# HHS

## Hart Health Strategies Inc.



May 27, 2025

#### House Passes Reconciliation Package

The House of Representatives passed the GOP's budget reconciliation package last week, achieving Speaker Mike Johnson's (R-La.) goal of completing work on the bill before the chamber's Memorial Day recess. The legislation narrowly passed the House in a 215-214 vote early Thursday morning after an all-night debate. Reps. Thomas Massie (R-Ky.) and Warren Davidson (R-Ohio) joined Democrats in voting against the package; Rep. Andy Harris (R-Md.) voted present; Reps. Andrew Garbarino (R-N.Y.) and David Schweikert (R-Ariz.) did not vote. The *One Big Beautiful Bill Act* (H.R. 1) stems from the fiscal year 2025 budget resolution approved by Congress in early April and is central to Republican's broader effort to implement key parts of President Donald Trump's domestic policy agenda – including tax reform, energy development, and stronger border enforcement.

Prior to passage of the more than 1,000-page bill, several fiscal hardliners secured an agreement with GOP leadership to make a number of modifications to the legislation. The bill was revised to speed up the start date of work requirements for Medicaid beneficiaries from January 1, 2029, to no later than December 31, 2026. The revised bill also broadens the ban on Medicaid funding for gender affirming care from minors to all individuals. The package includes a series of changes to the Medicaid program beyond these provisions, including new limits on provider taxes, penalties for states who allow Medicaid coverage of undocumented immigrants, cost-sharing requirements for Medicaid enrollees, and more frequent enrollee eligibility checks. The legislation does not address the 2.83% Medicare physician cut that went into effect on January 1, but it does include a mechanism to link the Medicare physician fee schedule conversion factor to an annual inflationary update: in 2026, physicians would receive an update of 75% of the Medicare Economic Index (MEI); in 2027 and each subsequent year, physicians would receive 10% of MEI. It would also eliminate

the current Merit-based Incentive Payment System and alternative payment model differential payment updates.

According to a Congressional Budget Office (CBO) estimate of an earlier iteration of the bill released on Tuesday, prior to House passage of the bill, H.R. 1 would lead to 8.6 million people losing their

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health insurance. Approximately 7.6 million people would lose their Medicaid benefits, while 1 million would lose access to plans purchased through the Affordable Care Act marketplace. CBO's estimates of coverage losses are expected to be higher under the version of the bill passed by the House last week.

The package remains subject to consideration by the Senate, where it is expected to undergo significant changes. Several Republican senators have already expressed concerns with the Medicaid-related provisions of the House package, making it likely that the health portions of the bill will be revised before final passage. Republicans aim to have the *One Big Beautiful Bill Act* signed into law by July 4. This goal is informed by debt ceiling considerations. The reconciliation package includes an increase to the statutory debt limit, with the nation projected to reach its borrowing limit as early as August. If the Senate amends the reconciliation legislation, the House will need to vote on the amended legislation, or the package would need to be reconciled via the conference committee process.

#### Bipartisan, Bicameral Prior Authorization Legislation Reintroduced

The *Improving Seniors' Timely Access to Care Act* (S. 1816/H.R. 3514) was reintroduced in Congress last week. The bipartisan, bicameral legislation aims to simplify the prior authorization (PA) process within the Medicare Advantage (MA) program. It would establish an electronic PA process for MA plans, increase transparency around MA prior authorization requirements, provide a pathway for the Centers for Medicare and Medicaid Services (CMS) to institute real-time decisions for routinely approved items and services and clarify CMS' authority to establish timeframes for e-PA requests, expand beneficiary protections to improve enrollee experiences and outcomes, and require the U.S. Department of Health and Human Services to report to Congress on program integrity efforts and ways to further improve the e-PA process. The bill is sponsored by Sens. Roger Marshall, M.D. (R-Kan.) and Mark Warner (D-Va.) and by Reps. Mike Kelly (R-Pa.), Suzan DelBene (D-Wash.), Ami Bera, M.D. (D-Calif.), and John Joyce, M.D. (R-Pa.). It currently has 47 cosponsors in the Senate, 77 cosponsors in the House of Representatives, and is supported by more than 150 stakeholder organizations.

#### FY 2026 House Appropriations Committee Markup Schedule

House Appropriations Committee Chairman Tom Cole (R-Okla.) released his panel's markup schedule for fiscal year (FY) 2026 appropriations bills. The committee currently plans to mark up all 12 FY 2026 government-funding bills over the next 10 weeks. Chairman Cole told appropriators that they should expect to see bill-by-bill funding allocations shortly after coming back from this week's Memorial Day recess. While the schedule is subject to change, Agriculture, Rural Development, Food and Drug Administration, and Related Agencies bill is scheduled for subcommittee markup on June 5 and consideration by the full committee on June 11. The Labor, Health and Human Services, Education, and Related Agencies bill is currently slated to be marked up in subcommittee on July 21, and considered by the full committee on July 24. The full schedule can be found here.

#### MAHA Commission Releases Assessment of Childhood Chronic Disease

The Presidential Commission to Make America Healthy Again (MAHA) released an <u>assessment</u> last week of the drivers behind the rise in childhood chronic disease. The Commission was established by an <u>executive order</u> signed by President Donald Trump in February and is led by U.S. Department of Health and Human Services Secretary Robert F. Kennedy Jr. The 69-page report identifies four potential causes of childhood chronic disease that the Commission believes present the clearest opportunities for progress: poor diet, aggregation of environmental chemicals, lack of physical activity and chronic stress, and overmedicalization. The report also recommends 10 research initiatives to close current knowledge gaps and guide future work on childhood chronic disease. Secretary Kennedy has stated that the report will serve as a blueprint for the administration's health efforts. The MAHA Commission's strategy report containing policy recommendations is due in August 2025.

## Hart Health Strategies Inc. Upcoming Congressional Hearings and Markups

Senate Health, Education, Labor, and Pensions Committee hearing "Reauthorization of the Over-the-Counter Monograph Drug User Fee Program;" 10:00 a.m.; June 4

### Recently Introduced Health Legislation

- S.1799 A bill to amend title XVIII of the Social Security Act to provide for certain cognitive impairment detection in the Medicare annual wellness visit and initial preventative physical examination; Sponsor: Capito, Shelley Moore [Sen.-R-WV]; Committees: Senate Finance
- S.1800 A bill to amend title XVIII of the Social Security Act to modify the criteria for designation of rural emergency hospitals; Sponsor: Hyde-Smith, Cindy [Sen.-R-MS]; Committees: Senate Finance
- S.1802 A bill to amend the Public Health Service Act to prohibit the National Institutes of Health from awarding any support for an activity or program that uses live animals in research unless the research occurs in the United States, and for other purposes; Sponsor: Scott, Rick [Sen.-R-FL]; Committees: Senate Health, Education, Labor, and Pensions
- S.1805 A bill to amend title XVIII of the Social Security Act to permit nurse practitioners and physician assistants to satisfy the documentation requirement under the Medicare program for coverage of certain shoes for individuals with diabetes; Sponsor: Collins, Susan M. [Sen.-R-ME]; Committees: Senate Finance
- H.Res.429 Expressing support for the designation of May 17, 2025, as "Necrotizing Enterocolitis Awareness Day"; Sponsor: Thompson, Mike [Rep.-D-CA-4]; Committees: House Energy and Commerce
- H.R.3480 To amend the Patient Protection and Affordable Care Act to include fertility treatment and care as an essential health benefit; Sponsor: Underwood, Lauren [Rep.-D-IL-14]; Committees: House Energy and Commerce
- H.R.3482 To amend title 38, United States Code, to establish an online program through which an employee of the Department of Veterans Affairs may schedule an appointment for a covered veteran with a non-Department health care provider under the Veterans Community Care Program, and for other purposes; Sponsor: Barrett, Tom [Rep.-R-MI-7]; Committees: House Veterans' Affairs
- H.R.3483 To amend title 38, to direct the Secretary of Veterans Affairs to use an information technology system to detect fraud, waste, and abuse regarding claims for payment submitted to the Secretary under the Veterans Community Care Program; Sponsor: Barrett, Tom [Rep.-R-MI-7]; Committees: House Veterans' Affairs
- H.R.3489 To amend title 38, United States Code, to codify the requirements for appointment, qualifications, and pay for therapeutic and diagnostic medical physicists of the Department of Veterans Affairs, and for other purposes; Sponsor: Cherfilus-McCormick, Sheila [Rep.-D-FL-20]; Committees: House Veterans' Affairs
- H.R.3490 To require the Government Accountability Office to produce a report on esophageal cancer, and for other purposes; Sponsor: Connolly, Gerald E. [Rep.-D-VA-11]; Committees: House Oversight and Government Reform
- H.R.3491 To amend the Public Health Service Act to authorize the Secretary of Health and Human Services to carry out a program of research, training, and investigation related to Down syndrome, and for other purposes; Sponsor: DeGette, Diana [Rep.-D-CO-1]; Committees: House Energy and Commerce
- H.R.3493 To reduce prescription drug prices by aligning U.S. prices with international benchmarks; Sponsor: Khanna, Ro [Rep.-D-CA-17]; Committees: House Energy and Commerce; Ways and Means; Judiciary

- H.R.3494 To authorize the Secretary of Veterans Affairs to carry out an information technology system and prioritize certain requirements to manage supply chains for medical facilities of the Department of Veterans Affairs; Sponsor: Kiggans, Jennifer A. [Rep.-R-VA-2]; Committees: House Veterans' Affairs
- H.R.3501 To amend title XVIII of the Social Security Act to provide for certain cognitive impairment detection in the Medicare annual wellness visit and initial preventive physical examination; Sponsor: Sánchez, Linda T. [Rep.-D-CA-38]; Committees: House Energy and Commerce; Ways and Means
- H.R.3503 To prohibit life insurance providers from discriminating based on a person's status as a living kidney donor, and for other purposes; Sponsor: Van Drew, Jefferson [Rep.-R-NJ-2]; Committees: House Financial Services
- S.1811 A bill to amend the Higher Education Act of 1965 to prohibit graduate medical schools from receiving Federal financial assistance if such schools adopt certain policies and requirements relating to diversity, equity, and inclusion; Sponsor: Kennedy, John [Sen.-R-LA]; Committees: Senate Health, Education, Labor, and Pensions
- S.1815 A bill to provide targeted funding for States and other eligible entities through the Social Services Block Grant program to address the increased burden that maintaining the health and hygiene of infants and toddlers, medically complex children, and low-income adults or adults with disabilities who rely on adult incontinence materials and supplies place on families in need, the resultant adverse health effects on children and families, and the limited child care options available for infants and toddlers who lack sufficient diapers and diapering supplies, and for other purposes; Sponsor: Duckworth, Tammy [Sen.-D-IL]; Committees: Senate Finance
- S.1816 A bill to amend title XVIII of the Social Security Act to establish requirements with respect to the use of prior authorization under Medicare Advantage plans; Sponsor: Marshall, Roger [Sen.-R-KS]; Committees: Senate Finance
- S.1818 A bill to significantly lower prescription drug prices for patients in the United States by ending government-granted monopolies for manufacturers who charge drug prices that are higher than the median prices at which the drugs are available in other countries; Sponsor: Sanders, Bernard [Sen.-I-VT]; Committees: Senate Health, Education, Labor, and Pensions
- H.R.3508 To provide targeted funding for States and other eligible entities through the Social Services Block Grant program to address the increased burden that maintaining the health and hygiene of infants and toddlers, medically complex children, and low-income adults or adults with disabilities who rely on adult incontinence materials and supplies place on families in need, the resultant adverse health effects on children and families, and the limited child care options available for infants and toddlers who lack sufficient diapers and diapering supplies, and for other purposes; Sponsor: DeLauro, Rosa L. [Rep.-D-CT-3]; Committees: House Ways and Means; Budget
- H.R.3511 To amend the Public Health Service Act to direct the Assistant Secretary for Mental Health and Substance Use to establish a grant program for certain undergraduate or graduate students who agree to work as school psychologists, and for other purposes; Sponsor: Gottheimer, Josh [Rep.-D-NJ-5]; Committees: House Energy and Commerce
- H.R.3514 —To amend title XVIII of the Social Security Act to establish requirements with respect to the use of prior authorization under Medicare Advantage plans; Sponsor: Kelly, Mike [Rep.-R-PA-16]; Committees: House Ways and Means; Energy and Commerce
- H.R.3518 To amend the Higher Education Act of 1965 to prohibit graduate medical schools from receiving Federal financial assistance if such schools adopt certain policies and requirements relating to diversity, equity, and inclusion; Sponsor: Murphy, Gregory F. [Rep.-R-NC-3]; Committees: House Education and Workforce

- H.R.3520 To amend the Controlled Substances Act to provide for the scheduling of tianeptine as a schedule III substance, and for other purposes; Sponsor: Panetta, Jimmy [Rep.-D-CA-19]; Committees: House Energy and Commerce; Judiciary
- H.R.3521 To modernize clinical trials and remove barriers for participation in clinical trials, and for other purposes; Sponsor: Ruiz, Raul [Rep.-D-CA-25]; Committees: House Energy and Commerce; Ways and Means
- S.Res.249 A resolution expressing support for the designation of May 2025 as "Mental Health Awareness Month"; Sponsor: Lujan, Ben Ray [Sen.-D-NM]; Committees: Senate Health, Education, Labor, and Pensions
- S.Res.251 A resolution supporting the designation of May 4 through May 10, 2025, as "Children's Mental Health Awareness Week"; Sponsor: Husted, Jon [Sen.-R-OH]; Submitted in the Senate, considered, and agreed to without amendment and with a preamble by Unanimous Consent.
- S.Res.252 A resolution designating May 2025 as "Older Americans Month"; Sponsor: Scott, Rick [Sen.-R-FL]; Submitted in the Senate, considered, and agreed to without amendment and with a preamble by Unanimous Consent.
- S.Res.256 A resolution designating May 2025 as "American Stroke Month"; Sponsor: Lujan, Ben Ray [Sen.-D-NM]; Committees: Senate Judiciary
- S.1862 A bill to amend title XI of the Social Security Act to expand and clarify the exclusion for orphan drugs under the Drug Price Negotiation Program; Sponsor: Barrasso, John [Sen.-R-WY]; Committees: Senate Finance
- S.1865 A bill to amend the Internal Revenue Code of 1986 to repeal the excise tax on indoor tanning services; Sponsor: Paul, Rand [Sen.-R-KY]; Committees: Senate Finance
- S.1866 A bill to amend the Public Health Service Act to reauthorize and improve the National Breast and Cervical Cancer Early Detection Program for fiscal years 2026 through 2030, and for other purposes; Sponsor: Baldwin, Tammy [Sen.-D-WI]; Committees: Senate Health, Education, Labor, and Pensions
- S.1868 A bill to amend title 38, United States Code, to expand access by veterans to critical access hospitals and affiliated clinics under the Veterans Community Care Program, and for other purposes; Sponsor: Cramer, Kevin [Sen.-R-ND]; Committees: Senate Veterans' Affairs
- S.1874 A bill to amend the Public Health Service Act to reauthorize certain nursing workforce development programs, and for other purposes; Sponsor: Merkley, Jeff [Sen.-D-OR]; Committees: Senate Health, Education, Labor, and Pensions
- S.1878 A bill to establish an interactive online dashboard to improve public access to information about grant funding related to mental health and substance use disorder programs; Sponsor: Fischer, Deb [Sen.-R-NE]; Committees: Senate Health, Education, Labor, and Pensions
- S.1882 A bill to expand and promote research and data collection on reproductive health conditions, to provide training opportunities for medical professionals to learn how to diagnose and treat reproductive health conditions, and for other purposes; Sponsor: Hyde-Smith, Cindy [Sen.-R-MS]; Committees: Senate Health, Education, Labor, and Pensions
- S.1885 A bill to require the Federal Trade Commission, with the concurrence of the Secretary of Health and Human Services acting through the Surgeon General, to implement a mental health warning label on covered platforms, and for other purposes; Sponsor: Britt, Katie Boyd [Sen.-R-AL]; Committees: Senate Commerce, Science, and Transportation
- S.1891 A bill to amend the Internal Revenue Code of 1986 to establish the generic drugs and biosimilars production credit, and for other purposes; Sponsor: Cotton, Tom [Sen.-R-AR]; Committees: Senate Finance

- S.1893 A bill to award posthumously a Congressional Gold Medal to Henrietta Lacks, in recognition of her immortal cells which have made invaluable contributions to global health, scientific research, our quality of life, and patients' rights; Sponsor: Van Hollen, Chris [Sen.-D-MD]; Committees: Senate Banking, Housing, and Urban Affairs
- S.1895 A bill to establish the Mental Health Excellence in Schools Program to increase the recruitment and retention of school-based mental health service providers, and for other purposes; Sponsor: Young, Todd [Sen.-R-IN]; Committees: Senate Health, Education, Labor, and Pensions
- S.1903 A bill to prohibit changes to Medicare and Medicaid in reconciliation; Sponsor: Reed, Jack [Sen.-D-RI]; Committees: Senate Budget
- S.1910 A bill to provide for the overall health and well-being of young people, including the promotion and attainment of lifelong sexual health and healthy relationships, and for other purposes; Sponsor: Booker, Cory A. [Sen.-D-NJ]; Committees: Senate Health, Education, Labor, and Pensions
- S.1911 A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to codify the Panel of Health Advisors within the Congressional Budget Office, and for other purposes; Sponsor: Ricketts, Pete [Sen.-R-NE]; Committees: Senate Budget
- S.1912 A bill to amend title 38, United States Code, to expand access to the Veterans Community Care Program of the Department of Veterans Affairs to include certain veterans seeking mental health or substance-use services, and for other purposes; Sponsor: Daines, Steve [Sen.-R-MT]; Committees: Senate Veterans' Affairs
- S.1914 A bill to require Federal law enforcement and prison officials to obtain or provide immediate medical attention to individuals in custody who display medical distress; Sponsor: Warren, Elizabeth [Sen.-D-MA]; Committees: Senate Judiciary
- S.1916 A bill to amend title 11, United States Code, to account for the protection of genetic information in bankruptcy; Sponsor: Cornyn, John [Sen.-R-TX]; Committees: Senate Judiciary
- S.1918 A bill to amend the Internal Revenue Code of 1986 to allow a refundable tax credit against income tax for the purchase of qualified access technology for the blind; Sponsor: Boozman, John [Sen.-R-AR]; Committees: Senate Finance
- S.1920 A bill to amend title XIX of the Social Security Act to develop national quality standards for continuous skilled nursing services provided through Medicaid, and for other purposes; Sponsor: Tillis, Thomas [Sen.-R-NC]; Committees: Senate Finance
- S.1830 A bill to clarify that agencies of the Department of Health and Human Services do not have the authority to regulate the practice of medicine; Sponsor: Johnson, Ron [Sen.-R-WI]; Committees: Senate Health, Education, Labor, and Pensions
- S.1834 A bill to prevent cost-sharing requirements for prenatal, childbirth, neonatal, perinatal, or postpartum health care; Sponsor: Hyde-Smith, Cindy [Sen.-R-MS]; Committees: Senate Health, Education, Labor, and Pensions
- S.1836 A bill to amend title XVIII of the Social Security Act to strengthen the drug pricing reforms in the Inflation Reduction Act; Sponsor: Klobuchar, Amy [Sen.-D-MN]; Committees: Senate Finance

- S.1838 A bill to amend the Public Health Service Act to authorize the Secretary of Health and Human Services to carry out a program of research, training, and investigation related to Down syndrome, and for other purposes; Sponsor: Hickenlooper, John W. [Sen.-D-CO]; Committees: Senate Health, Education, Labor, and Pension
- S.1851 A bill to enhance the cybersecurity of the Healthcare and Public Health Sector; Sponsor: Rosen, Jacky [Sen.-D-NV]; Committees: Senate Homeland Security and Governmental Affairs
- S.1853 A bill to amend title 38, United States Code, to improve the provision of direct housing loans and medical care from the Department of Veterans Affairs for Native Hawaiians; Sponsor: Hirono, Mazie K. [Sen.-D-HI]; Committees: Senate Veterans' Affairs
- H.Res.441 Expressing support for the designation of May 2025 as "Mental Health Awareness Month"; Sponsor: Salinas, Andrea [Rep.-D-OR-6]; Committees: House Energy and Commerce
- H.R.3527 To provide for the overall health and well-being of young people, including the promotion and attainment of lifelong sexual health and healthy relationships, and for other purposes; Sponsor: Adams, Alma S. [Rep.-D-NC-12]; Committees: House Education and Workforce; Energy and Commerce
- H.R.3532 To prohibit an employer from terminating the coverage of an employee under a group health plan while the employer is engaged in a lock-out or while the employee is engaged in a lawful strike, and for other purposes; Sponsor: Deluzio, Christopher R. [Rep.-D-PA-17]; Committees: House Education and Workforce
- H.R.3534 To establish the Mental Health in Schools Excellence Program to increase the recruitment and retention of school-based mental health services providers, and for other purposes; Sponsor: Fitzpatrick, Brian K. [Rep.-R-PA-1]; Committees: House Education and Workforce
- H.R.3541 To provide for a grant program to support access to free eye care services for students attending public elementary schools and secondary schools; Sponsor: Hayes, Jahana [Rep.-D-CT-5]; Committees: House Energy and Commerce; Education and Workforce
- H.R.3546 To significantly lower prescription drug prices for patients in the United States by ending government-granted monopolies for manufacturers who charge drug prices that are higher than the median prices at which the drugs are available in other countries; Sponsor: Khanna, Ro [Rep.-D-CA-17]; Committees: House Energy and Commerce; Judiciary