



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



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## Editor's note

*This note is produced by KPMG's Federal Healthcare Advisory Practice and is intended to be short and succinct, less than 360 words, to provide a digestible bite of news relevant to our clients and practices. Links are provided to source material (proposed and final regulations, agency guidance and press releases, reports, research, etc.) when available.*

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## Healthcare regulatory news

CMS [announced](#) updated Medicaid and CHIP policies, eliminating expanded continuous eligibility and restricting approval of workforce initiatives to reduce what it deems improper spending. The agency stated that it does not anticipate approving new or extending existing Section 1115 waivers for continuous eligibility nor Medicaid-funded workforce initiatives.

33 states, along with DC and Puerto Rico, [will participate](#) in the CMS Innovation Center's voluntary Cell and Gene Therapy Access Model. The model aims to provide Medicaid beneficiaries with rare and severe diseases greater access to gene therapies. States receive guaranteed discounts and rebates from manufacturers if the therapies fail to deliver clinical benefits, with federal support available to assist states in implementation and data tracking.



## Healthcare law and policy news

A coalition of over 20 states has [sued](#) the Trump administration, challenging a [final rule](#) from HHS that tightens ACA Marketplace eligibility verification, shortens enrollment periods, and excludes gender-affirming care as an essential health benefit. The states argue the rule is unlawful and would cause nearly 1.8M people to lose coverage.

In a [recent assessment](#) requested by members of Congress, the CBO estimated that President Trump's proposed NIH cuts would reduce the

number of new drugs reaching the market by nearly 4.5%, equivalent to about 2 fewer drugs annually over 30 years. The reduction is primarily due to diminished funding for preclinical research, while additional cuts to clinical trials and delays in the FDA's drug review process are expected to further decrease the availability of new pharmaceuticals.

A federal [report](#) revealed systemic failures in the organ transplant system, including hospitals allegedly beginning organ procurement while patients still showed signs of life, raising ethical and safety concerns. The investigation has sparked [calls](#) for reform to improve oversight, transparency, and patient protections.

HHS Secretary Robert F. Kennedy Jr. [accepted](#) Advisory Committee on Immunization Practices recommendations requiring flu vaccine manufacturers to discontinue the use of the preservative thimerosal in influenza vaccines, [despite scientific evidence](#) showing thimerosal is safe.

The Medicare Payment Advisory Commission released its [July 2025 Data Book](#), which provides comprehensive data on healthcare spending and the Medicare program, including detailed analyses of beneficiary demographics, spending by service type, and quality of care.



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