

Reconciliation Update



Health Policy Briefing

May 5, 2025

Congress returned from a two-week recess last week and began marking up parts of the budget reconciliation package containing the spending and savings directives from the fiscal year 2025 budget resolution adopted in early April. Six House committees – Oversight and Government Reform, Judiciary, Homeland Security, Armed Services, Education and Workforce, Transportation and Infrastructure – held markups last week of their specific reconciliation instructions. The Education and Workforce package includes provisions to cap student loan amounts - \$50,000 for undergraduates, \$100,00 for graduate students, and \$150,000 for students in professional programs - and revise student loan repayment policies. The GOP aims to use the reconciliation package to advance President Donald Trump’s domestic policy agenda, including tax cuts, energy policy, and border security, while trimming the budget deficit by at least \$1.5 trillion. House Speaker Mike Johnson (R-La.) is targeting the week of May 19 to hold a vote on the assembled package on the House floor.

The House Energy and Commerce Committee is instructed to produce approximately \$880 billion in savings over the next decade, which is expected to necessitate cuts to the Medicaid program. Chair Brett Guthrie (R-Ky.) estimates that health care provisions could account for \$500 to \$600 billion of the panel’s deficit reduction target. Negotiations between committee Republicans, GOP leadership, and the Trump administration are ongoing as policymakers work to reach an agreement around the details of Medicaid reform. Republican leadership is insisting that changes to the Medicaid program can be accomplished without cutting enrollee benefits for the most vulnerable populations. Proposals that may be under consideration include: cutting the tax levied by states on providers and hospitals to generate Medicaid funding; reducing Medicaid expansion states’ enhanced federal match rate; adding federal work requirements to the Medicaid program; mandating more frequent Medicaid beneficiary eligibility checks; excluding noncitizens from Medicaid program eligibility; per capita caps on Medicaid funding for expansion state enrollees; and lowering the federal Medicaid matching rate for the District of Columbia. The White House has also held discussions about the idea of pursuing a most-favored-nation policy – linking the

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price paid by the U.S. government for certain pharmaceuticals to the lower prices paid abroad – as a possible alternative for generating the savings necessary to help pay for the reconciliation package. Chair Guthrie has delayed Energy and Commerce’s markup of its portion of the reconciliation bill to the week of May 12. The panel had initially planned to meet on May 7.

A bloc of moderate Republican lawmakers remains wary of making drastic changes to the safety net program. Rep. Don Bacon (R-Neb.), for example, has stated that he will not support legislation with more than \$500 billion in reductions to Medicaid. GOP leadership will have to balance the concerns of these members with the [insistence](#) of at least 20 more conservative Republicans that deep cuts to the Medicaid program are crucial for reining in the federal deficit. With a seven-seat majority in the House, the GOP can lose no more than three Republicans if all members are present and voting, in what is expected to be an otherwise party-line vote.

President’s Budget Proposes Steep Cuts to HHS/NIH

The Trump administration released its fiscal year 2026 abbreviated – or “skinny” – [budget request](#) on Friday. The administration’s full budget request to Congress will be released at a later date. The budget proposes to cut \$33.3 billion in discretionary funding from the U.S. Department of Health and Human Services - a 26.2% reduction compared to current spending. This includes a \$3.6 billion reduction in discretionary funding for the Centers for Disease Control and Prevention and an \$18 billion reduction for the National Institutes of Health (NIH). The Make America Healthy Again initiative would be funded at \$500 million. On Capitol Hill, the President’s budget request is understood as a signal of the administration’s priorities and spending targets for the coming fiscal year rather than an actual legislative proposal. Senate Appropriations Committee Chair Susan Collins (R-Maine) has already expressed “serious objections” to the budget’s proposed cuts to biomedical research which she and other senators voiced during a hearing she chaired last Wednesday titled “[Biomedical Research: Keeping America’s Edge in Innovation.](#)”

Energy and Commerce Advances Six Health Bills

The House Energy and Commerce Committee advanced six health bills to the full chamber on Tuesday:

- H.R. 2483, the SUPPORT for Patients and Communities Reauthorization Act, was reported by a vote of 36–13. Several Democrats who voted against the typically bipartisan bill cited concerns about recent layoffs at the Substance Abuse and Mental Health Services Administration. Certain SUPPORT Act programs lapsed at the end of fiscal year 2023, and reauthorization of the law was dropped from the initially proposed bipartisan year-end spending package in December 2024.
- H.R. 1520, the Charlotte Woodward Organ Transplant Discrimination Prevention Act, was reported by a vote of 46–1.
- H.R. 2319, the Women and Lung Cancer Research and Preventive Services Act of 2025, was reported by voice vote.
- H.R. 1669, to amend the Public Health Service Act to reauthorize the Stop, Observe, Ask, and Respond to Health and Wellness Training Program, was reported by voice vote.
- H.R. 1082, the Shandra Eisenga Human Cell and Tissue Product Safety Act, was reported by voice vote.
- H.R. 2484, the Seniors’ Access to Critical Medications Act, was reported by a vote of 38–7.

Ways and Means Republicans Outline Value-Based Care Priorities

Republican members of the House Ways and Means Committee have sent a [letter](#) to the Centers for Medicare and Medicaid Services outlining their priorities for the Center for Medicare and Medicaid Innovation (CMMI). The lawmakers urge the agency to focus on payment models that save money, improve transparency and communication around changes to existing models, ensure solicitation of stakeholder feedback in the development of new models, and renew attention on improving rural health care. The letter details the lawmakers’ concerns with CMMI’s failure to develop value-based payment models that improve care quality and reduce costs to the government. “We believe that with the right leadership, CMMI can produce models that promote value over volume, result in meaningful program savings, improve care for the most vulnerable beneficiaries living in rural and underserved communities, and better incorporate public input,” the letter states.

Connolly to Retire, Step Down as Oversight Ranking Member

Rep. Gerry Connolly (D-Va.) announced his decision last week to not run for reelection and to step down from his position as ranking member of the House Oversight and Government Reform Committee. Rep. Connolly, 75, has been battling esophagus cancer since late last year. He has served in the House of Representatives since 2009.

GAO Report on Implementation of Medicare Drug Price Negotiation Program

The Government Accountability Office (GAO) has released a new [report](#) on the Inflation Reduction Act's Medicare drug price negotiation program. The report describes the Centers for Medicare and Medicaid Services' (CMS) implementation of the negotiation program and the inflation rebate program, and assesses CMS's plans for using funds for both programs. The report includes details about how CMS spends money on activities such as program support, administration, and outreach and education efforts.

NIH Director Speeds Implementation of New Public Access Policy

NIH Director Jay Bhattacharya, MD announced his decision last week to move up the implementation date of a recent change to the NIH Public Access Policy. The 2024 change, which will make NIH research findings freely accessible to the public without the previously instated one-year embargo period, was set to go into effect December 31, 2025. It will now be effective as of July 1, 2025. "Earlier implementation of the Public Access Policy will help increase public confidence in the research we fund while also ensuring that the investments made by taxpayers produce replicable, reproducible, and generalizable results that benefit all Americans," Bhattacharya stated.

Upcoming Congressional Hearings and Markups

House Veterans' Affairs Subcommittee on Technology Modernization hearing "Improving Access to External VA Care through Enhanced Scheduling Technology;" 3:00 p.m.; May 5

Senate Finance Committee hearing to consider the nominations of James O'Neill, of California, to be Deputy Secretary of Health and Human Services, and Gary Andres, of Virginia, to be an Assistant Secretary of Health and Human Services; 10:00 a.m.; May 6

House Veterans' Affairs Committee markup of pending legislation, including H.R. 1107, Protecting Veteran Access to Telemedicine Services Act; H.R. 1336, Veterans National Traumatic Brain Injury Treatment Act; H.R. 658, To amend title 38, United States Code, to establish qualifications for the appointment of a person as a marriage and family therapist, qualified to provide clinical supervision, in the Veterans Health Administration; H.R. 1860, Women Veterans Cancer Care Coordination Act; 10:15 a.m.; May 6

House Budget Committee hearing "The Fiscal State of the Nation;" 10:00 a.m.; May 7

House Appropriations Committee oversight hearing on the Cybersecurity and Infrastructure Security Agency; 9:00 a.m.; May 8

Senate Health, Education, Labor, and Pensions (HELP) Committee hearing on the nominations of James O'Neill to serve as Deputy Secretary of Health and Human Services, and Janette Nesheiwat to serve as Medical Director in the Regular Corps of the Public Health Service and Surgeon General of the Public Health Service; 10:00 a.m.; May 8

Senate HELP Committee hearing on Fiscal Year 2026 Department of Health and Human Services Budget (witness: The Honorable Robert F. Kennedy, Jr.); 1:00 p.m.; May 14

S.1500 — A bill to amend title XXVII of the Public Health Service Act to prohibit group health plans and health insurance issuers offering group or individual health insurance coverage from imposing cost-sharing requirements with respect to diagnostic and supplemental breast examinations; Sponsor: Shaheen, Jeanne [Sen.-D-NH]; Committees: Senate - Health, Education, Labor, and Pensions

S.1501 — A bill to amend the Animal Health Protection Act to improve the prevention of the spread of animal diseases, and for other purposes; Sponsor: Wicker, Roger F. [Sen.-R-MS]; Committees: Senate - Agriculture, Nutrition, and Forestry

H.R.3029 — To amend the Research and Development, Competition, and Innovation Act to support nucleic acid screening, and for other purposes; Sponsor: Salinas, Andrea [Rep.-D-OR-6]; Committees: House - Science, Space, and Technology

H.R.3032 — To ensure appropriate access to remote monitoring services furnished under the Medicare program; Sponsor: Balderson, Troy [Rep.-R-OH-12]; Committees: House - Energy and Commerce; Ways and Means

H.R.3037 — To amend title XXVII of the Public Health Service Act to prohibit group health plans and health insurance issuers offering group or individual health insurance coverage from imposing cost-sharing requirements with respect to diagnostic and supplemental breast examinations; Sponsor: Dingell, Debbie [Rep.-D-MI-6]; Committees: House - Energy and Commerce; Ways and Means

H.R.3038 — To amend the Animal Health Protection Act to improve the prevention of the spread of animal diseases, and for other purposes; Sponsor: Feenstra, Randy [Rep.-R-IA-4]; Committees: House - Agriculture; Ways and Means

H.R.3039 — To direct the Attorney General to authorize the youth gun violence prevention program; Sponsor: Goldman, Daniel S. [Rep.-D-NY-10]; Committees: House - Education and Workforce

H.R.3042 — To rescue domestic medical manufacturing activity by providing incentives in economically distressed areas of the United States and its possessions; Sponsor: Malliotakis, Nicole [Rep.-R-NY-11]; Committees: House - Ways and Means; Energy and Commerce

H.R.3043 — To prohibit the use of taxpayer dollars to support animal experimentation in the laboratories of adversarial nations; Sponsor: McClain, Lisa C. [Rep.-R-MI-9]; Committees: House - Energy and Commerce

H.R.3051 — To direct the Administrator of the United States Agency for International Development, or its successor, and the Secretary of Health and Human Services to provide assistance for individuals affected by exposure to Agent Orange, and for other purposes; Sponsor: Tlaib, Rashida [Rep.-D-MI-12]; Committees: House - Foreign Affairs; Energy and Commerce

H.R.3052 — To direct the Secretary of Health and Human Services and the Secretary of Veterans Affairs to provide assistance for individuals affected by exposure to Agent Orange, and for other purposes; Sponsor: Tlaib, Rashida [Rep.-D-MI-12]; Committees: House - Veterans' Affairs; Energy and Commerce

H.R.3053 — To direct the Comptroller General of the United States to carry out a study on interagency data sharing and collaboration between the State agencies that administer WIC, SNAP, and Medicaid, and for other purposes; Sponsor: Watson Coleman, Bonnie [Rep.-D-NJ-12]; Committees: House - Education and Workforce; Agriculture; Energy and Commerce

S.1506 — A bill to establish a Medicare-for-all national health insurance program; Sponsor: Sanders, Bernard [Sen.-I-VT]; Committees: Senate - Finance

H.Res.360 — Expressing support for the designation of the last Tuesday of April each year as “APOL1-Mediated Kidney Disease (AMKD) Awareness Day”; Sponsor: Plaskett, Stacey E. [Del.-D-VI-At Large]; Committees: House - Energy and Commerce

H.R.3063 — To amend the Public Health Service Act to authorize the Secretary of Health and Human Services to make grants to assist rural hospitals, and for other purposes; Sponsor: Figures, Shomari [Rep.-D-AL-2]; Committees: House - Energy and Commerce

H.R.3069 — To establish an improved Medicare for All national health insurance program; Sponsor: Jayapal, Pramila [Rep.-D-WA-7]; Committees: House - Energy and Commerce; Ways and Means; Education and Workforce; Rules; Oversight and Government Reform; Armed Services; Judiciary

H.R.3079 — To amend title XIX of the Social Security Act to extend renewal periods for certain home and community-based services waivers and State plan amendments under the Medicaid program; Sponsor: Rulli, Michael A. [Rep.-R-OH-6]; Committees: House - Energy and Commerce

H.R.3080 — To ensure health care fairness and affordability for all Americans through universal access to equitable health insurance tax credits, reformed health savings accounts, and strengthened consumer protections, and for other purposes; Sponsor: Sessions, Pete [Rep.-R-TX-17]; Committees: House - Energy and Commerce; Ways and Means; Education and Workforce

H.R.3082 — To repeal section 704(b)(12) of the Office of National Drug Control Policy Reauthorization Act of 1998, and for other purposes; Sponsor: Titus, Dina [Rep.-D-NV-1]; Committees: House - Oversight and Government Reform; Energy and Commerce; Judiciary

S.Res.192 — A resolution designating April 30, 2025, as “National Assistive Technology Awareness Day”; Sponsor: Markey, Edward J. [Sen.-D-MA]; Submitted in the Senate, considered, and agreed to without amendment and with a preamble by Unanimous Consent.

S.Res.194 — A resolution expressing support for the designation of the month of April 2025 as “Parkinson’s Awareness Month”; Sponsor: Scott, Rick [Sen.-R-FL]; Committees: Senate - Health, Education, Labor, and Pensions

S.1533 — A bill to amend title 38, United States Code, to make permanent and codify the pilot program for use of contract physicians for disability examinations, and for other purposes; Sponsor: Moran, Jerry [Sen.-R-KS]; Committees: Senate - Veterans’ Affairs

S.1535 — A bill to ensure high-quality remote physiologic monitoring services for Medicare beneficiaries and for other purposes; Sponsor: Blackburn, Marsha [Sen.-R-TN]; Committees: Senate – Finance

H.Res.362 — Expressing support for the designation of April 30, 2025, as “National Adult Hepatitis B Vaccination Awareness Day”; Sponsor: Johnson, Henry C. “Hank” [Rep.-D-GA-4]; Committees: House - Energy and Commerce

H.R.3088 — To amend title 38, United States Code, to include licensed hearing aid specialists under the Veterans Community Care Program of the Department of Veterans Affairs, and for other purposes; Sponsor: Barrett, Tom [Rep.-R-MI-7]; Committees: House - Veterans’ Affairs

H.R.3091 — To amend the Internal Revenue Code of 1986 to treat amounts paid for fertility treatments as medical expenses for purposes of health savings accounts, and for other purposes; Sponsor: Underwood, Lauren [Rep.-D-IL-14]; Committees: House - Ways and Means

H.R.3092 — To amend title XVIII of the Social Security Act to provide for additional requirements with respect to

electrodiagnostic services under the Medicare program; Sponsor: Sessions, Pete [Rep.-R-TX-17]; Committees: House - Energy and Commerce; Ways and Means

H.R.3099 — To direct the Secretary of Health and Human Services to make grants to local governments for the training of local law enforcement officers on public health threats arising from violations of building codes, and for other purposes; Sponsor: Costa, Jim [Rep.-D-CA-21]; Committees: House - Transportation and Infrastructure

H.R.3102 — To direct the Secretary of Health and Human Services to establish an Office of Rural Health, and for other purposes; Sponsor: Guest, Michael [Rep.-R-MS-3]; Committees: House - Energy and Commerce

H.R.3103 — To amend title XXVII of the Public Health Service Act to establish requirements for the disclosure of certain information relating to health care sharing ministries, and for other purposes; Sponsor: Huffman, Jared [Rep.-D-CA-2]; Committees: House - Energy and Commerce

H.R.3108 — To amend title XVIII of the Social Security Act with respect to payment for remote patient monitoring under the Medicare program; Sponsor: Kustoff, David [Rep.-R-TN-8]; Committees: House - Energy and Commerce; Ways and Means

H.R.3121 — To amend the Public Health Service Act to expand trauma-informed training for law enforcement personnel and emergency medical technicians related to sexual assault, domestic violence, dating violence, and stalking cases, and for other purposes; Sponsor: Schakowsky, Janice D. [Rep.-D-IL-9]; Committees: House - Energy and Commerce

H.R.3128 — To amend the Internal Revenue Code of 1986 to treat diapers as qualified medical expenses; and to prohibit States and local governments to impose a tax on the retail sale of diapers; Sponsor: Watson Coleman, Bonnie [Rep.-D-NJ-12]; Committees: House - Ways and Means; Judiciary

S.Res.198 — A resolution expressing the sense of the Senate that the Secretary of Health and Human Services should withdraw a reduction in public notice and comment opportunities; Sponsor: Wyden, Ron [Sen.-D-OR]; Committees: Senate – Finance

S.1546 — A bill to amend title 35, United States Code, to address matters relating to patent subject matter eligibility, and for other purposes; Sponsor: Tillis, Thomas [Sen.-R-NC]; Committees: Senate – Judiciary

S.1548 — A bill to amend the Internal Revenue Code of 1986 to exclude certain Nurse Corps payments from gross income; Sponsor: Wicker, Roger F. [Sen.-R-MS]; Committees: Senate – Finance

S.1551 — A bill to deny tax deductions and other Federal funding for the costs of gender transition procedures; Sponsor: Marshall, Roger [Sen.-R-KS]; Committees: Senate – Finance

S.1552 — A bill to promote and protect from discrimination living organ donors; Sponsor: Cotton, Tom [Sen.-R-AR]; Committees: Senate - Health, Education, Labor, and Pensions

S.1553 — A bill to amend title 35, United States Code, to invest in inventors in the United States, maintain the United States as the leading innovation economy in the world, and protect the property rights of the inventors that grow the economy of the United States, and for other purposes; Sponsor: Coons, Christopher A. [Sen.-D-DE]; Committees: Senate – Judiciary

S.1562 — A bill to reauthorize the Prematurity Research Expansion and Education for Mothers who deliver Infants Early Act; Sponsor: Bennet, Michael F. [Sen.-D-CO]; Committees: Senate - Health, Education, Labor, and Pensions

S.1565 — A bill to amend the Internal Revenue Code of 1986 to allow expenses for parents to be taken into account as medical expenses, and for other purposes; Sponsor: Rosen, Jacky [Sen.-D-NV]; Committees: Senate – Finance

H.Res.369 — Expressing the sense of the House of Representatives that the Secretary of Health and Human Services should withdraw a reduction in public notice and comment opportunities; Sponsor: Fletcher, Lizzie [Rep.-D-TX-7]; Committees: House – Judiciary

H.Res.371 — Expressing support for the designation of May 2025 as “National Brain Tumor Awareness Month”; Sponsor: McCaul, Michael T. [Rep.-R-TX-10]; Committees: House - Energy and Commerce

H.Res.372 — Recognizing the impact the stigmatization of menstruation has on the lives of women, girls, and people who menstruate, and expressing support for the designation of the month of May as “National Menstrual Health Awareness Month”; Sponsor: Meng, Grace [Rep.-D-NY-6]; Committees: House - Energy and Commerce; Education and Workforce

H.R.3130 — To establish education partnership programs between public schools and public health agencies to prevent the misuse and overdose of synthetic opioids by youth, and for other purposes; Sponsor: Bonamici, Suzanne [Rep.-D-OR-1]; Committees: House - Education and Workforce; Energy and Commerce

H.R.3134 — To amend titles XVIII and XIX of the Social Security Act to provide for coverage of certain services furnished by freestanding emergency centers; Sponsor: Arrington, Jodey C. [Rep.-R-TX-19]; Committees: House - Energy and Commerce; Ways and Means

H.R.3136 — To require the reinstatement of recently terminated Centers for Disease Control and Prevention employees, and for other purposes; Sponsor: Barragán, Nanette Diaz [Rep.-D-CA-44]; Committees: House - Energy and Commerce

H.R.3145 — To amend the Internal Revenue Code of 1986 to exclude certain Nurse Corps payments from gross income; Sponsor: Fitzpatrick, Brian K. [Rep.-R-PA-1]; Committees: House - Ways and Means

H.R.3146 — To amend the Higher Education Act of 1965 to include service as a volunteer firefighter or volunteer emergency medical technician as a public service job for purposes of eligibility for the Public Service Loan Forgiveness Program, and for other purposes; Sponsor: Goldman, Daniel S. [Rep.-D-NY-10]; Committees: House - Education and Workforce

H.R.3148 — To direct the Secretary of Defense to carry out a pilot program to assist certain members of the Armed Forces and dependents with additional supplemental coverage relating to cancer; Sponsor: Jack, Brian [Rep.-R-GA-3]; Committees: House - Armed Services

H.R.3152 — To amend title 35, United States Code, to address matters relating to patent subject matter eligibility, and for other purposes; Sponsor: Kiley, Kevin [Rep.-R-CA-3]; Committees: House – Judiciary

H.R.3154 — To amend title XI of the Social Security Act to eliminate the general Medicaid funding limitations for territories of the United States, and for other purposes; Sponsor: King-Hinds, Kimberlyn [Del.-R-MP-At Large]; Committees: House - Energy and Commerce

H.R.3162 — To amend the Federal Food, Drug, and Cosmetic Act to allow for the importation of affordable and safe drugs by wholesale distributors, pharmacies, and individuals; Sponsor: Schakowsky, Janice D. [Rep.-D-IL-9]; Committees: House - Energy and Commerce

H.R.3164 — To amend title XVIII of the Social Security Act to provide pharmacy payment of certain services; Sponsor: Smith, Adrian [Rep.-R-NE-3]; Committees: House - Energy and Commerce; Ways and Means

H.R.3170 — To amend chapter 81 of title 5, United States Code, to cover, for purposes of workers’ compensation under such chapter, services by physician assistants and nurse practitioners provided to injured Federal workers, and for other purposes; Sponsor: Walberg, Tim [Rep.-R-MI-5]; Committees: House - Education and Workforce