

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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Affordable Care Act Changes In House Reconciliation Bill Threaten More Coverage Losses On Top Of Medicaid Cuts

As congressional lawmakers spent this week on a post-holiday recess, critics of the House-passed reconciliation package homed in on potential further damage to health coverage posed by <u>multiple</u> <u>provisions</u> to scale back the Affordable Care Act. In contrast to the bill's controversial Medicaid cuts, which would generally affect low-income enrollees, these provisions could result in coverage losses for many in the middle class.

The bill's complex ACA changes build in part on measures adopted in President Trump's first term to erect multiple barriers to enrollment. The standard end-of-year period during which consumers can sign up for ACA coverage would be cut back by a month, to just six weeks. Socalled <u>special enrollment periods</u> that allow for year-round enrollment for lower-income people or those who experience "qualifying life events," such as a job loss, would be scaled back or ended altogether.

Other provisions would increase the burden on prospective enrollees to document their income or family size; remove a 90-day grace period during which those enrolled can retain their coverage and premium tax credits while their income and other information is verified; and require verification of immigration status and other information before consumers can gain coverage, effectively ending auto-renewal of enrollment from one year to the next. Still another complicated provision involving so-called <u>cost-sharing reductions</u> available to some consumers will both hike their premiums and lower their premium tax credits when they purchase a relatively low-cost <u>silver plan</u> in the ACA marketplaces.

Patient and provider impact: Coupled with the absence of any provision in the bill to extend the pandemic-era <u>enhanced premium tax</u> <u>credits</u> set to expire at year's end, the combined effect of the Medicaid and ACA changes would cause nearly 16 million individuals to lose coverage over ten years – effectively reversing much of the coverage gain since the ACA's enactment, a new Urban Institute <u>study</u> notes. The result would be a \$1.03 trillion decline in spending on health care services over the decade, with 40 percent attributable to hospitals (\$408 billion) and 11 percent (\$118 billion) to physician services, the study says.

APG is maintaining its active advocacy against the reconciliation bill and is now focusing its efforts on Senate lawmakers who've already expressed reservations about the package.

Kennedy Continues Moves Against COVID Vaccines; Casts Aspersions On Medical Journals, NIH, And Alzheimer's Research

Health and Human Services Secretary Robert F. Kennedy Jr. has aimed his wrath again at targets old and new, contradicting much established science and sending multiple mixed messages about COVID vaccines and other government policies.

COVID contradictions? Just one week after his colleagues at the Department of Health and Human Services set forth a new COVID

vaccine framework (*Washington Update, May 23, 2025*), Kennedy issued a new video version, implicitly rejecting parts of that framework and overruling the Centers for Disease Control and Prevention (CDC), which traditionally issues such recommendations after careful consultative processes. Kennedy said that the CDC would no longer recommend the vaccine for children and pregnant women but left unclear whether he meant initial vaccines or boosters, and whether the lack of recommendation to take the vaccine applied to "healthy" people or all people in these categories.

Kennedy's statement drew sharp criticism from vaccine experts and organizations such as the <u>American College of Obstetricians and</u> <u>Gynecologists (ACOG)</u> on the ground that it contradicted evidence of the vaccine's effectiveness. His announcement also came amid reports of a <u>new strain</u> of COVID spreading in the United States, and leaves up in the air multiple issues, including whether pregnant women or parents who want the vaccines for their children can still obtain them and whether insurers will cover them.

Journal corruption? Separately, on a <u>podcast</u> with a wellness influencer, Kennedy accused the *Lancet*, the *New England Journal of Medicine*, the *Journal of the American Medical Association* "and those other journals" as being "corrupt" and controlled by the pharmaceutical industry. As a result, he said, "Unless these journals change dramatically, we are going to stop [National Institutes of Health] scientists from publishing there and we're going to create our own journals in each of the [NIH] institutes." Kennedy also implied that the requirement to publish in only NIH-owned journals would also apply to all recipients of NIH grant funding.

Addled on Alzheimer's? Earlier this month at several congressional hearings, Kennedy had also blasted NIH for going "off the rails" two decades ago in pursuing the amyloid plaque hypothesis as the key cause of Alzheimer's disease and refusing to extend grant funding to explore alternatives. In response, *Inside Health Policy* reported that "The International Alzheimer's and Related Dementias Research Portfolio shows over the last 10 years, from 2014 through 2023, less than 14 percent of new NIH Alzheimer's projects focused on amyloid beta as the therapeutic target."

Pressure Mounts On State Medicaid Programs To Restrict Coverage For Undocumented Immigrants

Building on the House reconciliation bill's <u>provision</u> to punish states that use their own funds to provide Medicaid coverage to people regardless of their immigration status, the Centers for Medicare & Medicaid Services (CMS) is stepping up its scrutiny of the same issue. The agency <u>wrote</u> state Medicaid directors that it will conduct indepth quarterly spending and financial management reviews to ensure that states are not using any federal monies to cover "illegal aliens," or undocumented immigrants.

As with the House bill, the agency's move appears to be aimed specifically at 14 states and the District of Columbia that have extended Medicaid to immigrant populations, in most cases with or without <u>qualified status</u>. To trim a projected state budget deficit, California governor Gavin Newsom has already <u>proposed</u> that his state freeze new enrollment by undocumented persons in the state's Medi-Cal program, and that the current 1.6 million undocumented enrollees pay a \$100-per-month premiums for coverage as of 2027. Part of a midyear state budget revision, the plan has drawn intense pushback from the state's Latino lawmakers and <u>health care providers</u>, among others.

In Case You Missed It

- <u>Five specialty kidney care organizations</u> that are APG members were among those achieving superior health outcomes for patients in 2023 through the Kidney Care Choices Model. CMS recently announced <u>changes</u> to boost savings from the model.
- A federal district court judge <u>ordered</u> the Trump Administration to restore medical articles scrubbed from government websites that reference transgender people, while CMS <u>targets</u> genderaffirming care by demanding that hospitals disclose any use of federal funds to cover such services for minors.
- The Trump administration will send a recission request to Congress to codify cuts driven by the Department of Government Efficiency, or DOGE, including more than \$8 billion that lawmakers appropriated for global health programs through the U.S. Agency for International Development (USAID). Secretary of State Marco Rubio has said that the cuts have resulted in "no deaths," despite <u>modeling</u> that suggests that deaths to date total more than 96,000 adults and 200,000 children.
- HHS cancelled \$766 million in grants awarded to Moderna to develop mRNA-based vaccines against potential pandemic influenza viruses, including avian flu, heightening <u>concerns</u> about U.S. vulnerability in a future pandemic.
- More Medicare physician fee cuts could lie ahead for 2026 thanks to budget neutrality constraints governing the fee

schedule and other factors, health policy consultants from the firm McDermott+ predicted at a webinar <u>covered</u> by *Inside Health Policy* this week.

APG Announcements And Offerings

- APG will host two upcoming APG member-only focus groups on:
 - The Request for Information (RFI) on Deregulation of the Medicare Program on Tuesday, June 3, 12:00 pm – 1:00 pm ET.
 - The Request for Information on health information technology in Medicare on Thursday, June 5, 3:00 pm -4:00 pm ET.
- Due to the significant changes coming to ACO REACH in 2026, APG will host a special meeting of the APG ACO REACH Coalition on Wednesday, June 11, 3:00 pm - 4:00 pm ET. This meeting is open to members only.
- To register for one or both virtual focus groups, or the ACO REACH meeting, please email Jenifer Callahan at jcallahan@apg.org.
- DATE CHANGE: APG will host an Emerging Trends in Health Care webinar featuring Dr. Kavita Patel on Thursday, June 12, 1:00 pm - 1:45 pm ET (previously scheduled for Tuesday, June 17). If you previously registered, no action is needed. Register <u>here</u>.
- APG launches **Case Studies in Excellence 2025**: APG members are invited to submit an innovative care initiative or best practice in value-based care for the next edition of Case Studies in Excellence. Learn more and submit your abstract <u>here</u>.
- 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 <u>here</u>.
- Want to get more involved in APG's Federal advocacy efforts? Join APG Advocates today.

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