Appropriations and Budget Updates

This week on Capitol Hill, House Republicans cleared a major hurdle by finally <u>approving</u> a joint budget resolution in a 216-214 vote, unlocking the procedural power to pass a reconciliation package along party lines (Politico Pro, subscription required). After weeks of internal Republican debate, the budget framework made it through both chambers, with last-minute concessions to fiscal conservatives, who pushed leadership for at least \$1.5 trillion in spending cuts.

Leading up to the vote, Speaker Mike Johnson (R-LA) and President Donald Trump worked to consolidate support, targeting members of the House Freedom Caucus and other skeptics. Some lawmakers continued to be opposed, noting that leadership should skip the budget vote altogether and begin drafting the reconciliation bill. Despite this resistance, Republican leaders succeeded in narrowing opposition enough to move forward before the Easter recess.

Hill Updates

 On April 10, Senators Bill Cassidy (R-LA), Mark Warner (D-VA), Amy Klobuchar (D-MN) and Representatives David Valadao (R-CA), Julia Brownley (D-CA), Adrian Smith (R-NE) and Gabe Evans (R-CO) <u>introduced</u> the Supplemental Oxygen Access Reform (SOAR) Act of 2025. The bill would increase coverage for non-liquid oxygen for Medicare beneficiaries by removing all oxygen and oxygen equipment from Medicare competitive bidding, establishing a separate base payment rate, creating an add-on to the supplemental oxygen rate, and establishing further protections for Medicare beneficiaries.

Administration Updates

- On April 7, the Centers for Medicare and Medicaid Services (CMS) <u>released the 2026</u> <u>payment updates</u> for Medicare Advantage (MA) and Part D Prescription Drug Programs. Payments to MA plans are expected to increase by an average of 5.06% from 2025 to 2026. This follows a final rule issued on April 4, with both actions making routine and technical updates to MA and Part D. CMS will also complete the phase-in of adjustments for medical education costs and continue phasing in a revised risk adjustment model.
- After his first week as the new Administrator of CMS, Dr. Mehmet Oz has <u>released his</u> <u>agenda and vision</u> for the agency. Dr. Oz now oversees several large health programs, including Medicare, Medicaid, Children's Health Insurance Program, and the Health Insurance Marketplace. Under his leadership, the agency plans to implement several new efforts, including the President's Executive Order on transparency on health costs, improving information access for providers, identifying and eliminating waste, fraud, and abuse, and improving holistic health outcomes with a focus on prevention.
- HHS Secretary Robert F. Kennedy Jr. announced plans to release results from a <u>study</u> on the link between vaccines and autism by September (Bloomberg Government, subscription required). Secretary Kennedy has been a vocal proponent of the idea that vaccines cause autism, which stems from a retracted 1998 paper. The study will be led by a researcher who has previously pushed similar false claims which is raising concern among public health experts. The announcement comes amid a measles outbreak in the U.S., where falling vaccination rates have contributed to more than 600 cases and multiple deaths.

Health Policy Updates

 On April 9, the Institute for Clinical and Economic Review (ICER) released a white paper titled "Affordable Access to GLP-1 Obesity Medications: Strategies to Guide Market Action and Policy Solutions." The white paper outlines several potential policy solutions aimed at increasing affordability and access for new obesity medications such as Wegovy and Zepbound, which are drugs that come with large affordability concerns to patients. One of the proposals is to expand Medicare coverage for GLP-1 drugs to include treatment for obesity. Others include creating a mandate for private insurers to cover GLP-1 drugs with no patient cost-sharing, and federal subsidies for insurers who provide coverage.

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