



Around the world of US healthcare in 360 words or less



September 29, 2025 | Issue 387

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](#).

We welcome your feedback. Let us know if KPMG can help. Please reply to this email with any comments or requests.

[Subscribe here](#)



Healthcare regulatory news

SAMHSA has [awarded](#) more than \$45M in one-year supplemental funding to State Opioid Response program grantees. The grants aim to develop and expand recovery housing services for young adults who have opioid or stimulant use disorders, including support services like family-based treatment, care coordination, and vocational training.

CMS recently [extended](#) Georgia's Medicaid work requirement waiver through December 2026, allowing the state more time to implement the program after a [court battle](#) with the Biden

administration. The program requires some low-income adults to prove they are working, attending classes, or performing community service for at least 80 hours per month, but enrollment has been [lower than expected](#) due to administrative challenges.



Healthcare law and policy news

The Trump administration [announced](#) that emerging evidence from large-scale studies suggests a link between acetaminophen (the active ingredient in Tylenol) use during pregnancy and an increased risk of autism and ADHD in children, prompting [new guidance](#) to physicians recommending pregnant women limit its use. Many medical experts and organizations have cautioned that the [evidence remains mixed](#) and that a causal connection has not been established.

A federal judge in Texas [vacated](#) the 2023 Medicare Advantage Risk Adjustment Data Validation (RADV) [rule](#) that established a new methodology for calculating overpayments and would have allowed CMS to recover billions of dollars. The court ruled that the agency violated the Administrative Procedures Act by eliminating the "fee-for-service adjuster" in the final rule without providing proper notice, resulting in unforeseen financial harm to insurers.

According to a new GAO [report](#), physician consolidation has increased over the past decade, with many markets dominated by large physician groups. The report also found that this consolidation often leads to increased spending and higher prices for healthcare services without clear evidence of improved quality or patient outcomes.

Some states have [announced](#) Medicaid provider payment reductions ahead of the implementation of federal [spending cuts](#) enacted in the One Big Beautiful Bill Act (H.R. 1), with North Carolina and Idaho recently announcing plans to cut Medicaid payments to hospitals, doctors, and caregivers.



Please send your questions or comments to us-hclspractice@kpmg.com.

KPMG. Make the Difference.

Learn about us:



kpmg.com



Subscribe

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

[Privacy](#) | [Legal](#)

You have received this message from KPMG LLP. If you wish to unsubscribe from this publication or from other KPMG communications, please click [here](#) to visit your KPMG Communication Preferences Center. To unsubscribe from all KPMG communications, click [here](#).

© 2025 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

USCS030123-1B