



Health Policy Briefing

February 2, 2026

Partial Government Shutdown Likely to Continue into Tuesday

The Senate passed compromise government funding legislation (H.R. 7148) on Friday in a bipartisan 71-29 vote. The deal struck between President Donald Trump and Senate Democrats includes Defense, Financial Services, Labor-Health and Human Services-Education, National Security-State, and Transportation-Housing and Urban Development funding through September 30, along with funding for the Department of Homeland Security (DHS) through February 13. The agreement provides lawmakers with additional time to negotiate reforms to the DHS bill in light of recent events in Minneapolis involving Immigration and Customs Enforcement (ICE).

The package contains nearly \$117 billion in discretionary funding for the U.S. Department of Health and Human Services (HHS), in line with fiscal year (FY) 2025 funding levels and rejecting the deeper cuts to HHS proposed by the President's budget request. The legislation also includes provisions to reform the pharmacy benefit manager industry and extensions of key health care programs, such as the Medicare dependent hospital program, Medicare telehealth flexibilities, the Acute Hospital Care at Home waiver, and virtual cardiopulmonary rehabilitation services. The Senate package also contains approximately \$16 billion in congressionally directed spending, with health care related earmarks set to receive \$986 million.

While the deal averts a lengthy government shutdown, a partial shutdown did go into effect early Saturday morning. The House of Representatives will take up the spending package when it returns to session on Monday, but House Democrats informed GOP leadership over the weekend that they will not help fast-track passage of the funding package to reopen the government. As a result, passage of the package through regular order is not expected until Tuesday at the earliest.

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Bipartisan Talks on ACA Tax Credits Stall

Sens. Bernie Moreno (R-Ohio) and Susan Collins (R-Maine) have presented Democrats with their “best and final offer” to extend and modify the Affordable Care Act’s (ACA) enhanced advance premium tax credits. Sens. Moreno and Collins have led the recent bipartisan negotiations, featuring roughly a dozen other senators, to extend the enhanced subsidies that expired at the end of 2025. The proposal pitched by Moreno and Collins would extend the tax credits for three years, with the first year continuing along the status quo; the credits would then be phased out while providing for an on-ramp to the expansion of a health savings account option during the second and third year. The proposal also includes an across-the-board minimum \$5 premium, 700% federal poverty level income cap on eligibility, and funding for cost-sharing reduction payments. It also proposes audits to ensure compliance with the Hyde Amendment, restricting the use of federal dollars for abortion services, and the creation of new fines for insurers that deliberately enroll unqualified individuals. Sen. Angus King (I-Maine), who has helped negotiate on behalf of Democrats, has responded that the proposal does not represent a bipartisan deal and suggested a return to a full, two-year enhanced tax credit extension. Sen. Jeanne Shaheen (D-N.H.), another Democratic negotiator, has also raised concerns about the plan’s failure to recognize that the Hyde Amendment already applies to the ACA market.

HELP Republicans Launch Fraud Task Force

Senate Health, Education, Labor, and Pensions (HELP) Committee Chair Bill Cassidy, MD (R-La.) and Republican members of the panel Ashley Moody (Fla.), Roger Marshall, M.D. (Kan.), Tommy Tuberville (Ala.), Jon Husted (Ohio), Markwayne Mullin (Okla.), and Tim Scott (S.C.) have announced the formation of a task force to eliminate fraud in federal spending. The new group’s anti-fraud efforts will be based on subject matter, with Sens. Moody and Marshall leading the work in the health care space. The launch of the task force follows reports of fraud and abuse related to federal child care funding in Minnesota, as well as the committee’s creation of an online [portal](#) for Americans to report fraud involving taxpayer dollars.

Surgeon General Nomination Hearing Expected Later This Month

The Senate HELP Committee will reportedly hold a confirmation hearing for U.S. Surgeon General nominee Casey Means, on February 25. The hearing was originally scheduled for last November but was postponed due to the nominee’s pregnancy. Means is a medical doctor, wellness influencer, and co-founder of the bio wearables and health-tracking company Levels. She graduated medical school but dropped out of her surgical residency in her fifth year, opting to open a functional medicine practice. Means was tapped for the position of surgeon general last May after the White House withdrew the nomination of former Fox News contributor Janette Nesheiwat.

Florida Rep. Buchanan to Retire After Two Decades in Congress

Rep. Vern Buchanan (R-Fla.), 74, has announced that he will not seek reelection this year. Rep. Buchanan has served in the House of Representatives for 20 years. He currently serves as the vice chair of the House Ways and Means Committee and as the chair of its Subcommittee on Health.

Upcoming Congressional Hearings and Markups

Senate Health, Education, Labor, and Pensions Committee hearing “Modernizing the National Institutes of Health: Faster Discoveries, More Cures;” 10:00 a.m.; February 3

House Education and Workforce Subcommittee on Health, Employment, Labor, and Pensions hearing “Building an AI-Ready America: Adopting AI at Work;” 10:15 a.m.; February 3

House Energy and Commerce Subcommittee on Oversight and Investigations hearing “Common Schemes, Real Harm: Examining Fraud in Medicare and Medicaid;” 10:30 a.m.; February 3

Senate Veterans’ Affairs Committee hearing “Independent Spirits: Veteran Health & Healing through Adaptive Sports;” 4:00 p.m.; February 4

Recently Introduced Health Legislation

H.Res.1019 – Recognizing the roles and the contributions of America’s Certified Registered Nurse Anesthetists (CRNAs) and their critical role in providing quality health care for the public and our Nation’s Armed Forces, for more than 150 years and through multiple public health emergencies and beyond; Sponsor: Schakowsky, Janice D. [Rep.-D-IL-9]; Committees: House - Energy and Commerce

H.R.7237 – To amend the Public Health Service Act to ensure that a woman seeking a chemical abortion is made aware of the risks involved, and for other purposes; Sponsor: Stutzman, Marlin A. [Rep.-R-IN-3]; Committees: House - Energy and Commerce

S.J.Res.103 — A joint resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Department of Veterans Affairs relating to “Reproductive Health Services”; Sponsor: Blumenthal, Richard [Sen.-D-CT]; Committees: Senate - Veterans’ Affairs

S.3690 — A bill to amend title XIX of the Social Security Act to remove certain age restrictions on Medicaid eligibility for working adults with disabilities; Sponsor: Blackburn, Marsha [Sen.-R-TN]; Committees: Senate – Finance

S.3692 — A bill to provide for the inclusion of virtual diabetes prevention program suppliers in the Medicare Diabetes Prevention Program Expanded Model, and for other purposes; Sponsor: Scott, Tim [Sen.-R-SC]; Committees: Senate – Finance

S.3697 — A bill to amend the Federal Food, Drug, and Cosmetic Act to prohibit the approval of new abortion drugs, to prohibit investigational use exemptions for abortion drugs, and to impose additional regulatory requirements with respect to previously approved abortion drugs, and for other purposes; Sponsor: Hyde-Smith, Cindy [Sen.-R-MS]; Committees: Senate - Health, Education, Labor, and Pensions

S.3698 — A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require that group health plans and health insurance issuers offering group or individual health insurance that provide coverage for mental health services and substance use disorder services provide such services without the imposition of cost-sharing from the diagnosis of pregnancy through the 1-year period following such pregnancy, and for other purposes; Sponsor: Shaheen, Jeanne [Sen.-D-NH]; Committees: Senate - Health, Education, Labor, and Pensions

S.3703 — A bill to amend the Veterans’ Benefits Improvements Act of 1996 and the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020 to improve the temporary licensure requirements for contract health care professionals who perform medical disability examinations for the Department of Veterans Affairs, and for other purposes; Sponsor: Husted, Jon [Sen.-R-OH]; Committees: Senate - Veterans’ Affairs

S.3706 — A bill to amend title 38, United States Code, to authorize the provision of produce prescriptions to veterans, and for other purposes; Sponsor: Durbin, Richard J. [Sen.-D-IL]; Committees: Senate - Veterans' Affairs

S.3707 — A bill to provide for a wage differential program to support new nursing school faculty members; Sponsor: Durbin, Richard J. [Sen.-D-IL]; Committees: Senate - Health, Education, Labor, and Pensions

H.J.Res.144 — Providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Department of Veterans Affairs relating to "Reproductive Health Services"; Sponsor: Brownley, Julia [Rep.-D-CA-26]; Committees: House - Veterans' Affairs

H.R.7267 — To amend title 38, United States Code, to authorize the provision of produce prescriptions to veterans, and for other purposes; Sponsor: Pingree, Chellie [Rep.-D-ME-1]; Committees: House - Veterans' Affairs

S.Res.590 — A resolution designating January 23, 2026, as "Maternal Health Awareness Day"; Sponsor: Booker, Cory A. [Sen.-D-NJ]; Committees: Senate – Judiciary

S.3712 — A bill to direct the Secretary of Health and Human Services to conduct, and submit to Congress a report describing the results of, a study on the use of home cardiorespiratory monitors for infants, and for other purposes; Sponsor: Hyde-Smith, Cindy [Sen.-R-MS]; Committees: Senate - Health, Education, Labor, and Pensions

S.3714 — A bill to amend title V of the Social Security Act to extend funding for the family-to-family health information centers; Sponsor: Hassan, Margaret Wood [Sen.-D-NH]; Committees: Senate – Finance

S.3716 — A bill to set forth limitations on exclusive approval or licensure of drugs designated for rare diseases or conditions; Sponsor: Baldwin, Tammy [Sen.-D-WI]; Committees: Senate - Health, Education, Labor, and Pensions

S.3729 — A bill to require the Medicare Payment Advisory Commission (MedPAC) submit to Congress two reports on agreements with pharmacy benefit managers with respect to prescription drug plans and MA-PD plans; Sponsor: Warner, Mark R. [Sen.-D-VA]; Committees: Senate – Finance

S.3730 — A bill to amend title XVIII of the Social Security Act to provide Medicare coverage of ambulance services that do not include transportation; Sponsor: Welch, Peter [Sen.-D-VT]; Committees: Senate – Finance

S.3739 — A bill to direct the Secretary of Veterans Affairs to carry out a demonstration project on coverage by the Department of Veterans Affairs of over-the-counter hearing aids, and for other purposes; Sponsor: Blackburn, Marsha [Sen.-R-TN]; Committees: Senate - Veterans' Affairs

S.3741 — A bill to require the Secretary of Commerce to promulgate regulations to improve nucleic acid synthesis security, and for other purposes; Sponsor: Cotton, Tom [Sen.-R-AR]; Committees: Senate - Commerce, Science, and Transportation

S.3750 — A bill to amend title XVIII of the Social Security Act to establish provider directory requirements, and to provide accountability for provider directory accuracy, under Medicare Advantage; Sponsor: Bennet, Michael F. [Sen.-D-CO]; Committees: Senate – Finance

S.3751 — A bill to require the Comptroller General of the United States to conduct a study and submit a report on price-related compensation and payment structures in the prescription drug supply chain; Sponsor: Bennet, Michael F. [Sen.-D-CO]; Committees: Senate – Finance