

CONGRESSIONAL

Gun Violence Prevention Research Funding - FY2027 Appropriations

CAFM has signed on to a letter to appropriators circulated by the American Academy of Pediatrics (AAP) and Gun Violence Prevention Research Roundtable partners in support of \$35 million for the CDC, \$25 million for NIH, and \$1 million for the National Institute of Justice (NIJ) for firearm injury and mortality prevention research in FY2027.

CAFM Supports H.R. 6804, The Rural Hospital Flexibility Act

CAFM has signed on in support of [H.R. 6804, the Rural Hospital Flexibility Act](#), reintroduced by Representatives Carol Miller (R-WV) and Terri Sewell (D-AL). The bill reauthorizes the Rural Hospital Flexibility Program, which supports Critical Access Hospitals (CAHs) through training, technical assistance, and increased access to care. CAHs are rural hospitals with 25 or fewer inpatient beds located more than 35 miles from the nearest hospital, or more than 15 miles in mountainous terrain or on secondary roads only.

HRSA Title VII and VIII Reauthorization

CAFM has signed onto a [stakeholder letter](#) to the House and Senate Appropriations Committees supporting the reauthorization of Title VII and Title VIII programs, which fund health professions and nursing workforce development under the Public Health Service Act and are administered by HRSA. The letter recommends at least \$1.59 billion in FY2027 funding for these programs

Senate HELP Committee Field Hearings on Substance Abuse

On May 5–6, Senate HELP Committee Chair Bill Cassidy, MD (R-LA) convened a hearing titled "[From Crisis to Care: Mental Health and Substance Use Treatment Across the Continuum of Care.](#)" The hearing featured mental health advocates, providers, and a former SAMHSA official.

Grassroots Support

[Rural Residency Planning and Development \(RRPD\) Act](#) In March, CAFM signed on to the RRPD Act (H.R. 6468) letter of support. The NRHA is leading a grassroots effort with two action items:

Action 1 - Email Campaign: Send emails to the identified Senate co-leads urging sponsorship of the RRPD Act. Incorporate the [NRHA talking points](#) on the importance of the program when drafting.

- Sen. Tina Smith (D-MN): rachel_fybel@smith.senate.gov
- Sen. Susan Collins (R-ME): katherine_huiskes@collins.senate.gov

Action 2 - Meeting Request: Follow up with both offices to request a meeting to discuss the RRPD Act.

Senate Appropriators Oppose Administration's NIH Budget Cuts

At an April 21 hearing of the Labor-HHS Appropriations Subcommittee, a bipartisan group of Senators expressed opposition to the Administration's proposed NIH budget cuts totaling more than \$5 billion. Reductions would stem from a proposed 10.2% cut to NIH's budget and the agency's adoption of a multiyear funding model, which CAFM opposes. Senate Appropriations Committee Chair Susan Collins (R-ME) opposed both the proposed FY2027 NIH cuts and the proposed 15% cap on indirect costs, noting that Congress had already rejected the cap during the FY2026 budget cycle.

Senate Democrats Health Plan

On April 21, Senate Minority Leader Chuck Schumer (D-NY) released a ["Broken Promises" report](#) focusing on Medicaid enrollees, ACA beneficiaries, and those with job-based insurance. On April 28, Senate Democrats released a two-page plan to lower health care costs and expand access to care.

H.R. 8163, The Provider Reimbursement Stability Act

On May 21, a coalition of national medical specialty societies sent a letter to Representatives Greg Murphy, MD (R-NC) and Tom Suozzi (D-NY) in strong support of H.R. 8163. When adjusted for inflation, Medicare physician payments have fallen approximately 33 percent since 2001, while practice costs have continued to rise. Physicians remain the only Medicare provider type without an annual inflation-tied payment update. Budget neutrality requirements have compounded these cuts year after year. On May 20, [H.R. 8163 was voted favorably out of the House Ways and Means Committee](#) on a unanimous, bipartisan basis. The next step is a full House vote or attachment to a larger legislative package.

House Energy and Commerce Committee Hearing on Physician Payment Reform

On May 20, the House Energy and Commerce Committee held a hearing on physician payment reform. Members of both parties agreed the current Medicare physician payment system is broken. Representatives acknowledged a bipartisan draft bill under development by the Republican and Democrat Doctors' Caucuses. Rep. Diana DeGette (D-CO) highlighted the primary care physician shortage, noting that lifetime earnings for primary care physicians average as much as \$2.5 million below their specialty peers.

Democrats Send Letter on Suppression of COVID-19 Vaccine Data

On May 6, House Energy and Commerce Committee Democratic leaders sent a letter to HHS Secretary Kennedy regarding the suppression of a CDC study showing COVID-19 vaccines cut hospitalizations by roughly half during the 2025–2026 winter season. The study, originally scheduled for publication in CDC's Morbidity and Mortality Weekly Report (MMWR) on March

19, 2026, was blocked. The letter was signed by Ranking Member Frank Pallone, Jr. (D-NJ), Health Subcommittee Ranking Member Diana DeGette (D-CO), and Oversight Subcommittee Ranking Member Yvette D. Clarke (D-NY).

REGULATORY

CMS Proposed Rule - Medicaid State Directed Payments ([CMS-2449-P](#))

On May 20, CMS released a proposed rule to restructure Medicaid state directed payments (SDPs), signaling increased federal oversight of supplemental payment arrangements and an effort to better align Medicaid payments with Medicare rates. The rule is intended to improve transparency and program integrity but could have significant implications for provider reimbursement, particularly for safety-net providers and academic medical centers that rely on these payments.

Key provisions include:

- Capping SDP payments relative to Medicare rates (100% for expansion states, 110% for non-expansion states)
- Applying the policy initially to hospitals, nursing facilities, and academic medical center practitioner services, with expansion to all SDPs proposed by 2029
- Requiring enhanced transparency through provider-level reporting and service-level payment data
- Implementing stricter reconciliation and oversight requirements
- Raising concerns about administrative burden, reduced supplemental payments, and potential impacts on access to care

Public comments are due July 21, 2026. Comments can be [filed here](#).

FUNDING OPPORTUNITIES

HRSA Rural Funding - Including RRPD Several Federal Office of Rural Health Policy (FORHP) funding opportunities were temporarily removed from Grants.gov and reposted. Subscribers to the original forecasts will not receive automatic updates - please re-subscribe to receive notifications. Key opportunities include:

- [HRSA-26-047 - Rural Residency Planning and Development \(RRPD\) Program](#): 15 grants of up to \$750,000 over three years to support startup costs for new rural residency or rural track programs where more than 50% of training occurs in a rural area. Eligible specialties include family medicine, internal medicine, psychiatry, general surgery, preventive medicine, and OB/GYN.
- [HRSA-26-036 - Rural Communities Opioid Response Program \(RCORP\)-Planning](#)
- [HRSA-26-037 - Rural Communities Opioid Response Program \(RCORP\)-Impact](#)

U.S. Preventive Services Task Force (USPSTF) Firings

On May 11, HHS Secretary, RFK Jr. [sent letters](#) to USPSTF Vice Chairs Dr. John Wong and Dr. Esa Davis - a family medicine physician, notifying them of their immediate removal. Multiple news sources reported the firings on May 20. Secretary Kennedy cited a review of Task Force membership to ensure "clarity, continuity, and confidence" in HHS oversight.

NIH Multi-Year Funding

The [Act for NIH has updated its multi-year funding fact sheet](#). Transitioning to multi-year NIH grant funding without compensatory budget increases would significantly reduce the number of grants funded, slow medical progress, and diminish U.S. competitiveness in global research and development.

TECHNICAL SUPPORT

Targeted Technical Assistance for Rural Hospitals Program

Critical Access Hospitals and IPPS hospitals can receive both virtual and on-site technical assistance through this program to address financial and operational challenges. The initiative is implemented by the Georgia Southern University Center for Rural and Public Health Practice and Research and [accepts applications on a rolling basis](#), with the next cohort deadline on September 30.