

Impact Health Policy Weekly

The House and Senate are both in session this week as the Senate works to continue confirming President Trump's cabinet nominees. The Senate is expected to vote to confirm five nominees throughout the week including: Chris Wright as Secretary of the Department of Energy; Pam Bondi as Attorney General; Doug Collins as Secretary of Veterans Affairs; Eric Turner as Secretary of Housing and Urban Development; and Russell Voght as OMB Director.

Confirmation Hearings

Robert Kennedy Jr, President Trump's nominee for HHS Secretary, faced two contentious hearings in the Senate Finance Committee and HELP Committee last week (see summaries <u>here</u> and <u>here</u>). His nomination will be voted on in the Senate Finance Committee on Tuesday. All eyes are on Senator Bill Cassidy (R-LA) who sits on the Finance Committee and chairs the HELP Committee to cast the deciding vote. Senator Cassidy expressed serious reservations about RFK Jr.'s position on vaccinations during the hearings, and was reported to have spoken with RFK, Jr. over the weekend.

On Wednesday, the Senate Commerce committee is scheduled to vote on the nomination of Howard Lutnick to be Secretary of Commerce.

Budget Reconciliation

The House Budget Committee was expected to start marking up the FY 2026 Budget Resolution this week, which is the first step in the reconciliation process. However, Republicans are far from united in their approach, or in the details of the package. Members of the House Freedom Caucus are still pushing for two reconciliation bills, rather than one big package, and they continue to insist that the level of spending cuts that House Speaker Mike Johnson (R-LA) laid out at the Republican Caucus Retreat last week is inadequate. The framework included \$300 billion in cuts, but a \$325 billion increase in spending to accommodate President Trump's requested tax cuts and increases for military spending. Meanwhile, Senate Budget Committee Chairman Lindsay Graham (R-SC) has indicated he is ready to go forward with the Senate Budget resolution and favors a two-bill approach. The Senate has been waiting for the House to start the process first, but that tactic may change if the House cannot come to an agreement. Bottom line is the aggressive schedule laid out by Speaker Johnson is already in jeopardy.

Regulatory Update

President Trump issued a <u>memorandum</u> directing all executive departments and agencies to implement a regulatory freeze in which no rules may be issued or proposed until the agency head appointed or designated by the President after noon on January 20, 2025, reviews and approves the rule. The memorandum also directs federal agencies to consider postponing for 60 days the effective date of any rules that have been published in the *Federal Register*, or any rules that have been issued but have not taken effect. During this 60-day period, federal agencies could consider further delaying the rule beyond the initial 60 days. This memorandum creates uncertainty about the timing and applicability of rules.

This Week in Health Policy



<u>Tue. (2/4)</u>

- **10:30am Hearing: Fentanyl Scheduling** The Senate Judiciary Committee holds a hearing to examine fentanyl, its analogues, and the need for permanent class scheduling. <u>Details</u>.
- **11:00am NIH Meeting: Minority Health/Health Disparities –** The National Institutes of Health (NIH) holds a meeting of the National Institute on Minority Health and Health Disparities to discuss program updates. <u>Details</u>.
- 1:00pm BPC Discussion: Workforce and Education Challenges The Bipartisan Policy Center (BPC) holds a discussion on workforce and education challenges and the need for bipartisan solutions. Rep. Tim Walberg (R-MI), Chair, House Committee on Education and Workforce, leads a discussion on opportunities for bipartisan collaboration in education and workforce development in the 119th Congress. <u>Details</u>.
- 2:00pm Justice in Aging Discussion: Protecting Medicaid for Older Adults Justice for Aging holds a discussion on potential risks for older adults if policymakers cut Medicaid and provide an overview of how Congress can fast-track Medicaid cuts through the budget reconciliation process. Presenters will recommend advocacy strategies and resources that attendees can use in their own states and communities. <u>Details</u>.

Wed. (2/5)

- 8:00am Axios Discussion: Legislative Priorities for 2025 Axios holds a discussion with Reps. Raja Krishnamoorthi (D-IL) and Lisa McClain (R-MI) on their plans for action on top legislative issues in 2025, opportunities for bipartisan collaboration, and what they expect to get done in the first 100 days of the Trump administration. <u>Details</u>.
- 10:00am Markup: Secretary of Commerce Nomination The Senate Commerce, Science, and Transportation Committee holds a markup to consider the nomination of Howard Lutnick to be Secretary of Commerce and several bills, including S.257, to improve the resilience of critical supply chains, and S.278, to prohibit users who are under age 13 from accessing social media platforms, to prohibit the use of personalized recommendation systems on individuals under age 17, and limit the use of social media in schools. <u>Details</u>.
- 10:00am Markup: Secretary of Commerce Nomination The Senate Small Business and Entrepreneurship Committee holds a markup to consider the nomination of Kelly Loeffler to be Secretary of Commerce and several bills, including S.298, to require the Administrator of the Small Business Administration to relocate 30 percent of the employees assigned to headquarters to duty stations outside the Washington metropolitan area. <u>Details</u>.
- **10:00am Hearing: Federal Government Reform –** The House Oversight and Government Reform Committee holds a hearing to examine the growth in the size and complexity of the federal government and explore reform pathways. The Committee will consider the example of the Iowa state government, whose structure was streamlined under legislation initiated by Governor Kim Reynolds (R-IA), who will be testifying at the hearing. <u>Details</u>. **HE**
- **2:00pm BPC Discussion: Affordable Housing –** BPC holds a discussion with Oregon Gov. Tina Kotek (D) on the state's strategies to advance long-term housing solutions. <u>Details</u>.



<u>Thurs. (2/6)</u>

- **10:00am Hearing: Illicit Drug Threats –** The House Energy and Commerce Subcommittee on Health holds a hearing titled "Combatting Existing and Emerging Illicit Drug Threats." <u>Details</u>.
- 12:00pm Center for New American Security Discussion: Biotechnology The Center for Bew American Security holds a discussion with Sen. Todd Young (R-IN) on the challenges and opportunities for securing U.S. biotechnology leadership under new leadership in the White House and Congress. <u>Details</u>.
- 2:00pm Hearing: Biden Administration's VA Policy The House Veterans' Affairs Oversight and Investigations Subcommittee holds a hearing titled "VA First, Veteran Second: The Biden-Harris Legacy." <u>Details</u>.

<u>Fri. (2/7)</u>

 1:00pm – Brookings Discussion: Supporting the Mental Health of Students of Color – The Brookings Institution's Race, Prosperity, and Inclusion Initiative holds a discussion on the mental and emotional health trends among Black students and other students of color, highlighting practices and identifying opportunities for further action. <u>Details</u>.

Featured Analysis

- Impact Overview of President Trump's Day One EO In Policy Hub Insight Bank here.
- Impact Memo on Health-Related Staff Picks for the Second Trump Administration In Policy Hub Insight Bank <u>here</u>.
- Policy Round-Up: CBO, GAO Reports on ACA Premium Tax Credits; DACA Marketplace Eligibility – Available <u>here</u>.
- Impact Budget Reconciliation Primer In Policy Hub Insight Bank here.
- Impact Medicaid Outlook: Threats and Opportunities In the Policy Hub Insight Bank <u>here</u>.
- Insights for Impact: the 340B Drug Pricing Program In the Policy Hub Insight Bank here.

Congressional Lookback

<u>Thurs. (1/30)</u>

 The Senate HELP Committee <u>convened</u> a courtesy hearing to consider the nomination of Robert F. Kennedy Jr. for HHS Secretary. <u>Details</u>.

<u>Wed. (1/29)</u>

 The Senate Finance Committee <u>convened</u> a hearing to consider the nomination of Robert F. Kennedy Jr. for HHS Secretary. <u>Details</u>.



Regulatory Lookback

Mon. (1/27)

• **President Trump** signed an <u>Executive Order</u> rescinding Biden-era EOs that directed the previous administration to protect access to abortion, contraception, and other reproductive health services. <u>Details</u>.

Comment & Application Deadlines

- February 10: CMS announced the <u>Advance Notice of Methodological Changes for Contract Year</u> (CY) 2026 for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment <u>Policies</u> (press release, fact sheet) and the <u>Draft CY 2026 Part D Redesign Program Instructions</u>... <u>Details</u>.
- February 25: CMMI released an <u>RFA</u> for the Cell and Gene Therapy Access Model. <u>Details</u>.
- **February 25:** CMMI released a <u>NOFO</u> to apply for Cooperative Agreement funding to support states' participation in the Cell and Gene Therapy (CGT) Access Model. <u>Details</u>.
- March 7: HHS OCR issued a proposed rule to update the HIPAA Security Rule to enhance cybersecurity protections. <u>Details</u>.
- March 10: The FDA released <u>draft guidance</u> on accelerated approval and considerations for determining whether a confirmatory trial is underway. <u>Details</u>.
- **March 15:** The DEA issued a <u>proposed rule</u> that would establish a new special registration for the prescription of a controlled substance via telemedicine. <u>Details</u>.
- **April 7:** The FDA issued <u>draft guidance</u> on considerations for the use of artificial intelligence (AI) to support regulatory decision-making for drug and biological products. <u>Details</u>.
- April 7: The FDA released <u>draft guidance</u> on artificial intelligence (AI)-enabled device software functions (AI-DSFs): lifecycle management and marketing submission recommendations. . <u>Details</u>.
- July 1: The CDC <u>seeking nominations</u> for membership on the Clinical Laboratory Improvement Advisory Committee (CLIAC). <u>Details</u>.