

Federal Issues

Legislative

Senate Clears Budget Resolution, House Vote Unclear

On Saturday, the Senate [passed](#) a [budget resolution](#) by a vote of 51-48. The move kicks the legislation to the House, which passed a different version last month. GOP Sens. Susan Collins of Maine and Rand Paul of Kentucky joined all Democrats and independent in opposing the resolution.

Why this matters: The move sets up a likely vote in the House this week that will determine whether Congress can quickly move to developing the policies to meet the budget targets. If the Senate resolution does not clear the House, it will likely set up at least another month of negotiations as Congress prepares to break for a two-week recess.

House Speaker Mike Johnson (R-LA) can only afford to lose three Republicans without having the effort fail. Several House Republicans have already come out against the Senate's framework and will have to be convinced by House leadership and President Trump to vote for the measure.

Reality check: Even if the House does clear the Senate-passed resolution, the two chambers remain

In this Issue:

Federal Issues

Legislative

- Senate Clears Budget Resolution, House Vote Unclear
- Senate Confirms Dr. Oz as CMS Administrator

Regulatory

- CMS Releases MA and Part D Final Rule for 2026; Drops Proposal to Mandate Medicare and Medicaid Coverage of Anti-Obesity Drugs
- MACPAC Releases Issue Brief on SBHCs, Behavioral Healthcare for Medicaid-covered Students

State Issues

New York

Regulatory

- Health Equity Regulation Adopted
- Cybersecurity Compliance Certification Due

Pennsylvania

Legislative

- House Returns to Session; Committee Considers Insurance Mandate

West Virginia

Legislative

far apart on the policies that would be necessary to meet the spending and savings targets. To move the process forward in the Senate, Republican leaders essentially kicked the can down the road on their biggest, and hardest, policy decisions.

- **Legislative Update**

Industry Trends

Policy / Market Trends

- **Campaign Highlights Tax Credits As a Lifeline for Working Americans**
- **CSRxP Analysis Spotlights Spending on Drug Manufacturers' Direct-To-Consumer Advertising**
- **CMS Releases Latest Medicaid, CHIP Enrollment Figures**
- **Letter of 90+ Organizations Urging Congress to Protect Medicaid**

Senate Confirms Dr. Oz as CMS Administrator

The Senate confirmed the nomination of Dr. Mehmet Oz to be CMS Administrator by a [vote](#) of 53-45. He is expected to be sworn into office promptly.

Federal Issues

Regulatory

CMS Releases MA and Part D Final Rule for 2026; Drops Proposal to Mandate Medicare and Medicaid Coverage of Anti-Obesity Drugs

CMS released the pre-publication version of the [MA and Part D Final Rule](#) for contract year (CY) 2026 with a corresponding [fact sheet](#). The final rule will be published in the Federal Register on April 15.

Key Takeaway: CMS will not finalize the proposal for Part D **coverage of anti-obesity medications** (AOM) for the treatment of obesity.

- The proposal would have reinterpreted the statutory exclusion of Part D coverage for drugs used for weight loss. The reinterpretation would also have meant State Medicaid programs not already covering these AOMs for weight loss or weight management would generally be required to provide such coverage for treating obesity.

MA Provisions Include:

- New restrictions on the ability of plans **to reopen and modify a previously approved inpatient hospital decision.**
- Codified examples of **non-allowable Special Supplemental Benefits for the Chronically Ill (SSBCI).**

- Requirements for certain D-SNPs to have **integrated Medicare/Medicaid ID cards and conduct integrated health risk assessments (HRAs)**.
- **Addition of updated Part C Breast Cancer Screening measure to the 2029 Star**
- **Ratings.**

Part D Provisions Include:

- **Codification of Medicare Prescription Payment Plan (MPPP) guidance**, with changes.
- Several provisions related to the **Medicare Drug Price Negotiation Program**, including faster submission timelines for Prescription Drug Event (PDE) records.

Provisions Deferred for subsequent rulemaking:

- enhancing rules on internal coverage criteria,
- enhanced review of marketing and communications,
- updating provider directory requirements for Medicare Plan Finder,
- ensuring equitable access to behavioral health, and
- Part D medication therapy management,

Provisions under Review consistent with Executive Order [14192](#), “Unleashing Prosperity Through Deregulation:”

- Health Equity Index (HEI) Reward for the Parts C and D Star Ratings;
- Annual health equity analysis of utilization management policies and procedures.
- Requirements for MA plans to provide culturally and linguistically appropriate services; and
- Quality improvement and health risk assessments (HRAs) focused on equity and social determinants of health (SDOH).

Proposals Not Finalized: CMS also identified MA and Part D proposals from the proposed rule it will not finalize, including certain proposed **guardrails related to artificial intelligence** and annual **health equity analysis reporting** requirements.

MACPAC Releases Issue Brief on SBHCs, Behavioral Healthcare for Medicaid-covered Students

The Medicaid and CHIP Payment Access Commission (MACPAC) released in March 2025, an issue brief highlighting school-based health centers (SBHCs) and their role in providing behavioral healthcare for students covered by Medicaid. The report discusses SBHC funding and sponsorships, service sites, and compliance with state policy. Additionally, the issue brief discusses the challenges in providing care through SBHCs, including payment, consent, and workforce issues. [Read More](#)

State Issues

New York

Regulatory

Health Equity Regulation Adopted

The Department of Financial Services last week announced the adoption of the final regulation requiring insurers to request information regarding race, ethnicity, preferred language, sexual orientation, and gender identity or expression for all insureds and dependents covered under a comprehensive health insurance policy. The new regulation, which takes effect July 31 (120 days,) is applicable to policies purchased or renewed on or after that date and includes a template questionnaire plans can use for soliciting the demographic data. While plans are not required to use the template, DFS strongly encouraged its use, and stressed that it was developed in response to the industry's request for a uniform tool.

Cybersecurity Compliance Certification Due

The DFS Cybersecurity Regulation required Covered Entities to submit an annual notice regarding their compliance with the regulation. Covered Entities must submit their annual compliance notifications by April 15 through the DFS Portal. Covered Entities that qualify for full exemptions from the Cybersecurity Regulation do not have to submit annual notifications. However, Covered Entities that qualify for limited exemptions still must submit annual compliance notifications.

State Issues

Pennsylvania

Legislative

House Returns to Session; Committee to Consider Health Insurance Mandate

The House returned on Monday to start a three-day session period.

Democrats regain full majority in state House: Representative-Elect Dan Goughnour (D) will be sworn in on Monday to represent the 35th House District, representing McKeesport and the surrounding area in Allegheny County. Goughnour won a special election last month to fill the seat after the tragic and unfortunate passing of the late Representative Matt Gergely. Once Goughnour is sworn in, House Democrats will retake their full majority as lawmakers in that chamber. The House has been evenly split between 101 Democrats and 101 Republicans since the death of former Rep. Matt Gergely.

Insurance Mandate: The House Insurance Committee will meet on Tuesday to consider House Bill 433, Representative Curry’s legislation mandating health insurance policies to provide coverage for diagnostic breast examinations. The legislation broadens the definition of when supplemental breast screenings are covered, and while the bill mandates minimum coverage, it still allows insurance providers to conduct utilization reviews and apply standard policy deductibles and copayments beyond the required coverage.

Next steps: After this week the House and the Senate will stand adjourned until May 5th.

State Issues

West Virginia

Legislative

Legislative Update

The 2025 Regular Session of the West Virginia Legislature has now entered the final week of the term, with the conclusion constitutionally set for midnight on Saturday, April 12. The last critical procedural deadline for the Legislature just concluded when “crossover day” occurred on Wednesday, April 2—the day by which a bill has to have been passed by one house in order to be considered during the final ten days of the 60-day session. This year, 446 bills were alive in the final ten-day period—240 from the House of Delegates and 206 from the State Senate.

Senate Bills Pending in the House of Delegates

- **SB 458—Universal Professional and Occupational Licensing.**
This bill is an initiative of Governor Morrisey to simplify and standardize the state’s licensing requirements as much as possible. The bill has fully completed the legislative process and will become law after the Governor approves the bill.
- **SB 482—Licensing of midwives.**
This bill concerns the licensing of midwives and is on track to pass the House of Delegates early next week and be on its way to Governor Morrisey for his consideration.
- **SB 526—Expanding the prescriptive authority of pharmacists.**
This bill proposes to expand the prescriptive authority of pharmacists and is likely scheduled to be considered by the House Health Committee early next week.
- **SB 565—Relating to practice of Optometry.**
This bill proposes to expand the scope of practice for optometrists to include limited types of laser surgery. It is scheduled for consideration in the House Health Committee on Monday. While the ophthalmologist’s association continues to oppose the bill, it appears to be on its way to passage.
- **SB 606—Relating to notification of breast density.**
This bill would only impact healthcare providers and would not place any responsibilities on health plans. It is pending with the House Health Committee and faces an unknown future in the House.

- **SB 632—Prohibiting surprise billing for ambulance services.**
The bill mandates that commercial health plans pay not-network participating ambulance services directly and at a fixed rate of 400% of Medicare. The bill would not impact Medicaid or PEIA in its current form.
- **SB 710—Regulating teledentistry.**
This bill proposes to bring certain dentistry services and appliances that are sold directly to patients under the regulatory jurisdiction of the profession. The bill is pending with the House Health Committee and faces an uncertain future.
- **SB 718—Hospital Price Transparency**
This bill proposes a mandate that would require hospitals to report a wide variety of information to the Office of the Insurance Commissioner and for OIC to create a web portal for the public consumption of this data—data which is largely always available through existing online resources. OIC opposes the bill on the basis of costs and as a duplicative function for the agency to perform.
- **SB 800—Relating to insurance holding companies.**
This bill is being proposed by OIC as a compliance initiative. HMWV requested that the implementation of the bill's provisions be delayed until January 1, 2026, which was accepted by the Senate and will be pending in the House.
- **SB 810—Clarifying requirements for administration of anesthesia.**
This bill proposes to clarify the scope of practice for certain advance practice nurses in the field of anesthesia. It has been advanced by the House Health Committee and is on track to pass the full House next week.
- **SB 833—Clarifying and correcting “gold card” prior authorization policy.**
This bill proposes to clarify language in regulating prior authorization to specifically state that the gold card status does not apply in situations involving medication orders. The bill has been assigned to the House Health Committee and then has a second reference to the Finance Committee. The bill is scheduled for a hearing in the Health Committee on Monday and it is expected that the bill will be endorsed to the full House on Tuesday. Since the bill is projected to SAVE and not cost the public programs any funds, it is very likely that the second committee reference will be suspended and the bill will move forward to pass sometime next week before the end of the session.

House Bills Pending in the Senate

HB 3084—Oral Cancer Coverage Mandate

This bill proposes a coverage mandate for commercial plans, PEIA and Medicaid and received two committee references in the Senate—first to the Health Committee and then to Finance.

- **HB 3090—Stuttering Coverage Mandate**
This bill proposes a coverage mandate for commercial plans, PEIA and Medicaid and received two committee references in the Senate—first to the Health Committee and then to Finance.
- **HB 3505—Scalp Cooling Coverage Mandate**

This bill proposes a coverage mandate for certain types of experimental treatment for chemotherapy patients and would be applicable to commercial plans, PEIA and Medicaid. The bill has been assigned to the Senate Health Committee and there are no indications yet on whether the bill will be considered in that committee—or in the Finance Committee where it would be reviewed next.

- **HB 3092—Co-pay Maximizer Issue**

The bill proposes to clarify a portion of the state’s current co-pay maximizer law that has been in effect since 2019 that allows for pharmaceutical manufacturers’ discount coupons to be counted against a health plan member’s deductible and out of pocket costs. It has been assigned to the Senate Health Committee and there is no indication on what the committee’s plan will be for the bill.

- **HB 2410—Right to try**

This bill proposes a new “right to try” treatment bill that would have no impact on health plans or create any new coverage mandates. The bill is under the jurisdiction of the Senate Judiciary Committee and it is not known how it may fare over the final week of the session.

- **HB 3142—Allowing health benefit plan sponsors to communicate electronically**

This is a bill being advanced by United Health and Delta Dental to clarify the right of employers to notify members of their sponsored health plans through electronic communications. The bill is pending with the Senate Health Committee and faces an uncertain future it appears. Highmark opposes the bill unless an amendment is included to clarify that ERISA plans would not be affected by the legislation.

Industry Trends

Policy / Market Trends

Campaign Highlights Tax Credits As a Lifeline for Working Americans

The coalition Keep Americans Covered (KAC) [launched](#) a new advertising campaign calling on lawmakers to extend the enhanced premium tax credits that expire at the end of this year.

Ad Highlights: The new ad campaign highlights the high stakes of this issue for American families and urges lawmakers to act quickly. The first spot of the campaign – titled “[Morning](#)” – spotlights how the tax credit is a lifeline for millions of working Americans.

Go Deeper: [Read more](#) about the wide range of Americans who benefit from the tax credits that make coverage more affordable on the individual market.

CSRxP Analysis Spotlights Spending on Drug Manufacturers’ Direct-To-Consumer Advertising

The coalition the Campaign for Sustainable Rx Pricing (CSRxP) released the findings of a new [analysis](#) examining drug manufacturers’ spending on direct-to-consumer (DTC) advertising.

Key Takeaway: The study found that taxing or prohibiting DTC ads for the top manufacturers in the U.S. would increase federal tax revenues between \$1.5 and \$1.7 billion per year.

By the Numbers:

- The top manufacturers in the CSRxP study spent a combined **\$13.8 billion** on advertising and promotion in 2023 alone in the U.S.
- The U.S. is one of only **two countries** in the world that allow DTC advertising for pharmaceuticals.
- A 2023 JAMA Network [research paper](#) found that advertising spending on drugs considered having “high therapeutic value” accounts for **fewer than one-third** of all DTC pharmaceutical advertisements.

What They’re Saying: “The findings of this study should add to the bipartisan momentum in Washington to bring greater scrutiny to the pharmaceutical industry’s aggressive marketing practices in the U.S., their impact on drug prices, and solutions to discourage or tax Big Pharma’s DTC advertising, which the analysis found could save the American people more than one billion dollars.” –CSRxP Executive Director Lauren Aronson

CMS Releases Latest Medicaid, CHIP Enrollment Figures

The Centers for Medicare & Medicaid Services (CMS) released the latest enrollment figures for Medicaid and the Children’s Health Insurance Program (CHIP). As of November 2024, there were 71.8 million individuals enrolled in Medicaid and 7.3 million enrolled in CHIP. Across the two programs, enrollment decreased by 340,000 from the prior month. [Read More](#)

Letter of 90+ Organizations Urging Congress to Protect Medicaid

The Modern Medicaid Alliance (MMA), led more than 90 organizations in sending a letter to House and Senate leaders urging lawmakers to reject any proposed cuts to Medicaid during the budget reconciliation process.

Key Excerpt: “The Medicaid program plays a critical role by providing access to health care services for those most vulnerable and in need, supporting safety-net providers – particularly in rural and underserved communities – and delivering a cost-effective coverage option. The cuts under consideration would have a direct impact on Medicaid beneficiaries and their ability to access needed health care.”

Why this matters: As the letter reminds lawmakers, [polling](#) confirms that Americans across the political spectrum have highly favorable views of Medicaid coverage.

Going Deeper: Read the full [letter](#) and corresponding [press release](#).

Interested in reviewing a copy of a bill(s)? Access the following web sites:

Delaware State Legislation: <http://legis.delaware.gov/>.

New York Legislation: <https://nyassembly.gov/leg/>

Pennsylvania Legislation: www.legis.state.pa.us.

West Virginia Legislation: <http://www.legis.state.wv.us/>

For copies of congressional bills, access the Thomas website – <http://thomas.loc.gov/>.

The content of this email is confidential and intended for the recipient specified only. It is strictly forbidden to share any part of this message with any third party, without a written consent of the sender. If you received this message by mistake, please reply to this message and follow with its deletion, so that we can ensure such a mistake does not occur in the future.