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2026 US Health Care Policy Outlook: Affordability Pressures, TrumpRx, and ACA Uncertainty

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VIEWPOINT TOPICS

- Health Care

Health care policy will be at the center of Washington's agenda in 2026. The midterm elections this November are already shaping the federal landscape and influencing Congress's priorities. Affordability remains a top voter concern, and mounting cost and access pressures are intensifying demands for action on health care. With thin margins and a deeply divided Congress, 2026 could be make-or-break not just for federal health policy, but also for members in competitive districts fighting to secure reelection.

About This Series

The ML Strategies 2026 Policy Outlook Series explores the policy, political, and regulatory dynamics shaping key sectors in the year ahead. Across six installments, our team analyzes how federal action, election-year pressures, and agency decision-making are converging to influence business strategy, investment decisions, and risk management in an uncertain environment.

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Congress Passes Health Care Extenders Deal

After a stalled effort in 2024, Congress reached agreement on a long-awaited package of health care extenders — a key step toward resolving a range of expiring Medicare and Medicaid provisions and the long-standing policy conversation about pharmacy benefit manager (PBM) oversight and transparency. The House and Senate Appropriations Committees announced a deal on their final minibus package, including the Labor-HHS bill, which contains many of the bipartisan health policy measures that failed to advance last year.

Key policies include:

- Oversight and transparency standards for PBMs across Medicare and group plans, including full pass-through of rebates, elimination of spread pricing, uniform reporting and audits, and significant penalties for noncompliance.
- Extension of Medicaid enrollment and eligibility protections, including streamlined enrollment for out-of-state providers and buy-in flexibility for working adults with disabilities, as well as updates to DSH funding formulas.
- Extension of Medicare payments and program supports, such as in-patient hospital and rural add-ons, quality program bonuses, hospice funding, Part D coverage for oral antiviral drugs, and outreach and assistance to low-income beneficiaries.
- Expansion of Part D low-income subsidies, including $0 generic copays starting in 2028.
- Extension of Medicare telehealth waivers through 2027 – 2028 and hospital-at-home programs through 2030.
- $4.6 billion for community health centers to expand access.
- Medicare coverage of FDA-approved multi-cancer early detection tests starting in 2029.
- Requirement for states to study maternity / labor / delivery costs; GAO to assess wearable medical devices.

Congress voted to pass the package, and President Trump signed. While some policies take effect soon after enactment, much of 2026 will focus on CMS issuing regulatory guidance and rulemaking to ensure smooth implementation of both near-term extenders and phased-in provisions, such as $0 generic copays in 2028 and multi-cancer detection coverage in 2029.

Reconciliation 2.0: GOP Health Care Proposals, ACA Changes, and Spending Cuts

Since the passage of the first reconciliation bill this Congress, known as the One Big Beautiful Bill Act (OBBBA), lawmakers have been discussing a second reconciliation package to advance policy proposals that did not make the cut in the initial bill. Earlier this month, the Republican Study Committee (RSC) released a framework for a second reconciliation bill, centered on housing, energy, and health care. The framework marks an initial step toward advancing another major budget package and signals an effort by congressional Republicans to demonstrate to voters ahead of midterms that they are addressing affordability and other core priorities.

On health care, the RSC framework combines market-oriented reforms, including new insurance models, direct patient subsidies, and drug pricing revisions — with significant spending reductions and tighter eligibility rules, particularly for non-citizens. It also incorporates a range of policy riders tied to social issues.

Key health-related provisions generating discussion include:

- replacing Affordable Care Act (ACA) subsidies with Health Freedom Accounts,
- creating a new parallel insurance marketplace with lower-premium plans,
- codifying the TrumpRx program,
- requiring site-neutral payment policies for Medicaid hospital billing, and
- policy riders, including limits on abortion and gender-transition coverage, immigration-related benefit restrictions, and a tax on colleges allowing biological males in women's sports.

While still in the early stages, the RSC's framework offers the clearest signal yet of House Republicans' health policy priorities for a potential second reconciliation bill. The proposals are expected to draw close scrutiny as lawmakers, stakeholders, and advocacy groups assess their potential implications for coverage, costs, and access heading into the 2026 election cycle.

TrumpRx and Federal Drug Pricing Reform

One of the federal health care initiatives to watch in 2026 is TrumpRx, set to launch early this year. The portal is designed to help patients find lower-cost medications by connecting them directly with manufacturers offering discounted, "most-favored-nation" aligned prices. While it does not sell drugs directly, it provides a transparency tool focused on out-of-pocket savings.

The program is supported by major manufacturers and is expected to expand as more companies join. TrumpRx is also the first tangible step in implementing the **Great Healthcare Plan**, President's Trump recently released broader 2026 framework aimed at lowering costs and increasing transparency.

TrumpRx will be closely watched for its ability to deliver meaningful savings, attract broad manufacturer participation, and integrate with federal programs. How aggressively the administration uses TrumpRx to pressure manufacturers on pricing and participation will help shape broader drug pricing debates and frame negotiations with Congress. If successful, TrumpRx could serve as a model for putting the Great Healthcare Plan's principles into practice and shaping federal drug pricing and affordability discussions throughout the year.

Affordable Care Act Uncertainty: Expiring Premium Tax Credits

and Congressional Action

The ACA remains at the center of the 2026 health care conversation as millions of households face sharply higher net premiums this year. With open enrollment closed and the first bills arriving, the affordability challenge is becoming increasingly visible, putting pressure on Congress to act.

The Great Healthcare Plan's focus on prescription drug pricing, insurance transparency, and cost-cutting measures has added a new layer to the conversation, but it does not address the enhanced ACA premium tax credits that expired at the end of 2025. Senate negotiators are continuing bipartisan talks to extend these subsidies, viewing Trump's plan as "complementary" rather than a substitute. With lawmakers on both sides of the aisle emphasizing affordability, the coming months will determine whether Congress can stabilize the ACA marketplace while exploring broader reforms that aim to lower costs and increase transparency for consumers in 2026 and beyond.

Bottom Line

2026 is shaping up to be a defining year for federal health care policy, with high-stakes decisions converging across affordability, drug pricing, coverage stability, and care delivery reform. From the extenders deal and potential reconciliation to TrumpRx and the unresolved future of the ACA, there's much pressure in DC to pass affordable health care solutions and show tangible progress ahead of the midterms.

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