



Health Policy Briefing

January 5, 2026

DEA Extends Telemedicine Flexibilities

The Drug Enforcement Administration (DEA) has extended Covid-era telemedicine flexibilities for the prescribing of controlled substances through 2026. The flexibilities allow for the prescribing of controlled substances without an initial in-person visit through December 31, 2026; the policies were set to expire at the end of 2025. This is the fourth temporary extension of the flexibilities. The extension provides time for the administration to implement the *Expansion of Buprenorphine Treatment via Telemedicine Encounter* and *Continuity of Care via Telemedicine for Veterans Affairs Patients* final rules and for practitioners to comply with the two final rules' new requirements.

FY 2026 NDAA Signed into Law

President Donald Trump has signed the fiscal year (FY) 2026 National Defense Authorization Act (NDAA) into law following months of negotiation between the two chambers of Congress on a compromise version of the must-pass annual defense policy bill. The law includes a provision that will bar Chinese “biotechnology companies of concern” from receiving federal funding. A previous version of the legislation known as the BIOSECURE Act was omitted from last year’s NDAA due to concerns about naming specific biotech companies to be scrutinized. The final NDAA would require the Office of Management and Budget to create a list of biotech companies – like those on the Department of Defense’s list of Chinese military companies – that would be blocked from federal contracts, grants, or loans, and to provide the companies the opportunity to appeal.

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Physician Lawmakers Raise Concerns with Anthem Facility Administration Policy

Members of both the GOP Doctors Caucus and the Democratic Doctors Caucus have written to the U.S. Department of Health and Human Services (HHS) regarding Anthem Blue Cross Blue Shield's facility administrative policy, which penalizes hospitals that enable patients to use out-of-network physicians. The lawmakers argue that the new policy undermines the No Surprises Act's independent dispute resolution (IDR) process and places hospitals in "an untenable position: either compel physician groups to accept reimbursement that cannot sustain high-quality operations or restrict their patients' access to high-quality clinicians in order to avoid being penalized by Anthem." The letter calls on HHS to investigate the legality of this policy and to "question Anthem's networking tendencies to better understand how they engage, or fail to engage, in networking negotiations with providers."

Trump Administration Awards \$50 Billion under Rural Health Transformation Program

The Centers for Medicare and Medicaid Services (CMS) has announced \$50 billion in awards under the Rural Health Transformation Program, which was established by the *One Big Beautiful Bill Act* (OBBA), the Republican reconciliation law from 2025. All 50 states will receive awards ranging from \$147 million to \$281 million in 2026; the \$50 billion provided under the law will be distributed over ten years. The program was included in the legislation to address the concerns of Sen. Susan Collins (R-Maine) and other Republicans who were worried about the potential impact of the OBBA on rural hospitals and individuals living in those areas.

GAO Report on Distribution of New GME Positions

The Government Accountability Office (GAO) has released a [report](#) on the initial distribution of new Medicare-funded physician residency positions. The Consolidated Appropriations Act, 2021 required CMS to distribute 1,000 new Medicare-funded graduate medical education (GME) residency positions to qualifying hospitals through permanent increases to their resident caps. To date, CMS has allocated 600 of the 1,000 new GME positions to hospitals during three annual distributions. Most slots went to urban areas and about half supported primary care. Approximately half of the 393 hospitals that applied received positions.

Upcoming Congressional Hearings and Markups

House Energy and Commerce Subcommittee on Health hearing "Legislative Proposals to Support Patient Access to Medicare Services," 10:15 a.m.; January 8