Maverick Health Policy

MYMAVERICK WEEKLY NEWSLETTER

September 11, 2025

MyMaverick Roundup

In case you missed it, MyMaverick subscribers received several updates in the last few weeks:

- A summary of the U.S. House Energy & Commerce Subcommittee on Health hearing
- A guest blog post from Lisa Beilamowicz
- Maverick's Market Update for June-August 2025

General Federal News

- Yesterday, Charlie Kirk, a 31-year-old right-leaning political activist and co-founder of Turning Point USA, was assassinated in Utah. We mention this non-health care news here because it is setting off a new moment of deep political divide. Charlie was close with President Trump, Vice President JD Vance, and others in the Trump inner circle. It was his organization that hosted the rally where HHS Secretary Kennedy first endorsed President Trump's candidacy in 2024. Many media outlets are echoing the warning issued by *The Wall Street Journal*'s editorial board: *This is a now dangerous moment for the country, which could descend into a cycle of political violence that would be hard to arrest.*
- Because of the Charlie Kirk assassination, other big health care news this week will be buried -- including the dramatic vaccine-related news in the Payers and Providers section. For now, this WAS the big news of the week:
  - The American Academy of Family Physicians released a scathing statement about HHS Secretary Kennedy, calling for President Trump to remove him from office.
  - The Make America Healthy Again (MAHA) Commission released a 20-page strategy with 128 recommendations about how to combat childhood chronic disease, including a real-world data platform linking claims information, EHRs, and wearables data to track chronic disease trends. More here, here, here, including how some MAHA supporters feel like the report was a missed opportunity.
  - HHS Secretary Kennedy plans to release a report on the causes of autism, reportedly linking prenatal Tylenol use to autism spectrum disorder and proposing folinic acid as a treatment. These claims contradict current medical consensus from the American College of Obstetricians and Gynecologists.
- The White House asked Congress to delay a potential government shutdown until January 31, 2026, according to *Politico*. This would allow agencies to run at their existing funding levels past the current expiration set for September 30, 2025. This White House requests comes as the House works through approving HHS funding bill, which the House Appropriations Committee added a provision to that

would block the new CMMI model, WISeR, from subjecting some traditional Medicare services to a prior authorization process.

- The U.S. Supreme Court continues to weigh in on various Trump administration decisions, including:
  - Temporarily allowing President Trump to re-fire FTC Commissioner Rebecca Slaughter, pausing a lower court order for her reinstatement while the case proceeds. More here.
  - Allowing the termination of $800M in NIH research grants because the plaintiffs filed their claims in the wrong federal court, but also allowing a separate challenge to HHS' authority about the grants to move forward. It is a confusing decision that could have major implications for other litigation about federal funding decisions, explained by staff at Georgetown Law School's O'Neill Institute here.
- The FTC withdrew its blanket ban on noncompete agreements, moving to "case-by-case" enforcement after conservative commissioners gained majority control. The agency issued a 60-day request for information to guide future enforcement, specifically asking healthcare employees and employers to comment on the scope of recent noncompete agreements. More here.

Artificial Intelligence

GENERAL NEWS

- The Consumer Technology Association (CTA) published a new standard for developers and health systems to validate predictive AI tools, including information about data training and algorithm explainability. CTA announced the new standard at its annual Health AI+ event at the Hopkins Bloomberg Center.
  - CTA also published a report on how practitioners feel about AI tools and where they use them in daily tasks.
- Colorado Governor Jared Polis signed the "AI Sunshine Act" into law during a special session, delaying implementation of the Colorado AI Act from February 1, 2026 to June 30, 2026. Colorado's comprehensive AI law, enacted in May of last year, still requires risk management programs, impact assessments, and public disclosures for high-risk AI systems. The delay marks a win for big tech companies like **Amazon** and **Google** that urged lawmakers to revise the AI oversight framework.
- Anthropic endorsed California's AI transparency bill SB 53, which would require frontier model developers to publish safety frameworks, release public security reports, and strengthen whistleblower protections for employees raising concerns about risk before deployment.
  - In August, CTA lobbied against the bill in a letter to Governor Gavin Newsom, arguing that its third-party audit requirements would create a burdensome compliance system and that AI regulation of this scope should be handled at the federal level.
- At a *Washington Post* in-person event in Washington, D.C., discussing the future of AI in healthcare, Representative Ami Bera (D-CA) said members of Congress want to establish a select subcommittee on AI to give the public visibility into how lawmakers learn about the technology. Rep. Bera also called for guardrails to address rapidly evolving AI systems and suggested modeling a national framework after state efforts, naming California and Colorado as examples of states with more advanced AI laws.
- Senator Josh Hawley (R-MO) warned attendees at the National Conservatism Conference about threats AI poses to working-class Americans. Sen. Hawley argued policies should "make AI work for people, not the other way around" and protect individual freedoms.

- After meeting with OpenAI's legal team, California Attorney General Rob Bonta and Delaware Attorney General Kathy Jennings sent a letter to OpenAI's board demanding stronger protections for children interacting with AI chatbots.
    - This is the latest in a series of responses to the death a California teenager who interacted with ChatGPT, including discussion during last week's U.S. House Energy & Commerce hearing on AI in healthcare. See Maverick's summary of the hearing here.
- A **Microsoft** executive predicted that AI's ability to help patients understand different treatment options and potential outcomes is rapidly approaching, during a panel discussion at the company's alumni conference in Redmond, WA.
- Senator Adam Schiff (D-CA) asked for details from Trump administration officials about implementing the White House AI Action Plan and how accelerating data center construction on federal land will impact the environment.
- Hospitals should face enterprise liability for negligent injuries, including AI-related harms, when they have access to adaptation and monitoring data, however, liability should shift to AI developers who withhold critical information, according to Harvard Law Professor and National Academy of Medicine member Glenn Cohen.
- More patients are coming to appointments with AI-generated, rehearsed health histories, according to clinical psychologist Harvey Lieberman in a *STAT* op-ed. Dr. Lieberman explains how this creates friction in the patient-provider relationship and recommends that clinicians ask patients directly whether they used AI tools to understand symptoms or clinical recommendations before visits.
- **Omada Health**, a virtual care platform for managing chronic conditions, published a white paper modeling AI/ML risks specific to healthcare organizations. The paper categorizes AI threats, including prompt injection, training data poisoning, and excessive agency.
- **Microsoft** will integrate Anthropic's AI models into Office 365 apps alongside existing OpenAI technology, diversifying its AI portfolio after years of primarily relying on OpenAI. Developers found Anthropic models outperformed OpenAI models at automating tasks, prompting Microsoft to pay **Amazon Web Services** for access to Anthropic's technology.
- Health systems are creating governance committees and frameworks to ensure safe technology deployment in the absence of federal guidance, according to a *TechTarget* article. The article references a Pacific AI survey that found 75% of respondents have implemented AI-use policies, while 59% have established dedicated AI governance roles, with systems like **Mass General Brigham** and **University of Arkansas for Medical Sciences** leading oversight efforts.
- Revere Health, the largest independent physician-led healthcare organization in Utah, named the recent adoption of machine learning and automated claims processing platforms as a driver of upcoming company layoffs.

ADMINISTRATIVE APPLICATIONS

- **WellSpan Health** expanded its collaboration with **General Catalyst**, partnering with the venture capital firm's Health Assurance Transformation Corporation (HATCo) to develop AI solutions for revenue cycle management, workforce automation, and personalized care delivery.
- **Hippocratic AI** partnered with University Hospitals to deploy conversational AI agents in nondiagnostic use cases across the academic health systems network.
- **Primary Health Solutions** will deploy **SoundHound AI**'s conversational AI platform to help with patient scheduling, confirmations, and cancellations. This partnership makes PHS one of the first federally qualified health centers to use AI agents for patient engagement.
- **Cedars-Sinai** will deploy **Regard**'s AI-powered documentation tool at two hospitals in California, helping providers extract diagnostics insights from patient charts and draft notes before visits.

CLINICAL APPLICATIONS

- **GE HealthCare** will acquire **icometrix**, developer of AI-powered brain imaging analysis for neurological disorders like Alzheimer's disease. icometrix's platform includes an FDA-cleared AI computer tool to detect side effects from amyloid-specific Alzheimer's therapies.
    - Separately, GE HealthCare received FDA clearance for its cardiac imaging system with AI-powered workflow automation features.
- AI-powered pathology company **Proscia** announced a new platform that connects patients with therapies using tissue image analysis, AI-derived biomarkers, molecular test results, and clinical records from a network of labs.
- Australia-based medtech company **Astryx** received FDA 510(k) clearance for its AI-enabled coronary CT angiogram, allowing the company to market its software-as-a-service in the U.S.
- Robotics medtech developer **Microbot** received FDA 510(k) clearance for its remotely operated peripheral endovascular robotic system, which helps physicians navigate to target in procedures.

RESEARCH APPLICATIONS

- **Eli Lilly** launched TuneLab, a new program letting early-stage biotech companies use its federated-learning platform to develop their own predictive drug models after contributing training data to the collective program. More here.
- In late August, Stanford University Human-Centered Artificial Intelligence announced a new research center focused on developing AI to improve evidence-based psychotherapies. Funded by an $11.5M NIH grant, the initiative wants to leverage AI in post-traumatic stress disorder treatment gaps.
- **Eli Lilly** partnered with AI/ML-enabled biotech **Lila Biologics** to research and develop tumor-targeting radiopharmaceuticals using Lila's radiotherapy platform. Lila also launched its long-acting injectables platform for non-oncology diseases, with both platforms powered by the company's proprietary protein design framework.
- Newly-launched biotech startup **Corsera Health** unveiled a causal AI tool that predicts lifetime cardiovascular disease risk, offering an alternative to traditional ten-year cardiovascular disease models. The company is also developing an RNA interference therapy targeting cholesterol and blood pressure markers.
- **Mount Sinai** researchers developed AEquity, a tool that helps reduce biases in healthcare datasets used to train ML models. Tested on medical images, patient health records, and data from public health surveys, the tool identifies biases that can skew predicted diagnoses and risk scores.

Digital Health

GENERAL

- The FDA's Digital Health Advisory Committee—a group of external advisors on complicated digital health issues—will reportedly meet on November 6, 2025, according to *STAT News*.
- After eleven years at the FDA and most recently serving as the acting director of the Digital Health Center of Excellence, Sonja Fulmer joined **Mayo Clinic** as the senior director of health policy.
    - Back in May, Micky Tripathi joined Mayo Clinic as Chief Artificial Intelligence Implementation Officer after serving as the Assistant Secretary for Technology Policy for the Biden administration.
- **Pear Suite**, a digital health company empowering community health workers to address social determinants of health challenges, is partnering with **Instacart** to expand a pilot that offers nutrition education, SNAP enrollment, and access to Instacart grocery stipends and deliveries to Medicaid beneficiaries.

- **WeightWatchers** is partnering with Queen Latifah to launch a new menopause program.
- **Corewell Health** patients who used chronic disease digital health services from **Nudj Health** demonstrated improvements, including reductions in depression and anxiety scores, increases in exercise capacity, as well as weight loss.
- A customized, short message service (SMS) counseling platform increased weekly walking minutes among adults, comparable to those receiving similar counseling via telephone, according to a study published in *JAMA Network Open*.

TELEHEALTH

- Extending pandemic-era flexibilities to allow Medicare beneficiaries better access to telehealth services is the goal of the re-introduced bipartisan bill: the Telehealth Modernization Act. Without Congressional action, telehealth flexibilities will expire on September 30, 2025**.** More here.
- Patients who received **Omada's** wraparound weight loss services maintained their weight loss after discontinuing GLP-1s for one year, according to data from the digital chronic care company.
- Linguistic barriers can be a challenge for those seeking serious illness care through telehealth, according to a study indicating these inequities must be addressed.

WEARABLES

- **Apple** announced its new Series 11 Apple Watch will include features to track chronic high blood pressure, send hypertension notifications, generate sleep scores, and offer a "Workout Buddy" for personalized fitness motivation. More here.
    - Apple also unveiled new sensors in its AirPods Pro 3 that will be able to track heart rate and calories burned in up to 50 different types of workouts.
    - Apple competitor **Samsung** plans to launch an "AI Healthcare Coach" feature before the end of 2025, but has only announced its "sleep health" features for its Galaxy Watch8 series so far.

REMOTE PATIENT MONITORING

- **Phillips** launched a new data-driven platform for cardiac monitoring to reduce challenges related to staffing and management.
- **Senseonics** announced their plans to take back commercial control of the Eversense CGM from Ascensia, its distribution partner, to support the launch of its implantable sensor.

MOVING CARE HOME

- Over 140 hospitals and healthcare organizations sent a letter urging Congress to extend the CMS' hospital-at-home reimbursement waiver beyond 2025.

Interoperability and Health IT

FEDERAL NEWS

- In the latest effort to incentivize health data availability and exchange, HHS announced that its Office of Inspector General (OIG) and ASTP/ONC will enforce information blocking rule violations -- urging the public to report violations. More here.
    - In a separate enforcement alert, HHS said the OIG would impose civil monetary penalties of up to $1 million per violation.
- ASTP/ONC released a report on the use of data standards for laboratory data exchange and the impact on lab workflow -- from lab test orders through sharing the results with patients, providers, and public health agencies. To assist with existing challenges, the agency suggests requiring laboratories to conform

to common standards and recommends participation in the Trusted Exchange Framework and Common Agreement (TEFCA).

INDUSTRY NEWS

- A federal court refused to dismiss a lawsuit against **Epic**, allowing **Particle Health** to pursue its claim that Epic illegally blocked it from accessing health data. The case is being watched closely by every IT vendor and stakeholder who needs access to data held in Epic's dominant electronic health record system, which has a 42% market share of the hospital sector.
- The Sequoia Project, is hosting an all-day workshop on data usability with AHIMA, featuring **Oracle** and a discussion about lab data interoperability by the University of Wisconsin on Tuesday, September 23. More here.
- Today, **Oracle Health** plans to introduce a new suite of AI-powered applications to increase automation in prior authorizations, reduce claims denials, and enhance care coordination between payers and providers to improve value-based care initiatives. This announcement comes three weeks after a similar announcement by its primary competitor, **Epic**.
- **Phreesia**, a "patient activation" company that offers solutions for processes like registration and scheduling, will acquire healthcare payment solution company, **AccessOne**, for $160M.
- **athenahealth** announced several new AI features to its EHR designed to simplify clinician workflows, including predictive diagnoses, ambient notetaking capabilities, and health information exchange documentation ingestion and summarization.
- **Headway**, an EHR for mental health providers, announced new features including AI-assisted notes that take clinician inputs and help formatting for insurance submissions.
- Eliminating the Anti-Kickback Statute and the Employee Retirement Income Security Act of 1974 would promote interoperability by limiting profit incentives for health IT companies and lower healthcare costs by allowing states to regulate employer-sponsored insurance contracts, according to **Zus Health** CEO Jonathan Bush in a *Fierce Healthcare* opinion piece.
- **Smile Digital Health** and **MCG Health** are integrating their respective platforms to provide the FHIR-based API capabilities required for payers under CMS' Interoperability and Prior Authorization final rule.

DATA PRIVACY AND SECURITY

- U.S. Senator Ron Wyden (D-OR) is asking the FTC to investigate **Microsoft** for its role in the 2024 ransomware attack on **Ascension** hospitals.
- Cybercriminals are abusing AI through ransomware and data-extortion attacks to hurt the healthcare industry. Over the previous month, 17 organizations have reported their data has been extracted.
- The U.S. House Oversight Committee is investigating **CVS Health** for allegedly using HIPAA-protected data to lobby a Louisiana bill. A letter regarding this was sent to CVS Health CEO David Joyner.

Investments

AI INVESTMENTS

- **Bain Capital** merged **HealthEdge** and **UST HealthProof** under HealthEdge. This will combine AI payer applications and interoperability for streamlined administrative processes, lower costs, and a better user experience.
- **Prominence Advisors** acquired **Tegra Analytics** to expand data modernization and infrastructure management efforts through AI-driven analytics.

- **Ketryx,** a regulatory compliance automation platform for life sciences companies, raised $39M in Series B funding to expand its AI-powered documentation tools for companies working on regulatory applications for software as a service and other AI-enabled devices.
- **Optain Health**, an AI-enabled retinal disease detection company, secured $26M in Series A funding with support from seven health systems, including **Northwell Health** and **UPMC**. Funding will help scale the company's U.S. operations and expand access to noninvasive eye disease screening options.
- **Hello Patient**, a developer of generative AI agents for patient conversations, raised $22.5M in Series A funding, bringing the total valuation of the health tech startup to $100M.
- **Revalia Bio**, a biotech startup focused on preclinical drug testing using human organs, raised $14.5M in seed funding.
- **Pathwork**, a platform that automates insurance sales with predictive and generative AI, raised $3.5M in seed funding to accelerate adoption among health insurance brokers.
- **XiFin**, an AI-enabled healthcare RCM and clinical workflow automation platform, announced a new growth capital investment led by **Goldman Sachs**. The company also added Blackstone senior advisor and health IT expert Jeff Margolis to its board.

DIGITAL HEALTH

- **Strive Health**, a value-based kidney care company, raised $300M in Series D funding and added $250M in debt financing to advance its AI technology and broaden its collaboration with providers and payers.

Payers and Providers

VACCINE-RELATED NEWS:

- HHS Secretary Kennedy reportedly plans to appoint seven new members to the CDC's Advisory Committee on Immunization Practices, several of whom have been critical of vaccines.
    - Susan Monarez, the CDC director that HHS Kennedy just fired over disagreements about the vaccine advisory committee and other vaccine controversies, will testify next week before the U.S. Senate HELP Committee.
    - Former CDC Director Rochelle Walensky advised individuals to consult medical societies, hospitals, or healthcare providers for vaccine guidance, warning the CDC's vaccine information is no longer trustworthy, in a *STAT* op-ed.
    - Massachusetts Governor Maura Healey announced that the state will require insurers to cover vaccines as outlined by Massachusetts rather than relying on CDC recommendations, citing concerns about federal public health leadership under HHS Secretary Kennedy.
    - Because of the vaccine controversies and other issues, multiple medical societies are calling for the removal of HHS Secretary Kennedy from his post: More here, here, here, and here.
- The CDC plans to award a sole-source contract to Harris Telecom to conduct a large-scale study on Americans' perspectives around vaccines and drivers of trust in vaccine decision-making, citing the vendor's unique capability to target specific populations within an accelerated timeline.
- The HHS Office for Civil Rights issued a letter to state Vaccines for Children Program participants reinforcing that providers must respect state religious and conscience exemptions from vaccine mandates, including objections to vaccines derived from aborted fetal cell lines. HHS said in a statement that the action is part of a broader effort to strengthen enforcement of conscience and religious exercise protections.
- Two dozen representatives from the NIH's Council of Councils will meet with NIH Director Jay Bhattacharya on September 11-12, which could include discussions about mRNA research funding cuts

and the vaccine "hostility" whistleblower complaint filed last Wednesday by two NIH leaders now on administrative leave.

DRUG PRICING

- HHS and the FDA announced a plan to reform direct-to-consumer drug advertising, per a presidential memorandum. The FDA will create rules requiring drug manufacturers to include complete safety information in advertisements, strictly enforce DTC advertising with AI tools, and include social media and "AI-generated health content" in its oversight. The agency sent around 100 cease-and-desist letters and thousands of warning letters to companies it deemed to have misleading advertisements. More here and here, and be sure to check out this FDA Law Blog "fact sheet" about the announcement.
- The HHS 340B drug discount program is causing hospitals to acquire outpatient clinics and prescribe more and higher-cost drugs, according to a new report from the nonpartisan Congressional Budget Office. PhRMA agrees.
    - A bipartisan group of 163 lawmakers is calling on HHS to cancel an upcoming pilot of after-the-fact rebates for drugs hospitals purchase through the 340B Drug Discount Program.
- The Morgan Stanley Global Healthcare Conference was held in New York this week where **Cigna**, which owns one of the largest PBMs, **Express Scripts**, discussed its plan to handle ongoing Congressional interest in PBM reform.
    - The National Alliance of Healthcare Purchaser Coalitions published a survey showing that one-third of public and private employers it polled had their primary PBM contract with a transparent organization rather than one of the big three, and many more employers were considering a switch.
- GLP-1s are highly cost-effective due to the downstream impacts they have on healthcare outcomes and spending. They are, however, placing a high burden on payers' budgets, according to a draft report from the Institute for Clinical and Economic Review (ICER), an independent entity that evaluates the cost and clinical effectiveness of new drugs.

PAYERS

- CMS expanded eligibility for catastrophic health plans from people under the age of 30 to those ineligible for the ACA premium tax credits or cost-sharing reductions, including people with incomes below 100% and above 250% of the Federal Poverty Level. CMS referenced anticipated increases in premiums in 2026, attributed to the expiration of enhanced premium tax credits, in a fact sheet. More here.
- CMS sent a notice to MA plans saying it will not enforce a Biden administration rule requiring them to notify beneficiaries about the use of their supplemental benefits throughout the year.
- Ten House Republicans co-sponsored a bill introduced by Representative Kiggans (R-VA) to extend enhanced ACA subsidies for one year until January 1, 2027, maintaining eligibility for households with incomes above 400% of the Federal Poverty Level.
- CMS has not reported progress for its goal to hire 2,000 medical coders to review Medicare Advantage risk adjustment data by September 1, following its May announcement detailing expansions to its MA auditing efforts.
- The HHS Office of Inspector General (OIG) released a report on Medicare beneficiaries' access to diagnostic tests during public health emergencies. The OIG recommended that CMS require independent labs maintain emergency preparedness plans to protect beneficiaries' access to testing in future public health emergencies.
    - A previous Pandemic Response Accountability Committee report prompted the OIG audit, showing Medicare paid over $550M for 8 million diagnostic tests from February – August 2020, with 50% of those tests performed at independent diagnostic labs.
- The American Heart Association, American College of Cardiology, and other cardiologist stakeholders urged CMS to cover renal denervation, a new device-based hypertension treatment, during the public

comment period for its proposed national coverage decision. The FDA approved two denervation devices by **Medtronic** and **Recor Medical** in late 2023.

- **Aetna** and **Optum** settled an $8.4M class action lawsuit alleging they used "dummy codes" to disguise administrative expenses as medical charges, increasing patient out-of-pocket costs, in violation of their fiduciary duties under ERISA.
- A class-action lawsuit alleged **CVS Caremark** unlawfully removed coverage of **Eli Lilly**'s GLP-1 agonist Zepbound from its formularies, preferring **Novo Nordisk**'s Wegovy. Plaintiffs argued **t**hat the drugs are not clinically interchangeable, and the PBM violated ERISA by substituting Zepbound when their providers deemed it medically necessary.
- **UnitedHealthcare** reported strong Medicare Advantage performance, with 78% of its plans receiving 4+ star ratings, reflecting a positive outlook for future star ratings.
- **MedPAC** found that increases in Medicare Advantage enrollment is not linked to lower hospital margins. This counters existing concerns about Medicare Advantage's impact on hospitals.
- Job switch: Vice President and Chief of Staff at CareFirst BlueCross BlueShield, Lester Davis, will be the new Chief of Staff for Maryland Governor Wes Moore.

PROVIDERS

- The AHA and other hospital groups released a letter asking Congress to prevent $8B in Medicaid disproportionate share hospital (DSH) program reductions scheduled for October 1, 2025. The letter highlighted that the DSH reductions would exacerbate the financial strain on hospitals caused by the future growth in the number of uninsured patients, low Medicaid reimbursements, and the changes to Medicaid implemented by the One Big Beautiful Bill Act.
- While hospital operating margins are generally stable, profitability has been decreasing slightly over the last few months, according to a **Kaufman Hall** report.
- Citing low patient volumes and staffing shortages, the **Mayo Clinic** is shutting down six clinics and reducing certain elective procedures at one of its hospitals to streamline its rural healthcare offerings.
- Dr. Craig Albanese is leaving his role as CEO of **Duke Health** to serve as President of Integrated Care and Coverage at **Kaiser Permanente**, leading day-to-day operations for the health system.
- Effective September 15, Teresa Edwards will serve as **UVA Health's** interim CEO. Most recently, she was Senior Vice President and Regional President for **Sentara Health's** Eastern division.
- Medicare patients treated in hospital outpatient departments are sicker, more complex, and more often from rural and underserved communities than those in independent physician offices, according to a study commissioned by the AHA. The AHA released a statement advocating against site-neutral Medicare payments, citing the study in its statement.
- The Medicare Resource-Based Relative Value Scale (RVS) undervalues the cognitive effort in primary care relative to specialty care, according to a *Health Affairs Forefront* article. The authors criticize the RVS Update Committee, which currently sets compensation levels for physician services, for a lack of transparency and recommend CMS or an independent third party formally assess the effort associated with physician services.

PAYERS AND PROVIDERS (M&A)

- The bankruptcy of **Steward Health Care**, a private equity-owned health system, revealed how federal, state, and industry regulations were ineffective at preventing a profit motive from compromising hospital facilities or patient care, according to a *Health Affairs Forefront* article co-authored by the interim Secretary of Health and Human Services for Massachusetts, Mary Beckman. The authors recommend more stringent quality and financial regulatory oversight, along with sufficient funding, to prevent financially strained hospital systems from shifting ownership to private equity.

VALUE-BASED CARE

- Today, **Oracle Health** plans to introduce a new suite of AI-powered applications to increase automation in prior authorizations, reduce claims denials, and enhance care coordination between payers and providers to improve value-based care initiatives. This announcement comes three weeks after a similar announcement by its primary competitor, **Epic**.

MEDICAID

- CMS issued a guidance letter ahead of a final rule to give states time to adjust to a big change in Medicaid state-directed payments (SDPs) to hospitals, skilled nursing facilities, and academic medical centers. The One Big Beautiful Bill Act mandates that SDPs will be phased out – gradually decreasing by 10% each year, so that Medicaid pays no more than Medicare rates in expansion states or 110% Medicare rates in non-expansion states. SDPs have been targeted as a wasteful spending by Republican influencers, but hospitals warn that it will reduce care for the most vulnerable in rural areas. More here, here.