

## Impact Health Policy Weekly

### This Week in Health Policy

Happy New Year! Welcome back to a new year and a new Congress! This afternoon a Joint Session of Congress will convene for the counting of the electoral ballots to certify the election of Donald Trump as the next President. On Tuesday, former President Jimmy Carter will arrive in Washington to lie in state at the U.S. Capitol until Thursday morning when he will be taken to the National Cathedral for a State Funeral.

The 119<sup>th</sup> Congress was sworn in on Friday, giving the Republican party control of both the House and the Senate by the very slimmest of margins. Also on Friday, Congressman Mike Johnson (R-LA) was re-elected Speaker of the House, though not without some minor drama. The Republicans hold 219 seats, the Democrats hold 215 and there is one open seat. Mr. Johnson could only afford to lose one vote and still be elected Speaker. Initially Representatives Thomas Massie (R-KY), Ralph Norman (R-SC), and Keith Self (R-TX) all voted for other members, leaving Mr. Johnson two votes shy of the majority. After some arm-twisting from President-elect Trump, Representatives Norman and Self were convinced to switch their votes and Johnson was re-elected Speaker. However, the angst surrounding the vote are indicative of the difficulties that Johnson will continue to have governing a diverse and far from unified party.

**New Committee Membership:** Prior to the holidays, incoming Senate Majority Leader John Thune (R-SD) [announced](#) the Republican Committee Assignments for the 119<sup>th</sup> Congress. Last week, Senate Minority Leader, Chuck Schumer (D-NY) finalized the Democratic [membership](#) of the Senate Committees. Of note, Republican Senator Roger Marshall (R-KS) was added to the Senate Finance Committee on the Republican side while Senators Bernie Sanders (I-VT), Ben Ray Lujan (D-NM), Tina Smith (D-MN), Raphael Warnock (D-GA), and Peter Welch (D-VT) were all added to the Democratic side. Republican Senators Tim Scott (R-SC), Josh Hawley (R-MO), Jim Banks (R-IN), Mike Crapo (R-ID) and Marsha Blackburn (R-TN) were all added to the Health, Education, Labor and Pensions (HELP) Committee along with newly elected Democratic Senators Andy Kim (D-NJ), Lisa Blunt Rochester (D-DE), and Angela Alsobrooks (D-MD).

In December, Republican House Steering Committee announced their committee assignments for the 119<sup>th</sup> Congress. New members of the Ways and Means Committee include Rep. Aaron Bean (R-FL); Rep. Max Miller (R-OH); Rep. Nathaniel Moran (R-TX); and Rep. Rudy Yakym (R-IN). New Republican members of the Energy and Commerce Committee include Rep. Cliff Bentz (R-OR); Rep. Erin Houchin (R-IN); Rep. Russell Fry (R-SC); Rep. Laurel Lee (R-FL); Rep. Craig Goldman (R-TX); Rep. Rep. Tom Kean (R-NJ); Rep. Julie Fedorchak (R-ND); Rep. Nick Langworthy (R-NY); Rep. Gabe Evans (R-CO); and, Rep. Mike Rulli (R-OH). House Democrats are expected announce their Committee assignments soon.

**Trump Nominee Confirmation Hearings:** It is expected that Senate Committees will start to announce confirmation hearings for President-elect Trump's nominees, with the first hearings occurring next week.

It is widely expected that confirmation hearings for Senator Marco Rubio and Pete Hegseth, Mr. Trump's nominees for Secretary of State and Secretary of Defense, will occur first.

**Continuing Resolution and Debt Ceiling:** Prior to the holidays, and just hours before a potential shutdown, Congress passed a [slimmed-down continuing resolution \(CR\)](#) that will fund the federal government and extend expiring health care provisions through March 31, 2025 ([Impact Summary](#)). The CR also includes \$130 billion in disaster and farm aid with no offsets. After opposition from President-elect Trump and Elon Musk, a co-lead of the "Department of Government Efficiency", the package did not include many health provisions that were originally included. The CR also did not address the debt limit, something that Congress will need to address in the coming months.

### **Regulatory Update**

Below, we briefly highlight regulatory activity during the holidays. Our detailed summaries are forthcoming.

- **Contraceptive Coverage** – The Departments of Treasury, Labor, and Health and Human Services [withdrew](#) a proposed rule intended to expand access to contraceptive services. If finalized, an "individual contraceptive arrangement" would have covered contraceptives with no cost-sharing for individuals with health insurance that claims a religious exemption to the ACA requirements ([IHPP summary](#) of proposed rule).
- **Nonprescription Drug Product** – FDA issued a [final rule](#) intended to increase options for applicants to develop and market safe and effective nonprescription drug products, which could improve public health by broadening the types of nonprescription drug products available to consumers. The final rule would establish requirements for a drug product that could be marketed as a nonprescription drug product with an additional condition for nonprescription use (ACNU) that an applicant must implement to ensure appropriate self-selection, appropriate actual use, or both by consumers.
- **HIPAA Cybersecurity** – HHS issued a [proposed rule](#) intended to increase the cybersecurity of electronic protected health information.
- **Children's Hospitals Graduate Medical Education (CHGME) Payment Program** – HRSA announced a request for public comment on updating the Children's Hospitals Graduate Medical Education (CHGME) Payment Program's method of determining an eligible children's hospital (as defined within the Public Health Service Act) weighted allopathic and osteopathic full-time equivalent (FTE) resident count when a children's hospital's weighted allopathic and osteopathic FTE resident count exceeds its direct graduate medical education (GME) FTE resident cap in order to be consistent with the methodology used by the Centers for Medicare & Medicaid Services.

The Office of Management and Budget (OMB) completed reviewing the following:

- **Tobacco Product Standard** – The [proposed rule](#) would establish a maximum nicotine level in cigarettes and certain other finished tobacco products.

OMB is also reviewing the following:

- **Notice of Benefit and Payment Parameters for 2026** – The [final rule](#) sets forth payment parameters and provisions related to the risk adjustment programs; cost-sharing parameters; and user fees for issuers offering plans on Federally-facilitated Exchanges and State-based Exchanges using the Federal platform.
- **Healthcare System Resiliency and Modernization** – The [proposed rule](#) would revise and update national emergency preparedness requirements for Medicare- and Medicaid-participating providers and suppliers (was set for December 2023).

### Featured Analysis

- **Policy Round-Up: CBO, GAO Reports on ACA Premium Tax Credits; DACA Marketplace Eligibility** – Available [here](#).
- **Impact Budget Reconciliation Primer** – In Policy Hub Insight Bank [here](#).
- **Impact Medicaid Outlook: Threats and Opportunities** – In the Policy Hub Insight Bank [here](#).
- **Insights for Impact: the 340B Drug Pricing Program** – In the Policy Hub Insight Bank [here](#).
- **Impact 2024 Election Outlook and 2025 Congressional Preview** – In the Policy Hub Insight Bank [here](#).

### Congressional Lookback

#### Fri. (12/20)

- **Congress** passed a [slimmed-down continuing resolution \(CR\)](#) that will fund the federal government and extend expiring health care provisions through March 31, 2025. [Details](#).
- **SFC Chair Wyden** released a [report](#) on eight hospitals that reportedly denied or delayed emergency reproductive health for pregnant women in potential violation of the EMTALA post-*Dobbs*. [Details](#).

#### Thurs. (12/19)

- **Sens. Cassidy, Cortez-Masto, and Bennet** released [draft legislation](#) to improve the Medicare GME program and provide new residency slots. [Details](#).

#### Weds. (12/18)

- **The Senate Judiciary Subcommittee** on Competition Policy, Antitrust, and Consumer Rights [convened](#) a hearing to discuss the critical need for continued antitrust enforcement and reform across various sectors. [Details](#).

#### Tues. (12/17)

- **Congress** released the text of the health care package to be included in the CR. [Details](#).

## Regulatory Lookback

### Fri. (12/20)

- AHRQ issued a [request for nominations](#) to serve as members of the USPSTF. [Details.](#)
- The USDA FNS announced new USDA Nutrition Hubs and shared the results of its school meal supply chain survey. [Details.](#)

### Thurs. (12/19)

- CMS [released](#) the National Health Expenditures 2023 Estimates, providing a detailed look into U.S. healthcare spending. [Details.](#)

### Weds. (12/18)

- CMMI announced [four state Medicaid agencies](#), Michigan, New York, Oklahoma, and South Carolina, have been selected for the Innovation in Behavioral Health Model. [Details.](#)
- CMS released the [draft Medicare Transaction Facilitator \(MTF\) agreements](#). Comments are due January 31. [Details.](#)

### Tues. (12/17)

- DHS issued final rules that would make changes to the [H-1B](#) and [H-2](#) visa programs. [Details.](#)

### Mon. (12/16)

- CMMI released its [seventh biennial report to Congress](#). [Details.](#)
- The CBO released a [report](#) presenting 76 policy options aimed at reducing the federal budget deficit over the next decade (2025-2034). [Details.](#)
- HHS released the Health Data, Technology, and Interoperability: Protecting Care Access [final rule](#). [Details.](#)
- The CDC [seeking nominations](#) for membership on the Clinical Laboratory Improvement Advisory Committee (CLIAC). Nominations are due July 1. [Details.](#)
- The USDA FNS released a [rule](#) to finalize provisions from the Fiscal Responsibility Act (FRA) of 2023 impacting SNAP work requirements. [Details.](#)

## Comment & Application Deadlines

- **January 27:** CMS released the CY 2026 Policy and Technical Changes to the MA and Part D Medicare Cost Plan Program, and Programs of All-Inclusive Care for the Elderly (PACE) [proposed rule](#). [Details.](#)
- **February 2:** The FDA released [draft guidance](#) entitled “Notifying FDA of a Permanent Discontinuance in the Manufacture or an Interruption of the Manufacture of an Infant Formula.” [Details.](#)
- **February 25:** CMMI released an [RFA](#) for the Cell and Gene Therapy Access Model. [Details.](#)
- **February 25:** CMMI released a [NOFO](#) to apply for Cooperative Agreement funding to support states’ participation in the Cell and Gene Therapy (CGT) Access Model. [Details.](#)

- **July 1:** The CDC [seeking nominations](#) for membership on the Clinical Laboratory Improvement Advisory Committee (CLIAAC). [Details.](#)