

Impact Health Policy Weekly

Framing the week

On Friday, House Republican leadership released the [Lower Health Care Premiums for All Americans Act](#), as their proposed solution to the expiring enhanced premium tax credits (EPTCs) ([press release](#)). **Impact Health is currently working on a full summary of the bill**, which features the following provisions:

- Expands the rules regarding who can form Association Health Plans;
- Clarifies that stop-loss insurance is not health insurance coverage;
- Codifies regulation allowing employers to offer employees tax-advantaged funds to pay for individual insurance as custom health option and individual care expense (CHOICE) arrangements.
- Funds cost sharing reduction (CSR) payments beginning 2027
- Increases pharmacy benefit manager (PBM) transparency in the commercial market.

While the package features proposals with broad Republican support, the bill is unlikely to pass without the support of moderate Republicans who seek to extend the EPTCs in some form. Discussions to add such an amendment to the Republican package fell apart over the weekend, and instead Reps. Fitzpatrick (R-PA), Kiggans (R-VA), Lawler (R-NY), and Valadao (R-CA) will offer their amendment, which would extend a modified version of the EPTCs for two years, before the Rules Committee tomorrow.

The amendment is unlikely to be advanced to the House floor, which leaves discharge petitions as the only remaining option for an EPTC extension. The Democrats' [discharge petition](#), which is a three-year extension of the EPTCs has 214 signatures with no Republican support, while [Rep. Fitzpatrick](#) and [Rep. Gottheimer \(D-NJ\)](#) discharge petitions for modified extensions have some level of bipartisan support. Even if a discharge petition were to garner enough support to be passed by the House, the Senate is unlikely to take up the measure before the end of year.

MAHA Update

The Department of Agriculture (USDA) [approved](#) six new state waivers to restrict food purchases using Supplemental Nutrition Assistance Program (SNAP) benefits. These states join 12 others that already placed limits on the use of SNAP benefits to purchase “junk” food and/or soda earlier this year.

APTC Information Collection

Last week, CMS [noticed](#) a proposed collection of information to require state Exchanges to submit a sample of household tax information to review for improper APTC payments. CMS has been reporting on improper APTC payments administered through the federal platform since the fiscal year 2022 report. Comments on the proposed information collection are due February 9th.

Regulatory Update

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

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- **ACA Marketplace:** The HHS Notice of Benefit and Payment Parameters for 2027 [proposed rule](#)
- **Medicare:**

- **Procurement of Domestic PPE.** An [advance notice of proposed rulemaking](#) that would detail program incentives and requirements for Medicare providers and suppliers to invest and phase-in the procurement of American made personal protective equipment (PPE) and essential medicine to secure our nation’s health and safety.
- **MA and Part D: [Advance Notice](#)** of Methodological Changes for Calendar Year (CY) 2027 for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies
- **Medicaid:**
 - **Gender-Affirming Care.**
 - A [proposed rule](#) titled, “Medicaid Program; Prohibition on Federal Medicaid Funding for Sex Trait Modification Procedures Furnished to Children and Youth.”
 - A [proposed rule](#) titled, “Medicare and Medicaid Programs; Hospital Condition of Participation: Limiting Participation Based on the Performance of Sex Trait Modification Procedures on Children.”
 - **State Directed Payments.** A [proposed rule](#) titled, “Medicaid Managed Care-State Directed Payments.” The proposed rule appears intended to advance a [presidential memorandum](#) released on June 6, which directs HHS to “eliminate waste, fraud, and abuse in Medicaid, including by ensuring Medicaid payments rates are not higher than Medicare, to the extent permitted by applicable law.”
 - **Medicaid Tax Waivers.** A [proposed rule](#) titled, “Preserving Medicaid Funding for Vulnerable Populations – Closing a Health Care-Related Tax Loophole.”
- **Prescription Drugs:**
 - A [proposed](#) rule titled, “Improving Transparency into Pharmacy Benefit Manager Fee Disclosure” and a [proposed rule](#) addressing Transparency in Coverage requirements.
 - **CMMI Drug Pricing Models.** A [proposed rule](#) for a Global Benchmark for Efficient Drug Pricing (GLOBE) Model and a [proposed rule](#) for Guarding U.S. Medicare Against Rising Drug Costs (GUARD) Model
- **Nutrition:**
 - **Head Start.** A [notice](#) from the Administration for Children and Families titled, “Publish Request for Information: Nutrition Services in Head Start Programs
- **Immigration:**
 - **Unaccompanied Children.** An [interim final rule](#) titled, “Unaccompanied Children Program Foundational Rule; Update to Include Proof of Identity and Income Verification Standards.”

This Week in Health Policy

Mon. (12/15)

- **3:00pm – AEI: AI Governance** – The American Enterprise Institute holds a discussion with Reps. Kevin Hern (R-OK) and Jay Obernolte (R-CA) on artificial intelligence (AI) governance, focusing on balancing federal and state regulation to ensure AI innovation. [Details.](#)

Tue. (12/16)

- **9:30am – Hearing: Biden’s Afghan Parolee Program** – The Senate Judiciary Subcommittee on Border Security and Immigration and Subcommittee on Crime and Counterterrorism hold a joint hearing to examine the Biden Administration Afghan parolee program. [Details.](#)
- **10:00am – Hearing: Implementing GAO Recommendations** – The Senate Homeland Security and Governmental Affairs Subcommittee on Border Management, Federal Workforce, and Regulatory Affairs holds a hearing to examine implementing GAO recommendations for a more accountable government. [Details.](#)

Wed. (12/17)

- **10:15am – Hearing: Biosecurity/AI Innovation** – The House Energy and Commerce Subcommittee on Oversight and Investigations holds a hearing to examine how artificial intelligence (AI) and biotechnology advancements affect biosecurity and efforts to mitigate risks. [Details.](#)
- **2:00pm – Hearing: Temporary Protected Status** – The House Judiciary Subcommittee on Immigration Integrity, Security, and Enforcement hold a hearing to examine the Temporary Protected Status (TPS) program, including how it has impacted American communities and how the program has been historically abused. [Details.](#)
- **2:30pm – Hearing: Reducing Health Care Costs/Improving Outcomes** – The Senate Joint Economic Committee holds a hearing to examine realigning healthcare incentives to improve outcomes and reduce costs. [Details.](#)

Thurs. (12/18)

- **10:00am – Hearing: Chips and Science Act Implementation** – The House Science, Space and Technology Investigations and Oversight Subcommittee holds a hearing to examine implementation of the CHIPS and Science Act featuring testimony from agency officials from the National Science Foundation, National Institutes of Health, and the Department of Energy. [Details.](#)

Additional Multi-Day Events

- **Dec 17-Dec 18 – CMS Meeting: HCPCS Level II Coding Requests** – The Centers for Medicare and Medicaid Services (CMS) holds the Second Biannual 2025 Healthcare Common Procedure Coding System (HCPCS) meeting to discuss specific HCPCS Level II coding requests for new products, supplies, and services. [Details.](#)

Featured Analysis

- **Updates on EPTC Extension: New Bipartisan Framework and a GAO Report on Fraud**
- – In Policy Hub [here.](#)
- **Impact Health AI Policy Roundup** – In Policy Hub [here.](#)
- **Impact Health Vaccine Policy Tracker** – In Policy Hub [here.](#)

- **Impact Health Chart: Available Information on State Applications for the Rural Health Transformation Program** – In Policy Hub [here](#).
- **Impact Health Spring 2025 Regulatory Outlook** – In Policy Hub [here](#).
- **Insight for Impact: Vaccine Policy Under RFK Jr.** – In Policy Hub [here](#).
- **OBBA Medicaid Provisions and Timeline for Implementation** – In Policy Hub [here](#).

Congressional Lookback

Fri. (12/12)

- **The House E&C Subcommittee on Commerce, Manufacturing, and Trade** [advanced](#) a wide-ranging legislative package during a [markup](#) of 18 bills addressing children’s online safety, data privacy, harmful content, platform accountability, artificial intelligence (AI) chatbot safeguards, parental oversight tools, and app ecosystem transparency. [Details](#).

Thurs. (12/11)

- **MACPAC** convened virtually for its [December 2025 public meeting](#) and held sessions on children and youth with special health care needs transitions to adult coverage, community engagement requirements, and ensuring accountability of Medicaid managed care organizations. All Impact session summaries are available on Policy Hub [here](#).
- **The U.S. Senate Committee on Homeland Security & Governmental Affairs Permanent Subcommittee on Investigations** held a [hearing](#) to discuss problems and solutions for what Senators across party lines described as an ineffective U.S. healthcare system. [Details](#).
- **The Senate HELP Committee** held a [hearing](#) to examine the future of the U.S. OPTN. [Details](#).

Tues. (12/9)

- **Sens. Crapo and Cassidy** release the [Health Care Freedom for Patients Act](#). [Details](#).

Mon. (12/8)

- **Sens. Cassidy, Hassan, Cornyn, and Warner** reintroduced the [Health Care Cybersecurity and Resilience Act](#). [Details](#).
- **The House E&C Subcommittee on Commerce, Manufacturing, and Trade** held a [hearing](#) to evaluate bills addressing children’s online safety, data privacy, harmful content, platform accountability, AI chatbot safeguards, parental oversight tools, and app ecosystem transparency. [Details](#).

Regulatory Lookback

Fri. (12/12)

- **President Trump** issued an [Executive Order \(EO\)](#) “Ensuring a National Policy Framework for Artificial Intelligence.” [Details](#).

Thurs. (12/11)

- CMMI announced the [Make America Healthy Again \(MAHA\): Enhancing Lifestyle and Evaluating Value-based Approaches Through Evidence \(ELEVATE\) Model](#). [Details](#).
- CMS [announced the participants](#) in the Wasteful and Inappropriate Service Reduction (WISeR) model. [Details](#).

Wed. (12/10)

- **Federal appeals court allows** H.R. 1's Medicaid restrictions on reproductive health providers to remain in effect in 22 states and D.C. [Details](#).

Tues. (12/9)

- CMS released a [proposed rule](#) updating policies for the Increasing Organ Transplant Access (IOTA) Model. [Details](#).
- HUD [rescinded](#) its controversial notice of funding opportunity (NOFO) for a new grant cycle of the Continuum of Care (CoC) program. [Details](#).

Mon. (12/8)

- CMCS [released](#) state guidance furthering outlining the community engagement requirements established for certain adults in the One Big Beautiful Bill Act. [Details](#).
- CMS held a [convening \(press release\)](#) on December 4 to discuss the new [Advancing Chronic Care with Effective, Scalable Solutions \(ACCESS\) Model](#). [Details](#).
- The CRS released an [analysis](#) of the No Surprises Act (NSA) independent dispute resolution process (IDR) in 2024. [Details](#).

Comment & Application Deadlines

- **December 15:** The CFPB issued a [proposed rule](#) that would significantly narrow and simplify its 2023 Section 1071 small-business lending data collection requirements. [Details](#).
- **December 18:** CMS released updates related to sharing personal information. [Details](#).
- **December 19:** DHS issued a [notice of proposed rulemaking](#) to rescind the 2022 public charge ground of inadmissibility regulations. [Details](#)
- **January 14:** HUD released a [NOFO](#) for a new grant cycle of the Continuum of Care (CoC) program. [Details](#).
- **January 26:** CMS released the CY 2027 MA and Part D policy and technical changes [proposed rule](#). [Details](#).
- **January 31:** CMS issued the *Medicare and Medicaid Programs; Repeal of Minimum Staffing Standards for Long-Term Care (LTC) Facilities* [interim final rule with comment period](#). [Details](#).
- **March 31:** CMMI announced [GENEROUS \(GENERating cost Reductions fOr U.S. Medicaid\) Model](#). [Details](#).
- **June 3:** CMMI released a [NOFO](#) for the second cohort of the Innovation in Behavioral Health Model. [Details](#).