

FEDPAC AND LEGISLATIVE COMMITTEE MEETING

Thursday, September 29, 2022 9:15 am – 10:15 am (ET) 750 9th Street NW, Washington DC 1st Floor Conference Room, Victor Building (FAH Office Building)

Dial-in Number: 888-585-9008 Conference Room: 538-468-065

- I. WELCOME AND ANTITRUST STATEMENT
- II. PRESIDENT'S REPORT

III. EXPECTATIONS FOR LAME DUCK & 118th CONGRESS

- a. Presentation Speakers (Biographies on Pg. 2):
 - i. Steve Elmendorf, Subject Matter
 - ii. Kirk Blalock, Fierce Government Relations

IV. CONGRESSIONAL UPDATE

- a. Rural Extenders
- b. PAYGO
- c. MA / Prior Authorization
- d. Telehealth
- e. IRF RCD
- f. Additional FAH Priorities for Year-End

V. FEDPAC

- a. FedPAC Report
- b. 2022 Voluntary Goals
- c. 2023 Planning

Steve Elmendorf

Steve is widely recognized as one of Washington, D.C.'s., preeminent political strategists. With a career on Capitol Hill and in politics spanning more than 30 years, Steve's tenure in Washington has been grounded in daily interaction with the White House, administration officials, senators, members of Congress and leading interest groups on the front lines of the economic, social, domestic, national security and foreign policy debates of the last decades. Steve rose to the highest-level Democratic staffer in the House of Representatives as chief of staff to House Democratic Leader Richard Gephardt. Upon leaving the Hill, he served as a senior advisor to the Gephardt, Kerry and Clinton presidential campaigns. Since 2006, Steve has represented some of the nation's most important corporations, trade associations and organizations on critical legislative and regulatory issues, helping to drive their businesses, build their brands and expand their market shares. He has been a frequent guest on CNN, MSNBC and Fox News, and is consistently listed among the most influential leaders in Washington by Politico, The Hill, GQ and other national publications.

Kirk Blalock

Kirk Blalock joined the firm in 2002 after serving President George W. Bush as Special Assistant to the President and Deputy Director, White House Office of Public Liaison.

He was Bush's lead staff liaison to the U.S. business community. Since joining the firm, Kirk has focused on firm management and new client development, while providing strategic counsel to the firm's clients.

Previous to his Presidential appointment, Kirk served in several key positions, including: Director of External Affairs, Philip Morris Companies Inc.; Special Assistant to Chairman Haley Barbour, Republican National Committee; and Special Assistant to U.S. Secretary of Education Lamar Alexander.

Kirk served as the National Chairman for Young Professionals for John McCain during the 2008 Presidential election. He is a member of the Board of Visitors of The Fund for American Studies, a member of the Board of Governors of the Bryce Harlow Foundation, a member of the Economic Club of Washington D.C. and Co-Chair St. Stephen's and St. Agnes School Capital Campaign – Saints Together, Our Campaign for Community.

The Atlanta, Georgia native is a graduate of Auburn University.

Rebecca Pitt, Chair

VP, Communications and Public Relations Community Health Systems 4000 Meridian Boulevard Franklin, TN 37067-6325 615-465-2750 rebecca_pitt@chs.net

Steve Albrecht

Vice President, Government Affairs ScionHealth 317-353-6308 Steve.Albrecht@kindred.com

Bryan Anderson

Vice President, Government Relations HCA Healthcare One Park Plaza, Bldg. 1-2E Nashville, TN 37203 615-344-2736 bryan.anderson@hcahealthcare.com

Christi Braun

Deputy General Counsel of Operations ScionHealth

Elizabeth Brisley

Senior Manager, Government Affairs Encompass Health 25 Massachusetts Ave, NW, Suite 500-H Washington, DC 20001 202-448-1452 elisabeth.brisley@encompasshealth.com

J. Craig Brooks

Senior Counsel, Operations HCA Healthcare 1 Park Plaza Nashville, TN 37202-0550 615-344-1357 craig.brooks@hcahealthcare.com

Jeff Cohen

Senior Vice President, Government Relations HCA Healthcare 1 Park Plaza, 1-4 West Nashville, TN 37203 615-344-2092 jeff.cohen@hcahealthcare.com

David Critchlow

Senior Vice President, Government Relations LifePoint Health 330 Seven Springs Way Brentwood, TN 37027 615-920-7676 david.critchlow@lpnt.net

Corey Davison

Vice President, Government Relations Tenet Healthcare Corporation 14201 Dallas Parkway Dallas, TX 75254 469-893-2293 corey.davison@tenethealth.com

David M. Dill

Chairman & CEO LifePoint Health 330 Seven Springs Way Brentwood, TN 37027 615-920-7986 david.dill@lpnt.net

Susan Feeney

Vice President, Communicatins & Public Policy ScionHealth 202-607-0315 Susan.Feeney@ScionHealth.com

Dean French

Chief Medical Officer ScionHealth 406-370-8315 dean.french@scionhealth.com

Gail Garrett

Vice President, Regulatory Compliance Support HCA Healthcare 1 Park Plaza, Bldg 2 - 3W Nashville, TN 37203-6527 615-344-6365 gail.garrett@hcahealthcare.com

Justin Gibbs

Assistant Vice President LifePoint Health 330 Seven Springs Way Brentwood, TN 37027 615-920-7357 justin.gibbs@lpnt.net

Chuck Girard

Vice President, Government Relations HCA Healthcare One Park Plaza, Bldg. 1-2E Nashville, TN 37203 615-344-4659 charles.girard@hcahealthcare.com

Jon Ros Grayson

Director State Government Relations HCA Healthcare One Park Plz, 1-2E Nashville, TN 37203 615-344-2709 jon.grayson@hcahealthcare.com

Robert Halinski, MBA

Staff Vice President of Reimbursement Universal Health Services, Inc. 367 South Gulph Road King of Prussia, PA 19406-0958 610-768-3413 bob.halinski@uhsinc.com

Cari Hollis

AVP Telehealth LifePoint Health 330 Seven Springs Way Brentwood, TN 37027 615-920-7570 cari.hollis@lpnt.net

Justin Hunter

Senior Vice President, Public Policy, Legislation Encompass Health Corporation 300 New Jersey Avenue, NW Washington, DC 20001 202-448-1649 justin.hunter@encompasshealth.com

Matthew D. Klein

Senior Vice President & General Counsel Universal Health Services, Inc. 367 South Gulph Road King of Prussia, PA 19406-0958 610-768-3433 matthew.klein@uhsinc.com

Fred Ortega

Senior Director, Government Relations Prime Healthcare Services 3480 E Guasti Road Ontario, CA 91761 909-638-0031 FOrtega@primehealthcare.com

Brock Phillips

Director, Federal Affairs
Tenet Healthcare Corporation
1455 Pennsylvania Ave NW, Suite 400
Washington, DC 20004
202-465-0727
brock.phillips@tenethealth.com

Mark Poppell

Senior Vice President, Reimbursement LifePoint Health 330 Seven Springs Way Brentwood, TN 37027 615-920-7284 mark.poppell@lpnt.net

Parker Sherrill

Government Relations HCA Healthcare 310 25th Avenue North, Suite 101 Nashville, TN 37203-1515 615-320-9028 parker.sherrill@hcahealthcare.com

Nathan Summar

Vice President, Revenue Management Community Health Systems 4000 Meridian Blvd Franklin, TN 37067 nathan_summar@chs.net

Russell Palk

Assistant Vice President, Government Relations LifePoint Health 330 Seven Springs Way Brentwood, TN 37027 615-920-7604 russell.palk@lpnt.net

Justin D. Pitt

EVP and General Counsel Community Health Systems 4000 Meridian Boulevard Franklin, TN 37067 615-465-7370 justin_pitt@chs.net

Jason Ross

Senior Vice President, Revenue and Network LifePoint Health 330 Seven Springs Way Brentwood, TN 37027 615-920-7386 jason.ross@lpnt.net

Doug Skrzyniarz

Vice President, Government Relations Community Health Systems 4000 Meridian Boulevard Franklin, TN 37067-6325 615-465-7172 doug skrzyniarz@chs.net

Warren Tardy

Government Relations Consultant HCA Healthcare warren.tardy@hcahealthcare.com

Mark Tarr

President and Chief Executive Officer Encompass Health Corporation 3660 Grandview Parkway, Suite 200 Birmingham, AL 35243-3331 205-969-7570 mark.tarr@encompasshealth.com

Elizabeth Walsh

Universal Health Services 1001 Kings Highway South Cherry Hill, NJ 8034 609-518-2259 elizabeth.walsh@uhsinc.com

Jason Zachariah

Chief Operating Officer LifePoint Health 330 Seven Springs Way Brentwood, TN 37027 615-920-7704 jason.zachariah@lpnt.net

FAH STAFF:

Jonathan Jagoda

Senior Vice President, Legislative Affairs Federation of American Hospitals 750 9th St NW Washington, DC 20001 202-624-1521 jjagoda@fah.org

Kara Townsend

Director, Policy HCA Healthcare One Park Plaza, Bldg. 1-2E Nashville, TN 37203 615-344-4942 kara.townsend@hcahealthcare.com

Melissa Wong

Coordinator, Government Relations Tenet Healthcare Corporation 14201 Dallas Parkway Dallas, TX 75254 469-893-6650 melissa3.wong@tenethealth.com

FAH STAFF:

Rebecca Heilig

Vice President, Legislation Federation of American Hospitals 750 9th St NW Washington, DC 20001 202-624-1528 rheilig@fah.org

FAH STAFF:

Abby Kaericher

Vice President, Legislation and Associate General Counsel Federation of American Hospitals 750 9th St NW Washington, DC 20001 202-624-1516 akaericher@fah.org

Antitrust Statement Federation of American Hospitals

To Be Recited By Chairman

I would like to remind everyone that the Federation, its representatives, and its members, are committed to the continued existence of competitive health care delivery systems and markets, and ongoing compliance with all applicable federal and state antitrust laws.

As such, you are reminded that the Federation will not permit at this meeting, or in any other of its forums, any discussion or remarks that suggest or invite anti-competitive conduct among its member hospitals and/or health care systems.

Political and Policy Landscape

September 2022

(Prepared on September 15)

Congress

- Congress returns this month for a short work period before adjourning to campaign.
- With limited floor time available, Congress will focus on:
 - o Continuing Resolution (CR) to fund the government through mid-December.
 - Administration requested \$47B in supplemental funding for Ukraine, COVID, monkeypox and disaster relief.
 - COVID and monkeypox relief highly unlikely.
 - FAH advocating for inclusion of rural health extenders (LVH & MDH).
 - Senate confirmation of judicial nominations.
- Prior to the August recess, Democrats passed the *Inflation Reduction Act* through the reconciliation process to address health care, climate/energy, tax, and deficit reduction before the midterms. Notably, the legislation:
 - Allows Medicare to negotiate certain prescription drug prices and caps out-ofpocket costs for seniors at \$2,000.
 - o Extends expanded ACA subsidies through 2025 (key FAH priority).
 - o Establishes a 15% Corporate Minimum Tax applied to billion-dollar companies.
 - o Establishes a stock buyback 1% excise tax.

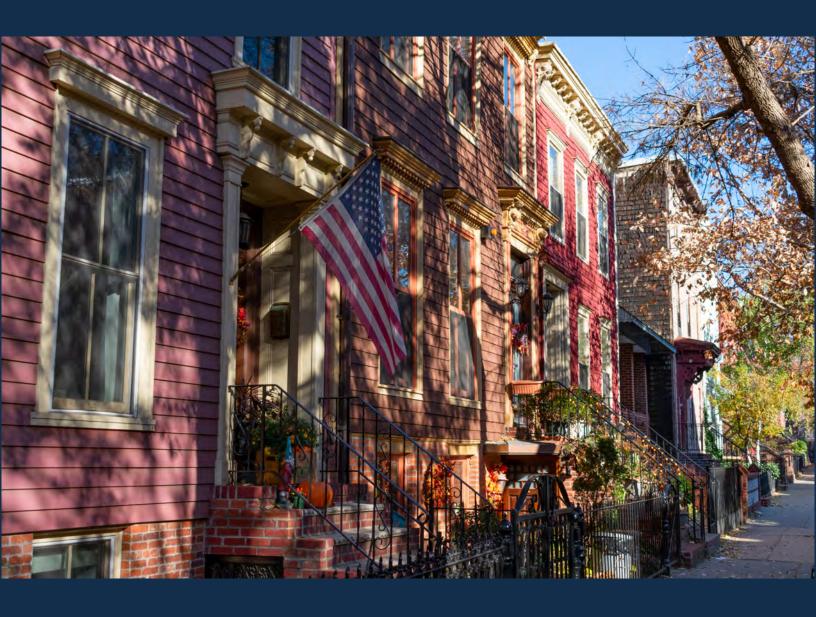
2022 Midterm Election Preview

- Republicans appear likely to gain control of the House, though a "red wave" may now be out of reach due to the *Dobbs* impact on voter turnout as well as recent Democratic legislative wins, yet still dependent on economic conditions.
- Control of the Senate remains a toss-up, though the odds of Democrats retaining control have modestly improved.

Lame Duck Priorities

- Congress will return after the election to focus on a long-term government spending bill.
 - o FAH will focus advocacy on waiving statutory PAYGO (4% Medicare sequester) and establishing long-term extension of rural health programs.
- FAH also will focus on legislation to streamline and improve Medicare Advantage prior authorization, telehealth, mental health, and pandemic preparedness.
- Outcome of the election and margins of control will have a major impact on Democratic and Republican leadership teams selected in the House. Many view current Republican Leader McCarthy and Whip Scalise as odds-on favorites to ascend to Speaker and Majority Leader, respectively, in a Republican House, though margins matter.
- Senate Leadership is expected to stay the same regardless of election outcome.

Invariant



Election Update Issue 8

September 15, 2022

Primary season is over, and the first ballots of the general election were mailed out to North Carolina voters on Friday. Democrats are buoyed by what they see as changing political fortunes on the ground – surprise special election wins in NY-19 and the Alaska At-Large seat, high female voter registration numbers, lower gas prices, and an uptick in President Joe Biden's approval rating. Cook Political Report revised its estimate for Republican pickups in the House from 20-35 to 10-20. FiveThirtyEight's forecast continues to predict Republicans will take control of the House while Democrats are "slightly favored" to retain the Senate majority.

A <u>Washington Post analysis</u> of voter registrations in Florida, Kansas, and Pennsylvania indicates a significant increase in the percentage of women registering to vote compared to men following the *Dobbs* decision. GOP candidates are <u>moderating</u> their abortion stances on their websites, the <u>airwaves</u>, and the campaign trail following their primaries. An August 21 <u>NBC poll</u> found that 58 percent of voters disapprove of the Supreme Court's decision, while 38 percent approve. A Democratic victory in a New York special election was <u>propelled</u> by focusing on abortion rights while the Republican candidate focused on economic issues. In gubernatorial races, abortion is front and center as candidates must explain how they will handle the shift of control over abortion rights from the federal government to the states.

Democrats hope economic improvements will provide some room to run in tough districts. Total employment is finally <u>exceeding</u> pre-pandemic levels, inflation is slowing, and gas prices are down. The stable economic performance through the end of the summer and into the early weeks of September is putting Democrats in a better position than in the first half of the year. If inflation advances and the Federal Reserve continues to aggressively hike rates, this momentum can quickly shift against Democrats.

Biden's approval rating is on its way up – 42.5 percent in an <u>aggregation of recent polls</u>, a seven-point increase since May. Democratic congressional candidates generally outpoll the first-term President but are warming to the President on the campaign trail after recent legislative victories. While former President Barack Obama's approval hovered around 45 percent leading up to the 2010 midterms, where Republicans gained 63 seats in the House, the district-by-district state of play makes a more modest majority this year the most likely outcome. House Republican Leader Kevin McCarthy (R-CA) is <u>warning</u> donors about potential chaos if the Republicans do not have enough majority votes to counter far-right Members who may split from the GOP Conference.

Former President Donald Trump continues to influence Republican candidates despite not being on the ballot. His endorsements carried many Republican Senate candidates to <u>primary victories</u>, particularly in states with open seats held by GOP retiring Members. In the House, Cook Political Report's Dave Wasserman <u>noted</u> that 21 of 26 Trump-endorsed House candidates won their primaries, and only two incumbents – Rep. Dan Newhouse (R-WA) and Rep. Nancy Mace (R-SC) – survived pro-Trump challenges.

With 54 days to go until Election Day, here is Invariant's latest outlook on the state of play in the House, Senate, and gubernatorial races to watch. We will publish every other week going forward, with a special edition on Friday, November 4.

HOUSE OF REPRESENTATIVES

221 D 212 R 2 Vacant	Current Makeup	
5	Net Gain to Flip	
78-85	Competitive	

Last month, voters elected Pat Ryan (D) and Joe Sempolinski (R) to complete open terms in NY-19 and NY-23, respectively. In Alaska, Democrat Mary Peltola won the special election to replace the late Rep. Don Young (R) in the state's first use of ranked-choice voting, defeating Republicans Sarah Palin and Nick Begich III. Reps. Mondaire Jones (D-NY) and Carolyn Maloney (D-NY) were defeated in their primaries, and Rep. Charlie Crist (D-FL) resigned after winning his gubernatorial primary, bringing the number of Democrats leaving Congress to 39.

In seven of Massachusetts' nine congressional districts, the Republican and Democratic primaries were uncontested, and no incumbent faced a challenge. In Indiana, a caucus of state Republicans chose Rudy Yakym III to replace the late Rep. Jackie Walorski on the November ballot in IN-02 following her sudden death this summer; that race is considered Solid Republican.

Primary and Special Election Results

- AK-AL Special Election: In an upset, Democrat Mary Peltola won the ranked-choice special election to complete the term of the late Rep. Don Young (R). In Alaska, voters rank candidates in order of preference, and a candidate must receive at least 50 percent of the vote to win. If no candidate passes the 50 percent threshold in the first round, voters' second preferences are allocated to the top-two vote-getters from the first round. After two rounds in the special election, Peltola secured 51.5 percent of the vote over Trump-endorsed former Governor Sarah Palin (R), who advanced ahead of businessman Nick Begich III (R). While the two Republican candidates received 59 percent of the votes in the first round, not enough Begich supporters ranked Palin second to give her the win. Palin only won 50 percent of the remaining Republican votes in the second round of tabulations, while 29 percent of voters who voted for Begich split parties and ranked Peltola second. The three will face a rematch in November for a full term.
- **FL-01:** Trump-backed Rep. Matt Gaetz defeated Republican challengers Mark Lombardo and Greg Merk, despite coming under <u>fire</u> for his potential involvement in a sex-trafficking

investigation. Gaetz will face Rebekah Jones, a former state health department analyst who gained notoriety after alleging the state was underreporting COVID-19 cases early in the pandemic. Jones <u>defeated</u> lawyer and advocate Peggy Schiller for the Democratic nomination. The race is rated Solid Republican.

- **FL-02:** Two incumbents will face off after redistricting scrambled district lines in North Florida. Three-term Democratic Rep. Al Lawson will challenge Republican Rep. Neal Dunn in a deep red district. The race is rated Solid Republican.
- FL-04: Businesswoman and previous congressional candidate L.J. Holloway defeated State Sen. Anthony Hill by only 0.4 percent, landing her the Democratic nomination. Holloway will face Republican State Sen. Aaron Bean in the newly drawn district. Bean received support from much of Florida's GOP establishment and defeated challengers Erick Aguilar and Jon Chuba. The seat is rated Solid Republican.
- FL-07: Cory Mills, a decorated U.S. Army combat veteran, narrowly <u>defeated</u> State Rep. Anthony Sabatini in an eight-person Republican primary. Mills will take on the current vice-chair of Florida's Democratic Party and longtime Democratic campaign <u>organizer</u> Karen Green. Democratic Rep. Stephanie Murphy chose to retire rather than face reelection with a less favorable map. The seat is rated Likely Republican.
- **FL-10:** Twenty-five-year-old gun control activist Maxwell Alejandro Frost came out on top of a 10-person Democratic <u>primary</u>, defeating State Sen. Randolph Bracy and former Rep. Alan Grayson, among others. Frost will face Republican winner and U.S. Army Green Beret Calvin Wimbish in the race to replace Rep. Val Demings, who is <u>running</u> for the Senate. The race is rated Solid Democratic.
- **FL-11:** Uncontested Democratic nominee and small business owner Shante Munns will take on Republican Rep. Daniel Webster in November. Webster narrowly defeated <u>farright</u> activist and self-described "proud Islamophobe" Laura Loomer, who refused to concede. The race is rated Solid Republican.
- **FL-13:** Trump-endorsed Air Force veteran Anna Paulina Luna <u>defeated</u> other Republican candidates to win the district's primary, including attorney and business owner Kevin Hayslett. Luna will take on the uncontested Democratic nominee Eric Lynn, a former Obama senior advisor. The winner will replace Rep. Charlie Crist (D), who resigned from the House to focus on his run for governor. The race is rated Likely Republican.
- **FL-15:** Investigative <u>journalist</u> and news anchor Alan Cohn defeated four other candidates to win the Democratic primary, including longtime progressive activist Gavin Brown. Cohn will face former Florida Secretary of State Laurel Lee, who came out on top of an equally crowded Republican primary, <u>defeating</u> State Senator Kelli Stargel. The seat is

- open following Rep. Scott Franklin's (R) move to run in the 18th district. The seat is rated Likely Republican.
- **FL-16:** Republican Rep. Vern Buchanan defeated challenger Martin Hyde, a Florida businessman who <u>stated</u> he would have killed the FBI agents who searched Trump's property if they did the same thing to his home. Buchanan will be up against lawyer and uncontested Democratic candidate Jan Schneider in the November election. The race is rated Solid Republican.
- **FL-23:** Jared Moskowitz, a Broward County commissioner and former director for the Florida Division of Emergency Management, defeated five other Democrats to secure the primary nomination. He will face Republican candidate Joe Budd, an entrepreneur who came out on top of a seven-person Republican primary. Moskowitz is likely to succeed Democratic Rep. Ted Deutch, who is leaving Congress at the end of this month to head the American Jewish Committee (AJC). The race is rated Solid Democratic.
- FL-27: Republican Rep. María Elvira Salazar defeated challenger and Cuban immigrant
 Frank Pollo to secure the Republican nomination and face Annette Taddeo in the general
 election. Taddeo was a late addition to the race, joining Democrats Ken Russell and Angel
 Montalvo after she dropped her gubernatorial bid. While Taddeo's ability to appeal to
 moderates will increase the competitive nature of the race, she remains a long shot. The
 seat is rated Likely Republican.
- **NH-01:** After running unopposed in the Democratic primary, Rep. Chris Pappas will face former Trump White House press official Karoline Leavitt in the general election. Leavitt defeated fellow Trump Administration official Matt Mowers, who lost despite endorsements from prominent Republicans, including McCarthy. This race is rated as a Toss-Up.
- NH-02: Pro-Trump candidate Robert Burns beat the more moderate and pro-choice
 Keene Mayor George Hansel in the Republican primary to take on Rep. Annie Kuster (D),
 who ran unopposed. While Burns only raised \$35,000, he benefitted from more than
 \$100,000 in late ads by a Democratic-backed Super PAC highlighting his support for
 Trump. The Cook Political Report moved this race from a Toss-Up to Lean Democrat.
- NY-01: Republican Navy veteran Nick LaLota defeated businesswoman Michelle Bond and
 political consultant Anthony Figliola to replace Rep. Lee Zeldin (R), who is running for
 governor. Democrat and Suffolk County legislator Bridget Fleming ran unopposed for her
 party's nomination after fellow county legislator Kara Hahn dropped out and rival Jackie
 Gordon was redrawn into the second district. This seat is rated Lean Republican.
- **NY-02**: Rep. Andrew Garbarino (R) fought off a primary challenge from self-proclaimed "America First Candidate" and veteran Captain Robert Cornicelli. Garbarino faces a rematch in November against retired Army officer and former Babylon Councilwoman

Jackie Gordon (D), who ran unopposed. Garbarino beat Gordon 53 percent to 46 percent in 2020. Although redistricting moved this seat slightly to the left from Trump +4 to Trump +1.5, Cook Political Report considers it Likely Republican.

- NY-03: In the Democratic primary to replace retiring Rep. Tom Suozzi (D), DNC member and businessman Robert Zimmerman beat former North Hempstead Supervisor Jon Kaiman, Nassau County legislator Josh Lafazan, and progressive Melanie D'Arrigo. Republican Wall Street financier George Santos, who challenged Suozzi in 2020 and received 43 percent of the general election vote, ran unopposed and will face Zimmerman in November. After the primary, this seat moved from a Toss-Up to Lean Democratic.
- NY-04: Former Hempstead Supervisor Laura Gillen (D), who received support from the
 district's retiring Rep. Kathleen Rice (D), won the Democratic primary over Malvern Mayor
 Keith Corbett and Nassau County legislator Carrié Solages. Gillen will now face
 Hempstead Councilman and former New York City detective Anthony D'Esposito (R), who
 ran unopposed. This seat is rated Likely Democratic.
- **NY-10:** In the crowded Democratic primary for the redrawn district, Dan Goldman came out on top. The former counsel in Trump's first impeachment defeated a slate of experienced politicians, including Rep. Mondaire Jones (D), former Rep. Elizabeth Holtzman (who served in the House from 1973 to 1981 and was succeeded by Chuck Schumer), Assemblywoman Yuh-Line Niou, Councilwoman Carlina Rivera, and Assemblywoman Jo Anne Simon. This seat is rated Solid Democratic.
- **NY-11:** Rep. Nicole Malliotakis (R) and former Rep. Max Rose (D) are headed to a 2020 rematch after both candidates easily won their respective primaries. Rose's chances of retaking his Long Island seat were diminished after redistricting made this seat more favorable for Republicans. This district is rated Likely Republican.
- **NY-12:** Pitted against one another by redistricting, Rep. Jerry Nadler (D) received more than twice as many votes as longtime Rep. Carolyn Maloney (D) to win this closely watched Member-on-Member primary. This seat is rated Solid Democratic.
- NY-17: Democratic Congressional Campaign Committee Chair Rep. Sean Patrick Maloney easily fought off a challenge from progressive State Sen. Alessandra Biaggi in the Democratic primary for this new-to-him seat. Upset by Maloney's decision to run in NY-17 as opposed to the more competitive NY-18 he currently represents, Biaggi received support from Reps. Jamaal Bowman (D) and Alexandria Ocasio-Cortez (D). Assemblyman Mike Lawler (R) overwhelmingly won the Republican primary to take on Maloney in November. This seat is rated Lean Democratic.
- **NY-18:** Ulster County Executive Pat Ryan defeated cable news host Aisha Mills and state financial examiner Moses Mugulusi in the Democratic primary for this redrawn Hudson

Valley seat. Ryan, an Iraq war veteran and West Point graduate, will face Assemblyman Colin Schmitt (R) in November, who ran unopposed. Cook Political Report moved this race from a Toss-Up to Lean Democratic in response to the NY-19 special election (where many voters in the redistricted NY-18 live).

- NY-19 Special Election: Ryan narrowly defeated Dutchess County Executive Marc Molinaro (R) in this special election to serve out now-Lt. Governor Antonio Delgado's term through December. Considered a <u>bellwether</u> for Republican prospects in November, Ryan ran a race highlighting reproductive choice after the Supreme Court's *Dobbs* decision. Molinaro, who believes each state should set abortion policy, avoided the issue and focused on crime, inflation, and the price of baby formula. A significant portion of this district was moved to the redrawn NY-18 seat for November.
- **NY-19 Primary**: Attorney and former House Judiciary Committee aide Josh Riley won the Democratic primary against political newcomer Jamie Cheney with over 63 percent of the vote in this redrawn open seat. Riley will face Molinaro, who was unsuccessful in the NY-19 special election. This seat is rated as a Toss-Up.
- NY-22: Vacated by Rep. John Katko (R), Democrats view this open seat as a pickup opportunity. Navy veteran and former Obama Defense policy adviser Francis Conole fought off challenges from former Assemblyman Sam Roberts, Syracuse Councilman Chol Majok, and Air Force veteran Sarah Klee Hood to win the Democratic primary. Conole will face fellow Navy veteran Brandon Williams (R), founder of a software company and an agribusiness, who defeated the more moderate Steve Wells (R) in the Republican primary. This seat is rated as a Toss-Up.
- NY-23 Special Election: Republican Joe Sempolinski will complete the term of Rep. Tom Reed (R), winning 53.3 percent of the vote over retired Air Force Colonel Max Della Pia (D). While a victory for Republicans, Sempolinski underperformed Trump's 11-point 2020 margin in this district.
- NY-23 Primary: In this redrawn deep-red district, state GOP chair and congressional aide
 Nick Langworthy narrowly defeated self-funded real estate tycoon and controversial
 candidate Carl Paladino with 52 percent of the vote in the Republican primary. Paladino
 received support from Rep. Elise Stefanik (R), while the state party's establishment
 supported Langworthy. This seat is rated Solid Republican.
- **OK-02:** Former State Sen. Josh Brecheen <u>defeated</u> State Rep. Avery Frix in an August 23 Republican primary runoff. Brecheen will face Democrat Naomi Andrews and is expected to succeed Rep. Markwayne Mullin (R), who is running to finish the remaining four years of Sen. Jim Inhofe's term. The seat is rated Solid Republican.
- RI-02: State General Treasurer Seth Magaziner easily defeated five other Democrats to secure his party's nomination to replace the retiring Rep. Jim Langevin (D). However,

Magaziner will face a tough battle in November against attorney and former Cranston Mayor Allen Fung, who ran unopposed for the Republican nomination. A <u>Boston Globe/Suffolk University poll</u> conducted earlier in the summer found voters preferred Fung over Magaziner 44.9 percent to 38.5 percent. This race is rated as a Toss-Up.

From the Frontlines

- **AK-AL:** Cook Political Report moved this seat from Likely Republican to a Toss-Up in November following Peltola's special election win. Despite <u>evidence</u> 21 percent of Begich voters simply did not make a second choice rather than vote for Palin, Republicans hope greater awareness and better messaging will prevent a repeat in November.
- AZ-02: The National Republican Congressional Committee (NRCC) is tying Rep. Tom O'Halleran (D-AZ) to House Speaker Nancy Pelosi (D-CA) in its <u>new TV ad</u>. O'Halleran is considered one of the most endangered Democrats and faces Navy veteran and small business owner Eli Crane. The seat is rated Likely Republican.
- CO-07: On a trip to Colorado last week, Pelosi paid a <u>visit</u> to Democratic candidate Brittany Pettersen, a state lawmaker running to replace retiring Rep. Ed Perlmutter (D). Pettersen faces Republican military veteran Erik Aadland in November. The seat is rated Likely Democratic.
- IN-02: Following the untimely passing of Rep. Jackie Walorski, a caucus of Indiana Republicans chose longtime supporter Rudy Yakym III to replace her on the ballot in November. Yakym works for an Elkhart-based logistics company, and he was endorsed by Walorski's widower Dean Swihart. On the Democratic side, educator Paul Steury will appear on the ballot in November after being selected by the Indiana Democratic Party. The seat is rated Solid Republican.
- **MI-03:** McCarthy <u>visited</u> Michigan last week to campaign for GOP nominee John Gibbs, who ousted Rep. Peter Meijer (R-MI) in the Republican primary to face former Department of Justice attorney and Democrat Hillary Scholten in November. The seat is rated Lean Democratic.
- MI-07: Rep. Elissa Slotkin (D) was the subject of an NRCC ad linking her to the spending of COVID-19 relief dollars on expenditures such as tourism and golf courses in some localities. The ad is part of a larger NRCC strategy to portray Democrats as big spenders in swing districts. Slotkin is running against State Sen. Tom Barrett (R). The seat is rated a Toss-Up.
- MI-08: Rep. Dan Kildee (D) is <u>attacking</u> GOP nominee Paul Junge in TV ads for the time Junge lived outside the state. Junge responded to the claims on camera to confirm he was born in Michigan and said Kildee is deflecting. The race is a Toss-Up.

- NE-02: Republican Rep. Don Bacon is under fire for his responses to a questionnaire in which he opposed abortion exceptions in cases of rape, incest, and threat to a mother's life. With the *Dobbs* decision on the mind of many voters and Democratic nominee and State Sen. Tony Vargas' ability to appeal to moderates, the race <u>shifted</u> from Likely Republican to a Toss-Up.
- NC-13: Leaders in both the Democratic and Republican parties are flocking to North Carolina to <u>support</u> their candidates in a solid purple district. Internal <u>polls</u> from State Sen. Wiley Nickel found the Democrat leading by four points over the 26-year-old Trumpendorsed Republican candidate Bo Hines. The two are vying to replace Republican Rep. Ted Budd, who retired from the House to make a run for the Senate. The race is rated a Toss-Up.
- OH-09: Democratic Rep. Marcy Kaptur, in her fourth decade in the House, is distancing
 herself from Biden in a challenging election year. Though Kaptur is outraising her
 opponent, the race against Trump-endorsed candidate J.R. Majewski is rated a Toss-Up.
- TX-34: Rep. Vicente González (D) is facing allegations he and his wife improperly claimed
 a "homestead exemption" on a second property. González, who currently represents the
 15th district, insisted the issue was a simple mistake, which was corrected voluntarily
 upon discovery. González and Rep. Mayra Flores (R) are pitted against each other after
 redistricting. The seat is rated Lean Democratic.
- VA-07: Rep. Abigail Spanberger (D) has a significant financial edge over Republican challenger Yesli Vega, a former police officer. Vega is contending with controversy after comments, including, "I've actually heard that it's harder for a woman to get pregnant if she's been raped," began to spread online. The seat shifted from a Toss-Up to Lean Democratic.

Ratings

The <u>Cook Political Report</u> lists 41 Democratic-held and 15 Republican-held seats as Lean or Toss-Up and rates six Democratic-held seats as Likely or Solid Republican and zero Republican seats as Likely or Solid Democratic. <u>Inside Elections</u> considers 36 Democratic-held and 16 Republican-held seats as Tilt/Lean or Toss-Up, with five Democratic seats as Likely Republican and zero Republican districts as Likely Democratic.

Cook Political Report – House				
Likely Democratic – 13	Lean Democratic – 16	Toss-Up – 31	Lean Republican – 11	Likely Republican – 14
AZ-04 Stanton (D)*	CA-09 Harder (D)	AK-AL Peltola (D) +	AZ-01 Schweikert (R)	AZ-02 O'Halleran (D)
CO-07 Open (D)	CA-47 Porter (D)	CA-13 Open (D)	AZ-06 Open (D)	CA-03 Open (R)
CT-02 Courtney (D)	CA-49 Levin (D)	CA-22 Valadao (R)	CA-41 Calvert (R)	CA-40 Kim (R)
GA-02 Bishop (D)	CT-05 Hayes (D)	CA-27 Garcia (R)	CA-45 Steel (R)	FL-07 Open (D)
IL-11 Foster (D)	IL-06 Casten (D)	CO-08 Open/New	IA-03 Axne (D)	FL-13 Vacant (D)
IL-14 Underwood (D)	IL-13 Open (R)	IL-17 Open (D)	NJ-07 Malinowski (D)	FL-15 Open/New
MD-06 Trone (D)*	MI-03 Open (R)	IN-01 Mrvan (D)	NY-01 Open (R)	FL-27 Salazar (R)
NC-06 Manning (D)	NC-01 Open (D)	KS-03 Davids (D)	PA-07 Wild (D)	IA-01 Miller-Meeks (R)
NJ-03 Kim (D)	NH-02 Kuster (D) [^]	ME-02 Golden (D)	TX-15 Open (D)	IA-02 Hinson (R)
NJ-05 Gottheimer (D)	NY-03 Open (D) [^]	MI-07 Slotkin (D)	WA-03 Open (R)	MI-10 Open (D)
NM-03 Leger Fernandez (D)	NY-17 Maloney (D)	MI-08 Kildee (D)	WI-03 Open (D)	MN-01 Finstad (R)
NY-04 Open (D)	NY-18 Ryan (D) [^]	MN-02 Craig (D)		MT-01 Open/New
PA-12 Open (D)	OR-04 Open (D)	NC-13 Open (R)		NY-02 Garbarino (R)
	OR-06 Open/New	NE-02 Bacon (R)		NY-11 Malliotakis (R)
	TX-34 Flores/Gonzalez (R)	NH-01 Pappas (D)		
	VA-07 Spanberger (D) [^]	NM-02 Herrell (R)		
		NV-01 Titus (D)		
		NV-03 Lee (D)		
		NV-04 Horsford (D)		
		NY-19 Open (D)		
		NY-22 Open (R)		
		OH-01 Chabot (R)		
		OH-09 Kaptur (D)		
		OH-13 Open (D)		
		OR-05 Open (D)		
		PA-08 Cartwright (D)		
	Ī	PA-17 Open (D)		
	Ī	RI-02 Open (D)		
	1	TX-28 Cuellar (D)		
	1	VA-02 Luria (D)		
		WA-08 Schrier (D)		

^{*} AZ-04, MD-06 moved from Lean Democratic to Likely Democratic

[^] NH-02, NY-03, NY-18, VA-07 moved from Toss-Up to Lean Democratic

⁺ AK-AL moved from Likely Republican to Toss-Up

Inside Elections – House					
Likely Democratic – 13	Tilt/Lean Democratic – 22	Toss-Up – 20	Tilt/Lean Republican – 12	Likely Republican – 11	
AZ-04 Stanton (D)	CA-13 Open (D) ^	CA-22 Valadao (R)	AK-AL Peltola (D) †	CA-03 Open (R)	
CA-09 Harder (D)	CA-47 Porter (D)	CA-27 Garcia (R)	AZ-01 Schweikert (R)	CA-40 Kim (R)	
CA-49 Levin (D)	IL-13 Open (R)	CO-08 Open/New	AZ-02 O'Halleran (D)	FL-05 Open (D)	
CO-07 Open (D)	IN-01 Mrvan (D) ^	IA-03 Axne (D)	AZ-06 Open (D)	FL-07 Open (D)	
CT-05 Hayes (D)	MI-03 Open (R)	IL-17 Open (D)	CA-45 Steel (R)	FL-13 Open (D)	
GA-02 S. Bishop (D)	MI-07 Slotkin (D)	KS-03 Davids (D)	IA-01 Miller-Meeks (R) **	FL-15 Open (R)	
IL-06 Casten (D)	MI-08 Kildee (D)	ME-02 Golden (D)	IA-02 Hinson (R) **	FL-27 Salazar (R)	
IL-14 Underwood (D)	NC-01 Open (D)	MN-02 Craig (D) ^^	MI-10 Open (D)	GA-06 Open (D)	
MD-06 Trone (D)	NH-01 Pappas (D)	NC-13 Open (R)	NY-01 Open (R)	MT-01 Open/New	
NH-02 Kuster (D)	NV-01 Titus (D)	NE-02 Bacon (R) ##	NY-02 Garbarino (R)	NY-11 Malliotakis (R)	
NY-04 Open (D) *	NV-03 S. Lee (D)	NJ-07 Malinowski (D)	TX-15 Open (D)	TN-05 Open (D)	
NY-17 S.P. Maloney (D)	NV-04 Horsford (D)	NM-02 Herrell (R)	WI-03 Open (D)		
OR-04 Open (D)	NY-03 Open (D)	OH-01 Chabot (R)			
	NY-18 Ryan (D)	OH-13 Open (D)##			
	NY-19 Open (D) #	OH-09 Kaptur (D)	1		
	NY-22 Open (R)	PA-07 Wild (D)	7		
	OR-05 Schrader (D)	PA-08 Cartwright (D)			
	OR-06 Open/New^	PA-17 Open (D) ^^	1		
	RI-02 Open (D)	VA-02 Luria (D)	7		
	TX-28 Cuellar (D)	WA-08 Schrier (D)			
	TX-34 Flores/V. Gonzalez (R) ^		_		
	VA-07 Spanberger (D)				

^{*} NY-04 added to Likely Democratic

SENATE

48 D	
21	Current Makeup
50 R	
1	Net Gain to Flip
11-12	Competitive

After investing in digital advertising and raising a record \$181.5 million by the end of July, the National Republican Senatorial Committee (NRSC) has \$23.2 million in cash on hand, according to The New York Times. NRSC Chairman Rick Scott (R-FL) is in the hot seat with colleagues, who raised eyebrows at the 95 percent burn rate. In a Washington Examiner op-ed, Scott expressed frustration with Senate Republican Leader Mitch McConnell (R-KY) and other GOP colleagues for taking "a shot at our candidates and the voters" after McConnell alluded to a lack of "candidate quality."

Meanwhile, Democratic candidates are trying to hold onto their fifty-fifty control of the Senate, continuing to argue their GOP opponents are extreme and out of touch with the average voter on abortion following the *Dobbs* decision. Senate Majority Leader Chuck Schumer (D-NY) is

[^] CA-13, IN-01, OR-06, TX-34 moved from Likely Democratic to Tilt/Lean Democratic

[#] NY-19 moved from Toss-Up to Tilt/Lean Democratic

^{^^} MN-02, PA-17 moved from Tilt/Lean Democratic to Toss-Up

^{##} NE-02, OH-13 moved from Tilt/Lean Republican to Toss-Up

⁺ AK-AL moved from Solid Republican to Tilt/Lean Republican

^{**} IA-01, IA-02 moved from Likely Republican to Tilt/Lean Republican

NC-06, NC-14, NM-03 moved from Likely Democratic to Solid Democratic

CA-41, PA-01 moved from Likely Republican to Solid Republican

<u>expected</u> to transfer \$15 million from his reelection campaign to the Democratic Senatorial Campaign Committee (DSCC) and Democratic candidates in battleground states, including Raphael Warnock (GA), Mark Kelly (AZ), Catherine Cortez-Masto (NV), and Maggie Hassan (NH).

Primary Results

- Florida: Rep. Val Demings is the Democratic nominee challenging Sen. Marco Rubio (R), centering her campaign on expanding access to health care, protecting abortion rights, and growing the economy. An August 29-September 3 Susquehanna Polling and Research survey shows a tightening race Rubio with 47 percent support compared to 44 percent for Demings, with eight percent undecided. As Demings transitions her campaign to the general election, her campaign released a new TV ad slamming Rubio's position on abortion. Rubio's campaign responded to the ad with a statement calling Demings "a pro-abortion extremist." This race is rated Lean Republican.
- New Hampshire: Following an extremely close race in the Republican primary, New Hampshire Senate President Chuck Morse conceded to retired Army Gen. Don Bolduc, who will challenge Sen. Maggie Hassan (D) in November. Bolduc ran as a populist political outsider and faced opposition from the state's Republican Gov. Chris Sununu and GOP establishment. The GOP-aligned Senate Leadership Fund Super PAC is spending \$23 million to defeat Hassan. The race is rated Lean Democrat.

From the Frontlines

- Alaska: Long-shot Republican Buzz Kelley dropped out of the ranked-choice general election on Tuesday, leaving Sen. Lisa Murkowski (R), Trump-endorsed Kelly Tshibaka (R), and Patricia Chesbro (D) as the viable candidates on the ballot. Polls indicate a tight race between Murkowski and Tshibaka. The GOP Senate Leadership Fund eliminated \$1.7 million in ads supporting the incumbent. The race is rated Solid Republican.
- Arizona: After pulling down part of its ad buy, the NRSC launched an ad supporting GOP challenger Blake Masters, painting Democratic Sen. Mark Kelly as a radical "open-borders" and "pro-third-trimester abortion" Democrat. Last month, the party warned Masters to raise more money or face a likely defeat. Kelly is outraising Masters at least tenfold, according to the most recent FEC data from July, \$54 million to \$5 million. Kelly was among the top five highest-spending candidates for Facebook ads during the final week of August, highlighting his support for lowering prescription drug costs. This race is rated a Toss-Up.
- **Colorado:** Democratic Sen. Michael Bennet and GOP challenger and business construction owner Joe O'Dea launched Spanish-language ads. Bennet's ad, titled "Logros," highlights his legislative accomplishments, including aid to small businesses, adding renewable energy sector jobs, and expanding the Child Tax Credit. O'Dea's ad,

"<u>Una Historia Americana</u>," introduces himself as a voice of working-class people. <u>Public Policy Polling</u> from August 30-31 found Bennet leading O'Dea by 11 points – 46 percent to 35 percent. This race is rated Lean Democratic.

- Georgia: After weekslong negotiations, Democratic Sen. Raphael Warnock and Republican challenger Herschel Walker will debate in Savannah on October 14. An August 28-29 Emerson College poll found Walker with a two-point lead over Warnock, 46 to 44 percent, with seven percent undecided. Quinnipiac University released its first poll in the state this week, showing Warnock leading Walker 52 to 46 percent, with 96 percent of voters saying their mind is made up. Georgia requires a majority of votes on Election Day to win, otherwise the top two candidates advance to a runoff scheduled for December 6. Libertarian Chase Oliver is also on the ballot and may garner enough votes to force a runoff, potentially delaying a call about party control of the Senate. This race is rated a Toss-Up.
- Nevada: The Democratic Senatorial Campaign Committee launched its first general election ad to support Sen. Catherine Cortez Masto against Republican challenger Nevada Attorney General Adam Laxalt. Cortez Masto also released a Succession-themed ad portraying Laxalt as corrupt and a "spoiled son of Washington." Laxalt responded with a series of ads providing a more personal biographical story. Cortez Masto leads Laxalt by four points in an AARP poll conducted from August 16-24. This race is rated a Toss-Up.
- North Carolina: An August 13-15 <u>Civitas poll</u> found North Carolina Democratic Senate nominee Cheri Beasley and Republican Rep. Ted Budd tied at 42.3 percent, with 12.6 percent of voters undecided. This race is rated Lean Republican.
- Ohio: Trump plans to host a rally for JD Vance on Saturday, counterprogrammed against the Ohio State-Toledo football game, prompting <u>surprise</u>. Rep. Tim Ryan (D) joined Biden at the groundbreaking for an Intel semiconductor manufacturing facility on September 9, marking a shift in campaign strategy after keeping his distance from the Biden-Harris Administration. Conflicting polls give both candidates a slight edge an August 15-16 Emerson College poll shows Vance up three points with 10 percent undecided, and a September 5-7 USA Today/Suffolk University poll shows Ryan with a one-point edge over Vance, with 6.4 percent undecided. The race is rated Lean Republican.
- Pennsylvania: Following pressure from Dr. Mehmet Oz (R), Lt. Gov. John Fetterman (D) agreed to one debate. Fetterman's campaign is seeking accommodations for his auditory processing complications from a stroke he suffered in May while refuting accusations he is unfit for public office due to his ongoing recovery. The Washington Post Editorial Board called for Fetterman to debate more than once, saying not doing so raises questions about whether he is "fit to serve in the Senate." Emerson College and Susquehanna Polling and Research polls show the race tightening, with Oz trailing Fetterman by four and five points, respectively, after being down by double digits this summer. The U.S.

Chamber of Commerce is <u>spending</u> \$3 million to support Oz, contrasting his pro-business stance with Fetterman's "government-knows-best" approach. The race is rated Lean Democrat.

• Wisconsin: Republican Sen. Ron Johnson is expected to launch a statewide seven-figure ad campaign against his Democratic challenger Lt. Gov. Mandela Barnes, accusing him of supporting open borders, defunding the police, and favoring taxpayer benefits to undocumented immigrants. An August 22-25 <u>Trafalgar Group poll</u> shows Barnes with a slight lead over Johnson, 49.4 to 47.1 percent, with 3.5 percent undecided. This race is rated a Toss-Up.

Ratings

The <u>Cook Political Report</u> lists five Democratic-held and five Republican-held seats as Lean or Toss-Up, with one Republican-held seat rated Lean Democrat. <u>Inside Elections</u> considers four Democratic-held and three Republican-held seats as Tilt/Lean or Toss-Up. Inside Elections shifted Pennsylvania from Tilt Republican to Toss-Up, and Ohio and Utah moved from Solid Republican to Likely Republican.

Cook Political Report – Senate					
Likely Democratic – 0	Lean Democratic – 3	Toss-Up – 4	Lean Republican - 3	Likely Republican – 1	
	CO – Bennet (D)	AZ – Kelly (D)	FL – Rubio (R)	UT – Lee (R)	
	NH – Hassan (D)	GA – Warnock (D)	NC – Open (R)		
	PA – Open (R)	NV – Cortez Masto (D)	OH – Open (R)	1	
		WI – Johnson (R)		-1	

Inside Elections – Senate					
Likely Democratic – 2	Tilt Democratic – 1	Toss-Up – 4	Tilt/Lean Republican – 2	Likely Republican - 3	
CO – Bennet (D)	NH – Hassan (D)	AZ – Kelly (D)	NC – Open (R)	FL – Rubio (R)	
WA – Murray (D)		GA – Warnock (D)	WI – Johnson (R)	OH – Open (R)^	
		NV – Cortez Masto (D)	ĺ	UT- Lee (R)^	
		PA – Open (R)*	1		

^{*} PA moved from Tilt/Lean Republican to Toss-Up

[^] OH, UT moved from Solid Republican to Likely Republican

GOVERNORS

28 R 22 D	Current Makeup
36	Up for re-election
16	Competitive

Fall means debates, and candidates are weighing the benefits and risks of appearing on stage head-to-head, with some preferring forums and town halls to maintain better control of their message. Democrats are strongly favored to flip two open seats vacated by Republican governors in Massachusetts and Maryland. Democratic incumbents are defending three Toss-Up seats, while Republicans hope to hold onto the open Toss-Up in Arizona.

Primary Results

- Florida: Democratic Rep. Charlie Crist defeated State Agriculture Commissioner Nikki Fried to challenge Republican Gov. Ron DeSantis in November, with 59.7 percent of the vote. On September 2, Crist resigned from Congress to focus on his campaign. On a recent campaign trip to New Mexico, DeSantis focused on his accomplishments and said "Florida" or "Floridians" at least 47 times during a 40-minute speech. An August 24-31 AARP poll found DeSantis with a three-point lead, within the margin of error, though a September 5-6 Fox35 Orlando poll found DeSantis with a five-point edge. This race is rated Likely Republican.
- Massachusetts: Democratic Attorney General Maura Healey cruised through the primary and will face Trump-endorsed former State Rep. Geoff Diehl in November to replace retiring Gov. Charlie Baker (R). Diehl served in the Massachusetts House of Representatives from 2011 to 2019 and was unsuccessful in his 2018 challenge against Sen. Elizabeth Warren (D-MA). This race is rated Solid Democratic.
- New Hampshire: Republican Gov. Chris Sununu defeated several opponents in the GOP primary, likely setting him up for a fourth term. Sununu <u>attributes</u> his victory to ignoring political influences and running on a record of success. Democratic State Sen. Tom Sherman ran uncontested for the Democratic nomination. Sherman recently <u>released two ads</u> criticizing Sununu's abortion ban. This race is rated Solid Republican.
- Rhode Island: Democratic Gov. Daniel McKee narrowly defeated CVS executive Helena Foulkes and Secretary of State Nellie Gorbea with 32.8 percent of the vote in the primary and will face Republican Ashley Kalus in November. McKee is seeking his first full term after replacing Secretary of Commerce Gina Raimondo in 2021. Businesswoman Ashley is the GOP nominee. This race is rated Solid Democrat.

From the Frontlines

- Arizona: Democrat Katie Hobbs and Republican Kari Lake separately <u>participated</u> in a gubernatorial forum where they fielded questions from the audience. Hobbs focused on education, jobs, and water security. Lake committed to improving the state's housing crisis and securing the southern border. Hobbs refuses to debate Lake, suggesting a town hall event as an alternative. Lake declined the town hall invitation and is adamant about debating Hobbs, stating "she can pick the moderator, and she can write the questions." Lake recently <u>released</u> a new campaign video focusing on the Arizona border, vowing to finish Trump's border wall. This race is rated a Toss-Up.
- Georgia: Polling on the race between Republican Gov. Brian Kemp and Democratic challenger Stacey Abrams remains within the margin of error. A September 6-7 Fox5 Atlanta poll has Kemp at 50 percent and Abrams at 42 percent, with a 4.2 percent margin of error. Quinnipiac University released its first poll on this race this week, showing it too close to call with Kemp leading 50 to 48 percent. The contest could result in a runoff on December 6 if no candidate receives a majority of votes on Election Day. Kemp was called to testify before a special grand jury investigating election interference in the 2020 presidential election. However, he will not testify until after the November election. This race is rated Lean Republican.
- **Kansas:** Democratic Gov. Laura Kelly and Republican State Attorney General Derek Schmidt <u>participated</u> in a gubernatorial forum with individual question-and-answers and a meet-and-greet dinner. Kelly discussed her business development efforts, and Schmidt shared his vision to connect young adults with workforce opportunities. In the <u>first</u> debate, abortion was the primary issue discussed. Kelly reiterated her position supporting a women's right to privacy in medical decisions, while Schmidt stated the decision must be respected, however, it "does not mean the discussion has ended." Kelly and Schmidt are scheduled to debate again in October. This race is rated a Toss-Up.
- **Nevada:** Democratic Gov. Steve Sisolak is narrowly leading Republican Clark County Sheriff Joe Lombardo in FiveThirtyEight's <u>polling average</u>, 44.2 to 41.9 percent. The Republican Governors Association <u>launched</u> a \$2.5 million television ad campaign attacking Sisolak's role in the fast-tracked approval of a COVID-19 lab company under scrutiny for a high rate of inaccurate test results. The candidates will <u>participate</u> in a formal debate on October 2. This race is rated a Toss-Up.
- Pennsylvania: Democratic Attorney General Josh Shapiro continues to <u>lead</u> Republican Doug Mastriano in the polls, <u>picking up</u> more than a dozen inter-party endorsements from former GOP officials since July, including former Homeland Security Secretary Michael Chertoff and two former congressmen. Mastriano is dealing with the fallout of a recently surfaced <u>photo</u> from 2013 showing him dressed in a confederate army uniform while serving in the U.S. Army. Mastriano also stirred controversy by surrounding himself with

an armed, amateur security team comprised of members from LifeGate church with alleged ties to militia groups. This race is rated Lean Democratic.

- **Texas:** Republican Gov. Greg Abbott is nearly 10 points ahead of Democratic challenger Beto O'Rourke, according to FiveThirtyEight's average of recent <u>polls</u>. Abbott <u>recently</u> debuted a television ad claiming O'Rourke wants to "defund" and "dismantle police," pulling from comments O'Rourke made in 2020. At a recent campaign event, O'Rourke disagreed with an audience member who supported defunding the police, stating he wants to "make sure we can count on the police." This race is rated Likely Republican.
- Wisconsin: Democratic Gov. Tony Evers has a one-point edge over Republican Tim Michels in FiveThirtyEight's polling average. Michels recently tweeted footage of the 2020 Kenosha protests, criticizing Evers' handling of unrest after the police shooting of Jacob Blake. In the video, Michels juxtaposes footage of burning buildings against clips of Evers admitting to initially turning down additional support from the federal government. Evers recently announced a \$2 billion education plan to strengthen literacy and mental health resources and reduce staff shortages in K-12 schools across the state. This race is rated a Toss-Up.

Ratings

<u>Cook Political Report</u> lists ten Democratic-held and six Republican-held seats as Likely, Lean, or Toss-Up. <u>Inside Elections</u> lists nine Democratic-held and seven Republican-held seats as Likely, Tilt/Lean, or Toss-Up. Click to enlarge each chart. Since our last update, Inside Elections shifted Massachusetts from Lean to Likely Democratic and moved Oregon from Lean to Tilt Democratic.

Cook Political Report – Governor				
Likely Democratic – 2	Lean Democratic - 5	Toss-Up – 4	Lean Republican – 1	Likely Republican – 4
CT – Lamont (D)	ME – Mills (D)	AZ – Open (R)	GA – Kemp (R)	AK – Dunleavy (R)
NM -	MI – Whitmer (D)	KS - Kelly (D)		FL - DeSantis (R)
	NM - Lujan Grisham (D)	NV - Sisolak (D)		OH - DeWine (R)
	OR - Open (D)	WI - Evers (D)		TX - Abbott (R)
	PA – Open (D)			

Inside Elections – Governor					
Likely Democratic - 3	Tilt/Lean Democratic – 6	Toss-up - 3	Tilt/Lean Republican - 1	Likely Republican - 3	
MA – Open (R)*	ME – Mills (D)	AZ – Open (R)	GA – Kemp (R)	AK – Dunleavy (R)	
MD – Open (R)	MI – Whitmer (D)	KS – Kelly (D)		FL – DeSantis (R)	
MN – Walz (D)	NM – Lujan Grisham (D)	WI – Evers (D)		NH – Sununu (R)	
	NV – Sisolak (D)				
	OR – Open (D)				
	PA – Open (D)				

^{*}MA moved from Tilt/Lean Democratic to Likely Democratic



Contact us.

hello@invariantgr.com







EXPIRING PROVISIONS 2023

Debt Ceiling

• Summer 2023: Debt ceiling will need to be raised or suspended after a \$2.5 trillion debt limit increase enacted in December 2021 is exhausted.

Program Authorizations

• September 30: The Agriculture Improvements Act of 2018 (Farm Bill).

Government Funding/Appropriations

• September 30: Fiscal Year (FY) 2023 funding expires.

Defense

• December 31: National Defense Authorization Act (NDAA) for FY 2023.

Health Care

- January 1: Medicare Radiation Oncology Rules (Sec. 5)
- January 15: Potential date of termination of the PHE (assuming PHE is extended on October 15, 2022).
 - Per the Consolidated Appropriations Act of 2022, once the PHE lapses, Congress has 151 days to determine the path forward for many of the expiring provisions and flexibilities under the PHE (Medicare payment for telehealth and hospital at home).
- June 15: If PHE lapses in January, the 151 days for PHE flexibilities expire in mid-June.
- September 30: National Disaster Medical System (<u>Division P(Subtitle A(Sec. 101)</u>)
- September 30: Funding for Medicare quality measure endorsement, input, and selection expires.
- September 30: Funding for Medicare outreach and assistance for low-income programs (\$50 million for each fiscal year) expires.
- September 30: Funding for the Medicaid Money Follows the Person Rebalancing Demonstration program at \$450 million per fiscal year expires.
- September 30: Disproportionate share hospital (DSH) reductions resume.
- September 30: Protections against spousal impoverishment for partners of Medicaid beneficiaries who receive home and community-based services expire.
- September 30: Community mental health services demonstration program expires.
- September 30: Personal Responsibility Education Program (PREP) expires.
- September 30: Sexual Risk Avoidance Education (SRAE) program expires.
- December 31: Moratorium on payment under the Medicare physician fee schedule for complex services described by Healthcare Common Procedure Coding System (HCPCS) code G2211 expires; various Medicare extenders expire.
- December 31: Medicare work geographic index floor expires.
- December 31: Medicare patient IVIG access demonstration project expires.
- December 31: The Independence at Home medical practice demonstration program expires.

Tax Extenders

- September 30: Airport and Airway Trust Fund excise taxes.
- September 30: Highway Trust Fund excise taxes.

Statutory PAYGO

• December 2022/January 2023: Statutory PAYGO cuts from the ARPA could take effect either in December 2022 or January 2023, as the law requires OMB to issue a seguestration order within 15 days of the end of a Congressional Session.

EXPIRING PROVISIONS 2024

- Beginning of 2024: Medicare Part D redesign begins, with some reduced costs in 2024 and seniors' drug costs in Medicare capped at \$2,000 in 2025.
- End of 2024: Current Medicare physician Alternative Payment Model (APM) thresholds expire (based on performance year 2022).

EXPIRING PROVISIONS 2025

- Enhanced Affordable Care Act health insurance subsidies expire (The American Rescue Plan temporarily increased premium tax credits for assistance in buying health insurance from state-based marketplaces created by the ACA and expanded eligibility for premium tax credits to individuals with incomes exceeding 400 percent of the federal poverty line, but only through the end of 2022. The Inflation Reduction Act extended those subsidies for three years, through 2025).
- Tax Cuts and Jobs Act (TCJA) individual income tax provisions expire.
- TCJA paid family leave credit expires; employer-paid student loans income exclusion expires; multiple tax extenders expire such as Empowerment Zones incentives, film, and live performances expensing, and the wind energy investment tax credit.
- Health extenders including the Rural Community Hospital Demonstration program expire.

FedPAC Report

September 2022

Fundraising

- Based on the two-year Congressional cycle budgeting process that the Federation of American Hospital's Political Action Committee (FedPAC) uses to determine its voluntary goals, in February 2022, the FedPAC Board voted to approve the 2022 goals at \$400,000.
- As of September 20, 2022, FedPAC has raised \$360,800 which equals 90.2% of the 2022 budgeted voluntary goals.
- FAH appreciates the generosity of all FAH member companies that are working hard to either meet or exceed their 2022 goals. By doing so, FedPAC remains a powerful voice for tax-paying hospitals.
- FAH has an enhanced focus on local advocacy events, especially in-district and DC-based fundraisers, which has proven to be a successful advocacy tool. FAH member companies are encouraged to take both a leadership role and participate in these key FedPAC events.
- FAH will be hosting health care focused Meet and Greets again in the new year for new Members of Congress in our offices and around Washington, DC. These meetings serve to educate new Members on issues important to health care industry and hospitals specifically.

Political Giving and Special Events

- During the 2021-22 election cycle, FedPAC has continued its consistent approach to supporting both political parties nearly equally and has contributed \$688,365 as of September 20, 2022. FedPAC will continue its approach of supporting candidates who understand and share the policy goals of the FAH membership, while also seeking balance between the parties as much as possible during the 2021-22 cycle.
- Below is a list of the completed and upcoming 2022 FedPAC events.
- Hosting FedPAC-only events will continue to be an important part of the FedPAC program as long as there is FedPAC member support. Senators and House Members expect to raise a minimum of \$20,000 and upwards of \$50,000, at certain events. As in the past, FedPAC will be suggesting voluntary contributions in the range of \$2,500 to participate and \$5,000 to co-host events. FAH members' continued participation is critical to the success of these events.

FedPAC Member-Only Hosted Events

Completed/Scheduled:

January 10, 2022 – Washington, DC
February 15, 2022 – Washington, DC
March 17, 2022 – Washington, DC
March 18, 2022 – Washington, DC
April 29, 2022 – Washington, DC
June 8, 2022 – Washington, DC
June 23, 2022 – Washington, DC
July 21, 2022 – Washington, DC
September 15, 2022 – Washington, DC
September 19, 2022 – Washington, DC
September 29, 2022 – Washington, DC
TBD – Washington, DC

Sen. Rand Paul (R-KY)
Sen. Rick Scott (R-FL)
Rep. Lizzie Fletcher (D-TX-07)
Rep. Terri Sewell (D-AL-07)
Sen. John Thune (R-SD)
Rep. Larry Bucshon (R-IN-08)
Sen. Mitch McConnell (R-KY)
Rep. Suzan DelBene (D-WA-01)
Rep. Steve Scalise (R-LA-01)
Sen. Bill Cassidy (R-LA)
Sen. Chuck Grassley (R-IA)

Rep. David Kustoff (R-TN-08)