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# WASHINGTON UPDATE



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Welcome to "Washington Update," the weekly e-newsletter on the latest health care happenings in the nation's capital that affect APG's members.

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**Matt DoBias**  
Vice President, Congressional Affairs  
[mdobias@apg.org](mailto:mdobias@apg.org)

**Jennifer Podulka**  
Vice President, Federal Policy  
[jpodulka@apg.org](mailto:jpodulka@apg.org)

**Garrett Eberhardt**  
Executive Director, Medicaid Policy  
[geberhardt@apg.org](mailto:geberhardt@apg.org)

**Greg Phillips**  
Director of Communications  
[gphillips@apg.org](mailto:gphillips@apg.org)

## Table of Contents

- **Prolonged Speaker Battle Pushes Health Care to the Back Burner for Now**
- **New Guidance Could Lead to Expanded SDoH Offerings in Medicaid**

### **Prolonged Speaker Battle Pushes Health Care to the Back Burner for Now**

As this newsletter is published, the fight for House Speaker rages on – but regardless of who ultimately emerges as the presiding officer of the U.S. House of Representatives, intra-party squabbles on the Republican side will make it more difficult for meaningful health policies to emerge from the lower house of Congress this year.

As aspiring speaker Kevin McCarthy (R-CA) continues to woo support, all other House action has frozen – delaying meaningful agenda-setting as well as key decisions over committee membership. For example, the Ways and Means Committee, which has jurisdiction over Medicare as well as any payments for health care or health research, remains without an official chair, even as three Republicans vie for that position. Meanwhile, as more conservative House Republicans gain ascendance and push for greater fiscal constraint, any health care provisions that require new spending will be a tough sell. And at any rate, proposals to do much of anything about health care are likely to take a back seat to nearer-term priorities, such as a [looming fight over extending the debt ceiling](#).

As the year moves on, many House Republicans focused on health care are still expected to advance key elements of the [Healthy Future Task Force](#) – although what may actually translate into final legislation is uncertain. Meanwhile, the Senate is out until late January. APG will update the kaleidoscopically changing view of health care from both chambers of Congress in forthcoming editions of this newsletter.

### **New Guidance Could Lead to Expanded SDoH Offerings in Medicaid**

Medicaid managed care organizations could see additional flexibilities in the types of nonclinical services that they can provide under new [guidelines](#) released this week by the Department of Health and Human Services (HHS). The guidance effectively allows states to tackle health-related social needs, such as providing nutritional meals or housing, as long as they are deemed medically appropriate, cost-effective, and in keeping with other longstanding Medicaid parameters. The result could be that APG members providing care to Medicaid enrollees in some states could see additional services becoming available that will strengthen their ability to improve patients' health.

Technically, the guidance provides clarity on how states can receive approval for 1115 social determinants of health (SDoH) [waivers](#) to provide coverage for social needs under the “in lieu of services or setting,” or ILOS, provision. More broadly, however, the guidance constitutes further recognition that more needs to be done by states, health plans, and providers to address the non-medical factors that negatively affect health.

Although other federal programs, such as Medicare Advantage and ACO REACH, have gained new flexibilities to improve social determinants, Medicaid has been somewhat slower to do so. However, momentum is building: A total of 18 SDoH 1115 waivers were approved by CMS in 2022, and about eight more are now pending with the agency.

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