

Impact Health Policy Weekly

Framing the Week

Congress is in recess this week. Advancing the budget reconciliation package to fund immigration enforcement and border patrol by June 1 (President Trump's deadline) will be Republicans' top priority when they return next week.

Time in their districts and states will be an opportunity for both parties to highlight their key messages ahead of the midterms. The [House GOP's platform](#) centers on four main policy areas: border security; energy independence; eliminating waste, fraud, and abuse; and tax relief for working families.

Meanwhile, Democrats continue to focus on affordability, with health care a central part of their message, as well as Medicaid cuts in H.R. 1.

- [Senate Democrats' vision for health care](#) seeks to lower costs and make care accessible and easier to use.
- Senate Finance Democrats' is developing policies to lower [health care costs](#) and [prescription drug costs](#).
 - Health Coverage: "Reverse Republican cost increases and reimagine a better path...make health care simpler for families...take on corporate greed."
 - Prescription Drug: "Lowering the prices manufacturers charge for drugs...reducing out-of-pocket drug costs...restoring and bolstering American innovation."
- [Congressional Progressive Caucus' New Affordability Agenda](#) includes a proposal to make prescription drugs cheaper "by establishing a government program to sell generic drugs at a discount, cutting the price of a vial of insulin from \$300 to \$50."
- [New Democrat Coalition's New Dem Affordability Agenda](#) proposes to "extend ACA tax credits...cap prescription drug costs, fully fund Medicaid and protect patients from surprise medical bills and aggressive debt collection."

The Senate Health, Education, Labor, and Pensions Committee Chairman Bill Cassidy (R-LA), who is facing a [tough primary](#) later this month, will convene two field hearings.

The [first hearing](#) is focused on health care affordability and will feature perspectives from Louisiana-based employers, patients, and providers. This will be an opportunity for Chairman Cassidy, to highlight his [Money and Value for Patients \(MVP\)](#) agenda. It entails providing \$1,000 or \$1,500 (depending on age) through a [health savings account](#) tied to a bronze or catastrophic plan, empowering patients to shop for lower cost care through TrumpRx and with the help of price transparency, and expanding access to safe and nutritious food.

The [second hearing](#) is focused on mental health and substance use treatment. The panel features Louisiana-based health care advocates and executives, as well as the former acting head of SAMHSA.

Regulatory Update

The Office of Management and Budget completed reviewing:

- **Head Start.** [Proposed Rule](#): Restoring Flexibility to Support Head Start Program Access
- **Nutrition.** [Interim Final Rule](#): Expanding Fluid Milk Options in Child Nutrition Programs

OMB is reviewing the following rules:

- **Coverage and Payment:**
 - **Medicaid:**
 - **State Directed Payments.** [Proposed Rule](#): Medicaid Managed Care State Directed Payments and Medicaid Fee-For-Service Targeted Medicaid Practitioner Payments
 - **Medicaid Tax Waivers.** [Proposed Rule](#): Amending the Indirect Hold Harmless Threshold of Health Care-Related Taxes
 - **Work Requirements.** [Interim Final Rule](#): Establishing State Community Engagement Requirements for Certain Individuals Under Section 1902(xx) of the Social Security Act
 - **Medicare.** Proposed Rules: CY 2027 policy changes and payment rates for [hospital outpatient departments](#), [physicians](#), and [ESRD facilities](#)
 - **Marketplace.**
 - [Final Rule](#): 2027 Notice of Benefit and Payment Parameters
 - [Proposed Rule](#): Exchange Pre-Enrollment Eligibility Verification
 - **No Surprises Act.** [Final Rule](#): Independent Dispute Resolution Operations
 - **Organ Transplant.** [Final Rule](#): Alternative Payment Model Updates and the Increasing Organ Transplant Access
- **Drug Price Negotiation.** [Proposed Rule](#): Medicare Drug Price Negotiation Program
- **Accrediting Organizations.** [Final Rule](#): Strengthening Oversight of Accrediting Organizations (AO), Burden Reduction, and Related Provisions
- **Nutrition**
 - **Work Requirements.** [Proposed Rule](#): Supplemental Nutrition Assistance Program: Modification to Work Requirements for Able-Bodied Adults
 - **Categorical Eligibility.** [Proposed Rule](#): Supplemental Nutrition Assistance Program: Reforming Categorical Eligibility
 - **Cost Sharing.** [Proposed Rule](#): Supplemental Nutrition Assistance Program: Changes in Federal-State Administrative Cost Sharing
- **Immigration.** [Interim Final Rule](#): Unaccompanied Children Program Foundational Rule; Update to Include Proof of Identity and Income Verification Standards
- **Medication-Assisted Treatment.** [Final Rule](#): Implementation of the SUPPORT Act: Dispensing and Administering Controlled Substances for Medication-Assisted Treatment

- **HIPAA. [Final Rule](#):** HIPAA Privacy Rule: Changes to Support Coordinated Care and Individual Engagement and Reduce Regulatory Burdens
- **Excepted Benefits. [Proposed Rule](#):** Amendments to Excepted Benefits
- **Disability. [Interim Final Rule](#):** Nondiscrimination on the Basis of Disability by Recipients of Department of Health and Human Services Financial Assistance
- **Discrimination. [Final Rule](#):** Rescinding Portions of Department of Health and Human Services Title VI Regulations to Conform More Closely with the Statutory Text and to Implement Executive Order 14281

This Week in Health Policy

An overview of upcoming events is included below. Events highlighted in **orange** are those that we will be covering in detail:

Tue. (5/5)

- **10:00am – Field Hearing: Health Care Affordability** – Senate Health, Education, Labor, and Pensions Chair Bill Cassidy (R-LA) holds a field hearing in Baton Rouge, LA, to examine the employer, patient, and provider perspective on health care affordability. [Details.](#)
- **11:00am – BPC Discussion: Affordable Housing** – The Bipartisan Policy Center (BPC) holds a discussion on housing affordability, focusing on a range of factory-built housing types, the challenges of scaling these solutions, and opportunities for reform at the local, state, and federal levels. [Details.](#)
- **1:00pm – NIH Meeting: Alcohol Abuse** – The National Institutes of Health (NIH) holds a meeting of the National Institute on Alcohol Abuse and Alcoholism for presentations and other business of the council. [Details.](#)
- **1:30pm – NIH Meeting: Drug Abuse Research** – NIH holds a meeting of holds a meeting of the National Institute on Drug Abuse for presentations and other business of the Council. [Details.](#)
- **2:00pm – CMS Meeting: LEAD Alignment** – CMS holds office hours for prospective applicants of the Long-term Enhanced Accountable Care Organization (ACO) Design (LEAD) Model. CMS will address FAQs about model alignment and financial methodology. [Details.](#)

Wed. (5/6)

- **10:00am – Field Hearing: Mental Health** – Senate Health, Education, Labor, and Pensions Chair Bill Cassidy (R-LA) holds a field hearing in Metairie, LA, to examine the mental health crisis, focusing on substance use treatment across the continuum of care. [Details.](#)
- **1:00pm – Health Affairs Discussion: Climate, Health, and Equity** – Health Affairs holds a discussion to examine how climate change is affecting human health, health equity, and the capacity of health and social systems to respond. [Details.](#)

Thurs. (5/7)

- **10:00am – HITAC Meeting: Interoperability, Privacy, and Patient Access** – The Health Information Technology Advisory Committee (HITAC) holds a meeting to discuss recommendations to the Assistant Secretary for Technology Policy/National Coordinator on Health Information Technology (ASTP/ONC) on the topics of interoperability, privacy and security, and patient access to information. [Details.](#)
- **Meeting: MACPAC** – The Medicaid and CHIP Payment and Access Commission (MACPAC) holds a public meeting to discuss Medicaid and CHIP payment and policy issues. [Details.](#)
 - **3:00pm-3:30pm – Session 1: Automation in Medicaid Prior Authorization AM**
 - **3:30pm-4:00pm – Session 2: Exploring the Role of the State Medicaid Agency in the Program of All-Inclusive Care for the Elderly (PACE)**
 - **4:00pm-4:30pm – Session 3: Access to Appropriate Residential Treatment Services for Youth in Medicaid**
 - **4:30pm-4:45pm – Session 4: Implementing Community Engagement Requirements in Medicaid**
 - **4:45pm-5:00pm – Session 5: Children and Youth with Special Health Care Needs (CYSHCN) Transitions to Adult Coverage**
 - **5:15pm-6:00pm – Session 6: Vote on Recommendations for the June Report to Congress**

Featured Analysis

- **Behavioral Health Roundup** – In Policy Hub [here](#).
- **AI Policy Roundup** – In Policy Hub [here](#).
- **Innovation Center Model Portfolio Overview** – In Policy Hub [here](#).

Congressional Lookback

Fri. (5/1)

- **The House [passed](#)** the Farm, Food, and National Security Act for Farm Bill reauthorization by a vote of 224-200. [Details.](#)

Thurs. (4/30)

- **The Appropriations Committee [passed](#)** the fiscal year 2027 funding bill for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. [Details.](#)

Wed. (4/29)

- **Reps. Ted Lieu (D-CA) and Jay Obernolte (R-CA)**, co-chairs of the former bipartisan House AI Task Force, introduced the American Leadership in AI Act ([H.R.8516](#)), a sweeping legislative package that consolidates more than 20 bipartisan AI bills developed from the Task Force's 2024 final report. [Details.](#)

- **The House Ways & Means Committee (W&M)** [convened](#) hospital system CEOs as part of a broader Republican oversight series aimed at examining and reducing health care prices across sectors. [Details.](#)

Tues. (4/28)

- **Senate Democratic Leader Chuck Schumer (D-NY)** [released](#) Senate Democrats' vision for health care. [Details.](#)

Mon. (4/27)

- **A bipartisan group of House lawmakers led by Reps. John Joyce (R-PA) and Kim Schrier (D-WA)** [introduced](#) the Medicare Advantage (MA) Improvement Act ([H.R. 8375](#)) with support from provider organizations. [Details.](#)

Regulatory Lookback

Fri. (5/1)

- **The Department of Education** [issued](#) its long-anticipated final rule implementing the federal student loan reforms enacted in H.R. 1, finalizing, largely as proposed, the framework outlined in its January 2026 Notice of Proposed Rulemaking. [Details.](#)
- **The Food and Drug Administration (FDA)** [issued](#) a notice proposing to exclude three widely used GLP-1 therapies – semaglutide, tirzepatide, and liraglutide – from the 503B Bulks List. [Details.](#)

Wed. (4/29)

- **FDA** [announced](#) a major push to modernize drug development through real-time clinical trials, unveiling two live proof-of-concept studies and issuing a Request for Information on a broader pilot program to integrate artificial intelligence into early-phase research. [Details.](#)
- **The Centers for Medicare and Medicaid Services (CMS)** announced additional deadline extensions for the GENEROUS (GENErating cost Reductions fOr U.S. Medicaid) Model, citing overwhelming interest from prescription drug manufacturers. [Details.](#)

Comment & Application Deadlines

- **May 17:** CMMI is [accepting applications](#) for the Long-term Enhanced ACO Design (LEAD) Model ([Impact summary](#)). [Details.](#)
- **May 23:** The Agency for Healthcare Research and Quality (AHRQ) issued a formal request for nominations to fill upcoming vacancies on the U.S. Preventive Services Task Force. [Details.](#)
- **May 26:** The Federal Trade Commission (FTC) and the Department of Justice (DOJ) [launched](#) a joint public inquiry regarding the effectiveness of the Hart-Scott-Rodino Antitrust Improvements Act's (HSR Act) premerger reporting requirements. [Details.](#)
- **May 30:** The Food and Drug Administration (FDA) issued a request for information (RFI) on the use of digital health technologies (DHTs) in clinical investigations for drugs and biological products, seeking stakeholder feedback on opportunities and challenges related to the use of these tools in product development and regulatory review. [Details.](#)

- **June 1:** CMS released the fiscal year (FY) 2027 inpatient rehabilitation facility (IRF) PPS proposed rule. [Details.](#)
- **June 1:** CMS released the FY 2027 inpatient psychiatric facility (IPF) PPS [proposed rule.](#) [Details.](#)
- **June 1:** CMS released the FY 2026 skilled nursing facility (SNF) prospective payment system (PPS) proposed rule. [Details.](#)
- **June 5:** CMS released the FY 2027 hospice payment rate update proposed rule. [Details.](#)
- **June 3:** CMMI released a [NOFO](#) for the second cohort of the Innovation in Behavioral Health Model. [Details.](#)
- CMS released the FY 2027 inpatient prospective payment system (IPPS) and long-term care hospital prospective payment system (LTCH PPS). [Details.](#)
- **June 15:** CMS released a [proposed rule](#) to advance interoperability and improve prior authorization for prescription drugs. [Details.](#)
- **June 29:** The Food and Drug Administration (FDA) issued a notice proposing to exclude three widely used GLP-1 therapies – semaglutide, tirzepatide, and liraglutide – from the 503B Bulks List. [Details.](#)
- **July 31:** The ACL announced the [launch of Phase 1](#) of the ACL Caregiver AI Prize Competition. [Details.](#)

Litigation Highlights

- **Voting rights:** In a [6 to 3 decision](#) in [Louisiana v. Callais](#), the Supreme Court eviscerated section 2 of the Voting Rights Act, the nationwide ban on discrimination in voting. The ruling impacts redistricting claims, effectively eliminating section 2 as a tool for challenging racially discriminatory congressional maps and requiring states to correct that discrimination by creating majority-minority electoral districts to ensure minority voters have the opportunity to elect the candidate of their choice. The decision is seen as a significant setback for civil rights. It requires Louisiana to redraw its congressional map and renders similar districts in other states vulnerable to legal challenges. Louisiana's governor [paused](#) the state's Congressional House primaries mid-process following the ruling and the state will redraw its congressional map. Analysis regarding the nationwide impact of the decision is still ongoing but earlier [estimates](#) suggest that rolling back section 2, as occurred in last week's decision, could create 19 additional safe Republican congressional districts and put 191 state legislative seats at risk of elimination – all which are currently held by Democrats and primarily by Black legislators.
- **Reproductive health:** The Fifth Circuit Court of Appeals has [sharply curtailed](#) nationwide access to medication abortion, blocking a 2023 FDA policy that enabled telemedicine prescriptions and mail delivery of mifepristone. The decision effectively reinstate in-person dispensing requirements

during ongoing litigation. Drugmakers Danco and GenBioPro have filed emergency motions with the Supreme Court, [seeking emergency relief](#) and warning the decision will trigger widespread confusion and immediate barriers to care.

- **Vaccines:** In other legal decisions, the Department of Health and Human Services (HHS) [appealed](#) the [AAP v. Kennedy](#), the case challenging Secretary Kennedy's overhaul of federal vaccine policy, including restructuring the CDC's Advisory Committee on Immunization Practices (ACIP) and revising the childhood immunization schedule, after a federal judge [blocked](#) those moves and reinstated prior vaccine guidance while the case proceeds.

For additional information regarding these cases and hundreds of others, please see our [litigation tracker](#), which is updated regularly.