



Health Policy Briefing

July 7, 2025

President Signs One Big Beautiful Bill Act into Law

President Donald Trump signed the budget reconciliation package known as the One Big Beautiful Bill Act (H.R. 1) into law on Friday during a military family picnic at the White House for the Fourth of July. The ceremony marked a significant victory for congressional Republicans and the Trump administration in finalizing the \$3.4 trillion tax and spending package containing the President's domestic policy agenda.

The Senate passed the bill on Tuesday after a marathon voting session known as a vote-a-rama during which Democrats attempted to put Republicans on the record through amendments to the package, many of which related to cuts to social-safety net programs. The final Senate vote was 51-50, with Vice President JD Vance breaking a tie and Republican Sens. Susan Collins (Maine), Rand Paul (Ky.), and Thom Tillis (N.C.) joining Democrats in opposition to the legislation.

The House of Representatives followed suit, passing the motion to concur in the Senate amendment to H.R. 1 on Thursday, after nearly 24 hours of deliberation, in a 218-214 final vote. Republican Reps. Brian Fitzpatrick (Pa.) and Thomas Massie (Ky.) joined Democrats in opposition to the bill. Prior to the final vote, House Minority Leader Hakeem Jeffries (D-N.Y.) delivered a record breaking, nine-hour floor speech attacking the package. House Republican leadership successfully overcame intraparty discord related to the changes made by the Senate to the bill. Concerns from moderate Republicans related to deeper cuts to the Medicaid program, while fiscal hawks objected to additional tax cuts added by the upper chamber. The President and Republican leadership made assurances to GOP holdouts behind closed doors but did not entertain changes to the bill text. Had the House made any further revisions to the package, the Senate would have been forced to vote again, delaying passage of the measure and potentially risking Republicans' self-imposed Independence Day deadline.

The final bill text includes a one-year Medicare physician payment fix to increase provider reimbursements by 2.5% in 2026. It establishes new Medicaid work requirements and would phase in a 3.5% limit on provider taxes in Medicaid-expansion states. The new law also includes a \$50 billion fund to support rural hospitals in response to concerns about the impact of the bill's Medicaid cuts – which total approximately \$1 trillion - on financially vulnerable hospitals. The budget reconciliation bill will also expand the orphan drug exemption under the Medicare drug price negotiation program.

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Federal Judge Issues Preliminary Injunction Against HHS Staff Cuts and Restructuring

On July 1, 2025, U.S. District Judge Melissa Dubose of the District Court of Rhode Island issued a preliminary injunction against the Department of Health and Human Services (HHS) in response to mass staff cuts at the agency. The plaintiffs—a group of 19 state attorneys general—had originally argued that the layoffs by HHS Secretary Robert F. Kennedy Jr. had been an overstep of constitutional authority. They further claimed that the HHS restructuring and dismantling of several sub-agencies (including the National Institute for Occupational Safety and Health (NIOSH) and Center for Tobacco Products (CTP)) had effectively eliminated public health programs on which their states rely. In issuing the preliminary injunction, the court found that (i) the Secretary's actions were arbitrary and capricious under the Administrative Procedures Act; (ii) the cuts and reorganization of HHS would cause irreparable harm to the states if allowed to continue; and (iii) the plaintiffs were likely to succeed in proving their case on the merits. The federal government is therefore barred from further executing any existing reduction in force (RIF) notices or sub-agency restructuring and cannot issue any more termination or administrative leave notices until the case has been fully decided on the merits. HHS has requested that the injunction be paused pending an appeal.

New GAO Report on U.S. Health Care Spending and Value

The Government Accountability Office (GAO) has published a [report](#) on its October 2024 forum on U.S. health care spending. During the forum, participants identified approaches in the following five areas that could help reduce health care spending or increase the value for that spending: (1) supporting a high-functioning primary care system; (2) expanding the health care workforce; (3) reforming health care pricing and promoting high-value care; (4) reforming Medicare physician payments; and (5) mitigating anticompetitive incentives and practices. Participants agreed that legislative action, federal investment, or both would be needed to implement most of the approaches discussed.

Carter Relinquishes Health Subcommittee Chair

Rep. Buddy Carter, BSPHarm (R-Ga.) announced last week that he is stepping down as chairman of the House Energy and Commerce Subcommittee on Health. Carter, who launched a campaign for the Senate earlier this year, stated that he will continue to be an active member of the subcommittee and work to advance the President's Make America Healthy Again agenda. Shortly following Carter's announcement, Committee Chairman Brett Guthrie (R-Ky.) appointed Rep. Morgan Griffith (R-Va.) as the new Health Subcommittee chairman. The full extent of the resulting subcommittee leadership and member subcommittee assignment changes can be found [here](#).

Recently Announced Congressional Retirements

Rep. Dwight Evans (D-Pa.) has announced his plans to retire at the end of the 119th Congress. Evans is a member of the House Ways and Means Committee and has served in the House of Representatives since 2016. Rep. Don Bacon (R-Neb.) also officially announced his decision to not seek reelection in 2026. He was first elected to the House in 2016. Bacon, who has a reputation as a centrist, cited the current "political dysfunction" as a reason behind his decision to retire.

Upcoming Congressional Hearings and Markups

House Veterans' Affairs Subcommittee on Health markup of H.R.2605, Service Dogs Assisting Veterans Act, H.R.3400, the Territorial Response and Access to Veterans' Essential Lifecare Act; H.R.3643, VA Data Transparency and Trust Act; H.R.3726, Fisher House Availability Act of 2025; H.R.3767, HPSP Improvement Act of 2025; H.R.3855, To amend title 38, United States Code, to prohibit smoking on the premises of any facility of the Veterans Health Administration, and for other purposes; H.R.3863, VA Mental Health Outreach and Engagement Act; and H.R.2148, Veteran Caregiver Re-education, Reemployment, and Retirement Act; 10:15 a.m.; July 8 (may be postponed due to no votes in the House)

Senate HELP Committee executive session to consider the nomination of Susan Monarez to be Director of the CDC; 9:45 a.m.; July 9

Senate HELP Committee hearing "Securing the Future of Health Care: Enhancing Cybersecurity and Protecting Americans' Privacy;" 10:00 a.m.; July 9

Senate Appropriations Committee hearing "A Future Without Type 1 Diabetes: Accelerating Breakthroughs and Creating Hope;" 10:00 a.m.; July 9

House Energy and Commerce Subcommittee on Health hearing "Legislative Proposals to Maintain and Improve the Public Health Workforce, Rural Health, and Over-the-Counter Medicines;" 10:15 a.m.; July 9 (may be postponed due to no votes in the House)

Senate Appropriations Committee markup of Commerce, Justice, Science, Agriculture, Rural Development, FDA, and Legislative Branch Appropriations Acts;" 9:30 a.m.; July 10

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

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Recently Introduced Health Legislation

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H.R.4244 — To amend title XIX of the Social Security Act to prohibit payments under the Medicaid program for conversion therapy, and for other purposes; Sponsor: Thanedar, Shri [Rep.-D-MI-13]; Committees: House - Energy and Commerce

H.R.4243 — To amend the Internal Revenue Code of 1986 to allow qualified distributions from health savings accounts for certain home care expenses; Sponsor: Smith, Adrian [Rep.-R-NE-3]; Committees: House - Ways and Means

H.R.4242 — To amend the Internal Revenue Code of 1986 to modernize the National Firearms Act to account for advancements in technology and less-than-lethal weapons, and for other purposes; Sponsor: Schweikert, David [Rep.-R-AZ-1]; Committees: House - Ways and Means

H.R.4231 — 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: Kelly, Mike [Rep.-R-PA-16]; Committees: House - Energy and Commerce; Ways and Means

H.R.4227 — To amend title 18, United States Code, to prevent bulk sales of ammunition, promote recordkeeping and reporting about ammunition, end ammunition straw purchasing, and require a background check before the transfer of ammunition by certain Federal firearms licensees to non-licensees; Sponsor: Garcia, Robert [Rep.-D-CA-42]; Committees: House - Judiciary

H.R.4225 — To amend chapter 44 of title 18, United States Code, to require adequate supervision before a juvenile can possess a firearm, to require the safe storage of firearms, and for other purposes; Sponsor: Dean, Madeleine [Rep.-D-PA-4]; Committees: House - Judiciary; Education and Workforce

H.R.4224 — To establish a grant program through the Department of Justice to incentivize States to establish point-of-contact systems for firearm sales subject to a background check, and for other purposes; Sponsor: Dean, Madeleine [Rep.-D-PA-4]; Committees: House - Judiciary

H.R.4223 — To repeal certain impediments to the administration of the firearms laws; Sponsor: Dean, Madeleine [Rep.-D-PA-4]; Committees: House - Judiciary

H.R.4222 — To amend chapter 44 of title 18, United States Code, to restrict the ability to transfer business inventory firearms, and for other purposes; Sponsor: Dean, Madeleine [Rep.-D-PA-4]; Committees: House - Judiciary

H.R.4221 — To modernize the Undetectable Firearms Act of 1988; Sponsor: Dean, Madeleine [Rep.-D-PA-4]; Committees: House - Judiciary

H.R.4220 — To require the Financial Crimes Enforcement Network to issue an advisory about how homegrown violent extremists and other perpetrators of domestic terrorism procure firearms and firearm accessories, and for other purposes; Sponsor: Dean, Madeleine [Rep.-D-PA-4]; Committees: House - Financial Services

H.R.4218 — To amend the Clean Air Act to facilitate State implementation of national ambient air quality standards, and for other purposes; Sponsor: Carter, Earl L. "Buddy" [Rep.-R-GA-1]; Committees: House - Energy and Commerce

H.Res.555 — Expressing support for the designation of June 28, 2025, as "Community is Stronger than Cancer Day"; Sponsor: Dingell, Debbie [Rep.-D-MI-6]; Committees: House - Energy and Commerce

H.Res.562 — Supporting the goals and ideals of Alzheimer's and Brain Awareness Month; Sponsor: Barragán, Nanette Diaz [Rep.-D-CA-44]; Committees: House - Energy and Commerce

H.R.4250 — To amend title XVIII of the Social Security Act to establish a floor on payments to sole community hospitals located in Alaska and Hawaii under the hospital outpatient prospective payment system; Sponsor: Begich, Nicholas J. [Rep.-R-AK-At Large]; Committees: House - Energy and Commerce; Ways and Means

H.R.4258 — To amend title XVIII of the Social Security Act to expand the definition of critical access hospital under the Medicare program to include certain hospitals on Indian reservations; Sponsor: Newhouse, Dan [Rep.-R-WA-4]; Committees: House - Ways and Means

H.R.4262 — To reauthorize programs related to health professions education, and for other purposes; Sponsor: Schakowsky, Janice D. [Rep.-D-IL-9]; Committees: House - Energy and Commerce

H.R.4269 — To amend title XVIII of the Social Security Act to provide for the application of a cost-of-living adjustment to the non-labor related portion for hospital outpatient department services furnished in Alaska and Hawaii; Sponsor: Tokuda, Jill N. [Rep.-D-HI-2]; Committees: House - Energy and Commerce; Ways and Means