

June 18, 2026

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

The Washington Update is publishing one day early this week due to the Juneteenth holiday tomorrow.

Table of Contents

- **With Legislative Clock Ticking, Package Of Health Measures Advances In Senate HELP Panel**
- **Trump Administration Wins Expedited Appeal In Lawsuit That Froze Its Vaccines Overhaul**
- **Perverse Incentives Across Medicare Scrutinized In Latest MedPAC Report**
- **In Case You Missed It**
- **APG Announcements And Offerings**



With Legislative Clock Ticking, Package Of Health Measures Advances In Senate HELP Panel

A [package](#) of health care bills with strong bipartisan support advanced through the Senate Health, Education, Labor, and Pensions (HELP) committee this week as lawmakers adopted multiple measures aimed at improving care for specified populations and lowering health care costs. The moves came as key health committees struggle to enact a proactive agenda amid the limited number of legislative days remaining in the current 119th Congress – an outcome that still remains uncertain at best.

Among the bills adopted by the committee were ones reauthorizing a federal program aimed at reducing maternal mortality and reducing disparities in maternal and child health; [curbing](#) pharmaceutical companies' tactics to delay introduction of lower-cost generic drugs; and [speeding](#) adoption of biosimilars by automatically deeming them "interchangeable" with their reference biological products once approved by the Food and Drug Administration. Another bill that aimed to block [still other](#) pharmaceutical company tactics to delay generics competition was postponed amid efforts by the committee's ranking member, Sen. Bernie Sanders (I-VT), to pack it with unrelated amendments that panel chairman Bill Cassidy (R-LA) declared out of order, and will now work with others on the committee to pass.

Sen. Cassidy's Last Stand? Cassidy, who recently lost a Louisiana primary election to a rival Republican backed by President Trump, will now leave the Senate when his term ends next January. He is also making a last-ditch effort to enact his broad "Money and Value for Patients" [agenda](#), which includes a bill to [channel funds](#) to certain individuals' Health Savings Accounts to help cover out-of-pocket health care expenses, including to [pay](#) for so-called direct primary care. These measures, whose fate is also uncertain, were offered by Cassidy and other Senate Republicans in place of the Affordable Care Act's enhanced premium tax credits that expired last year.



Trump Administration Wins Expedited Appeal In Lawsuit That Froze Its Vaccines Overhaul

The next phase in a [lawsuit](#) that led a Massachusetts federal district judge to block many of the Trump Administration's vaccine-related actions now appears close at hand, as a federal appeals court [agreed](#) this week to hear the [administration's case](#) for overturning that decision on an expedited schedule. If the appeal succeeds, the administration clearly intends to continue reshaping the Centers for Disease Control and Prevention's Advisory Committee on Immunization Practice (ACIP) and maintain its overhaul of federally endorsed vaccination schedules, the health care and public health groups that first brought the case against the administration say. "The Secretary has lawful ways to restore ACIP. He wants only the unlawful one," they wrote in a [response](#) to the administration's appeals motions that they filed this week.

The administration has been signaling for weeks that it intends to pursue Health and Human Services Secretary Robert F. Kennedy Jr.'s anti-vaccine crusade, most recently with a White House executive order directing ACIP to “take any appropriate steps to update the United States childhood and adolescent vaccine schedule” ([Washington Update](#), June 5, 2026). APG, which filed an amicus brief accompanying the original lawsuit in opposition to the administration’s actions, continues to advocate against further disruptions in federal vaccine recommendations and threats to established vaccine science – noting that vaccines are key to prevention, and prevention is key to value-based health care.

More non-CDC vaccine guidelines: Separately, the American College of Obstetricians and Gynecologists (ACOG) last week became the latest medical organization to issue vaccine recommendations that differ from recently revised federal recommendations. ACOG’s [new maternal vaccine recommendations](#) were also endorsed by 13 other medical societies and organizations. In a statement, ACOG said that “Changing national recommendations coupled with rampant vaccine misinformation are resulting in confusion for both patients and health care professionals,” and said the situation warranted its issuance of “evidence-based information on maternal immunizations from a trusted source.”



Perverse Incentives Across Medicare Scrutinized In Latest MedPAC Report

It’s a truism of economics that incentives are never entirely benign; they can be perverse, backfire, and even produce the opposite of what is intended. In its June 2026 Report to the Congress, the Medicare Payment Advisory Commission (MedPAC) revisits its examination of incentives across the Medicare program and sees ample reasons for changes.

In the traditional fee-for-service (FFS) part of Medicare, for example, health care providers have constant incentives to hike the volume and intensity of the services that they provide. Medicare’s alternative payment models, mostly still built on a fee-for-service platform, “encourage efficiency, but their success has been modest,” MedPAC says. Meanwhile, Medicare Advantage “has strong cost-management incentives,” but currently costs Medicare more than what would have been spent if MA enrollees remained in the traditional program, largely due to risk adjustment.

MedPAC notes that its recommendations typically lean in two different directions: Reduce the incentives in fee-for-service that lead to “overprovision of unnecessary services,” while decreasing the incentives for APMs and MA plans to “inflate their payments from Medicare.” To address service volume growth in traditional Medicare, for example, MedPAC says so-called Medigap plans should be assessed a fee to recoup some of the extra costs these plans “promote by shielding beneficiaries from cost sharing.”

Medicare Advantage Critique: With respect to MA, MedPAC repeats its longstanding contention that aggressive MA risk coding and so-called favorable selection – the belief that MA’s enrollees are healthier and cost less to treat than those in traditional Medicare – mean that in 2026, Medicare will spend 14 percent, or \$76 billion, more for MA enrollees than it would spend if those beneficiaries were enrolled in traditional Medicare. It once again proposes a long list of technical changes as remedies, including in the manner in which the Centers for Medicare & Medicaid Services (CMS) sets the benchmarks against which MA plans bid to provide services and the resulting growing level of rebates that fund supplemental benefits for MA enrollees.

APG, for its part, continues to advocate for [changes in MA risk adjustment](#) to link payments more closely to actual diagnoses and care costs, while at the same time questioning the “favorable selection” hypothesis based on its members’ direct experience with MA enrollees. APG has also endorsed an overhaul of MA’s quality-bonus program and Star Ratings to better reward plans and providers that deliver actual improved health outcomes for MA enrollees. With such changes, APG contends, incentives in the MA program would shift, driving ever greater value in health care and leaving the traditional fee-for-service Medicare program even further behind.



In Case You Missed It

- In an apparent case of déjà-vû all over again, **CMS will [recalculate](#) 2026 Medicare Advantage Star Ratings and reopen the MA bid process for 2027** amid court cases in which a federal judge [ruled](#) that the agency made mistakes in preparing the original 2026 ratings. The case is an echo of what last occurred in 2024 when MA plans also won a case requiring that the original ratings were set in error and had to be revamped.
- As the Trump Administration continues efforts to remake the Affordable Care Act (ACA), it has issued a [request for](#)

information on whether the Essential Health Benefits required of qualified health plans under the law should be “equal to the scope of benefits provided under a typical employer plan.” The administration has sought to pave the way for less generous coverage that may appear more affordable but leave patients without the protections that the ACA affords.

- **A Maryland federal district judge last week [stayed](#) more provisions of the administration’s 2025 rule on the ACA marketplaces** from going into effect, including a shortened open enrollment period to sign up for ACA coverage beginning in 2027. The ruling came in the first of two lawsuits filed by a group of cities and organizations representing health care professionals and small businesses [against proposed marketplace rules published in 2025](#) and [again this year](#).
- **More than 1,000 hospitals, clinics, and nursing homes face closure in the wake of the 2025 reconciliation law** prompting cuts to Medicaid and Affordable Care Act coverage, the advocacy group Protect Our Care said in a [report](#) released this week. More than 370 clinics have already shuttered, leaving some communities without a single clinic, the report says.
- **The planned Long-term Enhanced ACO Design (LEAD) Model could create greater accountability for costs and quality among participating organizations but remains on a fee-for-service Medicare platform** and thus falls short of the accountability in much of Medicare Advantage, according to a new [analysis](#) published in *Health Affairs Forefront*. The authors are from the law firm Epstein Becker Green, a partner organization to APG.



APG Announcements And Offerings

- **APG is now accepting abstracts for the 2026 [Case Studies in Excellence](#) series.** Showcase your organization’s innovative value-based care initiatives for the opportunity to be featured in APG publications, conferences, and social media. Submissions are due June 26. Click [here](#) for submission guidelines and [here](#) to submit your abstract. ***This opportunity is for APG members only.***
- **APG’s inaugural Women’s Health Summit** will take place on **Thursday, July 23, from 9:00 a.m. to 4:00 p.m. PT. in Los Angeles, CA.** Registration, exhibits, and a keynote book

signing will take place from 8:00 a.m. to 9:00 a.m. ***This conference is open to APG members only.*** Please email lhawkins@apg.org for registration information.

- **Please save the date for the Virtual 25th Silver Anniversary [Population Health Colloquium](#), December 9-11**, focused on innovations in population health and care coordination and bringing together leaders across health policy, research, and delivery system transformation.
- **Want to get more involved in APG's Federal advocacy efforts?** [Join APG Advocates today.](#)

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