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Impact Health Policy Weekly

The House recesses on Wednesday and Speaker Mike Johnson (R-LA) will attempt to pass a stop-gap funding measure along party lines on Tuesday to avoid a government shutdown and fund the government for the remainder of the fiscal year. If passed by the House, the pressure will then be on the Senate, which will require support from several Democrats to approve the bill. However, this may be an uphill battle as top Senate appropriator, Sen. Patty Murray (D-WA) released a <u>statement</u> indicating that the package would "give Donald Trump and Elon Musk more power over federal spending" and instead expressed support for a short-term measure. The Senate will also continue its work confirming several key Department of Health and Human Services (HHS) appointees.

Fiscal Year 2025 Appropriations

On Saturday, House Republicans released a <u>continuing resolution (CR)</u> to fund the government through the end of the fiscal year (September 30) that increases defense spending by \$6 billion over the current budget, decreases non-defense spending by \$13 billion, and provides additional ICE funding for Trump Administration deportations. The package also includes funding for the following health extender provisions through September 30:

- Extension for community health centers, the National Health Service Corps, and teaching health centers that operate graduate medical education (GME) programs;
- Extension of the special diabetes program;
- National health security extensions;
- Extension of the increased inpatient hospital payment adjustment for certain low-volume hospitals;
- Extension of the Medicare-dependent hospital (MDH) program;
- Extension of the add-on payments for ambulance services;
- Extension of funding for quality measure endorsement, input, and selection;
- Extension of funding outreach and assistance for low-income programs;
- Extension of the work geographic index floor;
- Extension of the COVID-19 Medicare telehealth flexibilities;
- Extension of the acute hospital care at home waiver authorities;
- Extension of the temporary inclusion of authorized oral antiviral drugs as covered Part D drugs;
- Extension of the Medicare sequestration;
- Sexual risk avoidance education extension;
- Personal responsibility education extension;
- Extension of funding for family-to-family health information centers; and
- Extension of the delay of the Medicaid disproportionate share hospital (DSH) reductions.



The package notably excludes policy to avert Medicare physician payment cuts, a priority of Rep. Greg Murphy (R-NC), who co-chairs the GOP Doctors' Caucus. Rep. Murphy indicated that he would not support the CR without its inclusion and Republicans can only afford to lose two votes to pass the package on party lines.

Trump Administration Nominations

On Friday, the Senate Finance Committee will hold its <u>nomination hearing</u> for the Centers for Medicare and Medicaid Services (CMS) Administrator nominee, Dr. Mehmet Oz. The hearing is likely to shine light on the Trump Administration's Medicare Advantage (MA) priorities and how they will address certain Biden Administration proposals, such as coverage of anti-obesity medications (AOMs). Medicaid cuts and Department of Government Efficiency (DOGE) firings are also likely to be heavily featured in the hearing.

Additionally, on Thursday, the Senate Health, Education, Labor & Pensions Committee (HELP) will convene an <u>executive session</u> on whether to advance the nominations of Dr. Jayanta Bhattacharya for National Institutes of Health (NIH) Director and Dr. Martin Makary as Food and Drug Administration (FDA) Commissioner and a <u>nomination hearing</u> for David Weldon to serve as the Director of the Centers for Disease Control and Prevention (CDC).

Regulatory Update

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

- CY 2026 Medicare Advantage: <u>Final rule</u> making changes to Medicare Advantage and the Medicare Prescription Drug Benefit (Part D).
- FY 2026 Medicare Payment Rules: Proposed rules updating payments for <u>acute care hospitals</u> and long-term care hospitals, hospice providers, inpatient psychiatric facilities, inpatient rehabilitation facilities, and <u>skilled nursing facilities</u>. The proposed rules are slated for April.
- ACA Marketplace Program Integrity: A proposed rule likely focused on addressing fraud in Marketplace plans, which has been a primary concern for House Republicans and conservative think tanks, such as the Paragon Health Institute. The proposed rule will likely reverse a number of Biden-era policies related to enrollment and eligibility for premium subsidies, which were promulgated through the annual notice of benefit and payment parameters (NBPP). Peter Nelson, the new head of Center for Consumer Information and Insurance Oversight (CCIIO), identified numerous Biden-era regulations in a report he wrote during his time at the Center of the American Experiment, a conservative think tank. Given the timing of the proposed rule, it seems that the Trump Administration intends for its policies to be finalized and effective before the start of the 2026 Open Enrollment Period on November 1, 2025



This Week in Health Policy

<u>Mon. (3/10)</u>

2:00pm – Urban Discussion: Impact of Proposed Medicaid Cuts – The Urban Institute holds a discussion with policy experts and the Medical Director on House Republicans' proposed legislation that would cut federal funding for Medicaid by up to \$880 billion over 10 years to pay for tax reductions. Potential cuts to the program include large reductions in the Affordable Care Act's incentives for extending coverage to all low-income adults, decreases in funding for pre-ACA Medicaid coverage, and penalties for states that cover care for immigrants, as well as introduction of more onerous eligibility requirements. Panelists will consider the likely effects of these cuts, focusing on program access for low-income Americans. Details.

<u>Tue. (3/11)</u>

- 10:00am Hearing: SBA Oversight The House Small Business Subcommittee on Oversight, Investigations, and Regulations holds a hearing titled "Restoring the Small Business Administration (SBA): Putting Main Street America First." <u>Details</u>. Including for TCHF SBA interest
- 10:00am Hearing: Preventing Improper Payments The House Oversight and Government Reform Subcommittee on Government Operations holds a hearing to expose flaws in federal government payment systems and evaluate solutions to improve data collection, close eligibility loopholes, and prevent improper payments on the front end to reduce fraud and abuse. <u>Details</u>.
- 2:00pm Hearing: Enhancing Federal, State, and Local Immigration Enforcement The House Oversight and Government Reform Subcommittee on Federal Law Enforcement holds a hearing to explore the need for collaboration between local, state, and federal law enforcement agencies to secure the border and how Congress can help towards increasing collaborative efforts. Details.
- **2:00pm Hearing: Quality Post-Acute Care Access** The House Ways and Means Subcommittee on Health holds a hearing to examine the post-acute care landscape and the challenges and opportunities to improve access to such care for Medicare beneficiaries. <u>Details</u>.
- 2:15pm Hearing: Veterans Health Access The House Veterans' Affairs Subcommittee on Health holds a markup of several pieces of legislation, including <u>H.R. 1107</u>, Protecting Veteran Access to Telemedicine Services Act of 2025; <u>H.R. 1336</u>, The Veterans National Traumatic Brain Injury Treatment Act; and <u>H.R. 658</u>, to establish qualifications for the appointment of a person as a marriage and family therapist, qualified to provide clinical supervision, in the Veterans Health Administration. <u>Details</u>.

Wed. (3/12)

 10:00am – Markup: FTC and OSTP Nomination – The Senate Commerce, Science, and Transportation Committee holds a markup to consider the nominations of Mark Meador be a Federal Trade Commissioner (FTC), and Michael Kratsios to be Director of the Office of Science and Technology Policy (OSTP). <u>Details</u>.



- 10:30am Markup: Gain-of-Function Research Oversight The Senate Homeland Security and Governmental Affairs Committee holds a markup of a several bills, including <u>S.854</u>, Risky Research Review Act, which would establish a Life Sciences Research Security Board within the Executive Branch to oversee gain-of-function research and other high-risk life sciences research that potentially poses a threat to public health, safety, or national security. <u>Details</u>.
- **3:30pm Hearing: Senior Loneliness –** The Senate Special Committee on Aging holds a hearing to examine breaking the cycle of senior loneliness, focusing on strengthening family and community support. <u>Details</u>.

<u> Thurs. (3/13)</u>

- 9:30am Markup: NIH and FDA Nomination The Senate Health, Education, Labor, and Pensions Committee holds a markup to consider the nomination of Dr. Jayanta Bhattacharya to be Director of the National Institutes of Health (NIH) and Dr. Martin Makary to be Commissioner of the Food and Drug Administration (FDA). <u>Details</u>.
- **10:00am Hearing: CDC Nomination** The Senate Health, Education, Labor, and Pensions Committee holds a hearing to examine the nomination of David Weldon to be Director of the Centers for Disease Control and Prevention (CDC). <u>Details</u>.

<u>Fri. (3/14)</u>

 10:00am – Hearing: CMS Nomination – The Senate Finance Committee holds a hearing to consider the nomination of Dr. Mehmet Oz as the Administrator of the Centers for Medicare and Medicaid Services (CMS). <u>Details</u>.

Featured Analysis

- Insights for Impact: Federal Nutrition Programs In Policy Hub Insight Bank here.
- Litigation Tracker: Monitoring Legal Challenges to Trump-Vance Executive Actions In Policy
 Hub Insight Bank <u>here</u>.
- 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>.



Congressional Lookback

<u>Fri. (3/7)</u>

• MedPAC held day two of its <u>March 2025 public meeting</u> and held sessions on home health use among MA beneficiaries, and I-SNPs. All Impact Health session summaries are available in Policy Hub <u>here</u>.

<u> Thurs. (3/6)</u>

- The Senate HELP Committee convened a <u>hearing</u> to consider Dr. Martin Makary for Commissioner of the FDA. <u>Details</u>.
- MedPAC convened virtually for day one of its <u>March 2025 public meeting</u> and held sessions on the physician fee schedule, cost sharing for CAHs, Medicare insurance agents, Medigap, and payment for ground ambulance services. All Impact session summaries are available on Policy Hub <u>here</u>.

Wed. (3/5)

• The Senate HELP Committee convened a <u>hearing</u> to consider the nomination of Dr. Jayanta Bhattacharya to serve as Director of the NIH. <u>Details</u>.

Regulatory Lookback

<u>Fri. (3/7)</u>

• **The CBO** released a <u>letter</u> confirming that the only path to follow the House's instructions would require deep spending cuts in the Medicaid program. <u>Details</u>.

Wed. (3/5)

President Trump issued an <u>Executive Order</u> titled "Implementing the President's 'Department of Government Efficiency' Cost Efficiency Initiative." <u>Details</u>.

<u>Mon. (3/3)</u>

• The USPSTF released a <u>draft research plan</u> on interventions for tobacco cessation in adults. Comments are due March 26. <u>Details</u>.

Comment & Application Deadlines

- March 10: The FDA released <u>draft guidance</u> on accelerated approval and considerations for determining whether a confirmatory trial is <u>underway</u>. <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 <u>considerations</u> 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>.



- April 7: The House E&C Republican Leadership issued an <u>RFI</u> to gather input on a federal comprehensive data privacy and security framework. <u>Details</u>
- July 1: The CDC <u>seeking nominations</u> for membership on the Clinical Laboratory Improvement Advisory Committee (CLIAC). <u>Details</u>.

