



Welcome to *Washington Update*, the weekly e-newsletter on the latest health care happenings in the nation's capital that affect APG's members.

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### **Pressure From President-Elect And Adviser Musk Fans Internal House Republican Opposition To Tank Health Care Package And Government Funding Deal**

Defeat was snatched from the jaws of victory this week, as a bipartisan congressional package of health care measures and extension of fiscal 2024 federal funding was torpedoed with the help of [attacks](#) from President-elect Donald J. Trump and his key adviser, Elon Musk. A subsequent narrower bill to fund the government until March then [failed](#) to pass the House of Representatives as a conservative Republican contingent continued to balk – now even further inflamed by a provision added at the last minute at Trump's urging to extend the federal debt ceiling.

As of publication time, House Speaker Mike Johnson (R-LA) was still struggling to forge agreement on the latest narrow package that would fund the government at fiscal 2024 levels until March. This latest version appears likely to have only a handful of health care measures that were pared down from the earlier bipartisan package, such as short-term extensions of pandemic-era telehealth payment flexibilities in Medicare and the Acute Hospital Care at

Home waiver, and funding for community health centers at \$4.5 billion and \$4.6 billion for fiscal years 2025-2026. However, unless this latest deal clears both the House and Senate with support from Democrats, and is signed into law by President Biden later today, there will be a partial shutdown of the government at midnight tonight.

**Cutting-room floor:** In the carnage left from the now-dead bipartisan package were multiple other health care provisions of interest to APG member groups. Among them: a modification of the scheduled 2.8 percent cut in the Medicare Physician Fee Schedule for 2025, which the doomed package would have throttled back to a 0.3 percent cut, and extension for another year of the Advanced Alternative Payment Model bonuses at 3.53 percent, up from 1.8 percent for the 2024 performance year.

These measures may well be dealt with by the next Congress in March, with modifications of the Medicare fee cut made retroactive to January, as occurred this year. APG will continue to advocate vigorously for these measures along with its other key policy priorities.



## In Case You Missed It

- **The draft 2026 Medicare Advantage (MA) Advance Notice** is now at the White House Office of Management and Budget for review. Its release date by the Centers for Medicare & Medicaid Services (CMS) is uncertain but could come before the Biden Administration ends on Jan. 20.
- Artificial intelligence applications in health care hold great promise, but **without uniform standards for data and algorithms, information interoperability will be imperiled, according to a new [report](#) from a bipartisan House task force on AI.** The report also recommends that Congress examine liability laws to ensure that patients are protected when AI-enabled systems make incorrect diagnoses or treatment recommendations.
- The **Medicare Advantage Value-Based Insurance Design model will terminate at year-end 2025** – five years ahead of schedule – following projections that it cost the government \$4.5 billion in 2021-22, CMS [announced](#) this week. The model enables MA plans to extend certain services and pharmaceutical cost-sharing assistance to identified chronically ill and underserved populations. In a [statement](#), the Better Medicare Alliance said it was “disappointed” at the model’s termination, adding that it would “have negative

consequences on nearly 9 million seniors and people with disabilities, and particularly on minorities and those in low-income communities who rely on essential benefits like in-home support services, groceries, and transportation.”



## APG Announcements And Offerings

- *Washington Update* will not be published for the next two weeks due to the Christmas and New Year’s holidays. The next installment will be published on Jan. 10, 2025.
- APG will host a **Learning Session Webinar on Wednesday, January 8, 1:00-2:00 pm ET**, about the Medicare Advantage & Part D Proposed Rule. You can register for the webinar [here](#).
- APG will host a members-only Focus Group meeting on **Tuesday, January 14, 2:00 pm - 3:00 pm ET**, to solicit feedback about the Medicare Advantage & Part D Proposed Rule for APG's comment letter to CMS. MA Coalition members should watch for an email with the registration link.
- Sponsorship is now open for the **APG Spring Conference 2025**, May 14-16, in San Diego. Sign up by **December 31** to take advantage of all the additional early commitment benefits. Visit our [Spring Conference 2025 sponsor website](#) and reserve your space today!
- Want to get more involved in APG’s Federal advocacy efforts? [Join APG Advocates today](#).

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