

THE WASHINGTON DEBRIEF



May 5, 2025

Want to add a member of your team to our distribution list? Email CHIME's Public Policy team at policy@chimecentral.org.

Webinars and Member Engagement

ICYMI: CHIME Public Policy Webinar

Key Takeaway: If you weren't able to join CHIME's Public Policy team last week for our Policy & Politics webinar, you can find the recording [here](#), and the slides [here](#).

Why It Matters: This webinar fell on day 100 of President Trump's second term! The team covered the latest on the budget reconciliation process, the fiscal year (FY) 2026 IPPS proposed rule, and more. Interested in previous Public Policy webinars? You can find them [here](#).

Anthony Guerra with HealthSystemCIO did a write-up on key takeaways from the webinar titled "CHIME's Spring Policy Briefing Spotlights Budget Battles, Telehealth Uncertainty, and Cybersecurity Threats," which you can find [here](#).

Bonus ICYMI: Last week, our team's Chelsea Arnone was a panelist at Hogan Lovells 4th annual [AI Health Law & Policy Summit](#), check out the LinkedIn post [here](#). She discussed the importance of patient and physician privacy when using AI tools – along with the successes and challenges our members experience.

Friends of CHIME's Policy Steering Committee Group



Key Takeaway: CHIME's Public Policy team has recently launched the *Friends of CHIME's Policy Steering Committee (PSC)*—a collaborative group that meets monthly to

discuss pressing healthcare IT policy issues coming out of Washington, D.C.

Why It Matters: This is a great opportunity to stay informed, engage with fellow policy-minded leaders, and help shape CHIME's advocacy efforts.

Details: This group is open to **CHIME members and foundation firms**. Meetings will be held the third Tuesday of every month from 11:00-12:00 p.m. ET starting on May 20th. Email policy@chimecentral.org to be added to the calendar appointment.

Congressional

Seven House Committees Clear Reconciliation Bills, Healthcare Bills Slip to Next Week

Key Takeaway: Congress will resume legislative business later today as Republicans look to get on the same page with respect to key portions of their reconciliation bills. Seven House committees cleared their instructions last week (Armed Services, Education & Workforce, Financial Services, Homeland Security, Judiciary, Oversight, Transportation & Infrastructure) with Natural Resources now being the sole committee expected to meet this week to consider their bill.

Why It Matters: Markups for the remaining reconciliation measures in Energy and Commerce (E&C), Ways and Means, and Agriculture have been delayed as discussions related to the tax package, cuts to public benefit programs like Medicaid and SNAP, and rolling back Inflation Reduction Act (IRA) green energy tax credits continue. It's the goal of House leadership to pass a bill by Memorial Day, while the Senate GOP and White House are targeting July 4 as a soft deadline for getting the bill to the president's desk. However, these ongoing debates among House and Senate Republicans will need to be resolved before a clear path forward emerges.

Senate to Hold Hearings on HHS Nominees

Key Takeaway: James O'Neill — President Trump's nominee to be Deputy Secretary of Health and Human Services (HHS) — is slated to testify at confirmation hearings in the Senate Finance and Health, Education, Labor and Pensions (HELP) Committees on Tuesday and Thursday, respectively.

Why It Matters: The Deputy Secretary is responsible for overseeing the day-to-day operations of the Department. Other pending Trump administration healthcare officials set to testify at these confirmation hearings this week include Gary Andres to be Assistant Secretary of HHS at Tuesday's hearing, and Janette Nesheiwat to be Surgeon General of the U.S. during Thursday's hearing.

E&C Advances 6 Healthcare Bills

Key Takeaway: Last week, the House E&C Committee held a [markup](#) to consider six bipartisan health-related bills, all of which had advanced in the previous Congress but were not enacted before the end of the session. As in recent hearings, Democrats delayed proceedings by raising concerns over the Trump administration's efforts to restructure HHS, the potential for Medicaid cuts under the GOP's budget reconciliation proposal, and other ongoing partisan disputes. You can find a summary of the markup from Thorn Run Partners [here](#).

Why It Matters: Much of the debate focused on the reauthorization of programs under the 2018 Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act, with Democrats offering several amendments to tie continued funding to protections against agency restructuring. In response, Republicans agreed a hearing should be held with HHS Secretary Robert F. Kennedy, Jr. to address the restructuring efforts. Despite this extended debate between

parties, all six bills were ultimately favorably reported out of Committee.

Federal

President Trump Releases "Skinny Budget"

Key Takeaway: President Trump outlined his priorities in the “skinny budget” request when he submitted his topline discretionary budget recommendations for fiscal year (FY) 2026 to Congress. The “skinny budget” outlines proposed discretionary funding levels to guide appropriations ahead of the full budget release expected later this week ([President’s FY 2026 Discretionary Budget Request](#)). As with all presidential budget proposals, this transmittal primarily serves as a messaging document — congressional appropriators have no obligation to enact its recommendations. The submission marks the start of the FY 2026 appropriations process, during which congressional offices will begin engaging stakeholders, holding committee hearings, and conducting subcommittee markups. You can find the White House Press Release [here](#).

Why It Matters: For the Department of Health and Human Services (HHS), the Budget requests \$93.8 billion for FY 2026 in discretionary funding — a sharp decrease from the \$127 billion enacted in FY 2025. It outlines a broad restructuring of the Department, including widespread program eliminations and significant funding cuts to agencies like the National Institutes of Health (NIH) and the Centers for Disease Control and Prevention (CDC). These changes are framed as part of the administration’s push to improve efficiency, reduce duplication, and shift greater responsibility to states. The Budget also includes new investments in the President’s Make America Healthy Again (MAHA) initiative.

ASPR's TRACIE Releases Utility Failures in Healthcare Toolkit

Key Takeaway: HHS’ Administration for Strategic Preparedness and Response’s (ASPR) Technical Resources, Assistance Center, and Information Exchange (TRACIE) released a [Utility Failures in Healthcare Toolkit](#) to educate how to ensure your healthcare facility is prepared for utility failures.

Why It Matters: Utility failures are a major concern for healthcare facilities and may cause substantial harm to patients, staff, and facilities. Threats include infrastructure damage due to natural disasters and other incidents, planned outages to relieve stress on services or prevent other hazards, and malicious acts such as physical and cyber sabotage.

Cybersecurity

IC3 2024 Report Released

Key Takeaway: The Federal Bureau of Investigation (FBI) has published the [2024 Internet Crime Complaint Center \(IC3\) Report](#) — which includes statistics that underscore the growing threat of cybercrime. Total reported losses reached a record-breaking \$16.6 billion, a 33 percent increase from 2023, with cyber-enabled fraud accounting for 83 percent of these losses. Investment fraud, particularly in cryptocurrency, led the charge, followed by Business Email Compromise (BEC) scams and tech support fraud. Notably, individuals aged 60 and older were the hardest hit, filing 147,127 complaints and losing nearly \$4.9 billion. States including California, Texas, and Florida saw the highest number of complaints and financial losses.

Why It Matters: Ransomware continued to rise, with 67 new variants identified and complaints increasing by 9 percent. Critical infrastructure sectors were also heavily targeted, with over 4,800 organizations reporting cyber threats, mostly in the form of ransomware and data breaches. In response, the FBI’s proactive efforts, such as Operation Level Up, helped prevent over \$800 million in ransom payments, providing a much-needed boost to cybersecurity efforts. These numbers paint a troubling picture of the cybercrime landscape, with both individuals and organizations continuing to face

FBI Releases FLASH on Phishing Domains Associated with LabHost PhaaS Platform Users

Key Takeaway: The FBI released [a FLASH](#) to disseminate 42,000 phishing domains linked to the LabHost phishing-as-a-service (PhaaS) platform between November 2021 and April 2024. Prior to being disabled by law enforcement in April 2024, LabHost was one of the world's largest PhaaS providers, offering a range of illicit services for approximately 10,000 users. The platform enabled cyber criminals to impersonate more than 200 organizations, including major banks and government institutions, in an effort to collect personal information and banking credentials from unsuspecting victims worldwide. The FBI is releasing this information to maximize awareness and provide indicators of compromise that may be used by recipients for research and defense.

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Cyber Criminals Impersonating Employee Self-Service Websites to Steal Victim Information and Funds

Key Takeaway: The FBI [is warning](#) the public that cyber criminals are targeting users of employee self-service websites owned by companies and government services. The cyber criminals are using search engine advertisements to impersonate legitimate websites and steal victim information and funds.

Why It Matters: Cyber criminals use fraudulent search engine advertisements to direct users to malicious websites that mimic the legitimate sites in appearance, but steal login credentials and other financial information when the victim logs in. Previously, cyber criminals primarily targeted small business commercial bank accounts in account takeover schemes, but have expanded to target payroll, unemployment programs, and health savings accounts with the goal of stealing money through fraudulent wire transactions or redirecting payments.

Policy Team Picks of the Week

- [Trump budget offers big increase to VA's EHR effort, cuts to agency IT systems](#) (FedScoop, May 2)
- [Conservatives have long dreamed of passing a bill to shred tons of regulations. They may be closer than ever.](#) (Politico, May 5)
- [Trump administration proposes cutting \\$491M from CISA budget](#) (CyberScoop, May 2)
- [AI Health Law & Policy: Complying with FDA GMP rules for AI-enabled diagnostic devices](#) (JD Supra, April 29)
- [PointClickCare Denied *En Banc* Hearing to Overturn Preliminary Injunction Mandating Access to EHR Data](#) (McDermott Will & Emery, May 1)
- [FTC publishes updates to children's privacy rule, easing fears that Trump admin would nix it](#) (The Record, April 25)



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