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

The Physician and Patient Safety Act Gains Momentum

This month, I Street met with Reps. Chris Deluzio (D-PA), August Pfluger (R-TX), Eleanor Holmes Norton (D-DC), Josh Harder (D-CA), Dr. Greg Murphy (R-NC), and John McGuire (R-VA) on the due process bill. As a result of these meetings and prior outreach, we secured cosponsorship from Reps. Norton, Harder, and Murphy, and we are continuing conversations with Reps. Pfluger, Deluzio, and McGuire to bring them on board as cosponsors of the Physician and Patient Safety Act.

I Street has scheduled a member-level meeting with Senator Roger Marshall, M.D. (R-KS) for late next month to discuss strategy on the bill, as well as our ongoing efforts to encourage the White House to advance the measure through executive action.

Senator Warren (D-MA) Continues Search for GOP Cosponsor of CPOM Legislation

Earlier this week, I Street met with Senator Elizabeth Warren's (D-MA) office to discuss her forthcoming Corporate Practice of Medicine (CPOM) bill. The information below is a close hold.

Senator Warren continues to work closely with a Republican Senate office to introduce the model CPOM bill. While the bill has evolved since AAEM last reviewed and provided feedback, it still incorporates several of our key suggestions.

The text is still being finalized by the Office of Legislative Counsel, and I Street has not yet received an updated copy. However, Senator Warren is aiming to share a draft with AAEM's Board once they receive the bill text back from the Legislative Counsel. AAEM will have an opportunity to review the text prior to introduction and provide feedback and ultimately make a press statement. There is no firm introduction date, although sponsors are targeting the near term.

CR Debate

Republicans introduced a continuing resolution (CR) to keep the government open until November 21st. The Republican CR is considered "clean," meaning it maintains current spending levels; with the exception of providing increased funding for lawmaker security. Democrats have indicated they will not support the CR, denying Republicans the required 60 votes in the Senate. Under their CR, Democrats are urging Republicans to negotiate on the spending deal and include some health care priorities, such as an extension of the Affordable Care Act insurance subsidies that will expire this year. The House will first vote on the CR; the Senate will then vote on the House-passed measure.

No Surprises Act

There have been several new developments on this issue.

First, the Department of Health and Human Services (HHS) would get an additional \$15 million to implement the No Surprises Act (NSA) under the House Republicans proposed CR.

Second, House Ways & Means Committee Republicans sent a letter on September 5th urging the Department of HHS, Labor and Treasury to fully implement the NSA. The NSA would protect patients from extra charges if they get emergency care at an out-of-network hospital or receive services from an out-of-network provider while in an innetwork hospital. According to the letter, "landmark requirements for upfront and advanced price disclosure before scheduled medical procedures, the [advanced explanation of benefits] AEOB, remains entirely unimplemented." The AEOB provision was supposed to go into effect in 2022 but has been delayed for years to give the industry time to create standards for the electronic transmission of those estimates.

Third, Reps Greg Murphy, M.D., Jimmy Panetta (D-CA), John Joyce, M.D. (R-PA), Raul Ruiz, M.D. (D-CA), Bob Onder, M.D. (R-MO), and Kim Schrier, M.D. (D-WA), have introduced the <u>No Surprises Enforcement Act</u> alongside Senators Marshall and Michael Bennet (D-CO) to reinforce the statute which protects patients from surprise medical bills.

Senate Finance Hearing on President's Health Care Agenda

On September 4th, the <u>Senate Finance Committee</u> convened a hearing on the President's health agenda and HHS Secretary Robert Kennedy testified. At the <u>hearing</u>, all (thirteen) Committee Democrats called for him to resign. The Secretary faced scrutiny for the recent firing of the Centers for Disease Control and Prevention director, a series of moves that could limit vaccine access and the canceling of \$500 million in research into mRNA vaccines. Senator Bill Cassidy (R-LA) spent his time pressing the Secretary on the importance of vaccines.

While much of the hearing focused on the recent turmoil at HHS and vaccinations, Senator Whitehouse (D-RI) raised a relevant issue – the need to reform policies that require dying patients to endure hospital stays before receiving hospice or nursing home care.

Wyden and Alsobrooks Report on Kennedy Tenure

On September 4th, Senators Ron Wyden (D-OR) and Angela Alsobrooks (D-MD) released a report on the first 203 days of Secretary Kennedy's tenure at HHS. The report includes examples and case studies of how the health system has been impacted since Kennedy was confirmed. You can find the press release and link to the report here.

Former MedPAC Leaders Back CMS Plan To Move Away From the RUC

Seven former chairs and vice chairs of the Medicare Payment Advisory Commission (MedPAC) <u>issued a letter</u> on September 8th endorsing the Trump administration's plan to overhaul how Medicare sets physician payment rates by adopting an "efficiency adjustment" and relying more on empirical data rather than specialty surveys conducted by the American Medical Association's (AMA) Relative Value Scale Update Committee (RUC).

The signatories, who served on MedPAC between 2006 and 2025, praised the Administration's 2026 Physician Fee Schedule (PFS) proposed rule for introducing an "efficiency adjustment" to non-time-based services such as certain surgeries, imaging, and other procedures. They also voiced support for the Administration's proposal to expand the use of bundled payments for primary care.

GOP Doc Caucus Urges HHS To Overhaul USPSTF, Add Non-Biased Specialists

On August 18th, the Republican Doctor's Caucus sent a <u>letter</u> to HHS Secretary Kennedy requesting reforms to the United States Preventive Services Task Force. The letter asked that the panel include non-biased clinicians, including specialists, provide more transparency and focus on its core mission of issuing science-based coverage recommendations.

Administrative Activity

FTC Ends Defense of Non-Compete Rule

Earlier this month, the Federal Trade Commission (FTC) voted 3–1 to voluntarily end its defense of the non-compete rule in court. Chair Andrew Ferguson, Commissioner Melissa Holyoak, and Commissioner Mark Meador voted to end the defense. Commissioner Rebecca Slaughter, who was dismissed by President Donald Trump earlier this year, reinstated by a district court ruling, and then removed from the Commission following a Supreme Court decision, cast the sole vote against vacating the appeals.

You can read <u>Chair Ferguson and Commissioner Holyoak's decision here</u>, and <u>Commissioner Slaughter's dissent</u> <u>here</u>.

FTC Issues RFI and Brings Attention to Limited Enforcement of Medical Non-Competes

The FTC is collecting <u>input</u> from stakeholders to better understand the scope and impact of non-compete agreements through a <u>request for information</u> announced September 4th. Comments are due back on November 3rd. The RFI focuses substantially on health care and mentions physicians specifically. We are planning an AAEM response and are working further with leadership in this regard.

In addition, FTC Chair Andrew Ferguson sent <u>letters</u> to health care employers and staffing agencies urging them to conduct a comprehensive review of their employment agreements as FTC is focusing its resources on unlawful non-compete clauses, "especially in the health sector."

According to the letter, "Available information suggests that many healthcare employers and staffing companies include non-compete agreements ('non competes') in employment contracts that may unreasonably limit employment options for vital roles like nurses, physicians, and other medical professionals," Ferguson wrote. "Non-competes may have particularly harmful effects in healthcare markets where they can restrict patients' choices of who provides their medical care--including, critically, in rural areas where medical services are already stretched thin."

The letters encourage employers to conduct a "comprehensive review of your employment agreements -- including any non-competes or other restrictive covenants -- to ensure that they comply with applicable laws and are appropriately tailored to the circumstances."

FTC Plans Workshop on Non-Compete Agreements

In the Commission's latest action on non-competes, the FTC announced that they will hold a workshop entitled "Moving Forward: Protecting Workers from Anticompetitive Non-compete Agreement," on October 8th. The workshop

will feature speeches from Commissioners, experts and "victims of unfair and anticompetitive noncompetitive agreements."

HHS Demands that Nutrition Programs be Included in Medical Education

HHS is requiring medical education organizations to implement nutrition education and training, with written plans due by September 10th. In a <u>statement</u>, HHS Secretary Robert F. Kennedy Jr. called for "immediate, measurable reforms to embed nutrition education across every stage of medical training, hold institutions accountable for progress, and equip every future physician with the tools to prevent disease—not just treat it." HHS has asked that nutrition requirements be incorporated into pre-medical standards, medical school curricula, licensing exams, residency programs, board certification, and continuing education.

Administration Implementation of Prior Authorization Rule

In January 2024, the Biden administration <u>finalized a prior authorization rule</u> that establishes an electronic prior authorization system, requiring all payers -- Medicare Advantage plans, Medicaid and Children's Health Insurance Program (CHIP) managed care plans and qualified health plans -- to set up an interface to share clinical and claims data as patients move plans.

The Administration is implementing one of the rule's provisions, which requires the impacted payers to publicly report on their website certain prior authorization metrics beginning March 31, 2026, though the compliance date starts January 1, 2026.

The Centers for Medicare and Medicaid Services (CMS) has <u>unveiled an FAQ about the Biden-era prior authorization</u> <u>rule</u> along with a reporting template and lengthy list of what details payers should report. This includes a list of all items -- excluding drugs -- and services that require prior authorization in addition to the percentage of requests that are approved or denied, approved after appeal, had their timeframe for review extended and later approved or had an expedited review that was denied.

HHS Staff Ask Kennedy to Resign

More than 1,000 current and former HHS employees are calling for Secretary Robert F. Kennedy Jr. to resign. In a letter sent Wednesday to Kennedy and members of Congress, the HHS signatories -- representing workers from across HHS including the Centers for Disease Control and Prevention (CDC), the National Institutes of Health (NIH), CMS and the Food and Drug Administration (FDA) said, "We swore an oath to support and defend the United States Constitution and to serve the American people. Our oath requires us to speak out when the Constitution is violated and the American people are put at risk." The letter continued, "Thus, we warn the President, Congress, and the Public that Secretary Kennedy's actions are compromising the health of this nation, and we demand Secretary Kennedy's resignation."

That letter follows an earlier <u>August 20th statement</u> from current and former HHS employees condemning Kennedy's response to the August 8th attack on CDC's Atlanta headquarters.

HHS Committee

HHS has requested nominations for a Healthcare Advisory Committee – a group of experts charged with delivering strategic recommendations directly to HHS Secretary Kennedy and CMS Administrator Dr. Mehmet Oz to improve how care is financed and delivered across Medicare, Medicaid and the Children's Health Insurance Program (CHIP), and the health insurance marketplace. CMS is accepting nominations for advisory committee members. Individuals with expertise in chronic disease prevention and management, federally administered health care financing, and delivery system reform are encouraged to apply. Individuals may either self-nominate or be nominated by an organization. The closing date for nominations is September 22nd.

MAHA Report Includes AHA Reorg Despite Absence From Funding Bills

On September 9th, the Administration released a new report entitled, Make America's Children Great Again. The strategy report includes the Administration's plan to create a new \$19 billion "Administration for a Healthy America" (AHA) although neither the House or Senate funding bills create or fund it. Despite lawsuits, the administration has started to implement elements of the proposal.

Both the House and Senate Labor-Health Appropriation bills fund agencies that the AHA proposal would dissolve without transferring those dollars into a new AHA, and they provide only \$100 million for Secretary Kennedy's broader MAHA agenda.

State Activity

There has not been any new action for AAEM at the state level because most states are either adjourned or on recess. I Street is starting preparation for next year's sessions, during which we expect a lot of health care budget-related issues to be brought forward as a result of the reconciliation bill which passed earlier this year, the One Big Beautiful Bill Act (OBBBA).

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.