



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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Opposition Grows As Overhaul Of Vaccine Policies Continues

Resistance to changing vaccine policies grew this week in Congress and elsewhere even as U.S. Health and Human Services Secretary Robert F. Kennedy Jr. pressed forward with his overhaul. Among the actions that occurred were these:

- The American Academy of Family Physicians (AAFP) became the third major medical group to issue [guidance](#) contradicting the CDC's [recent recommendation](#) to limit COVID-19 vaccines to only high-risk populations. Joining the American Academy of Pediatrics and the American College of Obstetrics and Gynecology in issuing their own recommendations, AAFP recommended the shots for everyone six months and older. In a [statement](#), it also critiqued Kennedy's "consistent pattern of circumventing process and ignoring or downplaying scientific evidence," and urged President Trump to reevaluate his "ability to serve in his current capacity."
- House appropriators [voted](#) on a bipartisan basis to fund [mRNA vaccine](#) research, implicitly rejecting Kennedy's recent cancellation of \$500 million in government mRNA vaccine research and development contracts ([Washington Update – August 8, 2025](#)). And in a follow-up to last week's fiery Senate Health, Education, Labor and Pensions (HELP) Committee hearing with Kennedy ([Washington Update – September 5, 2025](#)), the panel called former CDC Director Susan Monarez, MD, to testify next week about the circumstances surrounding her removal.
- As a new [poll](#) showed that just one in four Americans believe that the recently narrowed vaccine recommendations are based on scientific evidence and facts, the White House's Domestic Policy Council will now be involved in any HHS effort to reexamine vaccines, according to the newly released "Make Our Children Healthy Again" [report](#). The revelation followed Trump's recent [statement](#) that many vaccines "just pure and simple work" as the president appeared to distance himself from Florida's plan to end all vaccine mandates.

It is unclear whether the growing resistance will slow the administration's ongoing vaccines overhaul. In unveiling the MAHA report, Kennedy [repeated](#) that he would "recast the entire program" within CDC for investigating vaccine injuries. Further vaccine policy developments may come next week as well, as the reconstituted Advisory Committee on Immunizations Practices still plans to hold its [September 18 scheduled meeting](#) despite continued [calls](#) for its postponement. *The Washington Post* [reports](#) that administration officials plan to present data at the meeting that they say links COVID vaccines to the deaths of 25 children, alarming some CDC scientists who contend that the vaccines have long since cleared extensive safety studies and that "dangers of the virus itself are being underplayed."



**Clash Over Extending
Enhanced ACA Premium Credits
Raises Government Shutdown Risk**

A congressional standoff over extending the Affordable Care Act's [enhanced premium tax credits \(EPTCs\)](#) is raising the risk of a government shutdown as the September 30 year-end funding deadline approaches. House and Senate Democrats insist that that an extension must be part of any package to continue fiscal 2025 funding beyond the deadline – but while some Republicans have expressed support for an extension, their leaders have so far shown little interest.

The EPTCs, enacted in 2021 to boost pandemic-era health insurance coverage, are [credited](#) with doubling enrollment in the ACA marketplace, in part by [boosting it](#) in multiple “red” states since 2020. The Congressional Budget Office has estimated that expiration of the credits will cause 4.2 million to lose coverage by 2034, even as ACA enrollees now face a potential median premium increase of [18 percent](#) for 2026.

Problematic plan? One option currently under review in Congress would fund the government through November, which would give lawmakers another chance to act on extending the credits when a new funding package were enacted later this year. But that plan would leave ACA enrollees uncertain about their 2026 premiums as open enrollment begins November 1. The White House, by contrast, [favors](#) a funding extension into January, which would eliminate any chance of renewing the subsidies before they lapse. APG will continue to press Congress to extend the EPTCs before Sept. 30.



Noncompete Clauses In Health Care Employment Contracts Targeted By Federal Trade Commission

Although the Trump-era Federal Trade Commission is now [dropping](#) the agency's Biden-era [rule](#) eliminating non-compete provisions in employment contracts, it is making one exception for now: health care. Citing concerns about limiting employment opportunities for nurses, physicians, and other medical professionals – especially in rural areas – the agency says it is sending letters to “many large employers and staffing firms in the healthcare sector” urging them to review noncompete agreements and discontinue any that are “unjustified, overbroad, or otherwise unfair or anticompetitive.” The letters are being characterized as advisory and do not imply that recipients are engaging in illegal conduct.

APG supports the FTC's intended goal of curbing abusive noncompete clauses, but in [comments](#) sent in response to the earlier Biden proposal, cautioned against a universal national ban. Many APG groups currently have such clauses in their contracts with physicians to protect the substantial investments that they make to enable newly employed

physicians to practice value-based care. APG will continue to make this case to the agency, which is now asking the public for yet [another round of comments](#) as it shifts from broad rulemaking to possibly pursuing [future enforcement actions](#). Comments are due by Nov. 3.



MedPAC Estimate Of Huge Cost Difference Between Medicare Advantage And Traditional Medicare Deeply Flawed, New Report Says

The widely cited [estimate](#) by the Medicare Payment Advisory Commission that per-beneficiary costs for Medicare Advantage (MA) are now 20 percent higher than for traditional Medicare is based on deeply flawed assumptions, according to a new [analysis](#) from the [Healthcare Leadership Council](#). The miscalculation stems from new methods that MedPAC recently adopted to analyze two features of MA: the purported [“favorable selection”](#) of healthier enrollees in MA versus traditional Medicare, and the impact of [“coding intensity”](#) on program costs.

Illusory differences: The report notes that MedPAC has “never sought to quantify the value of MA,” and has long engaged in apples-to-oranges comparisons of the two fundamentally different programs. But the newer miscalculations compound the error and have resulted in a four-fold increase in MedPAC’s MA cost differential estimates in recent years. “MedPAC’s change in methodology has created a ‘Wizard of Oz’ illusion, presenting a cost surge when none existed,” HLC president and CEO Maria Ghazal said in a [brief](#) accompanying the report’s release.

Although HLC’s analysis doesn’t attempt to pinpoint a more accurate number for any programmatic cost differences, it urges caution “in utilizing flawed cost comparisons to drive policymaking” and calls for “greater transparency regarding MedPAC’s assumptions and methodologies.” APG endorses this call for a deeper look at the differences between the two programs and anticipates that further studies will illuminate the ongoing value of MA.



Waste-Reducing “WISeR” Model Moves Forward Despite Obstacles

The Center for Medicare and Medicaid Innovation (CMMI) has reportedly begun selecting health information technology participants for its new [Wasteful and Inappropriate Service Reduction \(WISeR\)](#)

[Model](#), even as some House Democrats mounted a last-ditch effort to block funding for the model this week. Despite that move, the model now appears to be on track for its planned January 2026 launch in six states ([Washington Update - July 3, 2025](#)).

Inside Health Policy (IHP) reported that House appropriators narrowly adopted an amendment to bar CMMI to use its funding for the model – the sole Democratic measure to be adopted by the Republican-dominated committee. But the action appears to be largely meaningless, given that CMMI operates under [mandatory rather than discretionary congressional funding](#), and the House provision lacks a companion measure in the Senate. *IHP* also reported that tech firms [Cohere Health](#) and [Innovaccer](#) are among potential participants in the WISer model. APG has previously voiced its strong support of the model as a key means of introducing more accountability into the traditional Medicare program.



In Case You Missed It

- A published [analysis](#) from Duke-Margolis Institute researchers says that net per-beneficiary savings from the ACO REACH model tripled from 2021 to 2023 while participation in global risk increased.
- As expected, the administration's newly released [Make Our Children Healthy Again report](#) criticized "overprescribing of medications to children" and touted the importance of nutrition, among other priorities.
- Restrictions on medicines coming from China are proposed in a draft presidential executive order [obtained](#) by the *New York Times*, raising concerns about the availability of both generic drugs and high-cost experimental treatments.
- Drug companies, social media platforms, and influencers must adhere to existing laws regarding prescription drug advertising, says a new White House [executive memorandum](#) directing HHS to crack down on social media influencers who promote medicines without proper disclosures and on drug companies for misleading advertising.
- New York [will end](#) plans to expand its so-called [Essential Plan](#), a [Basic Health Program](#) created under the Affordable Care Act to cover low-income persons not eligible for Medicaid or the Children's Health Insurance Program (CHIP). State officials said that the halt in plans to expand the program under a [federal waiver](#) will jeopardize health coverage for nearly a half million people, and is due to Medicaid cuts in H.R. 1.



APG Announcements And Offerings

- Registration is now open for the **APG Fall Conference 2025 - Purpose, Perseverance and Possibility: Staying the Course on Accountable Care, November 5-7 in National Harbor, MD**, near Washington, DC. **Register by Friday**, September 26, to save up to \$200 with our Early Bird registration.
- APG will host two upcoming sponsored webinars:
 - "Rewriting the Dementia Playbook: A Value-Based Blueprint for Brain Health," presented by Linus Health, on Thursday, October 2, at 3:00pm ET. [Register here](#).
 - "Bridging the Gap: Integrating Behavioral Health Into Evernorth Primary Care," Presented by evolvedMD, on Tuesday October 14, at 4:00pm ET. [Register here](#).
- APG has partnered with **Champions for Vaccine Education, Equity and Progress (CVEEP)** to assist with vaccine outreach and education to patients during the upcoming respiratory virus season. Please access tailored materials for APG members [here](#).
- Want to get more involved in APG's Federal advocacy efforts? [Join APG Advocates today](#).

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