

CAPITOL STREET

November 16, 2025

Health Policy Peak: Week of Nov 17-21

IRA 2027 Prices, Senate on Health Costs & EPTCs Likely, CMS Final ESRD, Outpatient & Home Health Rules

ICYMI

Medicaid Provider Tax Guidance Narrows (FL, TX - Hospitals; CA, NY - MCOs): CMS issued preliminary letter [guidance](#) to states, providing MCO/hospital thinking on the implementation of provider taxes; rulemaking is forthcoming.

OUR TAKE: The number of hospital taxes with waivers subject to the longer transition period is not yet clear. Despite the longer runway to adjust, CMS is expected to finalize additional criteria through rulemaking that could make obtaining these waivers a significant challenge going forward for all provider taxes (our take [here](#)).

December 4-5 ACIP Meeting Announced ([here](#)): The CDC's next Advisory Committee on Immunization Practices (ACIP) meeting will include a review of hepatitis B vaccines, the immunization schedule for children and adolescents, and overall vaccine safety.

OUR TAKE: The administration continues to pressure vaccine manufacturers with shifting recommendations, claims of autism and other side effects, and a push for individually administered vs. combo vaccines (our take [here](#)).

WEEK AHEAD

CMS '26 Final Pay Rules (Outpatient Hospital, ESRD, & Home Health) ASAP: CMS will release more final CY rules with new policies and payment rates starting Jan 1, 2026.

OUR TAKE:

- **Hospital Outpatient:** We expect final rates similar to the proposal of +2.6% for proprietary hospitals ([here](#)). We believe there will be modifications to other policies: (a) site neutral for drugs, and (b) conducting a Medicare drug acquisition survey for 340B purposes ([here](#)). Our take on device-specific topics ([here](#)).
- **Home Health/DME Comp Bidding Coming:** We expect CMS to restart the DME competitive bidding program (CBP), with more color on timelines/product categories in a later announcement. CGMs and insulin pumps are on the table for CBP, though we could see the agency narrowing the scope given pushback. We also expect mitigation of proposed cuts of -6.5% for home health (our take [here](#)).
- **ESRD/Dialysis:** We expect final rates similar to the proposal of +2.1% for large dialysis organizations (LDOs) ([here](#)).

IRA Drug Pricing - 2027 Negotiated Prices Any Day Now: As a reminder, 2027 selected Part D drugs (15 total) range from medicines for Type 2 diabetes to treatments for bipolar disorder & cancer.

OUR TAKE: 2027 prices are likely to be lower (40%+ discounts) than prices for 2026 ([here](#)). MFN prices were likely in mind when initial offers were sent by CMS. It's possible that MFN prices announced for GLP-1 products reflect the Medicare negotiated prices for Ozempic/Rybelsus/Wegovy.

More MFN Deals?: MFN announcements are expected to slow; however, several companies are still on deck (MRK, JNJ, REGN, or ABBV).

OUR TAKE: Deals continue to follow the general framework laid out in the MFN letter, but future agreements are likely more tailored like the LLY and NVO deals. We believe that Medicare drug pricing models (GLOBE & GUARD) are still forthcoming as a “stick” for the companies that don’t agree to a deal (our take [here](#)).

MON, NOV 17

Maryland Prescription Drug Affordability Board (PDAB) meeting ([here](#)): On the agenda are cost review studies on Ozempic (NVO) and Trulicity (LLY).

OUR TAKE: State PDAB boards are moving forward on upper payment limits (UPL), albeit slowly. In October, CO’s PDAB voted to set an UPL of \$600 per unit for Enbrel, which is also the Medicare negotiated price. The UPL is set to go into effect in 2027, but there is pending litigation from AMGN that may delay implementation.

TUES, NOV 18

House Hearing on AI Chatbots in Healthcare ([here](#)): The House Energy & Commerce Oversight Subcmte (Chair Joyce, R-PA) will hold a 2 p.m. hearing on “Examining the Risks and Benefits of AI Chatbots.”

WED, NOV 19

Senate Hearing on Healthcare Costs ([here](#)): The Senate Finance Cmte (Chair Crapo, R-ID) will hold a 10 a.m. hearing with testimony from various think tanks.

OUR TAKE: With an EPTC vote set for December, we still expect a one- or two-year extension with income caps and a transition to an FSA-type platform (2027 at the soonest) (our take [here](#)). EPTCs will likely be the focus of the hearing as Sen. Crapo is part of a working group intended to negotiate a path forward on ACA subsidies.

Senate Hearing on Organ Procurement and Transplantation ([here](#)): The Senate HELP Cmte (Chair Cassidy, R-LA) will hold a [10 a.m.](#) hearing. No witnesses have been announced yet.

House Hearing on Modernizing Care Coordination ([here](#)): The House Ways and Means Health Subcmte (Chair Buchanan, R-FL) will hold a 2 p.m. hearing on preventing and treating chronic disease. No witnesses have been announced yet.

Senate Hearing on Trust in Medicines ([here](#)): The Senate Aging Committee (Chair Scott, R-FL) will hold a 3:45 p.m. hearing likely focused on generics and the generic supply chain. Executives from Oxford Pharmaceuticals, CivicaRx, USAntibiotics, and PHLOW-USA will testify.

ON THE HORIZON

- FTC PBM 6B study final report **(TBD)**
- CMS proposed rule on “Medicaid Managed Care-State Directed Payments” **(TBD)**
- CMS proposed rule on “Guarding U.S. Medicare Against Rising Drug Costs (GUARD) Model” **(TBD)**
- CMS proposed rule on “Global Benchmark for Efficient Drug Pricing (GLOBE) Model” **(TBD)**
- CMS Draft MA & Part D technical rule **(Fall)**
- OIG report on Medicare pricing for CGM **(FY 2026)**
- CMS Final CY26 HOPD/ASC, Home Health & ESRD rules **(Early November 2025)**
- Deadline for CMS to publish 2027 negotiated maximum fair prices **(Nov. 30, 2025)**
- U.S. Trade Representative Public Meeting on USMCA joint review **(Dec. 3-5, 2025)**
- CDC Advisory Committee on Immunization Practices (ACIP) meeting **(Dec. 4-5, 2026)**
- MedPAC meeting **(Dec. 4-5, 2025)**
- CMS New Technology Town Hall **(Dec. 10-11, 2025)**
- Oral Arguments in *American Academy of Pediatrics v. Kennedy* on vaccines **(Dec. 17, 2025)**
- Expiration of APTCs and CLFS pay cut moratorium (PAMA) **(Dec. 31, 2025)**
- Deadline to pass the National Defense Authorization Act **(Dec. 31, 2025)**

- CMS MFP effective for selected drugs (**Jan. 1, 2026**)
- Initial date for Arkansas law banning PBM-owned pharmacies - delayed indefinitely due to injunction (**Jan. 1, 2026**)
- CMS Medicare Advantage (MA) Rate Notice '27 (**January 2026**)
- MedPAC meeting (**Jan. 15-16, 2026**)
- CDC ACIP meeting (**Feb. 25-26, 2026**)
- CMS proposed rule on a voluntary pilot on GLP-1s (BALANCE) (**Spring 2026**)
- CMS pricing justification for 2027 negotiated drug list (15 Part D drugs) (**March 1, 2026**)
- MedPAC meeting (**March 2-3, 2026**)
- CMS MA Final Rate Notice '27 (**Early April 2026**)
- MedPAC meeting (**April 9-10, 2026**)
- FDA PDUFA and MDUFA reauthorization deadline (**Oct. 1, 2027**)

CMS Coverage Decisions

- CMS Draft NCD on Biomarker Tests for Colorectal Cancer Screening (**March 10, 2026**)
- CMS Final NCD on Biomarker Tests for Colorectal Cancer Screening (**June 8, 2026**)

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