



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 will [terminate](#) the Part D Premium Stabilization Demonstration, a Biden-era program designed to lower premiums for Medicare prescription drug plans. The agency has determined the program is no longer necessary, as its analysis [suggests](#) insurers now have sufficient experience with the redesigned Part D benefit to develop their plan bids independently.

In its FY 2027 Skilled Nursing Facility (SNF) Prospective Payment System rule, CMS [finalized](#) several measures that will increase SNF payments by 2.4% and eliminate two COVID-19 vaccination quality measures. While the industry appreciated the improved reimbursement, some stakeholders voiced [concern](#) that a new requirement to report quality data for all patients, regardless of payer, may significantly increase administrative burden without improving clinical care.

One year after introducing its Health Tech Ecosystem initiative to modernize healthcare data interoperability through industry collaboration, CMS [announced](#) eight new initiatives under "The End of the Runaround," aiming to further reduce administrative burdens on patients in areas like price transparency, scheduling, and clinical trial matching.



Healthcare law and policy news

A federal judge [denied](#) a request by 25 states to block a CMS [interim final rule](#) on Medicaid work requirements, allowing the rule's implementation, including a new "ability to work" test, to proceed. Although the judge was not persuaded by the states' claims of irreparable harm, the court will [expedite](#) the legal [proceedings](#) due to the case's merits.

According to a [NYT report](#), the recent 13% decline in ACA enrollment, attributed to reduced federal premium subsidies, has led to a significant increase in uninsured patient volume across both for-profit and non-profit health systems. This shift is resulting in higher uncompensated care costs and bad debt for hospitals and forcing executives to consider new cost-containment strategies, including adjusting commercial pricing, deferring capital projects, and consolidating lower-margin service lines.

HHS Secretary Kennedy has [secured](#) a pledge from healthcare leaders, insurers, and providers to advance the quality and best practices of the national behavioral health system. The commitment aims to improve patient care and outcomes for individuals with mental health conditions and addiction by advancing evidence-based practices and improving timely access to care.



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