate and House Standing Committees considered an array of health and human services issues during the legislative interim:**
  - Use of American Rescue Plan Act (ARPA) funding: determining whether providers are complying with state reporting requirements, including reporting of COVID relief funds
  - COVID impacts on the health sector workforce, and mental health; and education deficiencies in Texas public schools
  - 1115 Medicaid Waiver and supplemental payment programs
  - Medicaid eligibility
  - Price transparency, competition, and consumer protections within the health insurance marketplace
  - Broadband infrastructure, telemedicine and telehealth
  - Interim Committee reports, and associated legislative proposals, emerged in the weeks before the beginning of the 2023 state legislative session

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[2023 Health Law eConference](#)

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