

# CAPITOL STREET

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November 21, 2025

## Thanksgiving Week Peek: Nov 24-28

### **CMS Final HOPD & Home Health Rules, IRA 2027 Prices, EPTCs, & BIOSECURE**

#### LIKELY TODAY-INTO-MONDAY

**CMS '26 Final Pay Rules (Outpatient Hospital & Home Health/DME) ASAP:** CMS will release after the close today or Monday 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 may 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](#)).

**IRA Drug Pricing - 2027 Negotiated Prices:** 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 (our preview is [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, but we may still see some modifications here.

#### WEEK AHEAD

**Congress EPTC & HSA Discussion Continues into December (12/12 Vote):** The House and Senate are out for Thanksgiving recess without a clear plan to extend expiring Obamacare subsidies beyond Dec. 31.

**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](#)). While the Dec vote is guaranteed, the outcome is not. There is also no promise that the House will take up a bill if it passes in the Senate. Prevailing wisdom on Capitol Hill is that there are enough votes between Democrats and vulnerable Republicans to pass an extension of the enhanced credits with reforms. Yesterday, Sen. Scott (R-FL) [released](#) his alternative to the extension of subsidies, which converts the tax credits to direct payments to consumers that can be used for the purchase of health care coverage. It remains to be seen whether the bill Democrats put forward will include reforms that could garner more Republican support by lowering the price tag of full and

permanent extension. The open question is where President Trump lands on the issue, but given mid-term elections and other voter dynamics, we see a path forward.

**BIOSECURE On Deck - NDAA Negotiations Underway:** According to *Politico* ([here](#)), lawmakers aim to release a merged NDAA bill when Congress reconvenes after Thanksgiving, with a vote planned in early December.

**OUR TAKE:** Recall, the Senate version of the bill includes a watered-down version of the *BIOSECURE Act*, which we have said that we believe will pass by year end (our take [here](#)).

### **WED, DEC 3**

**PLEASE JOIN US: Capitol Street Webinar at 4 pm ET on Obamacare and EPTC Outlook with AHIP:** Please join team Capitol Street for a 45 min webinar on Wednesday, Dec. 3 at 4:00 PM ET as we discuss EPTCs, and HSAs, featuring Adam Beck from AHIP (America's Health Insurance Plans). Register [here](#).

**USMCA Joint Review Public Hearing – Tariff Impacts for Mex & China ([here](#)):** This three-day meeting is intended to engage the public ahead of the mandatory joint review of the USMCA (US-Mex-Can) agreement scheduled for July 1, 2026. President Trump has said he's willing to reopen USMCA and possibly split it into separate deals with Canada and Mexico ([here](#)).

**OUR TAKE:** The renegotiation of USMCA may be complicated by fentanyl-related IEEPA tariffs on Mexico (25%) and Canada (35%). Recall, IEEPA tariffs on Canada and Mexico *exclude* USMCA-compliant goods, including medical technology and pharmaceutical imports (our take [here](#)).

### **THURS DEC 4**

**ACIP Meeting - Hep B, Childhood Immunization, Overall Safety ([here](#)):** The CDC's next two-day 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](#)).

### **ON THE HORIZON**

- Deadline for CMS to publish 2027 negotiated maximum fair prices (**Nov. 30, 2025**)
- CMS Final CY26 HOPD/ASC & Home Health rules (**November 2025**)
- CMS Draft MA & Part D technical rule (**Nov/Dec**)
- OIG report on Medicare pricing for CGM (**4Q25**)
- 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**)
- MD PDAB meeting (**Dec. 8, 2025**)
- 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 New Technology Town Hall **(Dec. 10-11, 2025)**
- Oral Arguments in *American Academy of Pediatrics v. Kennedy* on vaccines **(Dec. 17, 2025)**
- CMS Healthcare Common Procedure Coding System (HCPCS) meeting **(Dec. 17-18, 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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