



Around the world of US 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

CMS released the proposed [CY 2027 Medicare Physician Fee Schedule](#), which introduced payment reductions ranging from 1.19% for qualifying alternative payment model participants (QPs) to 1.68% for non-QPs due to the expiration of a temporary statutory 2.5% increase passed by Congress last year in H.R. 1. While the draft rule

includes several policies aimed at strengthening primary care, a key physician group [argued](#) that the changes are insufficient to offset rising practice expenses.

A [proposed rule](#) FDA rule would create a streamlined, single registration pathway for "hub-and-spoke" distributed drug manufacturing networks, allowing them to register as a single establishment and update units more efficiently. Additionally, the proposal clarifies registration requirements for foreign facilities whose products enter the U.S. market indirectly, [aiming](#) to strengthen domestic supply chain resilience.

HRSA officially [re-established](#) the National Advisory Committee on Rural Health and Human Services (NACRHHS) with a renewed charter effective through July 17, 2028. The committee will consist of up to 15 Secretary-appointed members, selected on a rolling basis, to advise the HHS Secretary on rural healthcare and human services financing and provision.



Healthcare law and policy news

A federal district court judge has [temporarily blocked](#) several major provisions of the ACA marketplace rule that was scheduled to take effect on July 20, including new income verification checks and the elimination of standardized plan requirements. Ruling in favor of several cities and advocacy groups, the judge determined the plaintiffs would face irreparable harm and were likely to succeed in arguing the rule violates the Administrative Procedure Act and the ACA.

Insurers [expect](#) to issue nearly \$760M in medical loss ratio (MLR) rebates this year, the lowest annual amount since 2018 as insurer margins continue to normalize after several years of outsized profits. Based on KFF's [analysis](#) of three-year average data, projected 2026 payments will bring total historical payouts to \$15.1B.

Senators Richard Blumenthal and Josh Hawley are [requesting](#) internal records from UnitedHealth, Humana, and CVS to investigate their continued use of AI to deny rehabilitative care under MA. The bipartisan inquiry follows a recent [HHS OIG reports](#) indicating that insurers persist in blocking critical post-acute services despite previous congressional scrutiny.



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