

## Impact Health Policy Weekly

### Framing the week

The Senate is in recess this week, while the House races to complete the fiscal year (FY) 2026 appropriations process. This morning, House appropriators released the final minibus package that includes funding for [Labor-HHS-Education](#), [Department of Defense](#), [Department of Homeland Security](#), and [Transportation-HUD](#). The bill provides \$116.6 billion in discretionary funding for HHS, which mirrors what the Senate approved in July, but exceeds President Trump's requested \$95 billion. A bipartisan health care package (Division F) has also been included in the [minibus](#) and highlights include the following:

- An extension of the health care extenders package, including the telehealth flexibilities;
- Pharmacy benefit manager provisions, including Part D and commercial transparency requirements, and commercial rebate pass through;
- Requiring a separate identification number and an attestation for each off-campus outpatient department of a provider
- The Requiring Enhanced and Accurate Lists of (REAL) Health Providers Act, which would require Medicare Advantage organization to update their provider directories; and
- Medicare coverage of multi-cancer early detection screening tests.

Impact Health is working on summary of the health care extenders package and will send that later today.

### Regulatory Update

The Centers for Medicare & Medicaid Services (CMS) [announced](#) plans to create a public portal to streamline requests for external meetings. The notice must be published in the *Federal Register* for a 60-day period before the agency can seek approval from the Office of Management and Budget (OMB), making late March the earliest the system could be implemented.

Additionally, the Office of Management and Budget completed its review of the DOL/EBSA [proposed rule](#) to improve transparency into PBM fee disclosure. OMB is also reviewing the following.

- **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:**
  - **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.”
    - A proposed rule titled, “Amending the Indirect Hold Harmless Threshold of Health Care-Related Taxes.”
  - **Fraud and Abuse**
    - **\*NEW\*** A proposed rule entitled, “Comprehensive Regulations to Uncover Suspicious Healthcare (CRUSH).”
    - A proposed rule titled, Medicare and State Health Care Programs: Fraud and Abuse; Request for Information Regarding the Federal Anti-Kickback Statute and Beneficiary Inducements CMP
  - **Prescription Drugs:**
    - **\*NEW\*** A [proposed rule](#) on interoperability standards and prior authorization for drugs.
  - **Health Technology:**
    - A [final rule](#) titled, Administrative Simplification: Adoption of Standards for Health Care Attachment Transactions and Electronic Signatures.
  - **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. (1/19)

- **Holiday: Martin Luther King Jr. Day**

#### Tue. (1/20)

- **10:00 am – Supreme Court Hearing: Gun Control** – The Supreme Court will hear oral arguments in [Wolford v. Lopez](#), to rule on the constitutionality of a Hawaii law that makes it a crime to carry a handgun on private property without the property owner’s explicit permission. [Details.](#)

#### Wed. (1/21)

- **10:00 am – Supreme Court Hearing: Federal Position Removals** – The Supreme Court will hear oral arguments in [Trump v. Cook](#), where the court will consider the firing of Federal Reserve Governor Lisa Cook. [Details.](#)
- **10:00am – Hearing: Addressing Public Fund Fraud** – The House Judiciary Subcommittee on Crime and Federal Government Surveillance holds a hearing to examine allegations of fraud to exploit multiple federally funded programs in Minnesota. [Details.](#)
- **10:00am – Hearing: CISA Oversight** – The House Homeland Security Committee holds an oversight hearing of the Department of Homeland Security’s (DHS) Cybersecurity and

Infrastructure Security Agency (CISA), Transportation Security Administration (TSA), and Science and Technology Directorate (S&T). Dr. Madhu Gottumukkala, Acting Director at CISA will be participating. [Details.](#)

- **10:00am – Hearing: HUD Oversight** – The House Financial Services Committee holds an oversight hearing of the Department of Housing and Urban Development (HUD) and the Federal Housing Administration with HUD Secretary Scott Turner. [Details.](#)
- **10:15am – Hearing: Health Care Costs’ Fiscal Impact** – The House Budget Committee holds a hearing to examine rising health care costs. [Details.](#)
- **12:00pm – Research America Discussion: Health Services Research** – Research America holds a Hill Briefing on the role of Health Services Research (HSR) in ensuring medical progress translates into patient benefit. [Details.](#)
- **2:00pm – CMS Discussion: Digital Quality Measures**– The Centers for Medicare and Medicaid Services (CMS) holds a meeting to discuss the transition of electronic clinical quality measures (eQMs) to digital quality measures (dQMs) using HL7 Fast Healthcare Interoperability Resources (FHIR)-based standards to enable standardized, electronic data sharing, and upcoming comment period details. [Details.](#)
- **3:00pm – BPC Discussion: Health Care for Older Adults** – The Bipartisan Policy Center (BPC) holds a discussion on policy opportunities to strengthen support for home-based care, increase access to behavioral health services, ensure affordable aging, and reduce health system complexities. [Details.](#)
- **3:30pm – Hearing: Federal Child Support** – The House Ways and Means Work and Welfare Subcommittee holds a hearing to examine opportunities to modernize the federal child support enforcement program. [Details.](#)

#### Thurs. (1/22)

- **9:45am – Hearing: Health Insurance Affordability** – The House Energy and Commerce Health Subcommittee holds a hearing to discuss with health insurance companies the core drivers working against health care affordability, including waste, fraud, and abuse, and lack of competition and patient choice. The CEOs from UnitedHealthcare, CVS Health, Cigna Healthcare, Elevance Health, and Blue Shield of California, have been invited to testify. [Details.](#)
- **10:15Am – Hearing: Oversight of Community Care Network** – The House Veterans’ Affairs Committee holds an oversight hearing of the Community Care Network Next Generation, which aims to provide a comprehensive network of health care services for veterans. [Details.](#)
- **2:00pm – Hearing: Housing Affordability** – The House Oversight and Government Reform Subcommittee on Economic Growth, Energy Policy, and Regulatory Affairs, holds a hearing to examine factors, including federal and state regulations, that have made housing unaffordable for both younger and older Americans. [Details.](#)
- **2:30pm – Hearing: Health Insurance Affordability** – The House Ways and Means Committee holds a hearing to examine the current state of health care affordability with a focus on the role played by health insurers, pharmacy benefit managers, and their subsidiaries. The CEOs from

UnitedHealthcare, CVS Health, Cigna Healthcare, Elevance Health, and Blue Shield of California, have been invited to testify. [Details.](#)

### Featured Analysis

- **Innovation Center Model Portfolio Overview** – In Policy Hub [here.](#)
- **Impact Health AI and Cyber Policy Roundup** – In Policy Hub [here.](#)
- **Digital Health Roundup: Interoperability, CMS Health Tech Ecosystem, and Congressional Work** – In Policy Hub [here.](#)
- **Updates on EPTC Extension: New Bipartisan Framework and a GAO Report on Fraud** – In Policy Hub [here.](#)
- **Impact Health Vaccine Policy Tracker** – In Policy Hub [here.](#)

### Congressional Lookback

#### Fri. (1/16)

- **MedPAC** held day two of its [January meeting](#) at which it held sessions on Medicare Advantage and D-SNPs. [Details.](#)
- **House Oversight and Government Reform Chairman James Comer (R-KY)** announced that he is [requesting new information](#) from the CMS regarding allegations that New York State has failed to properly match federal Medicaid dollars. [Details.](#)

#### Thurs. (1/15)

- **MedPAC** held day one of its [January meeting](#) at which it held sessions on its payment adequacy recommendations, the home health PPS, Part D bids and status report, and an ASC status report. [Details.](#)

#### Wed. (1/14)

- **The HELP Committee** [convened](#) a hearing to examine federal regulation of medication abortion, focusing on mifepristone, one of the two drugs used in a medication abortion. [Details.](#)
- **The House Science, Space, and Technology Committee's Research and Technology Subcommittee** held a [hearing](#) to examine the Trump administration's AI strategy and its implications for U.S. innovation, competitiveness, and governance. [Details.](#)

### Regulatory Lookback

#### Thurs. (1/15)

- **President Trump** announced the [Great Healthcare Plan](#) aimed at lowering prescription drug prices and premiums, holding insurers accountable, and increasing pricing transparency. [Details.](#)

- ARPA-H announced the launch of the [ADVOCATE program](#), a new initiative aimed at addressing persistent gaps in CVD care through the development of autonomous, clinical-grade AI. [Details](#).
- The FTC announced [updated jurisdictional thresholds](#) and a revised filing fee schedule under the Hart-Scott-Rodino Act. [Details](#).

#### **Tues. (1/13)**

- CMS released a [snapshot](#) of the Marketplace 2026 open enrollment period since open enrollment began on November 1<sup>st</sup>. [Details](#).
- CMS notified participants and providers impacted by the WISeR model that its requirement to use prior authorization or pre-payment claims review for select items and services will become effective January 15th. [Details](#).

#### **Mon. (1/12)**

- CMS released several updates spanning quality measurement, data transparency, workforce investment, and program integrity. [Details](#).

#### **Comment & Application Deadlines**

- **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](#).
- **February 6:** The GAO issued a [request](#) for letters of nomination and resumes for the Medicare Payment Advisory Commission. [Details](#).
- **February 7:** HRSA released a [notice](#) seeking public comment on an ICR related to the enrollment and annual recertification process for entities participating in the 340B Drug Pricing Program. [Details](#).
- **February 17:** CMS released a [proposed rule](#) that would prohibit Federal Financial Participation (FFP) in Medicaid for “sex-rejecting procedures” for children under the age of 18 and prohibit the use of federal CHIP funds for such care for children under the age of 19. [Details](#).
- **February 21:** CMS issued an [NPRM](#) for the Global Benchmark for Efficient Drug Pricing (GLOBE) Model. [Details](#).
- **February 21:** CMS issued an [NPRM](#) for the Guarding Against U.S. Medicare Against Drug Costs (GUARD) Model. [Details](#).
- **February 21:** HHS, DOL, and the Department of the Treasury released a Transparency in Coverage (TiC) proposed rule to amend health plan price transparency reporting requirements. [Details](#).
- **February 21:** HHS released a [Request for Information \(RFI\)](#) seeking broad public input on how the Department can accelerate the adoption and use of artificial intelligence (AI) as part of clinical care. [Details](#).
- **February 27:** ASTP/ONC released the Health Data, Technology, and Interoperability: ASTP/ONC Deregulatory Actions to Unleash Prosperity (HTI-5) [Proposed Rule](#). [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](#).