

## Health Care Policy Update

## Health Care Policy Weekly Update and Outlook

Industry Overview

**Congress Focused on Remaining Appropriations Bills to Avoid a Partial Government Shutdown This Week**

After passing a minibus package of six FY2024 appropriations bills and a slimmed down healthcare package on March 8, Congress now turns its attention to avoiding another partial government shutdown on March 22. This batch of appropriations bills includes Labor/HHS, with funding for CMS and NIH.

**HHS and CMS Outline Efforts to Support Providers in Wake of Change Healthcare Cyberattack**

On March 9, CMS announced that it would allow Medicare hospitals, physicians and other providers to access accelerated and advance payments (AAPs) for up to 30 days of Medicare payments, with repayment required in 90 days. On March 10, HHS released a letter on actions and efforts in the wake of the Change Healthcare cyberattack. The letter calls on United Healthcare to take responsibility to ensure no provider is compromised by their cash flow challenges stemming from the cyberattack. HHS also calls on United to provide advance payments to impacted providers, ease access to less restrictive terms and indemnification and arbitration requirements and serve as a financial backstop and “prioritize under-resourced, lower margin providers.” HHS also calls on all payers to pause prior authorizations and other utilization management requirements, as well as make interim and advance payments to providers, including bridge payments. On March 13, the AHA asked Congress for additional help, asking for further flexibility in the repayment timeline and interest rate on AAPs. AHA also sought Congressional relief for payer denials, and waivers of prior authorization and timely filing requirements. AHIP responded to further requests for relief from prior authorization requirements, stating that “further, broad exemptions in prior authorization at a time of advanced payments could expose patients and employers to fraud, waste and unnecessary costs.”

**Senate Finance Committee Hearing on FY2025 Budget**

On March 14, the Senate Finance Committee held a hearing with HHS Secretary Becerra to discuss healthcare proposals included in the President Biden’s FY2025. Chairman Wyden (D-OR) highlighted his support for Medicare drug price negotiation reforms, and several members expressed support for passing PBM reforms in Congress this year. Other issues that were highlighted by members of the Committee included concerns on upcoming final CMS regulations on Minimum Staffing levels for Long-Term Care Facilities, as well as the need to extend telehealth flexibilities. For detail on President Biden’s FY2025 Budget Proposals see our report here: [FY2025 Budget Proposal](#)

**FDA Releases White Paper Outlining Approach for Regulating AI in Medical Devices**

On March 15, FDA released a white paper outlining regulatory framework for AI in medical devices. The white paper discusses best practices for AI evaluation and monitoring and focus on patient safety in the development of AI.

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**Abbreviations**

AAP: Accelerated and Advanced Payments  
AHA: American Hospital Association  
AHIP: America’s Health Insurance Plans  
AI: Artificial Intelligence  
CMS: Centers for Medicare and Medicaid Services  
FDA: Food and Drug Administration  
HHS: Health and Human Services Department

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# Health Care Policy Events for the Week

## Monday (March 18)

- House Ways and Means Committee field hearing on "Access to Health Care in America: Ensuring Resilient Emergency Medical Care."

## Tuesday (March 19)

- HHS meeting of the National Advisory Council on the National Health Service Corps (NACNHSC)
- Health Affairs briefing with Douglas Jacobs, chief transformation officer of the CMS Center for Medicare.
- Duke Margolis Health Policy Institute conference on "FDA Convening: Enhancing Adoption of Innovative Clinical Trial Approaches." (March 19-20)
- PAN Foundation releases its State of Patient Access Report
- Politico briefing on "How to Protect Prescription Drug Costs."

## Wednesday (March 20)

- House Appropriations Labor/HHS Subcommittee hearing on "FY2025 Budget Request for the Department of Health and Human Services."
- HHS meeting of the National Advisory Council on the National Health Service Corps to discuss priorities and future programs.
- House Ways and Means Committee hearing on the Health and Human Services Budget.
- FDA meeting on "Conversations on Cancer: ODAC Chronicles - the Past, Present, and Future of Oncology Advisory Committees"
- The Healthcare Leadership Council (HLC) briefing on "Building Strategies and Advancing Collaboration to Improve Health."
- IQVIA Webinar on "Launch Excellence in Rare Diseases."

## Thursday (March 21)

- House Energy and Commerce Committee hearing on "Evaluating Approaches to Diagnostic Test Regulation and the Impact of FDA's Proposed Rule."
- Senate Finance Committee hearing on "President's FY2025 Budget."
- House Oversight Committee hearing on "Assessing America's Vaccine Safety Systems, Part 2."
- House Budget Committee hearing on "The President's Fiscal Year 2025 Budget Request."
- HHS meeting of the President's Committee for People with Intellectual Disabilities to discuss issues surrounding Home and Community Based Services

## Friday (March 22)

- No events

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