

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.

INDEX:

- 2 <u>Congressional Activity</u>
- 5 <u>Administrative Activity</u>
- 5 <u>State Activity</u>
- 6 Additional Updates

Congressional Activity

Hill Day Planning

I Street has requested 78 meetings for the 46 registrants attending June 4th's Advocacy Day. As of May 15th, we have confirmed 30 meetings total. Nine of these are with Members of Congress. At this time, 36 attendees have at least one meeting; 26 have at least two meetings; 13 have three meetings; four do not have any meetings scheduled yet. All participants will have three meetings scheduled by Hill Day. I Street Advocates is also updating our leave-behind materials to reflect new bill numbers and working on Congressional speakers for the <u>EM Advocacy Education</u> <u>Summit and AAEM on the Hill Day</u>.

Physician and Patient Safety Act Reintroduced

On May 14th, Senators Roger Marshall (R-KS) and Elizabeth Warren (D-MA) and Representatives Raul Ruiz (D-CA-25) and John Joyce (R-PA-13) reintroduced the Physician and Patient Safety Act, (<u>S. 1767/H.R. 3413</u>) The bill again requires the Secretary of Health and Human Services to issue final regulations to provide hospital based physicians with a fair hearing and appellate review through appropriate medical staff mechanisms before any termination, restriction, or reduction of the professional activity occurs. AAEM issued a press release in support which <u>can be</u> <u>found here.</u> Our Congressional champions also issued a press release with a quote from Dr. Frolichstein, which <u>can</u> <u>be found here.</u>

Non-Compete Bill Update

In late April, I Street organized a constituent meeting between Dr. Jeffrey Pinnow, President of the <u>Texas Chapter</u> <u>Division of AAEM</u> (TAEM), and Representative August Pfluger's (R-TX-13) office to encourage the Congressman to take up the mantle as the lead House Republican on the Workforce Mobility Act. The conversation was productive. Representative Pfluger's team expressed interest in the bill, viewing it as a potential tool to help address physician shortages in rural Texas. The office requested until June to make a final decision, allowing time to focus on reconciliation efforts and to consult with Senator Young (R-IN), the bill's Republican lead in the Senate.

Senate champions Senator Young and Senator Murphy (D-CT) are holding off on reintroduction for the time being to focus on reconciliation and to allow Representative Pfluger time to make a decision.

Corporate Practice of Medicine Bill Drafted

Senator Elizabeth Warren (D-MA) continues to circulate the draft text of her Corporate Practice of Medicine (CPoM) Bill—developed in partnership with AAEM—with Senate Republican offices. This week, she had another encouraging meeting with Senator Jim Banks (R-IN). I Street expects to receive a readout of the discussion early next week.

AAEM Sends Letter of Support for H.R. 2936, the ABC-ED Act

The Addressing Boarding and Crowding in the Emergency Department (ABC-ED) Act, introduced by Representatives John Joyce and Debbie Dingell (D-MI-6), aims to reduce emergency department boarding by expanding bed tracking systems, establishing demonstration models for older adults and mental health care, and directing a GAO study on best practices for hospital capacity tracking and its impact on ED boarding and EMS wall times. You can read <u>AAEM's letter of support to Reps. Joyce and Dingell here</u>.

Rep. Arrington (R-TX-19) Introduces H.R. 3134, the Emergency Care Improvement Act

<u>The bi-partisan bill</u> would permanently expand access to Freestanding Emergency Centers (FECs) for Medicare, Tricare and Medicaid beneficiaries. You can read Rep Arrington's press release on the bill here.

Chairwoman Collins Calls for Revising NIH Cuts at Senate Appropriations Hearing

The Senate Appropriations Committee convened <u>an April 30th hearing</u>, "Biomedical Research: Keeping America's Edge in Innovation," that focused on the importance of investing in biomedical research agencies and programs across the federal government, with particular focus on the National Institutes of Health (NIH). Witnesses included leaders of scientific societies, research institutions, and a patient advocate.

Senate Appropriations Chair Susan Collins (R-ME) strongly criticized the administration's NIH reductions calling the cuts as well as the firing of more than 1,000 NIH staffers earlier this year "very troubling. . . These actions put our leadership in biomedical innovation at real risk and must be reversed... Stability is a key aspect of the American formula, because it allows scientists to focus their work, knowing that they will have the support they need to pursue and test their ideas from start to finish". Collins also warned that recent policy changes, such as the proposed 15% cap on NIH facilities and administration cost reimbursement, would undermine the stability that has long supported the nation's research infrastructure.

Ranking Minority Patty Murray (D-WA) in her opening remarks reiterated Collin's concerns, stating that the administration has "taken a wrecking ball" to the biomedical research arena. Murray explained that canceled grants, NIH staffing cuts, and halted peer review are examples of continued disruptions to research. Many other Committee members made similar comments.

Secretary Kennedy Testifies in the House on the FY 26 Budget

On May 14th, the House Labor, Health and Human Services Appropriations Subcommittee held a hearing on the fiscal year (FY) 2026 Department of Health and Human Services budget. Secretary of Health and Human Services Robert F. Kennedy, Jr. testified which can be found <u>here</u>. The entire hearing can be seen <u>here</u>.

Ranking Minority Rosa DeLauro (D-CT-03) questioned Secretary Kennedy regarding the proposed NIH cuts, ongoing RIFs, and the freeze and elimination of research funds. Delauro stated "The evidence shows that you are withholding at least \$2.7 billion in life-saving NIH research." In regards to the <u>NIH cuts</u> she said "You ...have fired or driven out nearly 5,000 personnel, including some of the world's most preeminent scientists. ..."

Secretary Kennedy Testifies Before the Senate HELP Committee

On May 14th, the Senate Committee on Health, Education, Labor, and Pensions (HELP) convened a full committee hearing on the FY 2026 HHS budget. Secretary Kennedy testimony can be found <u>here</u>. The entire hearing can be seen <u>here</u>. Secretary Kennedy proposed reducing overall biomedical research spending while keeping essential research funded through a \$27.5 billion NIH budget.

A bipartisan group of Senators vocalized concern for the Secretary's oversight of HHS. Senator Alsobrooks (D-MD) called for Secretary Kennedy's resignation as he is "the wrong person for this job." Senator Collins questioned Secretary Kennedy about the proposed 15% cap on indirect research costs and noted concerns it would harm research, limit clinical trials, and push research scientists out of the U.S. "This proposed cap is poorly thought out, harmful and violates current law," Collins said.

HELP Ranking Member Sanders Releases a Report on NIH Cuts

Ranking member of the HELP Committee, Senator Bernie Sanders (I-VT) released a report on May 13th, about the large cuts to NIH and the Administration's efforts to decrease and reform the scientific system. The report <u>press</u> release is here, and the <u>full report is here</u>. The report found several areas of concern including lack of transparency in firings and deleted public health data.

The Trump Administration's Passback and FY 26 Skinny Budget

The fiscal year (FY) 2026 budget process is underway with multiple developments.

Skinny Budget: The Trump administration on May 2nd <u>released a high-level or "skinny" budget request for fiscal</u> <u>year (FY) 2026</u>, which includes significant proposed cuts to programs. For instance, the budget included a \$129 million cut for the Agency for Healthcare Research and Quality (AHRQ). The Administration is expected to release a full budget request, which will provide more detailed funding breakdowns of the proposed changes, at a later date.

Passback Budget: In a related development, a leaked draft on April 18th of the Department of Health and Human Services (HHS) FY 2026 "passback" budget—a pre-decisional document from the Office of Management and Budget (OMB)—went into further detail than the skinny budget.

The draft outlines a proposed \$40 billion reduction in HHS discretionary funding and provides additional information about the creation of a new Administration for a Healthy America (AHA). The AHA would consolidate several agencies. Also, the Administration has proposed consolidating AHRQ with the Office of the Assistant Secretary for Planning and Evaluation (ASPE) into a new Office of Strategy.

While the document is still pre-decisional and subject to the congressional appropriations process, the proposals signal a shift in how federal health research infrastructure could be organized and funded.

Budget Reconciliation Process and Medicaid

The <u>House Energy and Commerce Committee marked up</u> the health sections of the budget reconciliation bill on May 13th after a marathon 26 hour session that included 100 failed Democratic amendments. This bill is still far from complete, but it has cleared two key House Committees. The Rules Committee is expected to make additional changes prior to the House floor vote but it remains unclear today whether changes will be technical or policy driven. It also remains an open question as to how the Senate will respond to any House proposal on Medicaid cuts. Key Senators have said the body will not rubber stamp the eventual House bill.

Physician Payment Update: The Energy and Commerce Committee passed legislation that <u>includes a provision</u> that would tie Medicare physician pay to 75% of the medical economic index (MEI) in 2026. In the <u>Ways and Means</u> <u>Committee</u>, Democrats attempted a full link of Medicare physician payment to the MEI; it failed along party lines.

Medicaid: Earlier this week, the Congressional Budget Office (CBO) released <u>a partial analysis of the Energy and</u> <u>Commerce Committee's proposal</u>, estimating that it would reduce federal spending by approximately \$912 billion over the next decade—well above the committee's target of \$880 billion. However, the CBO also projects that the Medicaid and ACA components of the proposal would result in 7.6 million people losing health insurance coverage. Key Medicaid provisions in the current draft of the bill include:

- Imposing work requirements for able-bodied adults without children.
- Requiring eligibility checks every six months.
- Cutting federal funds to states that use Medicaid infrastructure to provide healthcare to undocumented immigrants.
- Banning Medicaid coverage of gender transition services for minors.

AAEM signed on to a coalition letter along with many other medical specialty societies noting concerns with Medicaid cuts.

Administrative Activity

Administration Plans to Keep NIH Indirect Cost Gaps as Groups Look for Alternatives

As stated earlier, the Administration is planning to continue implementing indirect funding cuts to NIH grant recipients despite a district court order that the funding be restored. In response to ongoing efforts to reduce indirect funding, <u>university and research groups announced</u> in April they will form a coalition to develop a more efficient and transparent indirect costs model for federal research grants. The group includes experts such as university vice presidents for research, chief financial officers, scientists, and other research project leaders.

AHA Asks Administration to Change Certain COP Requirements

As reported in the April Wrap Up, CMS issued a <u>deregulatory RFI</u> on April 11 as part of the Trump administration's broader effort to roll back Medicare regulations, with a section on Conditions of Participation (CoPs).

The American Hospital Association (AHA) plans to urge CMS to eliminate or streamline several CoPs –including requirements for respiratory illness reporting and maternal health rules– in response to the RFI. The AHA <u>letter</u> is here. Among the CoPs AHA is urging CMS to revisit is the respiratory illness data reporting requirement adopted last year, which mandates hospitals report COVID-19 and other respiratory illness data to the federal government. The AHA continues to recommend that CMS switch to a voluntary reporting system instead.

State Activity

California

California SB 351 was voted out of committee and re-referred to the Committee on Appropriations. The bill was heard by the Senate Appropriations Committee and is placed on the suspense file. This means the bill is stalled for now and whether it moves forward or not will be announced on May 23rd.

Indiana

HB 1666, which regulates CPoM and requires Attorney General approval of health care entity mergers, and SB 475, which prohibits physician noncompete agreements, has been signed by Governor Braun.

Louisiana

<u>Senate Concurrent Resolution 27</u> was introduced by Senator McMath (R LA-11) which memorializes Congress to take action on CPoM issues.

Oklahoma

H.B. 2298 passed the second chamber in the Oklahoma legislature. H.B. 2298 grants independent prescriptive authority to Advanced Practice Registered Nurses (APRNs). APRNs must complete at least 6,240 hours of supervised practice to qualify. The bill was amended in the Senate and the House must concur by May 30th.

Pennsylvania

H.B. 1460, The Health System Protection Act was introduced. The bill regulates major health care transactions like hospital sales or mergers to protect public interest in Pennsylvania. The bill also requires health care companies to notify the Attorney General before significant transactions and be subject to a 90-day waiting period for review by the Attorney General and Department of Health. However, the law does not change existing rules about antitrust, licensing, or facility oversight.

I Street Advocates recommends supporting this bill.

Additional Updates

There are no additional updates at this time.

This newsletter content was provided by <u>I Street Advocates</u>, 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.