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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

FDA submitted an interim access policy proposal to OMB to potentially allow state-licensed 503A compounding pharmacies temporary access to certain wellness peptides ahead of permanent rulemaking. While intended to curb unregulated gray-market sales, stakeholders and former officials raised concerns regarding raw ingredient quality standards, manufacturing compliance timelines, and oversight guardrails.

IRS proposed regulations implementing stricter eligibility, verification, and repayment criteria for Affordable Care Act premium tax credits. Among major provisions, the rules aim to exclude individuals terminated from Medicaid for noncompliance with work requirements, mandate pre-enrollment data checks, and narrow eligibility.

CMS announced plans to scale provider exclusions and pilot AI-driven machine learning models to detect Medicaid fraud and improper billing patterns before claims are paid. The agency highlighted significant program integrity savings alongside new HHS-delegated suspension authorities, while acknowledging ongoing clinical review challenges and congressional scrutiny surrounding its AI prior authorization initiative.



Healthcare law and policy news

The Trump administration has petitioned the Supreme Court to determine whether federal courts possess statutory authority under the Administrative Procedure Act (APA) to universally vacate agency rules. Department of Justice argues that universal vacatur exceeds the scope of APA remedies, presenting a test case with broad ramifications for pending litigation over federal healthcare regulations.

Senate Finance Committee Democrats released a request for information seeking stakeholder input on creating a universal home care benefit, incorporating proposals from the Medicare for All Act and the Home and Community-Based Services Access Act. The inquiry also solicits feedback on reinstating federal 24/7 nursing home staffing minimums, evaluating Medicaid payment pass-through thresholds, and expanding workforce compensation initiatives.

The National Association of Brokers and Insurance Professionals filed a lawsuit challenging CMS's interim final rule that halts, temporarily, registrations for new agents and brokers ahead of the 2027 plan year. Concurrently, state insurance regulators requested an exceptions process from CMS to avoid broker shortages and preserve consumer enrollment assistance.

Epic is collaborating with Amazon Pharmacy, Mark Cuban’s Cost Plus Drugs, Costco, and Eli Lilly’s LillyDirect to integrate a real-time prescription marketplace directly into clinician EHR workflows. Launching in summer 2027, the tool aims to allow prescribers and

patients to compare insurance-covered rates against retail cash prices across multiple pharmacies prior to transmitting prescriptions.



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