



Issues for the week ending August 29, 2025

Federal Issues

Regulatory

CMS Awards \$10 Million in Navigator Grants

On August 26, 2025, CMS awarded \$10 million in Navigator cooperative agreement awards to 39 returning organizations for continued service as Navigator awardees in the 28 states with a federally-facilitated marketplace. These awardees aid consumers navigating, shopping for, and enrolling in health insurance coverage for plan year 2026.

The list of 2025 Navigator grant recipients can be found [here](#).

Why This matters: Back in February 2025, CMS [announced](#) a nearly \$90 million reduction (from \$98 million to \$10 million) in yearly funding for the Navigator program. Funding was previously set at \$10 million per year in the first Trump administration.

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CMS Issues Part D Guidance on Network Adequacy Requirements and Dispensing Fees for Selected Drugs

On August 25, CMS issued a memorandum to provide guidance to Part D plans on pharmacy compensation when maximum fair prices for selected drugs come into effect on January 1, 2026 such that “Part D plan payment for a selected drug during its price applicability period must not exceed the applicable maximum fair price (MFP), plus any dispensing fees.” CMS notes that pharmacies are concerned that they “might be reimbursed by Part D plan sponsors below the price the pharmacy paid to acquire the selected drug, including potentially below the MFP for the selected drug.” The agency states that it expects Part D plan sponsors’ dispensing fees to “sufficiently compensate network pharmacies so that enrollees can be assured network access to selected drugs.”

CMS also includes a reminder about the network adequacy requirements for contracted pharmacies.

BCBSA Submits Recommendations to CMS in Anticipation of 2027 Notice of Benefit and Payment Parameters (NBPP) Proposed Rule

On August 27, 2025, BCBSA submitted recommendations to CMS for consideration as they draft the 2027 NBPP Proposed Rule.

Their key recommendations include:

- Implementing program integrity measures before extending or expanding them and preparing for new verification requirements in the One Big Beautiful Bill Act
 - Preventing residential treatment facility fraud by strengthening residency verification on the federally-facilitated marketplaces
 - Simplifying QHP Transparency in Coverage reporting
 - Increasing consumer choice and insurer competition by rescinding the limit on non-standardized plan options
 - Realigning Essential Health Benefits with typical employer coverage
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State-Based Exchange Directors Send Letter to Congress on Extending Enhanced Tax Credits

20 directors of state-based exchange directors sent a letter to Congressional leaders urging Congress to, “extend the enhanced premium tax credits by the end of September to avoid dramatic increases in health coverage premiums for tens of millions of Americans, which would result in the loss of health insurance, increased cost pressures for Americans, and risks to our local health care systems.”

Why This Matters:

- Average premiums could jump 75%, with some households facing monthly increases of over \$2,000.
- The Congressional Budget Office projects 4.2 million people could become uninsured if EPTCs lapse.
- Loss of coverage would hit young adults, small business owners, and the self-employed especially hard.

Read the full letter [here](#).

State Issues

Delaware

Legislative

Prior Authorization Reform Act Signed into Law

After two years of negotiations and a few iterations, Delaware's prior authorization bill was signed into law by Governor Matt Meyer. [SB 12 w/ SA 1](#) becomes effective on January 1, 2027 and does the following:

- Sets qualifications for who may make determinations with regard to requests for pre- authorization of health-care services and appeals of adverse determinations.
- Sets a new timeline and required contents for the notification of an outcome of appeal of an adverse determination.
- Sets new requirements for any utilization review entity used to perform utilization review by an insurer, health-benefit plan, or health-service corporation.
- Shortens the timelines for the determination of pre-authorization requests and notification to the health-care provider of the determination.
- By January 1, 2027, insurers, health-benefit plans, health-service corporations, and utilization review entities must accept and respond to electronic pre-authorization requests through the same platform as the electronic request was submitted.
- Extends the time period that a pre-authorization is valid for from 60 days to 90 days.
- Provides that no more than 1 pre-authorization may be required for a single episode of care.
- Allows payers to require providers to utilize the electronic portals.
- Adds pharmacy to the definition of episodes of care
- Requires MD's to review adverse determinations on pharmaceuticals when submitted by an MD
- Includes State of Delaware and Medicaid

State Issues

New York

Regulatory

2026 Rate Approvals Announced

The New York State Department of Financial Services (DFS) last week [released the final approved rates for health plans](#) in the small group and individual markets. As a result of the State's rate adjustment process, which began in May, Highmark's 2026 rates reflect an average increase of 11.4% for small groups and 19.4% for individuals. Originally, Highmark filed a 23.9% increase in Individual and 18% in Small Group,

which was amended down to a 11.8% request after risk adjustment came back more favorable than anticipated.

Highmark Western and Northeastern New York will provide written notification of the adjusted premium rates for 2026 to individual and small group members no later than Nov. 1, 2025.

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/>.

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