# HHS

## Hart Health Strategies Inc.



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### Reconciliation Update

ongress returned to session last week, and work is ongoing in the Senate to ✓advance the *One Big Beautiful Bill Act* (H.R. 1), the GOP's House-passed budget reconciliation package containing President Donald Trump's domestic policy priorities. Republicans have convened multiple closed-door strategy sessions to address issues raised by a number of internal factions who have expressed an interest in making changes to the legislation. The GOP can only afford to lose three Republican senators on the expected party-line vote, with Vice President JD Vance available to serve as the tiebreaker if needed. Several Republicans, including Sens. Josh Hawley (R-Mo.), Susan Collins (R-Maine), and Lisa Murkowski (R-Alaska), have raised concerns about the bill's Medicaidrelated provisions. The lawmakers have expressed an openness to the Medicaid work requirements proposed by the House of Representatives, but the bill's freeze on provider taxes appears to be of significant concern. Additionally, Sen. Rand Paul (R-Ky.) recently stated that he will not vote to pass the reconciliation package if it includes an increase to the cap on the federal government's borrowing authority. The President has also weighed in on this issue, saying the debt limit should be "entirely scrapped."

Democrats remain unified in opposition to the bill, but being in the minority do not have the votes to stop the bill from advancing. They are nevertheless working to challenge aspects of the measure with the Senate parliamentarian – Elizabeth MacDonough – as H.R. 1 undergoes the "Byrd bath" process. The Byrd Rule requires that only policies that affect federal spending, revenue, or the debt limit can be passed via reconciliation. The nonpartisan Senate parliamentarian determines whether the requirements governing the Senate's budget reconciliation process are being followed, and it is rare for the majority party to ignore or overrule the parliamentarian's decisions.

The nonpartisan
Congressional Budget Office
(CBO) released its <u>full</u>
score of the House-passed
reconciliation package
on Wednesday. The CBO
estimates that the measure
will increase the federal deficit
by \$2.4 trillion over the next
decade, while the number of
uninsured individuals would
increase by 10.9 million.
House Speaker Mike Johnson
(R-La.) rejected the CBO's

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estimate, simply stating that the budget agency's claims are wrong. Assuming the Senate makes changes to the package, the CBO will eventually need to complete a score of the new version of the bill as well.

It was reported last week that Senate Republicans are considering possible Medicare provisions to offset the cost of the reconciliation package. Senate Majority Leader John Thune (R-S.D.) confirmed that any proposals aimed at waste, fraud, and abuse are on the table for consideration. One potential option under consideration is billing reforms to address upcoding by insurers in the Medicare Advantage program such as the *No UPCODE Act* (S. 1105) introduced by Sens. Bill Cassidy, MD (R-La.) and Jeff Merkley (D-Ore.). 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. Republicans are aiming to send the reconciliation package to President Donald Trump for his signature before the July 4 recess.

#### House Passes SUPPORT Act Reauthorization

The House of Representatives passed the SUPPORT for Patients and Communities Reauthorization Act of 2025 (H.R. 2483) last week in a 366-57 bipartisan vote. The bill would reauthorize billions of dollars in funding for substance abuse prevention, treatment, and recovery programs created by the landmark SUPPORT Act, which was passed with widespread bipartisan support in 2018. H.R. 2483 would extend until 2030 initiatives that support first responder access to naloxone, enhanced substance use disorder treatment options for pregnant and postpartum women, state prescription drug monitoring programs, workforce participation by individuals in recovery, and Comprehensive Opioid Recovery Centers. Thirty Democrats were joined by 27 Republicans in voting against the legislation. Several Democrats, including House Energy and Commerce Committee Ranking Member Frank Pallone (D-N.J.), cited concerns about the Trump administration's undermining of SUPPORT and the Substance Abuse and Mental Health Services Administration (SAMHSA) more broadly as their reason for voting against the bill. The White House proposed eliminating certain SUPPORT Act initiatives in the President's fiscal year 2026 budget. Energy and Commerce Chair Brett Guthrie (R-Ky.) has countered that recent staffing cuts and reorganization efforts at SAMHSA have not impacted the SUPPORT Act's implementation. H.R. 2483 will now be sent to the Senate for consideration.

### Senate Passes Military Aviator Cancer Bill

The Senate passed the *Aviator Cancer Examination Study (ACES) Act* (S. 201) last week by unanimous consent. The legislation directs the Department of Veterans Affairs to work with the National Academies of Sciences, Engineering, and Medicine to study the prevalence and mortality of cancer among individuals who served as active-duty aircrew of a fixed-wing aircraft in the U.S. Armed Forces. Companion legislation was previously passed by the House of Representatives. The Senate-passed bill will now return to the House for final passage.

### FY 2026 Ag-FDA Appropriations Bill Advances

The appropriations process is underway in the House of Representatives, where the fiscal year (FY) 2026 Agriculture-Rural Development-Food and Drug Administration (FDA) annual appropriations bill was advanced out of subcommittee on Thursday in a 9-7 party line vote. The spending measure would provide \$6.8 billion in total funding for the FDA – in line with the President's proposed budget and \$271 million, or 3.9%, lower than currently enacted levels. This includes \$3.5 billion in discretionary spending - \$409 million, or 11.4%, lower than FY 2025. The bill would prohibit covered agencies from using funding to create new programs, eliminate existing activities, reorganize offices, or contract out functions unless approved by congressional appropriators. It would also require the FDA to spend at least \$200 million on e-cigarette enforcement, and restrict funds from being spent on communications related to mis-, dis-, or mal-information or to censor constitutionally protected speech. The full Appropriations panel is scheduled to markup the bill on June 11. The Appropriations Committee plans to complete committee work on its bills by the end of July, with the potential for floor votes on bills before August recess. On the other side of the Capitol, Majority Leader John Thune (R-S.D.) has stated his plans to "consider as many appropriations bills as possible under regular order." Lawmakers have until September 30 to pass the 12 annual appropriations measures or clear a stopgap government funding bill to avoid a federal government shutdown at the end of the fiscal year.

#### White House Proposes Global Health Funding Rescissions

The Trump administration submitted a \$9.4 billion rescissions request to Congress last week that proposes to claw back \$900 million in previously approved congressional funding for global health programs. In addition to cuts to HIV/AIDS, family planning, and reproductive health initiatives, the White House proposes to reduce funding for the President's Emergency Plan for AIDS Relief (PEPFAR) by \$400 million. Senate Appropriations Chair Susan Collins (R-Maine) has stated that she will not support the proposed cut to PEPFAR, which she characterized as a program "that has saved literally millions of lives and has been extremely effective and well run." The House of Representatives is expected to vote on the rescissions package this week before it is considered by the Senate, where it will only require a simple majority vote for passage. Congress must act on the recessions request within 45 days before the administration would be required to spend the funds.

#### Senate Confirms HHS Deputy Secretary

The Senate confirmed Jim O'Neill to serve as Deputy Secretary of the U.S. Department of Health and Human Services (HHS) in a 52-43 vote on Thursday. O'Neill served at HHS during the George W. Bush administration and is the former CEO of the Thiel Foundation. As the second-in-command at HHS, O'Neill will be responsible for managing the department's day to day operations.

#### Upcoming Congressional Hearings and Markups

Senate Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies hearing "A Review of the President's Fiscal Year 2026 Budget Request for the National Institutes of Health;" 10:00 a.m.; June 10

House Appropriations full committee markup of Fiscal Year 2026 Military Construction, Veterans Affairs, and Related Agencies Bill, Subcommittee Allocations; 2:00 p.m.; June 10

House Appropriations full committee markup of Fiscal Year 2026 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Bill; 10:00 a.m.; June 11

House Energy and Commerce Subcommittee on Health hearing "Made in America: Strengthening Domestic Manufacturing and Our Health Care Supply Chain;" 10:15 a.m.; June 11

House Veterans' Affairs Subcommittee on Oversight and Investigations legislative hearing including H.R. 3482, Veterans Community Care Scheduling Improvement Act; H.R. 3494, VA Hospital Inventory Management System Authorization Act; Discussion Draft, To authorize the Secretary of Veterans Affairs to carry out a program to modernize the electronic health record system of the Department of Veterans Affairs; Discussion Draft, To amend title 38, United States Code, to prohibit the collection of a health care copayment by the Secretary of Veterans Affairs from a veteran after a two-year period if the delay in collection is attributable to a failure of an employee, official, or information system of the Department of Veterans Affairs to process certain information within applicable timeliness standards established by the Secretary; 2:15 p.m.; June 11

House Veterans' Affairs Subcommittee on Health legislative hearing including H.R. 785, The Representing Our Seniors at VA Act; H.R. 2068, The Veterans Patient Advocacy Act; H.R. 2605, The Service Dogs Assisting Veterans (SAVES) Act; H.R. 3400, The Territorial Response and Access to Veterans' Essential Lifecare (TRAVEL) Act; Discussion Draft: To amend title 38, United States Code, to prohibit smoking on the premises of any facility of the Veterans Health Administration; H.R. 3643, The VA Data Transparency and Trust Act; Discussion Draft: To direct the Secretary of Veterans Affairs to conduct a study to determine whether RNA sequencing can be used to effectively diagnose PTSD in veterans; Discussion Draft: The Health Professionals Scholarship Program Improvement Act; H.R. 3726, The Fisher House Availability Act; H.R. 1404, The CHAMPVA Children's Care Protection Act; H.R. 2148, The Veteran Caregiver Reeducation, Reemployment, and Retirement Act; Discussion Draft: The VA Mental Health Outreach and Engagement Act; 2:15 p.m.; June 12

House Appropriations subcommittee markup of Fiscal Year 2026 Labor, Health and Human Services, Education, and Related Agencies Bill; 5:00 pm.; July 21

House Appropriations full committee markup of Fiscal Year 2026 Labor, Health and Human Services, Education, and Related Agencies Bill; 10:00 a.m.; July 24

#### Recently Introduced Health Legislation

S.Res.260 — A resolution expressing support for the designation of June 6, 2025, as "National Gun Violence Awareness Day" and June 2025 as "National Gun Violence Awareness Month"; Sponsor: Durbin, Richard J. [Sen.-D-IL]; Committees: Senate – Judiciary

S.1924 — A bill to add suicide prevention resources to school identification cards; Sponsor: Kennedy, John [Sen.-R-LA]; Committees: Senate - Health, Education, Labor, and Pensions

S.1925 — A bill to amend title XVIII of the Social Security Act to improve access to diabetes outpatient self-management training services, to require the Center for Medicare and Medicaid Innovation to test the provision of virtual diabetes outpatient self-management training services, and for other purposes; Sponsor: Shaheen, Jeanne [Sen.-D-NH]; Committees: Senate – Finance

H.Res.457 — Expressing support for the designation of June 6, 2025, as "National Gun Violence Awareness Day" and June 2025 as "National Gun Violence Awareness Month"; Sponsor: Kelly, Robin L. [Rep.-D-IL-2]; Committees: House – Judiciary

H.R.3670 — To amend the Indian Health Care Improvement Act to establish within the Indian Health Service an Office of Graduate Medical Education Programs, and for other purposes; Sponsor: Stansbury, Melanie A. [Rep.-D-NM-1]; Committees: House - Natural Resources; Energy and Commerce

S.1928 — A bill to require the Comptroller General of the United States to submit to Congress a report on esophageal cancer with respect to the Federal Employees Health Benefits Program, and for other purposes; Sponsor: Warner, Mark R. [Sen.-D-VA]; Committees: Senate - Homeland Security and Governmental Affairs

S.1929 — A bill to establish programs to reduce rates of sepsis; Sponsor: Schumer, Charles E. [Sen.-D-NY]; Committees: Senate - Health, Education, Labor, and Pensions

S.1930 — A bill to amend title XI of the Social Security Act to establish a research and development-intensive small biotech manufacturer exemption the Medicare drug price negotiation program; Sponsor: Cassidy, Bill [Sen.-R-LA]; Committees: Senate – Finance

S.1935 — A bill to amend title XI of the Social Security Act to provide for the testing of a community-based palliative care model; Sponsor: Rosen, Jacky [Sen.-D-NV]; Committees: Senate – Finance

S.1936 — A bill to require the Center for Medicare and Medicaid Innovation to test allowing blood transfusions to be paid separately from the Medicare hospice all-inclusive per diem payment; Sponsor: Rosen, Jacky [Sen.-D-NV]; Committees: Senate – Finance

H.Res.465 — Expressing the sense of the House of Representatives that the Congress should enact the Older Americans Bill of Rights to establish that older Americans should have the right to live with dignity and with independence; Sponsor: Schakowsky, Janice D. [Rep.-D-IL-9]; Committees: House - Education and Workforce; Energy and Commerce; Ways and Means

- H.Res.466 Expressing support for the designation of the first Tuesday in June as "National Cancer Survivor Beauty and Support Day"; Sponsor: Schneider, Bradley Scott [Rep.-D-IL-10]; Committees: House Oversight and Government Reform
- H.R.3674 To authorize United States participation in the Davos Alzheimer's Collaborative; Sponsor: Bera, Ami [Rep.-D-CA-6]; Committees: House Foreign Affairs
- H.R.3676 To codify Executive Order 14293, relating to regulatory relief to promote domestic production of critical medicines; Sponsor: Burchett, Tim [Rep.-R-TN-2]; Committees: House Energy and Commerce; Transportation and Infrastructure
- H.R.3677 To codify Executive Order 14292 relating to Improving the Safety and Security of Biological Research; Sponsor: Burchett, Tim [Rep.-R-TN-2]; Committees: House Energy and Commerce; Science, Space, and Technology
- H.R.3684 —To amend titles XVIII and XIX of the Social Security Act to provide for enhanced payments to rural health care providers under the Medicare and Medicaid programs, and for other purposes; Sponsor: Graves, Sam [Rep.-R-MO-6]; Committees: House Ways and Means; Energy and Commerce; Budget
- H.R.3686 To amend the Federal Food, Drug, and Cosmetic Act to improve the regulatory review process to determine the safety and effectiveness of nonprescription sunscreen active ingredients, and for other purposes; Sponsor: Joyce, John [Rep.-R-PA-13]; Committees: House Energy and Commerce
- H.R.3688 To amend chapter 110 of title 18, United States Code, to prohibit gender transition procedures on minors, and for other purposes; Sponsor: LaMalfa, Doug [Rep.-R-CA-1]; Committees: House Judiciary
- H.R.3689 To amend the SUPPORT for Patients and Communities Act to reauthorize a youth prevention and recovery initiative; Sponsor: Lee, Susie [Rep.-D-NV-3]; Committees: House Energy and Commerce; Education and Workforce
- H.R.3698 To amend the Internal Revenue Code of 1986 to provide a refundable credit to individuals who donate certain life-saving organs; Sponsor: Wilson, Joe [Rep.-R-SC-2]; Committees: House Ways and Means; Energy and Commerce
- S.1941 A bill to require the Secretary of Health and Human Services to carry out activities to eliminate hepatitis C virus in the United States; Sponsor: Cassidy, Bill [Sen.-R-LA]; Committees: Senate Health, Education, Labor, and Pensions
- S.1944 A bill to amend the Internal Revenue Code of 1986 to clarify that individuals who have access to certain healthcare services through a worksite health clinic are eligible to make pre-tax contributions to a health savings account; Sponsor: Scott, Tim [Sen.-R-SC]; Committees: Senate Finance
- S.1951 A bill to ensure the preservation and operational integrity of the aeromedical evacuation capabilities of the Department of the Army within the Medical Service Corps and to maintain the role of the Medical Service Corps as the primary joint service provider for intra-theater aeromedical evacuation, and for other purposes; Sponsor: Cruz, Ted [Sen.-R-TX]; Committees: Senate Armed Services
- S.1954 A bill to improve the requirements for making a determination of interchangeability of a biological product and its reference product; Sponsor: Lee, Mike [Sen.-R-UT]; Committees: Senate Health, Education, Labor, and Pensions
- H.R.3701 To amend the Public Health Service Act to codify the Advisory Committee on Immunization Practices, and for other purposes; Sponsor: Pallone, Frank [Rep.-D-NJ-6]; Committees: House Energy and Commerce
- H.R.3704 —To reduce the health risks of heat by establishing the National Integrated Heat Health Information System within the National Oceanic and Atmospheric Administration and the National Integrated Heat Health Information System Interagency Committee to improve extreme heat preparedness, planning, and response, and for other purposes;

Sponsor: Ansari, Yassamin [Rep.-D-AZ-3]; Committees: House - Energy and Commerce; Science, Space, and Technology

- H.R.3731 —To amend title XI of the Social Security Act to establish a research and development-intensive small biotech manufacturer exception from the Medicare drug price negotiation program; Sponsor: Pfluger, August [Rep.-R-TX-11]; Committees: House Energy and Commerce; Ways and Means
- H.R.3743 —To amend the Child Nutrition Act of 1966 to support women, infants, and children impacted by substance use disorder, and for other purposes; Sponsor: Vindman, Eugene Simon [Rep.-D-VA-7]; Committees: House Education and Workforce
- S.Res.266 A resolution designating May 2025 as "ALS Awareness Month"; Sponsor: Murkowski, Lisa [Sen.-R-AK]; Submitted in the Senate, considered, and agreed to without amendment and with a preamble by Unanimous Consent.
- S.1960 —A bill to amend title XVIII of the Social Security Act to provide for the continued designation of hospitals that met mountainous terrain or secondary roads distance requirement as critical access hospitals and to modify distance requirements for ambulance services furnished by critical access hospitals; Sponsor: Capito, Shelley Moore [Sen.-R-WV]; Committees: Senate Finance
- S.1971 A bill to amend title XVIII of the Social Security Act to provide coverage of medical nutrition therapy services for individuals with eating disorders under the Medicare program; Sponsor: Hassan, Margaret Wood [Sen.-D-NH]; Committees: Senate Finance
- S.1973 —A bill to amend title XVIII of the Social Security Act to provide for the coordination of programs to prevent and treat obesity, and for other purposes; Sponsor: Cassidy, Bill [Sen.-R-LA]; Committees: Senate Finance
- S.1974 A bill to amend the Public Health Service Act to allow certain public health data modernization grants to be used to track hospital bed capacity, and for other purposes; Sponsor: Coons, Christopher A. [Sen.-D-DE]; Committees: Senate Health, Education, Labor, and Pensions
- S.1983 A bill to require any convention, agreement, or other international instrument on pandemic prevention, preparedness, and response reached by the World Health Assembly to be subject to Senate ratification; Sponsor: Johnson, Ron [Sen.-R-WI]; Committees: Senate Foreign Relations
- S.1984 A bill 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: Baldwin, Tammy [Sen.-D-WI]; Committees: Senate Health, Education, Labor, and Pensions
- H.R.3747 To amend the Public Health Service Act to reauthorize the Project ECHO Grant Program, to establish grants under such program to disseminate knowledge and build capacity to address Alzheimer's disease and other dementias, and for other purposes; Sponsor: Balderson, Troy [Rep.-R-OH-12]; Committees: House Energy and Commerce
- H.R.3749 —To direct the Secretary of Health and Human Services to award grants for research, investigation, and awareness of the effect of personal care products containing endocrine-disrupting chemicals on the female reproductive system, and for other purposes; Sponsor: Brown, Shontel M. [Rep.-D-OH-11]; Committees: House Energy and Commerce
- H.R.3750 To direct the Secretary of Defense to carry out a pilot program to provide certain members of the Armed Forces with continuous glucose monitoring technology; Sponsor: Buchanan, Vern [Rep.-R-FL-16]; Committees: House Armed Services
- H.R.3752 To amend title 38, United States Code, to provide for a presumption of service connection for glioblastoma

multiforme for veterans who served in certain locations during the Vietnam era; Sponsor: Cherfilus-McCormick, Sheila [Rep.-D-FL-20]; Committees: House - Veterans' Affairs

H.R.3757 — To amend title V of the Public Health Service Act to ensure protections for lesbian, gay, bisexual, and transgender youth and their families; Sponsor: Davids, Sharice [Rep.-D-KS-3]; Committees: House - Energy and Commerce

H.R.3758 — To amend the Employee Retirement Income Security Act of 1974 to establish parity in the treatment of behavioral health and physical health conditions under disability benefit plans; Sponsor: DeSaulnier, Mark [Rep.-D-CA-10]; Committees: House - Education and Workforce

H.R.3762 —To prevent cost-sharing requirements for prenatal, childbirth, neonatal, perinatal, or postpartum health care; Sponsor: Golden, Jared F. [Rep.-D-ME-2]; Committees: House - Energy and Commerce; Ways and Means; Education and Workforce

H.R.3767 — To amend title 38, United States Code, to provide for a time frame for the employment in the Department of Veterans Affairs of participants in the Health Professionals Scholarship Program, and for other purposes; Sponsor: Hamadeh, Abraham J. [Rep.-R-AZ-8]; Committees: House - Veterans' Affairs

H.R.3778 —To amend title XVIII of the Social Security Act to update the fee schedule for ambulance services provided by critical access hospitals; Sponsor: Miller, Carol D. [Rep.-R-WV-1]; Committees: House - Ways and Means; Energy and Commerce

H.R.3789 —To amend title XI of the Social Security Act to require that direct-to-consumer advertisements for prescription drugs and biological products include an appropriate disclosure of pricing information; Sponsor: Taylor, David J. [Rep.-R-OH-2]; Committees: House - Energy and Commerce; Ways and Means

H.R.3791 — To require the Secretary of Labor to revise the Standard Occupational Classification System to accurately count the number of emergency medical services practitioners in the United States; Sponsor: Thompson, Glenn [Rep.-R-PA-15]; Committees: House - Education and Workforce

H.R.3792 — To amend title XI of the Social Security Act to prohibit providers participating in the Medicare program and State health care programs from requesting on intake forms information regarding the gender identity or sexual preference of minors; Sponsor: Van Drew, Jefferson [Rep.-R-NJ-2]; Committees: House - Energy and Commerce; Ways and Means