

CAPITOL STREET

March 20, 2026

Health Policy Peek: Week of March 23-27

On Deck: CMS Pay Rules (MA Final Rates Land at OMB), FTC Settlements with CVS/UNH, New FDA Leadership

ICYMI

BRIDGE Model (GLP-1) Utilizes Humana Services: CMS provided details on a new (expected) Medicare GLP-1 “Bridge” that provides GLP-1 coverage for obesity in Medicare starting July 1, 2026. The model provides Medicare coverage for weight loss drugs outside of Part D benefit by directly processing claims via a central processor. See our analysis [here](#).

OUR TAKE: We understand that **Humana** will administer this program. HUM already administers LI Net, to determine whether someone is eligible for the Low Income Subsidy (LIS). The BALANCE program starts in Medicaid in May 2026 and in Medicare in January 2027.

ANY DAY NOW

CVS & UNH FTC Agreements/Settlements: **CVS** and **UNH** are expected to announce their agreements any day. We *also* expect the FTC final 6B report may not be released any time soon due to the settlement announcements. On Feb 4, Express Scripts (**CI**) agreed to a settlement with the FTC that includes: covered access to TrumpRx, transparency commitments, standard formulary bans on favoring high WAC drugs over low WAC alternatives, and a reshoring of its GPO, Ascent, from Switzerland to the US.

OUR TAKE: We expect the structure of the remaining deals (CVS, UNH) to reflect the CI agreement and include administration priorities with potential for new components, as well. Priorities include transparency requirements, access to TrumpRx, focus on net pricing, and domestic onshoring of GPOs (for UNH). We expect compliance by Jan 1, 2028. For the FTC’s final 6B report, we are likely to see a focus on (a) specialty pharmacies and (b) payments to affiliated vs competitor pharmacies. We may also see content on the role of GPOs.

New CBER Director: CBER Director Vinay Prasad is (once again) leaving the FDA in March/April, FDA is expected to announce a replacement CBER Director (or acting Director) *prior* to his departure, which is any day now.

OUR TAKE: Prasad’s departure preludes more consistent reviews and stability at the FDA; we have previously written on the dysfunction at the FDA and CRLs ([here](#) and [here](#)). Potential candidates include: **Amy Comstock Rick J.D.**, Associate Director for Rare Disease Strategy at CDER; **Peter K. Honig, MD, MPH**, ex-FDA, first Director of the Office of Drug Safety at CDER; **Katherine Szarama, PhD**, Current Deputy Center Director for CBER; and **Tracy Beth Høeg M.D., Ph.D.**, Acting Director of CDER.

THIS WEEK

SENATE: SAVE Act & DHS Funding: The Senate's primary legislative focus is debate on the SAVE America Act (voter id requirements), and passing the DHS funding package. Today, the Senate will vote again on the Department of Homeland Security funding bill with the vote expected to fail due to continued Democrat opposition to ICE funding. There will likely be attempts to include other DHS funding proposals, although these will likely fail. On the SAVE Act, Senators are staying in town through the weekend as floor debate continues, however the bill is unlikely to pass despite daily votes. On Sunday, senators will likely hold a procedural vote on Sen. Markwayne Mullin's (R-OK) nomination to lead DHS.

BY MID-APRIL

Medicare's Proposed 2027 Payment Rules (Hospital, Rehab, Hospice, SNF, Psych) & Final MA Rule: The agency's final 2027 MA rule and proposed 2027 rules for Inpatient Hospitals/LTCH, Psych, IRF, SNF, & Hospice are expected by mid-April. All of the regulations are under review at the White House's Office of Management and Budget ([here](#)).

OUR TAKE: On MA, which we expect April 2 or 3 roughly, we could see growth rate improvement (~100-150 bps or more) in the final print to elevate the final update. Additionally, the chart review reform policy (linking to an actual provider encounter) likely survives for 2027, but could be phased-in as a cushion for plans who need more time. Separately, MA Stars policy, becoming more outcomes versus process oriented, will likely be finalized in a separate final 2027 MA & Part D technical rule (our take [here](#)). The agency has said they care about MA stability, but must tackle the challenging questions surrounding payment (our take [here](#)).

IRF: What is the transfer rule? Could CMS bring it back... We don't know, but the IRF rule is due in the next few weeks. Medicare's transfer policy reduces a hospital's payment from a full DRG (diagnosis related group) rate to a per-diem amount when a patient is discharged earlier than the average length of stay and moved to a post-acute care setting like home health. This rule already applies to acute-care hospitals, but not to IRFs. IRFs still receive their full case-mix group payment regardless of how early a patient is discharged to a home health setting. OIG has recommended CMS close this gap by extending the transfer policy to IRFs for early discharges to home health, estimating it could have saved Medicare ~\$993 M out of \$4.8 B in IRF payments in 2017-2018, likely much higher today given the growth of the program. CMS has agreed to "consider" the recommendation, noting it would require formal rulemaking.

ICYMI: PBM Department of Labor Transparency Proposal (Commercial) rule: This rule aims to tackle PBM conflicts of interest and help employers in the private sector assess whether their PBM contracts are reasonable. Comments are due April 15, 2026. On Jan 30, the Department of Labor proposed a rule requiring pharmacy benefit managers (PBMs) to disclose their compensation arrangements, including manufacturer payments, spread pricing, and pharmacy clawbacks, to employer health plan fiduciaries upfront and on a semiannual basis. The rule would also give fiduciaries the right to audit those disclosures for accuracy, and proposes liability protection for fiduciaries if a PBM fails to comply with its obligations.

ON THE HORIZON

- FTC PBM 6B study final report (**may not be released for some time due to pending FTC settlements with CVS & UNH**)
- CVS & UNH FTC Agreements/Settlements (**1H 2026**)
- President's Budget (**March 2026**)

- Final MA & Part D Rule **(March/April 2026)**
- CMS proposed FY27 Inpatient Hospital/LTCH, Psych, IRF, SNF, & Hospice rules **(April 2026)**
- CMS MA Final Rates '27 **(by April 6, 2026)**
- MedPAC meeting **(April 9-10, 2026)**
- CMS IRA drug negotiation (2028) town hall **(April 22-23, 2026)**
- CMS launch of BALANCE model in Medicaid **(May 2026)**
- ITC Hearing on Chinese state support and pricing practices in biotech **(May 27-28, 2026)**
- Sec. 232 report on medical devices due to White House **(May 30, 2026)**
- Deadline for CMS to send an initial offer for 2028 selected drug **(June 1, 2026)**
- FDA hearing on Commissioner's National Priority Voucher (CNPV) Pilot Program **(June 12, 2026)**
- CDC ACIP meeting **(June 24-26, 2026)**
- CMS proposed CY27 Outpatient Hospital/ASC, PFS, Home Health, & ESRD rules **(Early July 2026)**
- CMS launch of Medicare GLP-1 Bridge in Medicare **(July 1, 2026)**
- USMCA joint review **(July 1, 2026)**
- CMS final FY27 Inpatient Hospital/LTCH, Psych, IRF, SNF, & Hospice rules **(August 2026)**
- Start of FY 2027 **(Oct. 1, 2026)**
- CMS launch of GLOBE model in Medicare Part B **(Oct. 1, 2026)**
- CDC ACIP meeting **(Oct. 21-23, 2026)**
- CMS final CY27 Outpatient Hospital/ASC, PFS, Home Health, & ESRD rules **(Early-Nov, 2026)**
- Deadline for CMS to publish 2028 negotiated maximum fair prices **(Nov. 30, 2026)**
- Mid-term elections **(Nov. 3, 2026)**
- CMS CY2027 Clinical Lab Fee Schedule **(Late-December 2026)**
- CMS launch of BALANCE model in Medicare Part D **(January 2027)**
- CMS launch of GUARD model in Medicare Part D **(Jan. 1, 2027)**
- CMS MFP Effective for 2027 Selected Drugs **(Jan. 1, 2027)**
- FDA PDUFA and MDUFA reauthorization deadline **(Oct. 1, 2027)**

CMS Coverage Decisions

- CMS Final NCD on Biomarker Tests for Colorectal Cancer Screening **(June 8, 2026)**
- CMS Draft NCD on TAVR for Asymptomatic Patients (EW) **(June 15, 2026)**
- CMS Final NCD on TAVR for Asymptomatic Patients (EW) **(Sept. 13, 2026)**

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