

₋egislative/Regulatory Update



AUGUST 1, 2025

## WASHINGTON, D.C. HAPPENINGS

### The OBBB Is a Distant Memory

Oh, how times – and the news cycles – change. For the better part of 3 months – and virtually every day throughout the month of June – all we heard about in the news was the "One Big Beautiful Bill" (OBBB), and whether Republican House and Senate Leadership could get enough Congressional Republicans to vote YES by President Trump's July 4<sup>th</sup>deadline. But now – because all of the news is focused on other attention-grabbing headlines – it's almost as if the media has forgotten about the OBBB. For a refresher, see our July Newsletter here.

### **August Recess Is Upon Us**

Every year, Members of Congress leave Washington, DC for the month of August, not returning until after Labor Day (known as "August Recess"). Members of Congress pine for the August Recess. Why? Because Members want to get back home and talk directly with their constituents, as well as spend down time with their families. This year, the House of Representatives started its August Recess early (July 23<sup>rd</sup>), due in large part to issues relating to the Epstein files. The Senate, on the other hand, is still in session, due in large part to President Trump demanding that the Senate confirm hundreds of nominations for posts in the Administration and Ambassadorships. Once the Senate finally adjourns, get ready for the news cycles to sound like it's an election year, even though it's not (mid-term elections are not until Nov. 2026). That's because August Recess is also a time when House members and those Senators in-cycle organize campaign events and town halls in their respective Districts and State. And sometimes, we see some fireworks and drama during these campaign events and town halls. With the way this year is going, we may very well see some drama and gotcha moments that will for sure dominate the news cycles...

#### **Government Shutdown This Fall?**

Members of Congress will come back to Washington, DC after Labor Day and face a choice: (1) Fund the Federal Government for the 2025-2026 Fiscal Year or (2) Let the Federal Government shutdown. This is because funding for the Government runs out on Sept. 30<sup>th</sup>, unless Republicans and Democrats agree to fund the Government for the next year. Typically, the House and Senate will agree to short-term Funding (known as a "Continuing Resolution" or "CR"), which will kick-the-can past Sept. 30<sup>th</sup> to some future date to give Republicans and Democrats more time to continue to negotiate on funding levels for the upcoming year. But this year might be different. The Democratic base – and a number of left-leaning Congressional Democrats – are signaling that they want to fight President Trump and his policies, and one way to bring this fight to the forefront is to oppose ANY and ALL Congressional Republicans' efforts to fund the Government, and also, to force Republicans to agree to Democrat demands. We are not quite sure how things are going to play out, but it could get ugly, and we could very well see a Government Shutdown this Fall. This Shutdown-Showdown will definitely dominate the news cycles throughout September, and likely beyond....

#### SIIA'S COALITION WORK

SIIA and our payer-Coalition partners are engaging directly with Congress and Trump Administration officials, and we are turning up the volume on our concerns that the Federal IDR Process is now a "provider-friendly" process (with providers winning claim disputes 70% to 80% of time and with final determinations well in excess of the Qualifying Payment Amount (QPA)). To this end, we recently spoke with CMS and voiced our concerns about a small number of medical providers who are abusing the Federal IDR process and disproportionately filing disputes through the Federal Portal, and in most cases winning, which drives up health care costs. We also told CMS about our concerns over the education, sophistication, and commitment of the Federal IDR entities and their inability to accurately and fairly render a final determination. Our payer-Coalition is also meeting with Congressional staff and lobbying against recently introduced legislation that would impose penalties on payers who fail to make timely payments after a final determination is made. You can read our press release opposing this legislation

### **HEALTHCARE FOCUS**

Proposed Changes to Hospital Machine-Readable Files (MRFs)

On July 15<sup>th</sup>, CMS issued a number of proposed changes that hospitals must adhere to when developing and posting medical prices and related information on their MRFs, in accordance with the Hospital Transparency Rule. Among other changes, the recently proposed regulations would require hospitals to include their 10-digit Type 2 National Provider Identifier ("NPI") that is active as of the date of the most recent update to the standard charge data disclosed in the hospital's MRF. This will help self-insured plan sponsors and plan fiduciaries compare payer-specific negotiated rates publicly disclosed on a particular hospital's MRF with the MRFs that those corresponding payers are required to publicly post in accordance with the Transparency in Coverage ("TiC") Rule. Importantly, the proposed changes would also require a hospital's CEO, President, or Senior official designated to oversee the encoding of the data to sign an "attestation" verifying the accuracy of the pricing information and compliance with the Hospital Rule. This is a BIG deal because if the hospital's CEO or Board President is liable for making sure that the hospital's MRF is compliant, it is more likely than not that the CEO/Board President is going to make sure that the hospital's MRF is indeed compliant. We are hopeful that this same "attestation" requirement will be imposed on the CEOs of insurance carriers when proposed regulations relating to the TiC MRFs are ultimately released. You can see the proposed Hospital MRF changes (here...see pages 712 to 758).

## Price Transparency and Data-Sharing Legislation Introduced

Senators Marshall (R-KS) and Hickenlooper (D-CO) introduced bi-partisan legislation that would:

- Codify the Hospital and TiC Rules and increase penalties and enforcement for compliance with the Hospital and TiC Rules, and also, require a separate and unique Prescription Drug MRF disclosing the prices of prescription drugs and other prescription drug-related information;
- Require the disclosure of prices for diagnostic lab tests, imaging, and ambulatory surgical centers;
- Improve and strengthen a plan sponsor's, plan administrator's, and Business Associates' ability to access health claims data and other plan information; and
- Improve and provide more flexibility under the Gag Clause Prohibition.

SIIA worked directly with Senate staff to improve similar legislative language that was passed by the House in the Lower Costs More Transparency Act in the last Congress. In particular, we emphasized to staff that the prohibition on restricting access to claims data cannot be limited to agreements with the group health plan only; but rather, the legislation needs to also include agreements involving the plan sponsor, plan administrator, and Business Associates, which the Marshall-Hickenlooper legislation does. We also successfully convinced staff not to limit access to the data through audits only; but rather, the legislation must grant access to ALL of the data for ANY reason upon request from the plan sponsor, plan administrator, or Business Associates. You can read the legislative language <a href="here">here</a>.

Note, there continues to be bi-partisan support for legislation on Transparency/Data-Sharing/PBM Reforms, and there is an expectation that we could see a bi-partisan health care bill by the end of the year, anchored by the expiring ACA's "enhanced premium subsidies." Extending the ACA's premium subsidies is a priority for Congressional Democrats, and Republicans will use that as leverage to horse-trade (1) an extension of the subsidies in some form with (2) Republican health care priorities. Then, attached to that could be bi-partisan health care policies like Transparency/Data-Sharing/PBM Reforms. Stay tuned...

Dialysis Legislation Introduced...Again

The Restore Protections for Dialysis Patients Act has recently been introduced in both the Senate (S.1173) and House (H.R. 2199). This bill seeks to rewrite the Medicare Secondary Payer Act, create a windfall for large dialysis providers, and weaken group health plans' ability to control costs and design coverage that meets the needs of working families. The bill is being pushed by the major providers of Dialysis in an effort to increase their profits at the expense of employers and the millions of employees who receive employer-sponsored health benefits. As you may recall, the same bill was introduced last Congress. SIIA and our Coalition partners have strongly advocated against the bill, then and now, on the basis that it is Unnecessary, Unworkable, and Unfair. You can read the opposition letter here.

## STATE POLICY UPDATE

# 2025 State Policy Overview

State Legislative Sessions have adjourned for 2025. SIIA has prepared an Overview and Summary of the State Legislation that we tracked throughout the year. We will be sending out that Overview and Summary soon, so stay tuned!

## SIIA'S GOVERNMENT RELATIONS TEAM IN ACTION

## Advocacy in Action Webinar Series

SIIA's June Webinar was the last Webinar of the Advocacy in Action (AIA) Series, but we will be back in the fall! You can <u>Click here</u> to watch the last edition.



## STAY IN THE KNOW

Registration is now open for SIIA's National Conference! Register here!

## KEEP IN TOUCH

For more information and content, please follow us on <u>LinkedIn</u> and visit our website at <u>SIIA.org.</u>

SIIA Government Relations Team

Chris Condeluci | ccondeluci@siia.org - Anthony M. Murrello | amurrello@siia.org - Catherine Bresler | catherine@siia.org