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

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## **Expanded Medicaid Fraud Crackdown Now Imposing New Burdens On States, Providers, And Plans**

Under the direction of the Centers for Medicare & Medicaid Services (CMS), states now have just 30 days to revalidate Medicaid providers as part of an expanded federal effort to address fraud – escalating prior actions by the Trump administration that focused on selected states, such as California, New York, and Minnesota. The requirement threatens havoc in California in particular, where thousands of providers who care for Medi-Cal patients are not enrolled through the state's provider portal and see these patients under separate arrangements, making it unlikely that they can all be validated within the tight CMS deadline.

**Audit threats:** Revalidation is a mandatory federal process under which health care providers must periodically resubmit and recertify their enrollment information – including licenses, credentials, and

other data – to maintain their eligibility to bill Medicaid. Normally, Medicaid providers must be revalidated every five years. But at an event this week sponsored by Politico, CMS Administrator Mehmet Oz, MD, MBA [said](#) that states that do not act to review providers' eligibility under the new 30-day timeline could face increased federal audits. The announcement follows recent federal actions involving payment holds, investigations, and enforcement activity based on fraud investigations under way in mainly "blue" states ([Washington Update](#), March 6, 2026). CMS has since [acknowledged](#) that its allegations of fraud in one of them, New York, was based on flawed data.

As important as it is to ensure program integrity in Medicaid, the tight turnaround for revalidations comes at an inopportune time for many stakeholders. For physician groups and managed Medicaid plans, provider revalidation is likely to affect network composition, contracting, and participation at a time when most states face shortages of providers willing to care for Medicaid patients. For states – which are now rushing to get their data systems ready for implementation of new Medicaid work requirements and semiannual enrollment certifications beginning in January – the mandatory recertifications will drastically increase their workload and divert attention from other concerns. APG is monitoring the situation and will keep members apprised of forthcoming advocacy steps.



### **Vaccine Policy Dominates Congressional Hearings With Kennedy As Anti-Vax Flames Are Fanned Anew**

The nominal focus was the administration's [budget](#) for the Department of Health and Human Services (HHS), with many lawmakers assailing the administration over its improbable plans for big cuts in the department's budget and agencies such as the National Institutes of Health. But the harshest exchanges in this week's congressional hearings with Secretary Robert F. Kennedy Jr. dealt with his stance on vaccines. What's more, new signs emerged that even though the Trump administration has sought to downplay controversial vaccines issues in advance of the November midterm elections, it appears that not everyone in the administration – including Kennedy – is sticking to the new script.

**CDC's Independence Questioned:** While many Republican lawmakers at the hearings with Kennedy this week focused on the secretary's more popular "Make America Healthy Again" (MAHA) efforts, such as phasing out synthetic food dyes, two Senate

Republican physicians and many Democrats peppered Kennedy with vaccine-related questions. Senate Health, Education, Labor and Pensions (HELP) Committee Chair Bill Cassidy (R-LA) [pressed](#) Kennedy on whether Erica Schwartz, the nominee to lead the Centers for Disease Control and Prevention (CDC), would be able to operate independently of political appointees at the department if confirmed – a nod to earlier vaccine-related conflicts that led to the departure of a prior director, Susan Monarez, last year. After appearing to deflect the same question at an earlier hearing, Kennedy told Cassidy that she would.

But Kennedy took a different tack when asked about this week's [announcement](#) by Defense Secretary Pete Hegseth that military service members would no longer be required to get an annual flu vaccine. Kennedy replied that the mandate was “broad and overreaching” and that “soldiers being sent over to fight for our freedoms... should have some freedom too.”

In a further sign that the controversial vaccines issue is far from buried, the *Washington Post* [reported](#) this week that the CDC's once highly regarded *Morbidity and Mortality Weekly Report* would not publish a study that had earlier been accepted for publication and that demonstrated recent efficacy of COVID-19 vaccines. The Post had previously reported that NIH Director and Acting CDC Director Jay Bhattacharya had expressed concerns about the study's underlying methodology, which was long used by the CDC to evaluate vaccine effectiveness for respiratory viruses.



## In Case You Missed It

- Legislation to extend federal grant funding **to expand health care services and support telehealth in rural areas, and to accelerate research on lung cancer in women**, passed the House of Representatives this week. Future Senate approval of the measures also appears likely.
- **CMS will delay implementation of the Medicare Part D BALANCE Model for 2027 while extending the Medicare GLP-1 Bridge** through 2027, giving plans more time and data before potential adoption of GLP-1 coverage changes in Part D.
- **A new pathway for regulatory approval of breakthrough medical devices** for severe conditions is designed to synchronize Food and Drug Administration approval with CMS's Medicare coverage decisions. The program will replace the existing [Transitional Coverage for Emerging](#)

[Technologies \(TCET\)](#) pathway.

- **Regeneron is the latest pharmaceutical company to sign a “most favored nation” deal** with the Trump administration, under which it agreed to cut prices for medicines such as its anti-cholesterol drug Praluent and provide its new gene therapy treatment for a rare type of genetic deafness for free.
- **The demand to meet quality metrics can actually incentivize provision of wasteful care and produce various forms of “moral distress” for family physicians**, according to a small focus-group study published in [JAMA Network Open](#).
- **Medicare patients in Washington state are waiting two to four times longer for specified procedures under the new CMMI WISer model**, according to data compiled by the state’s hospitals, says a [report](#) released by Sen. Maria Cantwell (D-WA).
- **Former tobacco industry lobbyist Stephen Sayle**, previously a corporate affairs executive at a subsidiary of Imperial Brands, has been **named the CDC’s deputy director for legislative affairs**, according to [STAT](#).
- **UnitedHealthcare is expanding its rural payment acceleration program nationwide**—speeding Medicare Advantage payments and eliminating most prior authorization requirements for rural hospitals and physicians.



## APG Announcements And Offerings

- Registration is open for the **APG Spring Conference 2026: Delivery, Dollars, And Determination: Challenges and Opportunities In Accountable Care** to be held May 27-29 at the Marriott Marquis Marina in San Diego. Please [register now](#).
- **Sponsorship is also now open for the Spring Conference**. Please visit our [Spring Conference 2026 sponsor website](#) and reserve your space today.
- APG will host the following webinars and other sessions in the coming weeks:
  - A members-only sponsored webinar presented by Merck: **“Help Prevent RSV Lower Respiratory Tract Disease in Infants in their First RSV Season”** on Tuesday, April 28, 3:00 p.m. ET. APG Members may contact Lura Hawkins at [lhawkins@apg.org](mailto:lhawkins@apg.org) to register.

- An **APG Learning Session re: 2027 Medicare Advantage (MA) Final Rate Notice and Technical Rule** on Wednesday, May 6, 12:00 p.m. - 1:00 p.m. ET.  
Please register [here](#).
- A members-only sponsored webinar presented by Genetech, Inc: "**Highlights from the 2026 Trends in Specialty Drug Benefit Report**" on Tuesday, May 12, 4:00 p.m. ET. Members may contact Lura Hawkins at lhawkins@apg.org to register.
- A members-only sponsored webinar "**APG Group Purchasing Program**" on Wednesday, June 17, at 2:00 pm ET. Learn more about APG's Group Purchasing Program, where a variety of companies are offering special pricing to APG members. You will hear from 4 participating companies: **Altura, COPE Health Solutions, Una, and Ventegra**. Members may contact Lura Hawkins at lhawkins@apg.org to register.
- Want to get more involved in APG's Federal advocacy efforts? [Join APG Advocates today](#).

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