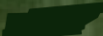


The Sequoia Project

Government Affairs Roundtable

Annual
Meeting
2024

DEC
11-12

NASHVILLE  TENNESSEE



Lauren Riplinger
AHIMA



Lindsay Austin
Troutman Pepper Strategies



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Alazro Consulting



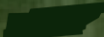
Zeynep Sumer-King
NewYork-Presbyterian

Agenda

- State of Congress
- End of Year Agenda
- 2025 Outlook
- Panel Introduction & Discussion
- Questions

Annual
Meeting

2024

NASHVILLE  TENNESSEE

DEC
11-12



State of Congress – House

- **118th Congress:** 220 Rs to 211 Ds
 - 4 vacancies (1 R, 3 Ds)
- **119th Congress:** 219 Rs to 215 Ds (Ds +1)
- GOP has 3 vacancies when Trump takes office, only 1-2 vote margin
 - Jan 3 (219) – Matt Gaetz (R-FL) – resigned
 - Jan 20 (218) – Mike Waltz (R-FL) – national security advisor
 - TBD (217) – Elise Stefanik (R-NY) – U.N. Ambassador
- Slim majorities will continue to challenge House leadership



State of Congress – House Committee Changes

- **House Energy & Commerce Committee**
 - Brett Guthrie (R-KY) – chairman
 - Frank Pallone (D-NJ) – ranking member
- **House Ways & Means Committee**
 - Jason Smith (R-MO) – chairman
 - Richard Neal (D-MA) – ranking member
- **House Appropriations Committee**
 - Tom Cole (R-OK) – chairman
 - Rosa DeLauro (D-CT) – ranking member



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Reps. Guthrie, Latta & Pallone



&



Reps. Smith & Neal



&



Reps. Cole & DeLauro

State of Congress – Senate

- **118th Congress:** 51 Ds to 49 Rs
- **119th Congress:** 53 Rs to 47 Ds (Rs +4)
- Republican majority will take over committee leadership, heavy handed policy agenda
- John Thune (R-SD) new leader in 119th, McConnell led GOP since 2007
- Early 2025 activity will include administration nominees, budget reconciliation, debt ceiling



State of Congress – Senate Committee Changes

- **Senate HELP Committee**
 - Bill Cassidy (R-LA) – chairman
 - Bernie Sanders (I-VT) – ranking member
- **Senate Finance Committee**
 - Mike Crapo (R-ID) – chairman
 - Ron Wyden (D-OR) – ranking member
- **Senate Appropriations Committee**
 - Susan Collins (R-ME) – chairwoman
 - Patty Murray (D-WA) – ranking member



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Sens. Cassidy & Sanders



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Sens. Crapo & Wyden



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Sens. Collins & Murray

End of Year Agenda – 7 days left on the 2024 schedule

Lame-Duck Agenda

- FY25 Continuing Resolution – March
- FY25 NDAA – next week
- Disaster Funding/Anomalies
- Potential Healthcare/Extenders Package
 - *Medicare telehealth extension*
 - *Extension of other expiring Medicare/Medicaid programs*
 - *Increase Doc Medicare payments*
 - *Reauthorization of the SUPPORT Act*
 - *Reauthorization of PAHPA*
 - *Funding for federally qualified health centers*
 - *Enhanced ACA tax credits*
 - *Other provisions*

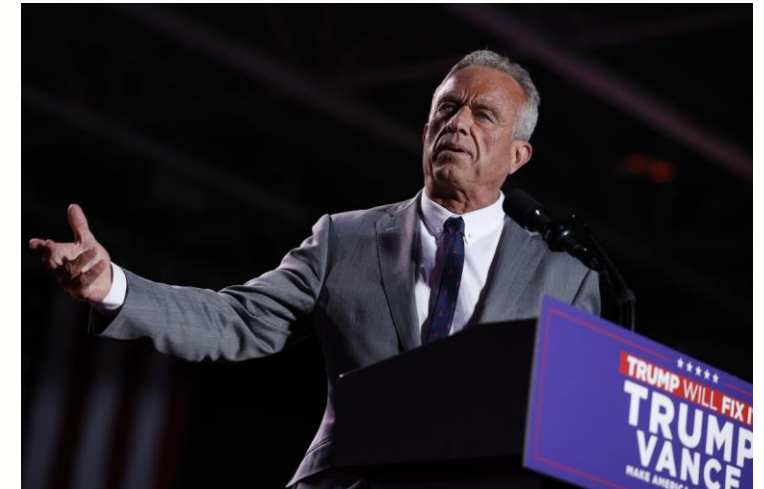
Health Programs Expiring EOY

- Community Health Centers – expires 12/31
- Telehealth – Medicare & Medicaid flexibilities expire 12/31 (talks of 90-day extension)
- Medicaid DSH – delay of cuts expires 1/1/2025
- Physician Cuts – Medicare pay cut relief expires 12/31 (CMS proposed 2.8% cut)
- PAHPA – several provisions expire 12/31 (most of PAHPA expired Sept. 2023)

2025 Outlook – Administration

The Players

- **HHS Sec. – RFK Jr;** former trial attorney, goal to reshape HHS regulatory structure “MAHA”
- **HHS Dep. Sec. – Jim O’Neill;** technology investor, Bush HHS Dep. Sec. office
- **HHS OASH – TBD**
- **HHS ASTP/ONC – TBD**
- **CMS – Mehmet Oz;** heart surgeon, ran for senate in PA
- **CDC – Rep. Dave Weldon (R-FL);** former physician
- **FDA – Dr. Marty Makary;** surgeon at Johns Hopkins, author
- **White House DPC – Vince Haley;** former Gingrich aide
- **DOD – Pete Hegseth;** TV personality, former Army National Guard
- **VA – Rep. Doug Collins (R-GA);** Navy and Air Force Reserve, RM House Judiciary Committee, ran for US Senate



2025 Outlook – Administration

The Game

- ACA repeal
- Budget impoundment
- Cybersecurity
- DOGE/Deregulation
- Drug pricing negotiations
- HTI2
- IRA repeal
- MAHA platform
- Medicaid reform
- PBM reform
- Public health agency reform



Trump admin will immediately freeze all regulations that aren't final upon taking office

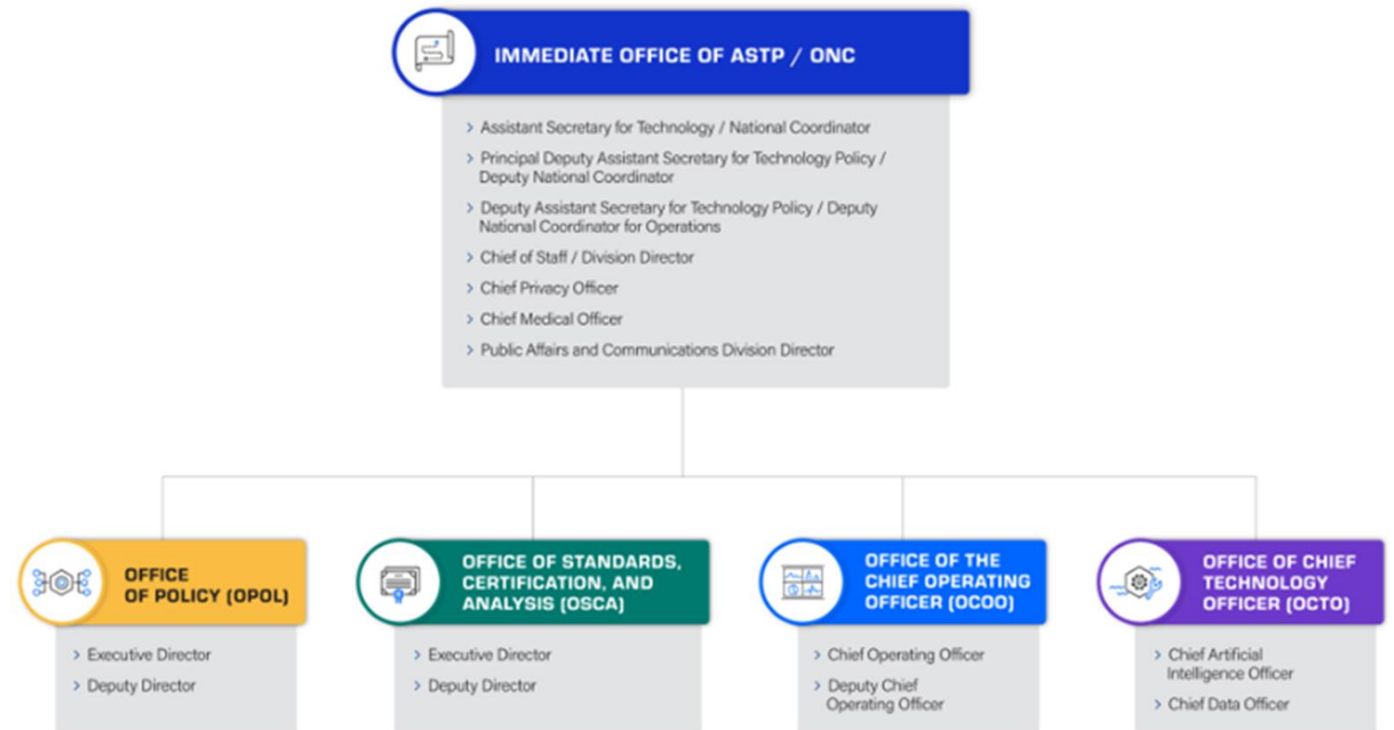
2025 Outlook – Administration Continued

ASTP/ONC & TEFCA Continuity

- Tripathi expected to depart ASTP/ONC in January – *only political appointee*
- DOGE not yet focused on ASTP/ONC
- Reorganization meant to align strategies and create efficiencies
- TEFCA:
 - Minimal cost, bipartisan, some supporters still in Congress
 - Fully operational for 1 year and CA Version 2.1 published Nov. 26

ONC Organization

ONC is organized into 4 offices. See the current organizational chart below.



2025 Outlook – Congress

A.I. in Healthcare

- HHS/Biden considering a network of assurance labs and an A.I. safety program
- Some Republicans oppose plan and the model put forth by Coalition for Health AI (CHAI)
- Trump expected to rescind Biden’s EO on coordinated A.I. approach
- House Task Force on A.I. likely to continue in 119th
- *A.I. Czar – David Sacks*; venture capitalist to help decide how the federal government both adopts A.I. and regulates its use

“...concerns with the potential role of assurance labs in the regulatory oversight of AI...”

“...troubled by the possible creation of fee-based assurance labs which...compete directly with the tools they are reviewing.”

“...pose a significant conflict of interest, negatively impact innovation, and allow for larger, incumbent tech companies to unfairly gain competitive advantage...”

Nov. 22 letter from Reps. Crenshaw (R-TX), Guthrie (R-KY), Obernolte (R-CA), and Miller-Meeks (R-IA) to Tripathi on ASTP/ONC restructuring and concerns with assurance labs.

2025 Outlook – Congress Continued

Congressional Review Act (CRA)

- Rules issued on/after Aug. 1 can be overturned, prevents agencies from issuing a “substantially equivalent” rule in the future
- CRA has successfully overturned 20 rules, most recently 3 rules in the 117th Congress

Budget Reconciliation

- GOP possible seeking two passes at budget reconciliation
 1. Border, defense and energy
 2. Taxes and other priorities – *already pushback*

FY25 & FY26 Appropriations

- FY26 delay expected
- FY26 not subject to discretionary spending caps of the Fiscal Responsibility Act

Healthcare Cybersecurity

- Continued interest into 2025. Recent bills include:
 - From Sen. Wyden would require HHS to develop and enforce a set of tough minimum cybersecurity standards
 - From Sen. Cassidy would offer grants to healthcare orgs to shore up their cyber infrastructure

PBM Reform

- Bipartisan agreement on getting something done, namely increasing transparency in PBM business practices
- There are several pending bills; unified Republican control may help iron out differences

Panel Introductions



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