



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

- **As Deadlines Approach, Likelihood Of Deal Over Enhanced Premium Tax Credits Appears To Diminish**
- **Trump Administration's Latest Moves To Undermine Vaccines Increasingly Decried Across Health Sector**
- **Medicare Physician Pay May Merit Small Boost Above Current Law In 2027, MedPAC Says**
- **In Case You Missed It**
- **APG Announcements And Offerings**



### **As Deadlines Approach, Likelihood Of Deal Over Enhanced Premium Tax Credits Appears To Diminish**

A deal on extending the Affordable Care Act's [enhanced premium tax credits](#) (EPTCs) continued to elude Congress this week, even as lawmakers struggled to assemble support behind competing proposals ahead of a Senate vote scheduled for Dec. 11. But so far, the lack of any plan for a commensurate vote in the House – and no clear guidance on policy from President Trump – makes the path forward for extending the EPTCs as uncertain as ever.

Last week President Donald J. Trump briefly floated, then promptly withdrew, an outline of a plan to extend the EPTCs for two years that would also have provided recipients the option of salting away funds linked to the tax credits into Health Savings Accounts (HSAs) – a model loosely based on similar [plans](#) floated by various Republican senators in recent weeks. After reportedly nixing the Trump plan, House Speaker Mike Johnson (R-LA) is now “racing” to assemble a House plan that the President could endorse, the *PoliticoPro* newsletter reported. Multiple GOP Senators still back marrying an EPTC extension with an HSA provision, but Senate Democrats [plan](#) to force a vote on a proposed “clean” three-year EPTC extension with no HSAs attached. Also under discussion are measures to crack down on fraudulent signups for ACA plans with the standard, rather than enhanced, [advanced premium tax credits](#) (APTCS) – particularly in the wake of a newly released Government Accountability Office [report](#) suggesting major vulnerabilities to fraud risks.

**Grim prospects?** Unless a single proposal can gain 60 votes to pass the Senate next week – a prospect that appears challenging – any EPTC extension may die there. With a December 15 deadline looming for ACA enrollees to sign up for coverage beginning Jan. 1, there are widespread concerns that many of those who’ve previously received EPTCs may now balk at the [steep premium increases](#) they face and choose to go uninsured. Bellwethers could be [congressional districts](#) where the premium hikes are projected to be especially large, such as in West Virginia, Connecticut, and Illinois, where premiums for a 60-year-old couple earning \$85,000 could rise 500 to nearly 700 percent, according to a KFF [analysis](#).

With Congress scheduled to adjourn for holiday recess on Dec. 19, any progress on other issues is also likely to be pushed into next year – including efforts to pass the remaining fiscal 2026 appropriations bills by a January 31 deadline, when the continuing resolution that ended the recent government shutdown will expire. APG will continue to press for key items in a potential health care package whose fate also appears uncertain.



## **Trump Administration’s Latest Moves To Undermine Vaccines Increasingly Decried Across Health Sector**

Opposition mounted this week to the Trump administration’s latest efforts to topple foundational aspects of U.S. vaccine policy, as critics across the health and health care sectors assailed both evolving Food and Drug Administration (FDA) vaccine oversight and

decisions by the Centers for Disease Control and Prevention's (CDC) vaccine advisory group to overhaul key aspects of the childhood immunization schedule.

Lambasting new FDA vaccine regulatory proposals in a *New England Journal of Medicine* [commentary](#), 12 former full and acting FDA commissioners wrote that the agency's plans "would undermine a regulatory model designed to ensure that vaccines are safe, effective, and available when the public needs them most." Their target was a leaked internal memo in which Vinay Prasad, director of the FDA's Center for Biologics Evaluation and Research (CBER), had proposed multiple changes in vaccine safety oversight that would reject longstanding vaccine science and could "upend core policies governing vaccine development and updates," the commissioners wrote.

As an example, the authors said the FDA plans would require repeating large and costly efficacy trials each time vaccines for influenza or COVID were updated for new seasonal viral strains. These and similar requirements would drastically slow "the replacement of older products with better ones," drive up costs, and thwart competition in the vaccine sector by deterring smaller biotechnology companies from entering the field. Among the losers would be "older Americans and those with weakened immune systems who rely most on the protection that timely and updated vaccines can offer."

**Dangerous schedule overhaul?** Another primary target of opposition this week was the vote by the CDC's Advisory Committee on Immunization Practices (ACIP) to end universal hepatitis B vaccines for infants, along with other changes in the infant and childhood vaccination schedule. The ACIP panel, reconstituted earlier this year by Health and Human Services Secretary Robert F. Kennedy, Jr., is now [led](#) by its chair Kirk Milhoan, MD, who has blamed vaccines for causing cardiovascular disease, and its vice chair, longtime vaccine skeptic [Robert Malone, MD](#). Republican Sen. Bill Cassidy (R-LA), a physician who cast one of the votes confirming Kennedy to his position, this week termed ACIP "totally discredited" after another prominent anti-vaccine critic was scheduled to present at the meeting on the infant vaccines.

Attacks on ACIP's vote to alter the [existing](#) hepatitis B vaccine recommendation for infants came from infectious disease experts writing in [JAMA](#), Sen. Cassidy, and from the leading pharmaceutical manufacturers organization, which said ACIP's actions "have already affected the immunization infrastructure" and could erode the trust in and quality of future recommendations and vaccine accessibility," *Inside Health Policy* [reported](#). A new [report](#) by the University of Minnesota's [Vaccine Integrity Project](#) warned that ACIP's move would increase hepatitis B infections without improving vaccine safety or effectiveness. Roughly 90 percent of infants infected with

the virus at birth develop chronic hepatitis B, and among those, 25 percent will die prematurely from the disease, the report noted.

APG has joined multiple other health care organizations in signing onto a letter from the American Academy of Pediatrics condemning ACIP's move and stating that its "actions will harm children, their families and the medical professionals who care for them." Votes by the advisory group on other changes to the infant and childhood vaccine schedule are likely to occur later today after the release of this newsletter.



## **Medicare Physician Pay May Merit Small Boost Above Current Law In 2027, MedPAC Says**

With the Medicare physician fee schedule already set to rise by 2.5 percent in 2026 thanks to the recently enacted HR 1 law, the Medicare Payment Advisory Commission (MedPAC) this week gave a tentative nod to a [draft recommendation](#) to boost the fee schedule by another 0.5 percent in 2027. Coupled with other provisions of the law, physician fees would rise by 1.25 percent for clinicians in advanced alternative payment models and .75 percent for others.

The commission said the increase was warranted to take account of rising practice cost inflation, which it also noted is moderating compared to recent years, with the Medicare Economic Index projected to rise 2.1 percent in 2027, down from 4.3 percent in 2022. A final vote on the recommendation to Congress will come at MedPAC's next meeting on January 15-16, 2026.



## **In Case You Missed It**

- **Medicare Advantage Star Ratings would be streamlined** by removing measures that focus on administrative processes or don't show meaningful differences in plan quality under the proposed Medicare Advantage and Part D Technical rule released last week. A companion [Request for Information \(RFI\)](#) issued with the proposed rule seeks input on modernizing Medicare Advantage by improving competition, refining risk adjustment, and aligning quality incentives to deliver greater value for beneficiaries.

- **Physician groups and other providers participating in Medicare Part B can employ wearables and other digital tools** to help patients in traditional Medicare manage hypertension, diabetes, and other chronic conditions under a new payment model announced this week by CMS. The voluntary ten-year Advancing Chronic Care with Effective, Scalable Solutions ([ACCESS Model](#)), which will link outcome-based payments to achievement of measurable patient outcomes, is set to launch next July.
- **HHS’s newly released [AI Strategy](#)** will support use of the technology “to modernize care and public health infrastructure to improve health at the individual and population levels,” and lead a “whole-of-department transformation” in the process, the document says.
- **More Medicare services can move** from hospital outpatient departments to ambulatory surgical centers and physician offices under the **2026 Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center [final rule](#)** adopted last week by CMS. APG has [supported](#) this and similar shifts to site-neutral payment policies.
- **[Lower Medicare prices for 15 additional high-cost drugs](#)** have been negotiated for 2027 under the [Medicare Drug Price Negotiation Program](#), CMS announced last week. Had these lower prices for the drugs – which include the antiobesity medications Ozempic and Wegovy and the diabetes drug Janumet – been in place in 2024, Medicare spending on the drugs would have been 44 percent, or \$12 billion lower, the agency said.
- **Medicare’s Acute Hospital Care at Home program would be extended** for another five years beyond next January 31 under a [House bill](#) enacted this week. The bill will now move to the Senate for consideration.
- **A proposed [federal rule](#) rescinding the [2022 public charge policy](#)** could cause up to 4 million U.S. immigrants – and up to 1.8 million children who are citizens – to lose Medicaid and Children’s Health Insurance Program coverage, according to a new [KFF analysis](#). Under the proposed rule, immigration officers could deny permanent residency to green card holders and other lawfully present immigrants who have used public programs such as Medicaid, food or housing assistance.



## APG Announcements And Offerings

- APG will host a **Learning Session** Webinar on **Tuesday, January 6, 3:00-4:00 pm ET, about the 2027 Medicare Advantage & Part D Proposed Rule**. You can register for the webinar [here](#).
- APG will host a members-only **Focus Group** meeting on **Wednesday, January 14, 3:00 pm - 4:00 pm ET**, to solicit feedback about the 2027 Medicare Advantage & Part D Proposed Rule for APG's comment letter to CMS. Members should receive an invitation with the registration link, or may contact Jenifer Callahan at [jcallahan@apg.org](mailto:jcallahan@apg.org) to register.
- Sponsorship is now open for the **APG Spring Conference 2026, May 27-29, in San Diego**. Visit our [Spring Conference 2026 sponsor website](#) and reserve your space today!
- **Missed the APG Fall Conference? Purchase full recordings of key sessions and panels!** You can access **on-demand videos** of the **General Sessions** and **audio recordings** of the **Breakout Sessions**, featuring some of the most timely and insightful discussions in health care today. For a full overview of the sessions featured in the recordings, visit our agenda [here](#).  
**Purchase Price for Recording Access:**  
Members/Partners: \$295/Non-Members: \$395  
Click [here](#) to purchase.
- Want to get more involved in APG's Federal advocacy efforts? [Join APG Advocates today](#).

Know people who may enjoy receiving *Washington Update*? Forward this email and have them contact [communications@apg.org](mailto:communications@apg.org) to be added to the subscription list. Visit APG's [website](#) for more news and resources, or contact [communications@apg.org](mailto:communications@apg.org).