



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

Table of Contents

- **Amid Uncertainty About The Shutdown's End Game, Tentative Talks Continue On Extending ACA Tax Credits**
- **War Against Waste, Fraud, And Abuse To Escalate With Skin Substitutes A Key Target**
- **In Case You Missed It**
- **APG Announcements And Offerings**



Amid Uncertainty About The Shutdown's End Game, Tentative Talks Continue On Extending ACA Tax Credits

With the partial government shutdown now in its fourth week, pressure may be mounting on congressional Republicans to address the expiration of the Affordable Care Act (ACA) enhanced premium tax credits (EPTCs) amid growing alarm over the rising costs of health coverage. While Democrats have long made extending the EPTCs the centerpiece of their demands for signing on to a fiscal 2025 continuing resolution (CR), *Politico* reports that GOP leaders are now [quietly engaging](#) both within their ranks and with White House officials to craft a possible deal. But even as federal agencies scramble to recall furloughed workers – and at least 25 states [threaten](#) to halt Supplemental Nutrition Assistance Program (SNAP) assistance for lack

of funding – the path forward for ending the impasse still seems as murky as ever.

Public angst: One motivator for the new discussions over the EPTCs are [early indications](#) that the expected sharp increases in ACA plan premiums are now a reality. With the official start to ACA open enrollment now just a week away, both [Republican](#) and [Democratic](#) pollsters report broad bipartisan public support for extending the EPTCs. Acknowledging that sentiment, a group of House Republicans in swing districts toed the official party line this week in a [letter](#) to Speaker Mike Johnson (R-LA), agreeing that “the government funding debate is not the time or place to address healthcare issues.” But at the same time, they urged him to address the expiring tax credits as soon as the shutdown ends.

Both the contours and timing of any deal over the EPTCs remain highly uncertain, however. Democrats have [rejected](#) the idea of extending EPTCs for only a year, as some GOP members have proposed. Other Republicans want an extension of EPTCs to be linked to measures that Democrats resist, such as ending [auto-enrollment](#) in ACA plans. Meanwhile, the timeline in the original House-passed CR – which would extend fiscal 2025 funding only through Nov. 21 – looks increasingly obsolete, as it’s unlikely that appropriators in both houses of Congress could now complete fiscal 2026 appropriations bills by that date. Republicans appear to be torn on how to proceed with a new CR, contemplating everything from trying to enact another short-term fix into December, to adopting a much longer-term CR lasting into [late 2026](#).

Taking care of business: As one million federal workers missed their first paycheck this week, the Centers for Medicare & Medicaid Services (CMS) [called 3,000 furloughed workers](#) back to the office next week to assist with ACA and Medicare open enrollment. Following confusing announcements last week, CMS also issued new [guidance](#) this week clarifying that most fee-for-service Medicare claims would be paid during the shutdown, with the ongoing exceptions of claims for most telehealth services and for acute Hospital Care at Home. APG has continued to keep members informed of all relevant information about these payment policies and shifts.



War Against Waste, Fraud, And Abuse To Escalate With Skin Substitutes A Key Target

For government agencies, tackling waste, fraud, and abuse in health care has often been an *ex post facto* exercise that leaves them scrambling to prosecute perpetrators and recoup funds after the

damage has already occurred. Now CMS, the Treasury Department, and the Department of Justice are preparing to announce new approaches aimed at detecting and preventing fraudulent Medicare payments before the money ever flows.

Speaking at a Committee for a Responsible Federal Budget event this week, CMS Administrator Mehmet Oz, MD, MBA, hinted at that announcement as part of the agency's central strategy to protect Medicare. He offered few details, but signaled that key targets will be ongoing fraud in provision of durable medical equipment and questionable spending on costly [skin substitutes](#) intended for use in serious wound care ([Washington Update - July 18, 2025](#)). According to data compiled by the National Association of Accountable Care Organizations (NAACOS) and reported this week by *Politico*, spending on the substitutes has surged nearly tenfold since 2022 and could exceed \$15 billion this year, up 50 percent from 2024. Medicare Shared Savings Program ACOs that are members of NAACOS and APG were among those that first blew the whistle on this frequent mix of wasteful, abusive, and/or fraudulent spending, which has seriously threatened their ability to achieve their MSSP spending benchmarks and could wipe out their shared savings.

Crackdown: CMS has already taken steps to curb unnecessary use of skin substitutes over the strong opposition of skin substitute producers. The agency has [proposed](#) reclassifying the products under Medicare Part B to lower reimbursement rates on the products and dramatically reduce the incentive for health care providers to use them unnecessarily. The CMS Innovation Center's planned [WiSeR Model](#) will also require prior authorization for skin substitutes in traditional Medicare in a demonstration to begin in 2026 in six states. APG strongly supports these initiatives, as well as efforts underway in Congress to shape legislation that would hold ACOs harmless from fraud committed by third-party actors.



In Case You Missed It

- Longstanding vaccines skeptic Robert Malone, a Kennedy-appointed member of the CDC's [vaccines advisory panel](#), [warned](#) of a “cult of vaccination,” echoing his earlier claims that “mass formation psychosis” has prioritized broad vaccination programs over scientific rigor and questioning. He also said more changes to the current vaccine schedule are coming soon.
- A cohort of Democratic governors have formed the [Governors Public Health Alliance](#) to coordinate public health guidelines and to act as an alternative to the increasingly politicized CDC. Mandy Cohen, MD, who served as CDC director during the Biden

administration, will advise the group.

- A new weekly public health report to supplement the CDC's [Morbidity and Mortality Weekly Report](#) will be launched by the *New England Journal of Medicine* and the Center for Infectious Disease Research and Policy (CIDRAP) at the University of Minnesota, CIDRAP's director, Michael Osterholm, PhD, MS, MPH, [announced](#) this week. He pointed to concerns that the CDC's decades-old epidemiological series could no longer be trusted to provide accurate and timely public health information.
- [News reports](#) say that, despite [longstanding science](#) linking high consumption of saturated fats to atherosclerotic heart disease, the Department of Health and Human Services will change U.S. dietary guidelines to encourage Americans to eat more butter, cheese, milk, and red meat. HHS Secretary Robert F. Kennedy, Jr., has long argued that saturated fats have been unfairly demonized, contravening the views of most medical, nutrition, and public health experts.
- A [new research center](#) at the American Medical Association will focus on digital health and artificial intelligence, and will work with policymakers to create benchmarks for AI chatbots, wearables and other AI technology.
- Health entrepreneur [Alicia Jackson](#), founder of [Evernow](#) and former deputy director in the Defense Department's Defense Advanced Research Projects Agency (DARPA), has been [appointed](#) as administrator of the Advanced Research Projects Agency for Health (ARPA-H).
- The Senate HELP Committee will hold a [confirmation hearing](#) for [Casey Means](#), a health influencer nominated to be the US Surgeon General, next Thursday at 11:00 am ET.



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. Groups of 5 or more that register together receive an additional \$50 savings per registrant.
- APG will host the sponsored webinar, "**Exploring MASH: A Progressive and Chronic Liver Disease**," Presented by Novo Nordisk, on Thursday, November 13, at 2:00pm ET. [Register here.](#)
- Want to get more involved in APG's Federal advocacy efforts? [Join APG Advocates today.](#)

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