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Editor's note

<u>This series</u> 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 <u>subscribe to our mailing list here</u>.

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Healthcare regulatory news

FDA <u>approved</u> updated COVID-19 vaccines for 2025-2026, but the authorization is limited to adults aged 65 and older and high-risk younger individuals. The new restrictions break from the previous policy, which recommended an annual COVID-19 shot for all Americans 6 months and up.

SAMHSA is <u>awarding</u> \$19M through the Community Mental Health Services Block Grant to help states enhance housing capacity for homeless individuals with serious mental illness.

The funding aims to foster collaboration among public health, housing, and justice systems to provide stable housing and better outcomes for this population.

EPA <u>indicated</u> that the forthcoming Make America Healthy Again (MAHA) Strategy, due to be released in September 2025, will direct the agency to address childhood diseases linked to cumulative chemical exposures. EPA officials cautioned that further clarification will be necessary to translate the MAHA Commission's broader health policy recommendations into actionable EPA measures.



Healthcare law and policy news

A federal appeals court <u>ruled</u> that Oregon's <u>Prescription Drug Price Transparency Act</u> is constitutional, rejecting claims from the pharmaceutical industry that the law violates free speech. The court emphasized that the law addresses significant information gaps in the drug market by requiring disclosure of prices and revenues for drugs with substantial price increases.

According to a <u>Health Affairs study</u>, dispute resolutions under the No Surprises Act (NSA) have driven \$5B in costs, with most disputes resolved in favor of providers over insurers, leading to higher payments than expected. The study notes that this rising cost burden is likely to increase premiums for consumers and administrative expenses for the healthcare system, raising concerns about the long-term financial impact of the NSA's arbitration process.

A <u>JAMA study</u> found that the IRA's changes to the Medicare Part D plan design effective in 2024 and 2025, including a \$2,000 annual out-of-pocket cap and elimination of the 5% coinsurance in the catastrophic phase, may have led to higher deductibles and increased cost-sharing for some beneficiaries, particularly those who do not hit the out-of-pocket limit. Additionally, Medicare Advantage plans have seen a marked rise in coinsurance use and overall cost- sharing in 2025.



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