



Around the world of U.S. healthcare in 360 words or less



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Editor's note

[This series](#) is produced by KPMG Healthcare and is intended to be short and succinct, less than 360 words, to provide a weekly digestible bite of healthcare regulatory, policy, and industry news relevant to our clients. Links are provided to source material (proposed and final regulations, agency guidance and press releases, reports, research, etc.) when available. Please share this email with colleagues and other interested individuals, and encourage them to [subscribe to our mailing list here](#).

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Healthcare regulatory news

HHS [announced](#) the selection of 15 additional Part D drugs, including several GLP-1 drugs, for Medicare price negotiation, as required by the Inflation Reduction Act (IRA). Negotiations for this set of drugs are scheduled for 2025, with new prices set to take effect January 1, 2027.

In a new [rule](#), FDA proposes to lower nicotine levels in cigarettes and other tobacco products in efforts to promote cessation and discourage tobacco use. The agency's [population health model](#) found that the proposal would result in 1.8M tobacco-related deaths averted by 2060.

CMS [named](#) 14 states and D.C. to participate in the Transforming Maternal Health Model, which aims to improve maternal healthcare during pregnancy, childbirth, and postpartum for Medicaid and CHIP enrollees over its 10-year implementation period.

FDA will [no longer authorize](#) the use of FD&C Red No. 3, citing data indicating that high levels of exposure were carcinogenic in rodents. Manufacturers will need to reformulate their products and cease use of the artificial dye in food and ingested drugs by January 2027 and January 2028, respectively.



Healthcare law and policy news

California Governor Gavin Newsom signed into law several measures passed by the legislature aimed at expanding healthcare access and controlling the use of AI in healthcare decisions, including removing [medical debt](#) from consumer credit reports, regulating the [use of AI](#) in coverage decisions about medical treatments, and increasing access to [mental health](#) services for expecting mothers.

The State of Georgia announced a new proposal that would expand upon Georgia Pathways to Coverage program, providing Medicaid coverage to parents and legal guardians who have children ages 0-6 in households with incomes at or below 100% of the Federal Poverty Level... This proposal builds upon Georgia's [State Plan Amendment](#) that extends coverage to postpartum moms on Medicaid for 12 months.

HHS issued a new AI [Strategic Plan](#) to promote the safe, effective use of AI in healthcare and highlights public-private coordination to establish regulatory guardrails while encouraging technological innovation.

The Supreme Court has agreed to [hear a case](#) challenging the requirement for cost-free coverage of preventive services, such as immunizations, birth control, and HIV PrEP, as mandated by the Affordable Care Act.



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