



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

Table of Contents

- **Ongoing Disruption At The Department of Health and Human Services Brings More Actions On Vaccines And Further Restructuring**
- **Proposed NIH Budget And Staff Cuts And Support For Biomedical Research Draw Bipartisan Ire**
- **As Congress Targets Independence Day For Enactment Of Reconciliation Package, Struggle Over Priorities Persists**
- **In Case You Missed It**
- **APG Announcements And Offerings**



Ongoing Disruption At The Department of Health and Human Services Brings More Actions On Vaccines And Further Restructuring

One hundred days into the Trump administration, Secretary of Health and Human Services (HHS) Robert F. Kennedy Jr. continues to revamp the department and its 13 agencies ([Washington Update - March 28, 2025](#)) and their missions, as detailed in a newly published [list](#) of accomplishments. His plans also got a boost from President Trump's partial fiscal 2026 budget [request](#) released this week, which as previously reported asks Congress for huge cuts in key HHS agencies such as the Centers for Disease Control and Prevention (CDC) and National Institutes of Health (NIH) and would earmark \$500 million for carrying out the secretary's ["Make America Healthy Again"](#) agenda. And

as the secretary's frequently false or misleading [disparagement](#) of vaccines continues, more change is underway in areas ranging from vaccine development and testing to further attempts to stamp out "diversity, equity, and inclusion," or DEI, as follows:

- Under two more key **vaccine-related policy shifts**, all new vaccines under review by the Food and Drug Administration (FDA) will now undergo [safety testing against placebos](#), even if an already proven version of a vaccine for the same condition exists. In addition, the NIH will adopt a new government-owned [platform](#) to develop "universal" vaccines against "multiple strains of pandemic-prone viruses" such as avian influenza and coronaviruses.

Both moves are highly controversial – the first partly for ethical reasons, since it could subject some patients in trials to unnecessary risks when effective vaccines for conditions such as measles already exist, and because it could delay approvals of new vaccines. And although developing "universal" vaccines for conditions such as influenza have been goals for years, the new NIH approach constitutes a return to an older and widely rejected technology – as well as a major shift from the government's COVID-19-era policy of partnering with private companies to rapidly develop new vaccines targeted to successive viral strains based on mRNA technologies.

- Meanwhile, **two HHS civil rights divisions** will see their longstanding missions overhauled or terminated. The Office of Civil Rights (OCR), which has long focused on enforcement of federal civil rights laws and the HIPAA privacy and Patient Safety Act statutes, will be [redirected](#) to focus on enforcing bans related to DEI and transgender health care. Separately, *Politico* [reported](#) that a different civil rights division within CMS that handles Equal Opportunity issues for that agency's workforce will close completely soon.



Proposed NIH Budget And Staff Cuts And Support For Biomedical Research Draw Bipartisan Ire

Draconian budget and staff cuts and massive grant suspensions under way or proposed at NIH "threaten to undermine the foundation for our nation's global leadership" and take "a wrecking ball to our biomedical research enterprise," the Republican and Democratic leaders of the key Senate Appropriations Committee [charged](#) at a hearing this week. Both panel chair Susan Collins (R-ME) and ranking member Patty Murray (D-WA) took aim at a range of recent Trump administration

moves, ranging from the [proposed cut](#) in federal indirect support for NIH-funded research to suspension of billions of dollars in NIH grants to extramural researchers and the elimination to date of 5,000 NIH staff.

Given the scope of change, and a [massive proposed reorganization](#) of the agency, Sen. Murray [queried](#) one witness as to whether NIH would even be able to spend the \$47 billion that Congress and the administration appropriated for the agency in the current fiscal year. The question appeared to signal an acute awareness of the developing clash between Congress's power of the purse and many of the administration's cost-cutting aims. The same clash is likely to figure into forthcoming negotiations over the fiscal 2026 federal budget given the administration's large requested cuts for NIH and CDC.



As Congress Targets Independence Day For Enactment Of Reconciliation Package, Struggle Over Priorities Persists

Congressional Republicans have now pushed back their timeline for passing [reconciliation](#) legislation to the Fourth of July as signs of the ongoing struggle to reach that goal persist. The House Energy and Commerce Committee, charged with identifying \$880 billion over ten years in spending cuts – most of which would need to come from Medicaid – has [postponed](#) its markup from May 7 to May 12. A key question now is whether House Republicans can unite around a reduced target for Medicaid cuts – most likely closer to \$500 billion over ten years – without reducing benefits or coverage for millions of Medicaid enrollees.

Multiple other obstacles to enacting the legislation remain, including a likely debate over the opportunity costs of financing large tax cuts partly through Medicaid cuts versus meeting multiple other large budgetary needs. A new [analysis](#) by the Committee for a Responsible Federal Budget shows that extending the tax cuts enacted in President Trump's first term would reduce tax revenue by nearly \$4 trillion through fiscal 2034 – roughly equivalent to doubling the projected cash shortfall already facing the Social Security system. Over the next 30 years, according to the analysis, the combined Social Security shortfall and tax cut revenue loss would approach \$20 trillion, all of which would presumably be added to annual federal budget deficits. It remains to be seen whether the U.S. government could sell investors – particularly foreign ones – on helping to finance a massive explosion of U.S. government debt of that magnitude.



In Case You Missed It

- A [letter](#) from House Republican members of the Committee on Ways and Means to officials of the Center for Medicare & Medicaid Services reflected APG's views about terminating alternative payment models and the desirability of "transition[ing] participants into other models if appropriate." APG has previously asked the CMS Innovation Center to create a successor model to [ACO REACH](#), which will end in 2026.
- About one million individuals will need to find a new coverage option next year as CVS Health [announced](#) that its Aetna division would exit the Affordable Care Act exchanges for 2026.
- The [SUPPORT Act](#), which would reauthorize key prevention, treatment, and recovery programs for patients with substance use disorders, [advanced](#) out of the Energy and Commerce committee by a roll call vote and will report to the full House.
- Health insurers Aetna, Elevance Health, and Humana illegally paid brokers to steer enrollees into or out of Medicare Advantage plans against individuals' own best interests, the Department of Justice charged in a new False Claims Act [complaint](#).



APG Announcements And Offerings

- APG will host the following learning sessions and webinars in the coming weeks:
 - A webinar, "**From Clinic to Coverage: IsoPSA's Role in Prostate Cancer Risk Assessment and Payor Value,**" on **Thursday, May 8, 2:00 pm - 3:00 pm ET**. The webinar will be presented by ClevelandDX. Register [here](#).
 - **An APG member-only focus group on the Request for Information (RFI) on Anti-Competitive Regulations** on **Wednesday, May 20, 12:00 pm - 1:00 pm ET**. To register please email Jenifer Callahan at jcallahan@apg.org.
 - **An APG member-only focus group on the Request for Information (RFI) on Deregulation of the Medicare Program** on **Tuesday, June 3 12:00 pm – 1:00 pm ET**. To register please email Jenifer Callahan at jcallahan@apg.org.
- **Up to 10 APG members focused on dementia care with at least 30 percent of Medicare patients enrolled in Medicare Advantage**, are eligible for technical assistance support through the National Dementia Care Collaborative (NDCC) thanks to support from The John A. Hartford Foundation. To connect with

the NDCC team and apply for this opportunity, visit the NDCC website [here](#).

- Registration is open for the [APG Spring Conference 2025](#) — **Kickstarting Accountable Care: Innovations for an Urgent Future, May 14-16, in San Diego, CA**. Groups of 5 or more that register together receive an additional \$50 savings per registrant. **New this year: bundle your savings!** All APG Spring Conference 2025 registrants will have an opportunity to register for the APG Fall Conference 2025 at the lowest price of the year, with discounts up to \$400. Simply follow the link on your Spring Conference confirmation e-mail to register for Fall now!
- There is still time to become a sponsor of the **APG Spring Conference 2025**, May 14-16, in San Diego. Visit our [Spring Conference 2025 sponsor website](#) and reserve your space today!
- Want to get more involved in APG's Federal advocacy efforts? [Join APG Advocates today](#).

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