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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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## Latest Administration Attempt To Overhaul Child Vaccination Schedule Prompts Condemnation While Heightening Uncertainties

Much of the nation's medical and public health community turned a firm thumbs down this week on the new White House executive order seeking once again to overhaul the federally backed child immunization schedule. The order was the latest attempt at a workaround to implement changes adopted last January by the reconstituted Advisory Committee on Immunization Practice, but that were subsequently blocked by a Massachusetts federal district court judge in March in a case that is still being litigated (*Washington Update*, May 1, 2026). Couched as based on "Gold Standard Science," the Trump administration's new directive

appeared to be anything but and was roundly critiqued as being everything from impractical to dangerous. At the same time, its issuance also raises uncertainties about the legal, health, and health care implications ahead.

**Dubious provisions:** Along with APG, the American Academy of Pediatrics (AAP) was one of the many medical groups and societies to denounce the order as having the sole purpose of "sow[ing] confusion so that more people doubt the importance of vaccines." Among the order's multiple dubious provisions was its directive to break up the longstanding measles, mumps, and rubella (MMR) vaccine into three vaccines that would be given to children on separate medical visits, despite the combined vaccines' long track record of safety and zero evidence that breaking them apart was warranted for any scientific reason. Manufacturers and vaccine experts noted that such a change would take years to implement and require more major safety and clinical studies. APG advised its members to continue consulting the pediatric group's recommended child immunization schedule, including newly released recommendations for seasonal influenza vaccines – one of several proven to reduce illness and death from respiratory viruses that would no longer be recommended routinely under the White House plan.

The order nonetheless raises a cloud of uncertainties – not the least of which is what it portends for Erica Schwartz, MD, the newly Senate-confirmed director of the Centers for Disease Control and Prevention (CDC), who in her nomination hearing professed commitment to vaccines but would still have to oversee the order's vaccine schedule changes once sworn in. And although it is legally difficult to block an executive order, it is highly likely that any attempt by federal agencies to implement its provisions will provoke a new lawsuit or an amended complaint to the existing one.

**Broadening the anti-vax reach?** Meanwhile, the administration's anti-vaccine campaign appears to be spreading its tentacles well beyond the CDC and other federal health agencies. According to news accounts, the federal Consumer Products Safety Commission (CPSC) began earlier this year to ask hospitals to report personally identifiable information (PII) from health care records for patients who make emergency room visits. "In a stark departure from its product-focused mission, the agency's goal is to obtain millions of Americans' medical records from emergency room visits for most injuries," including childhood vaccine reactions, KFF Health News reported. The American Hospital Association, which questions the agency's legal authority to make the request, has asked the CPSC to make such reporting voluntary and to solicit de-identified patient information only.

APG will continue to oppose many Trump administration vaccine policies, stressing that approved and recommended vaccines are key to prevention, while prevention is key to value-based care that is accountable for costs and quality and produces optimal health outcomes for patients.

## Some States Will Require Early Proof Of Medical Frailty For Exemption From Medicaid Work Requirements

Despite its problematic definition of "medical frailty," which asserts that even some extremely sick people can still work, (*Washington Update*, July 31, 2026), the federal rule implementing new Medicaid work requirements offered one element of relative leniency: For 2027, individuals on or seeking to enroll in Medicaid could self-attest just once that they had a serious or disabling condition that exempted them from work requirements, if medical claims or other administrative documentation were unavailable. But a group of eight mostly red states — Arkansas, Idaho, Indiana, Iowa, North Carolina, North Dakota, Ohio, and Utah — will forego that grace period and demand verification of medical frailty starting next January, *Politico* reports. Under federal law, the affected enrollees in the so-called expansion population must then prove every six months that they are eligible for Medicaid yet still exempt from the work requirements because of the gravity of their medical condition – which, perversely, even then may still not protect them from having to work.

The news report credits these states' actions partly to the lobbying success of the Foundation of Government Accountability, a conservative group that describes as one of its objectives "promoting work over welfare." The group's opposition to self-attestation of a medical condition flies in the face of analyses that show that such provisions can protect people from unnecessarily losing coverage. Without that cushion of self-attestation, many are likely to lose Medicaid coverage for "administrative" reasons: Generally, they can't produce the needed paperwork to show that they are eligible for Medicaid and very sick. An analysis by the consulting firm Manatt Health predicts that 40 percent of Medicaid enrollees potentially subject to work requirements are likely to lose coverage for such administrative reasons.

**Critique of Rule:** Separately, the federal work requirements rule has now also come under attack over the Trump administration's wildly optimistic assumptions about how many Medicaid enrollees will start working, volunteering, or pursuing education because of the

requirements. A new Brookings Institution analysis says studies of prior welfare-to-work program demonstrate that as few as 5 percent of individuals find employment; by contrast, the administration has assumed that roughly one-third of Medicaid enrollees potentially affected by the work requirements will fulfill them and remain covered. For this and other reasons, the new rule is "defective in its substance and design," the analysis says. It was written by two prominent Brookings economists, Sherry Glied and Richard Frank, who served previously in the Department of Health and Human Services under Democratic administrations.

## In Case You Missed It

- **The Centers for Medicare & Medicaid Services (CMS) would have greater leeway to increase Medicare physician fees without requiring offsetting cuts** under a provision of a newly introduced Senate bill. The proposed legislation is a companion measure to a previously introduced bipartisan House bill that would also provide for an increase in the so-called budget neutrality threshold of the Medicare Physician Fee Schedule.

- **Patients are likely to face greater cost-sharing for out-of-network care following a new U.S. appeals court decision striking down a provision of federal regulation under the No Surprises Act.** The Texas Medical Association and other providers challenged the formula for calculating such payments, which has resulted in lower reimbursement to providers for out-of-network services.

- **As the Department of Health and Human Services ends all federal Medicaid and Children's Health Insurance Program funding for "sex-rejecting treatment" for gender dysphoria, it has also referred to federal law enforcement for investigation** insurance claims for gender-affirming care services performed by multiple hospitals and clinics.

- **U.S. prescription drug prices dropped 3.2 percent for the year ended in July 2026, the largest drop in more than 60 years**, according to the Bureau of Labor Statistics. The decline, likely due to multiple factors, including price competition for GLP-1 drugs. Prices for medical equipment and supplies also dropped by 4.5 percent.

- **States and localities can obtain funding to spread treatments for hepatitis C, HIV, and other conditions** as part of the Common Health Coalition and the OpenAI Foundation's new $100 million "Breakthroughs to Follow-

Through" (B2F) Initiative.

## APG Announcements And Offerings

- **Registration is now open** for the **APG Fall Conference 2026 - From Policy To Practice: *What's Next For Accountable Care?*** to be held November 18-20 at the Gaylord National Resort and Convention Center in National Harbor, Maryland near Washington, DC. Please register now for Super Early Bird savings.
- **Sponsorship registration** is also now open for the Fall Conference. Please visit our Fall Conference 2026 sponsor website for more information about sponsorships and exhibitor opportunities.
- APG will host an **Informational Session on the 2027 Proposed Rule on the Medicare Physician Fee Schedule and MSSP** on **Tuesday, August 25, 4:00 pm - 5:00 pm ET**. Please register for the webinar **here**.
- Join the APG hosted webinar titled **"Intercepting Chronic Disease: Utilizing Preventive Diagnostics to Improve Patient Population Health,"** on **Tuesday, September 22, 3:00pm ET** presented by Quest Diagnostics. The webinar is open to the public. Register **here**.
- **Learn more about APG's Group Purchasing Program,** where a variety of companies are offering special pricing to APG members during a webinar on **Thursday, September 24, 3:00 pm ET.** Register **here**.
- The APG hosted webinar titled **"Implementing evidence-based guidelines for Cardio-Renal-Metabolic patient populations,"** presented by Boehringer Ingelheim, will take place **Tuesday, November 10, 2:00 pm ET**. The webinar is open to the public. Register **here**.
- **Want to get more involved in APG's Federal advocacy efforts?** Join APG Advocates today.