

Dear ACH Member,

Welcome to 2025! We hope you all enjoyed a festive, happy, and restful holiday season! With this New Year comes a new Congress and Administration, as well as a renewed spirit of advocating for policies that support community health centers, their employees, and the communities they serve. We look forward to working with you all as we hit the ground running in the 119th Congress.

Save the Date: On January 22 at 12 p.m. ET, ACH is hosting a webinar to review our 2025 policy priorities and how we plan to advocate for community health centers and the patients they serve in the upcoming Congress and Administration. The webinar is open to all who are interested and will include a Q&A. We hope you can join us—register [here!](#)

Please register now for our upcoming [2025 Annual Member Meeting](#) which will take place in Washington, D.C., from March 25 to March 27, 2025. **Please register by February 28** to take advantage of our early bird rate. Additionally, please **book your hotel accommodations at the Royal Sonesta Dupont Circle by March 3, 2025** to take advantage of our special discounted hotel rate. You can make your reservation by visiting the [hotel's website](#) or calling 202-448-1800 and mentioning “ACH Annual Member Meeting.”

In the coming weeks, we will send and request information to help book your visits with your Members of Congress. In the meantime, please save the date for a [Virtual Hill Lobby Day Prep Session](#), brought to you by ACH and guests on March 18, 2025 at 12 PM (ET).

Please read on for additional legislative and policy updates.

The Latest News from D.C.

On Friday, January 3, members of the 119th Congress were officially sworn in. That same day, despite weeks of speculation and debate of whether Speaker Mike Johnson (R-LA) would be able to retain his gavel with such a small minority, [he was ultimately re-elected with very little drama on the first ballot](#) and he will remain Speaker of the House in the 119th Congress.

This week, both the House and Senate were in session, and on Monday, January 6th, [the House and Senate held a joint session to count and certify the electoral college votes, officially cementing President-elect Trump's victory](#) ahead of Inauguration Day on January 20.

Speaker Johnson has his work cut out for him as he must find ways to appease his colleagues from all parts of the fractured GOP, or work closely with his peers in the Democratic minority, if he hopes to pass legislation through the House. (The current margin, 219 Republicans and 215 Democrats is the [slimmest House majority since 1931](#)). [In his first address as Speaker to the 119th Congress](#), Johnson promised to roll back the administrative state, create a leaner federal workforce, and emphasized addressing the national debt as a threat to America's economic and national security as well as one of Congress' greatest failures. His full remarks can be found [here](#).

On the Senate side of the Capitol, newly elected Senate Majority Leader John Thune (R-SD) laid out his agenda for the 119th Congress. In his [inaugural speech to colleagues](#), he vowed to protect the Senate filibuster (requiring 60 votes for all legislation except for “reconciliation” packages). He also expressed his desire to “restore the Senate as a place of discussion and deliberation, which includes empowering committees, restoring regular order, and engaging in extended debate on the Senate floor.” Legislative

priorities include updates to the farm bill, extending the Trump-era Tax Cuts and Jobs Act, federal deregulation, border security, and restoring regular order to the appropriations process. Read his full remarks [here](#).

Notable Committee Updates:

All Committee seats have been filled, and complete rosters can be found below:

- [House Committee on Energy and Commerce](#)
Chair: Rep. Brett Guthrie (R-KY), Ranking Member: Rep. Frank Pallone (D-NJ)
- [House Committee on Ways and Means](#)
Chair: Rep. Jason Smith (R-MO), Ranking Member: Rep. Richard Neal (D-MA)
- [Senate Committee on Finance](#)
Chair: Sen. Mike Crapo (R-ID), Ranking Member: Sen. Ron Wyden (D-OR)
- [Senate Committee on Health, Education, Labor and Pensions](#)
Chair: Sen Bill Cassidy (R-LA), Ranking Member: Sen. Bernie Sanders (I-VT)

The two Committees with the most significant updates to their rosters are the House Energy & Commerce and the Senate Finance Committees.

- **House Energy & Commerce:** This week, both Committee Chair Rep. Brett Guthrie (R-KY) and Health Subcommittee Chair Rep. Buddy Carter (R-GA) have made statements to the press about health care options in the coming reconciliation package. [Guthrie, to Politico](#), mentioned changes to Medicaid funding (likely in the form of block grants) and site-neutral payment policies as provisions that could be addressed through reconciliation. [Carter told reporters](#) that he would like to pass the [500-page health package that failed in the December funding bill](#) as a stand-alone vote or in a reconciliation package. E&C Chairman Guthrie confirmed that the health policies that Congress declined to address in December are back on the table (including an increase in funding for the Community Health Center Fund), and discussions are taking place to decide which vehicle is best suited to move the legislation forward.
- **Senate Finance:** This week, Senator Mike Crapo (R-ID) was confirmed as Chairman of the Senate Finance Committee in the 119th Congress, and will oversee more than half of the federal budget. (A full list of Finance Committee members for the 119th Congress can be found [here](#)). This week, he [released his Committee priorities](#), which among other essential items such as Social Security, Taxes, Trade Policy, and a number of health care priorities, including **rural health care access, PBM reform, telehealth capabilities, mental health care resources, improving primary care, and supporting chronic-care benefits in Medicare**.

The Incoming Administration

This week, President-elect Donald Trump spent time on the Hill with Republicans in both the House and Senate to strategize implementation of the Trump Agenda. [He and future First Lady Melania Trump also attended former President Jimmy Carter's funeral service, along with President Joe Biden and First Lady Jill Biden, former Presidents Bill Clinton, George W. Bush, and Barack Obama, and former Vice President Mike Pence and current Vice President Kamala Harris and Second Gentleman Doug Emhoff](#). Read ACH's statement on President Carter's lasting impact on mental health and public health policy [here](#).

Effective at midnight last night, [Vice President-elect JD Vance officially resigned his Ohio Senate seat](#) in preparation to assume his role as Second-in-Command for the incoming Trump Administration. Governor Mike DeWine (R-OH) will appoint a replacement for Vance until a special election is held in 2026.

- **Inauguration:** In less than two weeks, President-elect Donald Trump and Vice President-elect J.D. Vance will take their oaths of office and officially be sworn in as the 46th President and Vice President of the United States. The inauguration is

scheduled to take place on January 20, 2025 at 12:00 pm. [Here is a helpful inauguration guide](#) for those who plan to be in DC and want to take in the festivities.

- **Confirmation Agenda:** Senate Majority Leader John Thune (R-SD) and his Republican colleagues have been strategizing [which of President-elect Donald Trump's nominees they could confirm on day one](#) with Democratic support, so we expect to see several confirmation hearings to be scheduled in the next two weeks. Potential day-one confirmations include Sen. Marco Rubio (R-FL) for Secretary of State, Rep. Elise Stefanik (R-NY) as Ambassador to the U.N., Pam Bondi for Attorney General, and Kash Patel for FBI director.
 - Nominations for health-related positions, including Secretary of HHS, CMS Administrator, FDA commissioner, and CDC director are notably absent from the list. That said, RFK Jr. [has been spending time on Capitol Hill](#) meeting with both Republicans and Democrats hoping to gain support for his nomination as Secretary of HHS. While most Republican Senators have backed Kennedy's nomination, if he fails to earn the support of any Democratic Senators, he can only afford to lose the support of three Republicans. This week, Chairman of the Senate HELP Committee, Sen. Bill Cassidy (R-LA), [shared his concerns regarding RFK Jr.'s position on vaccines](#); if Cassidy opposes Kennedy's nomination, we will likely see other Republican Senators follow suit. The HELP Committee and the Senate Finance Committee, on which both HELP Committee Chairman Cassidy and Ranking Member Sanders also have seats, [will hold confirmation hearings in the coming weeks](#).
- **Reconciliation & Trump's Agenda:** Republicans in the House and Senate have both made clear they intend to use budget reconciliation to pass Trump's legislative agenda quickly and avoid Democratic interference. As previously noted, reconciliation is a legislative procedure that allows the House and Senate to pass legislation that has a direct impact (whether increasing or decreasing) on the federal budget with a simple majority of votes, without needing to meet the Senate's usual 60 vote threshold.
 - House Speaker Johnson has pushed for [one, massive reconciliation bill](#) that would advance Trump's policies on the border, energy, and taxes while also raising the debt ceiling. [Members of the House Freedom Caucus](#) and Senate Republicans ([led by Majority Leader Thune](#)) however, prefer a two-bill strategy: A border-focused package in January, and a larger package later in the year that includes tax and energy policy. This week, [President-elect Trump met with Republican members in both chambers](#), but refused to endorse either strategy, instead opting for whichever has the clearest path to success.

While, as noted above, Reps. Guthrie and Carter are open to including health provisions in reconciliation, at this point whether there will be enough intra-party consensus to move forward with this approach is an open question.

Updates on ACH Priorities and Legislation

CHC Invest

- Just before the December 20th discretionary funding deadline, [Congress released its proposed funding package](#), which included a two-year mandatory funding extension for the Community Health Center Fund, funding CHCs at a rate of \$4.5 billion for FY25 and \$4.6 billion for FY26. The legislation also extends mandatory funding for the National Health Service Corps (NHSC) at \$350 million per year for two years and increases Teaching Health Centers Graduate Medical Education (THCGME) funding to \$300 million per year incrementally over five years. **Unfortunately, the bipartisan, bicameral deal (that ACH supported) fell apart at the 11th hour when President-elect Trump and Elon Musk came out, publicly, against the bill.**
- Instead, President Biden signed a three-month continuing resolution (CR), the American Relief Act of 2025 (HR10515) into law. [This CR extends funding at FY 2024 levels for all 12 annual discretionary spending bills](#), including the Labor, Health and Human Services, and Education bill, which provides funding for community health centers, through March 14th, 2025. The

CR also extended the CHC fund through March 31, 2025 at an annualized rate of \$4.3 billion/year. Telehealth flexibilities and flat funding for the THCGME and NHSC programs have also been funded through that date.

- While disappointing, ACH will continue working with key members of Congress and advocating for the highest possible and sustained funding for health centers as the next funding negotiations take place. We will remain steadfast in our efforts to secure this critical funding for health centers, and the patients and communities they serve through education and advocacy efforts, and will provide grassroots resources for your centers and staff to do the same. As a reminder, join us on January 22nd for [ACH's 2025 Policy and Strategy Webinar](#) for additional information.
- **Medicaid:** As noted above, ACH anticipates that Congressional Republicans and the Trump Administration will move to cut funding for the Medicaid program as part of their efforts to reign in government spending. This is obviously concerning for community health centers, as Medicaid is the largest revenue source for health centers and the program ensures that 51% of health center patients have the health insurance coverage they need.
 - Medicaid has long been a focus of Republican majorities and was a key area of interest during Affordable Care Act repeal and replace efforts in 2017 and 2018. [Project 2025](#), the go-to conservative roadmap, calls the program a burden on states and calls for significant reductions in funding. Key players in the incoming Administration, including Elon Musk and many conservative members of Congress, echo these criticisms and have already begun advocating for action to reduce funding for the Medicaid program in the 119th Congress.
 - ACH has developed a strategic advocacy plan to address potential action to cut funding for and limit eligibility for the Medicaid program, which we plan to roll out in the coming weeks. For more information on potential action on Medicaid policy, see: [Medicaid Threats in the Upcoming Congress](#) from the Center on Budget and Policy Priorities.

340B/C

- **SUSTAIN:** While it remains true that the [SUSTAIN 340B Act](#) has been stalled, we have heard rumours that there is an ongoing effort to identify new champions in the Gang of Six 340B working group. As you know, Senators Ben Cardin (D-MD) and Debbie Stabenow (D-MI) retired at the end of last Congress, and Majority Leader Thune will have to step back to focus on his leadership position. We remain confident that we will be able to work with leadership in the House and Senate to include policies that support health centers in any future 340B reform efforts this Congress considers.
- **Senate HELP Committee Chair:** Senator Bill Cassidy, M.D. (R-LA), now holds the Chairman's gavel on the Senate HELP Committee. While Sen. Cassidy, [a 340B critic](#), has had reform in his sights for a long time, his reform priorities differ from those proposed by soon-to-be Majority Leader Thune.
 - As a reminder, Cassidy led several 340B investigations in 2023 and 2024, requesting information about 340B operations from [hospitals](#), [health centers](#), [major contract pharmacies](#), and [drugmakers](#). He still needs to release a report of his findings, but his office has told us there is no planned timing to do so, although we are hearing rumors it could come out any day. DC law firm Nelson Mullins [provides a helpful summary](#) of what we can expect from a Cassidy-led HELP Committee with regards to the 340B program.
 - Incidentally, Cassidy, who voted to convict Donald Trump at his second impeachment trial, is one of the few Republican members up for re-election in 2026 already facing a primary opponent. Current state treasurer and former Rep. John Fleming, M.D. (R-LA), one of the founding members of the Freedom Caucus, a former Trump administration official, and a medical doctor himself, has [announced his campaign against Cassidy](#). Louisiana, which used to operate in a 'jungle primary' system with candidates from all parties competing on the same ballot, [will shift to a closed primary system in 2026](#). Typically, closed primaries turn out more extreme partisan candidates, possibly creating an additional hurdle for Cassidy.
- **Rebate Models:** Sanofi has joined several pharmaceutical manufacturers in suing HHS and HRSA over its moves to block the companies' changes in issuing 340B drug discounts from a savings program to a rebate model. On December 13, [HRSA](#)

[sent a letter to Sanofi's CEO](#) demanding they cease implementation of the proposal immediately, under threat of civil monetary penalties and termination of their Pharmaceutical Pricing Agreement. Earlier this summer, [nearly 200 Members of Congress](#) urged HHS to prevent the burdens on patients and providers caused by these rebate models.

Value-Based Care

- Recently, ACH joined the [Primary Care Collaborative \(PCC\)](#) to amplify the role of community health centers and their fundamental role in providing high-quality primary care to tens of millions of Americans. Last month, PCC, in partnership with the Robert Graham Center and Simple Healthcare, released a new report, "[Primary Care: The MVP of MSSP.](#)" The report found that ACOs with more than 50% of physicians engaged in primary care consistently outperformed those with less than a majority of primary care physicians. Primary care-centric ACOs were also more likely to lower costs and earn back savings through MSSP. [Read the full report.](#)
- As a reminder, [ACH compiled an extensive list of VBC materials and resources exclusively for our members.](#) We look forward to continuing to expand our role and influence in creating VBC arrangements that benefit health centers and patients.

Health Equity

- ACH is working with Rep. Yvette Clarke (D-NY) and her staff to re-introduce the [Health Center Community Transformation Hub Act](#) in the 119th Congress. We are strategizing with consultants and internally about how to best "re-brand" this bill to interest a Republican co-sponsor, and hope to have a bipartisan version of this bill introduced before August recess.

FQHC Workforce

- The ACH-led [Developing the Community Health Workforce Act](#), soon to be introduced by Congressman Raul Ruiz (D-CA), has been finalized by the House's Legislative Counsel, and we are actively working to find a Republican co-sponsor. We have lots of leads, but please contact [Molly Grady](#) if you have a Republican office you are close with that you think might be interested in working with us on this bill.
- ACH, in partnership with the Association of Clinicians for the Underserved, is in the early stages of creating a coalition of advocacy groups centered solely around policy solutions to address workforce shortages and other workforce issues in rural and underserved areas. We expect this coalition to be officially launched in early 2025. We will keep you posted as this coalition gets underway.
- **ICYMI:**
 - [A poor prognosis: More than one-third of burned-out U.S. primary care physicians plan to stop seeing patients,](#) Commonwealth Fund
 - [Health Professional Shortage Areas: Primary Care by County,](#) Rural Health Information Hub

Emergency Preparedness

- ACH has continued to work with Rep. Nanette Barragan's office (D-CA) to introduce the *Emergency Preparedness for Underserved Populations Act*. We hope to identify a Republican co-sponsor and introduce the bill before the end of the year.
- On Wednesday, the Biden Administration released a statement outlining the actions it's taking to support state and local response efforts to the wildfires in Los Angeles, CA. [These actions include a Major Disaster declaration for the state of California](#), mobilizing additional firefighting personnel and equipment, and data, resources, and support in partnership with the National Weather Service and Environmental Protection Agency,. Impacted communities and survivors are immediately able to access funds for losses and recovery efforts.
- **If your communities and/or health centers are impacted by these fires, please let us know and ACH will do all we can to provide assistance with Congressional and state support.**

Other News from Across the Federal Government

Health and Human Services

- **Avian Flu Monitoring:** Last week, the Department of Health and Human Services [announced it would award more than \\$300 million to continue its H5N1 Avian Flu response](#). The funding will enhance H4N1 monitoring, research, and response measures to a number of entities from HHS' Administration for Strategic Preparedness and Response (ASPR), National Institute of Health (NIH), and Centers for Disease Control (CDC).
- **Affordable Care Act Marketplace Coverage:** This week, HHS announced record-breaking coverage through the ACA marketplace. As of January 8th, [nearly 24 million consumers have enrolled in marketplace coverage during the 2025 Open Enrollment period](#). This number is expected to grow, as the enrollment period is open through January 15. Please let us know if we can help your centers and/or their eligible patients with the enrollment process.
- **Out-of-Pocket Prescription Drug Cap:** On January 1, 2025, the Medicare Part D prescription drug cap was lowered to \$2,000 annually, which will save millions of people from the burden of lifesaving yet unaffordable medications. Information on out-of-pocket cap savings by state can be found [here](#).

Health Resources and Services Administration

- **Health Center Program Scope of Project Policy Manual:** At the end of 2024, HRSA released a bulletin seeking comments on the [draft Health Center Program Scope of Project Policy Manual](#). The manual consolidates and updates the scope of project-related policies into a single, user-friendly resource for the first time. ACH plans to comment. Feedback must be submitted via the [BPHC contact form](#) by midnight, Monday, February 10, 2025.

Centers for Medicaid and Medicare Services

- **Transforming Maternal Health Model:** Earlier this week, [CMS announced the 15 states](#) selected to participate in the Transforming Maternal Health Model (TMAH). Each state will receive up to \$17 million over 10 years to implement the model, which includes hiring new staff, improving electronic health records, and access to community-based services to address health-related social needs.

Food and Drug Administration

- **Pulse Oximeter Accuracy:** This week, the [FDA published new guidance](#) to improve the accuracy of pulse oximeters across the range of skin pigmentation. Currently, evidence suggests there are accuracy differences in the devices between lighter and darker skin pigmentation. New recommendations include gathering clinical data, increasing clinical study participants, and using subjective and objective methods for skin tone evaluation and device performance.

Substance Abuse and Mental Health Services Administration

- **Certified Community Behavioral Health Clinic (CCBHC) Planning Grants:** This week, [SAMHSA awarded 14 states and Washington, D.C. with \\$1 million, one-year Certified Community Behavioral Health Clinic \(CCBHC\) Medicaid Demonstration Program planning grants](#) to address the national mental health and substance use disorder crises. In 2026, up to 10 of the selected states will be chosen to participate in the CCBHC Medicaid demonstration program and receive enhanced Medicaid reimbursement.
- **Maternal Behavioral Health Services Grants:** At the end of 2024, [SAMHSA awarded \\$10 million for the Community-Based Maternal Behavioral Services Program](#), a new program to support behavioral health of pregnant and postpartum women. This program aims to provide timely, culturally relevant, and evidenced-based maternal health and substance use disorder treatment and supports the [White House Blueprint for Addressing the Maternal Health Crisis](#).
- **Contingency Management:** This week, the Biden administration [eliminated a barrier to providing 'contingency management'](#) addiction treatment used to help reduce the use of methamphetamine. Most federal grants to support contingency management are capped at \$75 per year; now, SAMHSA can fund these grants up to \$750 annually.

Consumer Financial Protection Bureau

- **Medical Debt:** This week, the CFPB [finalized a new rule](#) to remove nearly \$50 billion in medical bills from credit reports of 15 million Americans. These changes will increase privacy protections and close a carveout that has allowed debt collectors to abuse the credit reporting system to coerce people to pay medical bills they may not owe.

Agency for Healthcare Research and Quality (AHRQ)

- **U.S. Preventative Services Task Force (USPSTF):** [AHRQ invites nominations of qualified individuals to serve as members of the USPSTF](#). Qualified candidates must have expertise and national leadership in several areas, including clinical prevention, health promotion, and primary care. [Additional information can be found here](#). **All nominations must be submitted by March 15, 2025.**

Congress

- **Private Equity:** This week, Senators Chuck Grassley (R-IA) and Sheldon Whitehouse (D-RI), Ranking Member and Chair (respectively) of the Senate Budget Committee during the 118th Congress, released a bipartisan report on their investigation into the way private equity investments in health care have negative consequences for patients and providers. Read the full report [here](#), and the documents released by the Committee [here](#) and [here](#).
- **Make America Healthy Again Caucus:** Congressional Republicans have launched a Make America Healthy Again (MAHA) Caucus in both the House and Senate chambers. Reps. Vern Buchanan (R-FL), Vice Chairman of the House Ways and Means Committee and Chairman of the Health Subcommittee, John Joyce (R-PA), and Lloyd Smucker (R-PA) are founding members in the House. Senators Roger Marshall (R-KS), Tommy Tuberville (R-AL), Rick Scott (R-FL), Cynthia Lummus (R-WY), and Ron Johnson (R-WI) are among the founding members in the Senate. In both chambers, the MAHA Caucus will focus on prioritizing nutrition (Food Is Medicine initiatives) and access to primary care to combat chronic diseases. Read the Senate MAHA Caucus' mission and goals [here](#).
- **New Doctors Caucus:** Democrats in Congress are in discussions to [create a caucus as an alternative or partner to the GOP Doctors Caucus](#). Pediatrician and Rep. Kim Schrier (D-WA) is leading the charge, and has expressed openness to including Republicans to make the caucus bipartisan and noted that she has talked with one of the co-chairs of the GOP Doctors Caucus, dermatologist and Rep. John Joyce (R-PA).

ICYMI

- [2025 Outlook: What's driving health equity work amid Trump 2.0 uncertainty?](#) Fierce Health
- [Community Health Center Patients, Financing, and Services](#), KFF
- [Shortage of primary care doctors in U.S. comes down to money - and respect](#), CBS News NOTUS
- [Community health access may ease burden for Medicaid patients, uninsured adults with ESKD](#), Nephrology News & Issues Magazine
- [NC addiction treatment programs partner to reduce maternal deaths from substance use](#), NC Health News
- [Why aren't more primary care physicians prescribing contraceptives?](#) ObGyn News
- [The implementation of brief geriatric assessments into primary care settings](#), Medical Economics
- [Study advances possible blood test for early-stage Alzheimer's disease](#), Science Daily
- [The Democrats and Republicans best positioned -right now- for 2028](#), Politico Magazine

Upcoming Events of Interest

- **January 16 and 23:** [Supporting and Understanding Tobacco Cessation Programs in Public Housing Primary Care Webinar Series](#), presented by National Center for Health in Public Housing and National Health Care for the Homeless Council, 2:00 -

3:00 (ET), *Virtual*.

- **January 22:** [Webinar on ACH 2025 Policy Priorities](#), 12:00 (ET), *Virtual*.
- **March 18, 2025:** [ACH Virtual Hill Prep](#) in advance of Annual Member Meeting Hill Day, 12:00 - 1:00 (ET), *Virtual*.
- **March 25-27, 2025:** [ACH 4th Annual Member Meeting](#), *Washington, D.C.*
- **October 6-7, 2025:** [ACH CHC Best Practices Showcase](#), *Denver, CO*

Please let us know if you have any questions, and have a great rest of your week!

Sincerely,

Your ACH Policy & Government Affairs Team:

[Stephanie Krenrich](#), SVP, Policy & Government Affairs

[Molly Grady](#), Director, Policy & Government Affairs



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Advocates for Community Health, 1575 I St. NW, Suite 300, Washington, DC 20005

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