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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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Upheaval Surges Forward In Federal Health Programs And Agencies Amid Uncertainties Over What's Next

The Trump Administration's efforts to remake the federal government continued in full force this week, moving broadly into many of the [10 agencies and 13 operational divisions](#) within the Department of Health and Human Services. But the pace and scope of at least some of the dramatic changes appear to be up in the air amid a growing number of legal challenges to the moves.

News reports this week have highlighted the following exceptional measures:

- The [Department of Government Efficiency \(DOGE\)](#) - run by the world's richest man and "special government employee" Elon Musk - has now turned its attention to the Centers for Medicare

& Medicaid Services (CMS) in its quest for massive federal savings. According to [Axios](#), DOGE has accessed CMS data systems in search of examples of waste, fraud, and abuse as it pursues "opportunities for more effective and efficient use of resources," in the words of an agency spokesperson. *The Washington Post* and *Wall Street Journal* reported that DOGE officials appeared to have gained access to at least some systems that control [payments to health-care providers](#) and the [federal marketplace](#).

- It is unclear whether DOGE's move to gain access to the CMS data systems is related to another DOGE initiative reported in the [New York Times](#): placing "all federal contracts into a centralized system so they could be analyzed by artificial intelligence." It also appears likely that DOGE's CMS moves will be challenged by lawsuits similar to those already brought over other aspects of the entity's work. For example, a federal district court has severely [limited](#) DOGE's access to Treasury Department data systems related to government payments in response to a legal challenge filed by federal labor unions.
- Various news sources reported that the Centers for Disease Control and Prevention (CDC) has also been visited by DOGE in the aftermath of a broad [purge](#) of the CDC's websites related to gender, pregnancy, social vulnerability, and LGBTQ health, among others. However, after a two-week hiatus, the agency's vital [Morbidity and Mortality Weekly Report](#) resumed publication amid a broad federal communications freeze ([Washington Update, Jan. 24, 2025](#)).
- [A federal judge suspended the deadline](#) for federal workers to accept a DOGE-led buyout offer until next week in response to a lawsuit from labor unions. News sources reported that about [40,000 employees](#), or 1.7 percent of the federal workforce had accepted the offer. But separately, the *Wall Street Journal* reported (Feb. 6) that the White House was also "working on an executive order to fire thousands of [HHS] workers, according to people familiar with the matter." *The Journal* said that the White House denied that report.
- The administration issued a new [executive order](#) mandating elimination of 10 regulations for every new one and prohibiting agencies from releasing a rule or guidance that is not already on the Unified Regulatory Agenda. A [fact sheet](#) says that for fiscal year 2025, "the total incremental cost of all new regulations, including repealed regulations, be significantly less than zero." If fully implemented, the rule could have significant implications for health care regulations, including Biden-era rules or proposed rules involving nursing home staffing regulations and Medicare coverage of anti-obesity drugs.

Growing hurdles? The outcomes of these developments remain uncertain amid a spate of lawsuits, and fallout from condemnation of the administration's moves by Democratic congressional

members. APG will continue to monitor developments and determine any impact on its member organizations.



Confirmation Of Robert F. Kennedy Jr. As HHS Secretary Moves Closer Amid Deal on Vaccines

Although a final Senate vote has not yet been scheduled, the confirmation of Robert F. Kennedy Jr. as HHS Secretary appeared more likely this week as a key lawmaker threw his support to the controversial nominee. Sen. Bill Cassidy (R-LA), a physician who also chairs the Senate Health, Education, Labor, and Pensions committee, voted to [advance](#) Kennedy's nomination out of the Senate Finance Committee after announcing multiple [commitments](#) by the candidate to protect vaccine access.

Cassidy, who had extensively grilled Kennedy about his views on vaccines in earlier hearings ([Washington Update, Jan. 31, 2025](#)), said that Kennedy had agreed to maintain the CDC's independent Advisory Committee on Immunization Practices, which makes recommendations on vaccines, and that Cassidy or a future HELP committee chair could choose a "representative on any board or commission formed to review vaccine safety." He also said that "CDC will not remove statements on their website pointing out that vaccines do not cause autism," as Kennedy has repeatedly and falsely alleged. The lawmaker's decision makes it unlikely that enough Republicans will join Democrats in opposing Kennedy's nomination to sink his confirmation.



Deep Disagreements Slow Congressional Action On Massive Tax And Spending Bills As A Critical Deadline Looms

House Republican factions remain at loggerheads over federal spending, tax, and deficit reduction priorities, prompting delays in moving forward with a giant reconciliation package that House Speaker Mike Johnson had hoped to begin this week. Meanwhile, Senate Budget Committee chair Lindsey Graham (R-SC) [told colleagues](#) this week that the panel would begin devising its own budget reconciliation blueprint as a "contingency plan" if the House continues to make little to no progress.

Although a reconciliation package remains the top priority for GOP leaders, [concerns are growing](#) as the government lurches toward a March 14 deadline to enact fiscal 2025 appropriations and avert a partial government shutdown. Amid a narrow GOP House margin that could require Democratic votes to pass major initiatives, House Democrats have [threatened](#) to block an appropriations bill if it does not invalidate the Trump administration's various efforts to defund key federal programs.

Medicare Fee Fix Limbo? Aside from the timeline, it also remains uncertain whether a 2025 appropriations package will include a measure to moderate this year's 2.83 percent cut in Medicare's physician fee schedule. A bipartisan group of House lawmakers have [proposed](#) both an effective offset of the cut and a fee increase compensating for a portion of practice cost inflation by boosting fees 6.6 percent from April through December. APG will maintain its strong advocacy in support of the measure.



In Case You Missed It

- Dr. Mehmet Oz, President Trump's nominee to lead CMS, has begun [meetings](#) with senators in anticipation of confirmation hearings likely to begin soon.
- The House Ways and Means Committee and its health subcommittee [announced](#) the first of what could be multiple hearings based on a "Make America Healthy Again" agenda, scheduled for February 11.
- Evoking charges of racism, a conservative organization and advisor to Project 2025 published a ["DEI Watchlist"](#) including the names, photos, and salaries of at least 57 federal employees, many of whom work at HHS and are female or Black.



APG Announcements And Offerings

- The next APG Hosted Webinar, "**Guardant Shield – The Revolutionary Liquid Biopsy for Colorectal Cancer Screening,**" will take place on **Monday, March 24, 3:00 pm - 4:00 pm ET**. The webinar will be presented by Guardant. Register [here](#).
- Registration is now open for the [APG Spring Conference 2025](#) — **Kickstarting Accountable Care: Innovations for an Urgent Future, May 14-16, in San Diego, CA**. APG Members who

register by February 14 save \$300 with the Super Early Bird rate. APG Partners and non-members save up to \$200 with regular Early Bird registration that ends March 14. Groups of 5 or more that register together receive an additional \$50 savings per registrant. **New this year: bundle your savings!** All APG Spring Conference 2025 registrants will have an opportunity to register for the APG Fall Conference 2025 at the lowest price of the year, with discounts up to \$400. Simply follow the link on your Spring Conference confirmation e-mail to register for Fall now!

- Sponsorship is open for the **APG Spring Conference 2025**, May 14-16, in San Diego. 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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