



# THE AAEM | DECEMBER 2024 ACTION REPORT

CHAMPION OF THE EMERGENCY PHYSICIAN



The AAEM Action Report is a monthly newsletter designed to keep you informed on the critical developments affecting our mission. Your continued engagement remains crucial as we confront these challenges and work towards lasting solutions. We are deeply grateful for your unwavering support and dedication to our mission - thank you for standing with us. Additionally, we would like to extend our gratitude to our lobbying firm, I Street Advocates, for their tireless efforts in advancing our advocacy goals.

Together, we can shape the future of emergency medicine.

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## Congressional Activity

### **Congressional Short-Term Spending Resolution**

After considering three versions of a continuing resolution (CR) and rejecting the first two, on December 20th Congress passed a bill to avert a government shutdown. President Biden subsequently signed the bill. The measure would extend fiscal year (FY) 2024 funding levels until mid-March. Below is a summary of the recent CR deliberations.

First, Speaker Mike Johnson (R-LA) released a more than 1500 page continuing resolution (CR) on December 18th, based on a bipartisan agreement. The CR extended the fiscal year (FY) 2024 spending package currently in place through mid-March, however Congressional agreement on the CR and related provisions (including health items) disappeared shortly after its release.

Second, the House considered and rejected a second, more narrow CR during the evening of December 19th in a floor vote. The second CR included major changes to placate President-elect Donald Trump and Republican lawmakers such as a debt ceiling provision. The narrow CR extended only a few health care programs through March 14 and did not include the physician fee update.

The final, successful CR package mirrored the second package with the exception of the elimination of the debt ceiling provision. The House and Senate passed the bill by a large bipartisan margin.

### **Relevant Sections of the CR**

The December 18th [CR](#) contained several items of importance to AAEM, which are summarized below.

- Congress included a partial one year boost to the Medicare Physician Fee Schedule conversion factor of 2.5 percent for 2025 but did not fully offset CMS' 2.8% cut to physician pay. The CR also extended the Advanced Alternative Payment Model (APM) bonus for an additional year, although it lowered the bonus from 5% to 3.53%.
- Congress extended certain Medicare telehealth flexibilities for two years.
- Prior authorization reforms supported by AAEM were left out of the CR, including a process to streamline the process in Medicare Advantage (MA) plans.
- Congress extended the Lorna Breen Act five additional years into 2029.

The second and [third CR](#)'s health section included a three-month extension of Medicare telehealth flexibilities. The more narrow final CR did not include the partial 2.5% fix for physicians' Medicare reimbursements, subjecting physicians to the full reduction at the beginning of 2025. It also did not include Lorna Breen.

### **Final Due Process Push**

As the 118th Congress winds down, I Street undertook a final push of the year with Congressional offices to smooth the way for introduction in the next Congress. To that end, we continued to check in with potential cosponsors Rep. Rich McCormick (R-GA), Rep. Ronny Jackson (R-TX), Rep. Van Drew (R-NJ), Rep. Andy Harris (R-MD), Rep. Brian Fitzpatrick (R-PA), Rep. Mark Green (R-TN) and Rep. Josh Harder (D-CA). In addition, Dr. Durkin and I Street Staff also had a follow up meeting with Rep. Scott Peters (D-CA) to discuss the congressman's questions on the Physician and Patient Safety Act bill.

## ***Grassroots Updates***

I Street Advocates launched a comprehensive grassroots campaign supporting the Physician and Patient Safety Act. On November 19th, 2,936 AAEM members received an email blast calling on them to write to their Members of Congress. On November 21st, the remaining 2,936 AAEM members received the final blast. The open rate of these email blasts was 28.2%. 194 AAEM members have sent 621 emails to Senators, Senator-elects, Representatives, and Representative-elects. The California, Florida, Pennsylvania, Texas, and Michigan delegations received the most outreach.

## ***Reintroduction of Workforce Mobility Act***

Rep. Scott Peters (D-CA) is planning on reintroducing the bill early in 2025. Rep August Pfluger (R-TX) is still reviewing the bill, and has committed to making a decision on whether to serve as the lead Republican for the bill in the new year.

## ***Committee Assignments & Leadership***

The parties have elected leadership and begun to announce new committee assignments.

- Jason Smith (R MO-8) will continue as Chairman of the House Ways & Means Committee.
- Richard Neal (D MA-1) will lead the Democrats as Ranking Member of House Ways & Means Committee.
- Brett Guthrie (R KY-2) will serve as Chairman of the House Energy and Commerce Committee.
- Frank Pallone (D NJ-5) will lead the Democrats as Ranking Member of the House Energy and Commerce Committee.
- Tom Cole (R Ok-4) will serve as Chairman of the House Appropriations Committee.
- Rosa DeLauro (D CT-3) will lead the Democrats as Ranking Member of the House Appropriations Committee.
- John Barrasso (R WY), our rural GME bill lead, will serve as the Senate Majority Whip.

## ***HHS Nomination Meetings***

Robert F. Kennedy Jr., President Elect Trump's Department of Health and Human Services nominee, started meeting with Senators on December 16th. Kennedy is reportedly meeting with about 25 Senators, including due process bill lead Senator Roger Marshall (R-KS) and Senate Majority Whip John Barasso. AAEM provided Senator Marshall with a draft executive order on administratively resolving the due process issue which he planned to give to Kennedy.

## ***Administrative Activity***

### ***Trump reshapes FTC***

President-elect Donald Trump named Andrew Ferguson, a current republican Commissioner of the Federal Trade Commission, to lead the FTC. Ferguson, a veteran Senate aide and former Supreme Court clerk, is [often critical of tech](#), which may provide some opportunities in the anti-trust space. While skeptical of tech, most FTC watchers

believe Ferguson will end the Commission's efforts to regulate artificial intelligence and abandon tougher standards for mergers. Commissioner Ferguson will not need to be confirmed by the Senate, as he was already confirmed for his current Commissioner role. As such, Ferguson is expected to take over as Chair shortly after Trump is sworn in.

Trump also announced Republican Mark Meador as his pick for the soon to be vacant FTC Commissioner slot once FTC Chair Lina Khan steps aside. Once confirmed, Mark Meador, a former Senate antitrust staffer, will provide Ferguson with a Republican majority.

### **No Surprises Act Implementation**

Open questions around implementation of the No Surprises Act under the Trump Administration exist. As reported in earlier Wrap Ups, several courts have issued decisions involving the No Surprises Act, particularly around the independent dispute resolution (IDR) process and the qualifying payment amount (QPA). The Administration has enforced the law in a manner that leaves room for how QPAs are calculated. New regulations in 2025 could provide more clarity on QPA calculations given the recent court decisions. CMS has said [in a press release](#) that they are reviewing the “Fifth Circuit’s decision and intend to issue further enforcement guidance in the near future.”

New QPA regulations under the Trump Administration might go beyond the QPA methodology under litigation. Current court decisions do not restrict the Trump Administration from other No Surprises administrative changes and actions through future regulations.

## **State Developments**

### **General State Activity**

States will begin pre-filing bills in the next couple of weeks.

### **Michigan**

On December 11th, [HB 4399](#), a bill which places stricter limitations on noncompete agreements, was placed on third reading. This is often the last step before a floor vote. However, Michigan will adjourn its session soon, and this bill has not passed the other chamber yet. We do not expect it to pass this year.

## **Additional Updates**

There are no additional updates to report at this time.

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*This newsletter content was provided by [I Street Advocates](#), the advocacy partner of the American Academy of Emergency Medicine (AAEM). I Street Advocates works closely with AAEM to advance policy solutions and legislative efforts that impact emergency medicine, ensuring that your voice is heard on the issues that matter most.*