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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

CMS <u>informed</u> state Medicaid agencies that, because of program integrity concerns, emergency services provided to undocumented residents who are ineligible for full benefits can no longer be paid through capitated payments in Medicaid managed care. Instead, services must be reimbursed either on a fee-for-service basis or through other no-risk contract arrangements.

According to a <u>fact sheet</u> released by HHS, Labor, and Treasury, arbitrators in the federal Independent Dispute Resolution process have made considerable progress in reducing the backlog of disputes, with 96.5% of all disputes submitted since program inception either resolved or less than 30 business days old as of July 2025. Despite this and other program improvements, providers are seeking <u>further reforms</u> to address operational challenges and payment delays.

FDA <u>requests public comment</u> on measuring and evaluating the real-world performance, safety, and reliability of AI-enabled medical devices in clinical settings. The agency seeks input on best practices, methods for ongoing monitoring, and addressing challenges like cybersecurity and data quality.



# Healthcare law and policy news

A federal appeals court <u>rejected</u> Novo Nordisk's challenge to Medicare's drug price negotiations, allowing the government to group drugs with the same active ingredient together when selecting products for price negotiation, despite Novo Nordisk's argument that each of its insulin products should be negotiated separately.

Due to the federal government shutdown, Medicare's expanded telehealth flexibilities initiated during the COVID-19 pandemic <u>have expired</u>. Many providers have <u>reverted to pre-pandemic restrictions</u>, meaning only patients in rural areas and certain healthcare settings can access telehealth visits, with some providers suspending telehealth services for Medicare patients or continuing under the risk of delayed or withheld reimbursement.

Independent pharmacy organizations including the National Community Pharmacists Association and American Pharmacists Association have <u>filed</u> a brief urging the 8<sup>th</sup> Circuit to reject challenges against lowa's <u>Senate File 383</u>, a law aimed at regulating pharmacy benefit managers (PBMs).

A new <u>study</u> from Johns Hopkins found that older adults receiving federal housing assistance were more likely to be diagnosed with breast, colorectal, and non-small cell lung cancers at earlier stages compared to those without such support. The study suggests that housing stability may facilitate more timely access to preventive health services and screenings, promoting earlier cancer detection.



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