INSIGHTS

Senate Finance Committee Hearing on the President's 2026 Health Care Agenda

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On September 4, 2025, the Senate Finance Committee held a hearing on the President's 2026 health care agenda. Health and Human Services (HHS) Secretary Robert F. Kennedy Jr. (RFK) testified to the committee. Democrats along with moderate Republicans raised concerns regarding vaccine mandates and guidelines while conservative Republicans applauded Sec. Kennedy's actions addressing the chronic disease epidemic and the Rural Health Transformation Fund that was produced from the One Big Beautiful Bill Act.

OPENING STATEMENTS

- Chairman Mike Crapo (R-ID)
- Ranking Member Ron Wyden (D-OR)

WITNESS TESTIMONY

• HHS Sec. Robert F. Kennedy Jr.

MEMBER DISCUSSION

Vaccines

During the hearing, several senators pressed Sec. Kennedy on his vaccine policies and his broader approach to science and trust in public health. Sen. Michael Bennet (D-CO) highlighted that in June, Kennedy dismissed the entire federal vaccine advisory panel and challenged him on whether he truly believed one of the replacement doctors who publicly claimed that mRNA vaccines cause HIV. Kennedy defended his decision, stating the doctor he appointed has done the research.

Sen. Bill Cassidy (R-LA) continued the line of questioning, pointing out that Kennedy had just told Sen. Bennet that the COVID-19 vaccine had killed more people than the virus itself. Sen. Cassidy noted Kennedy's role as a lead attorney in multiple lawsuits restricting access to COVID-19 vaccines and criticized his cancellation of \$500 million in federal contracts tied to mRNA technology. Sec. Kennedy responded by praising Operation Warp Speed as a genius initiative that succeeded by delivering vaccines quickly without mandates, but he doubled down on his opposition to later vaccine requirements and contracts that, in his view, entrenched mRNA technology in federal policy. Sen. Cassidy pressed further on Kennedy's stated commitment to avoid conflicts of interest within health agencies, pointing out that many of the individuals Kennedy has nominated for awards or advisory roles have received revenue as paid

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witnesses in lawsuits against vaccine manufacturers. Sec. Kennedy countered that such arrangements inherently create conflicts, arguing that "if we put people who are paid witnesses on suing vaccines, it is a conflict of interest." Sen. Cassidy also reminded Kennedy that he had previously promised not to take vaccines away from the public, yet his policies have placed restrictions on COVID-19 vaccine use.

Sen. John Barrasso (R-WY) stated unequivocally that vaccines have saved 54 million lives and that he personally supports their continued use. He reminded Sec. Kennedy of his promise to uphold scientific standards in federal vaccine policy and expressed concern about the Secretary's repeated skepticism. Sen. Barrasso pressed Kennedy to explain how he would ensure vaccine policy remains "clean and trustworthy." Kennedy replied that children are currently receiving too many vaccines that, in his view, "have not even been tested," suggesting that the administration would focus on reevaluating the pediatric vaccine schedule rather than endorsing it wholesale.

Sen. Maria Cantwell (D-WA) added to the critique, accusing Kennedy of undermining public trust in science by refusing to accept mRNA technology as legitimate. Kennedy believes that it has not undergone sufficient study.

Rural Health and Hospital Financing

Senators also focused heavily on the state of rural health care and hospital financing. Chairman Mike Crapo (R-ID) pointed to the inclusion of the Rural Health Transformation Fund in the One Big Beautiful Bill (OBBB), asking Secretary Kennedy to comment on its purpose and implementation. Kennedy framed the fund as a fulfillment of former President Trump's campaign promise, describing it as a response to what he called a "crisis in rural health." He noted that rural communities not only depend on hospitals for care but also for some of the highest-paying jobs in their regions, making the stability of these institutions vital to both health and local economies. Kennedy added that the administration has already directed roughly half of the fund's investments into targeted rural initiatives.

Sen. Mark Warner (D-VA), however, raised concerns that despite these commitments, rural hospitals remain at risk of closure, particularly in the face of projected Medicaid cuts. He asked Kennedy whether he would support legislation to raise the area wage index floor to 80%, a measure intended to level reimbursement rates for rural hospitals and prevent destabilization. Kennedy responded that President Trump supports the wage index change, indicating alignment with congressional efforts to preserve rural hospital viability.

PBM Reform

Sen. James Lankford (R-OK) raised concerns that Medicare Advantage plans are withholding payments and asked Sec. Kennedy what actions HHS is taking to address pharmacy benefit managers (PBM) practices. Kennedy emphasized that PBM reform is a top priority for the president, noting that the administration is in active discussions with both PBMs and pharmaceutical companies to pursue meaningful changes. He underscored the administration's intent to create a fairer system that does not disadvantage pharmacies, particularly in rural areas.

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Sen. Catherine Cortez Masto (D-NV) shifted the focus to the direct impact on patients, asking Kennedy how much Medicare Part D enrollees should expect to pay for their prescription drugs in the coming year and what the projected premium increases would be. Kennedy acknowledged that these details remain unsettled, conceding that the administration does not yet have definitive numbers. His response suggested ongoing debate within the administration and Congress over how costs will be shared between the federal government, insurers, and beneficiaries.

Sen. Marsha Blackburn (R-TN) reinforced the bipartisan concern about PBM practices by pointing to the PBM Act, which she and Ranking Member Ron Wyden (D-OR) co-authored, and highlighted its role in keeping rural pharmacies from shutting down. She asked Kennedy to confirm whether this legislation would reach President Trump's desk for signature. Kennedy assured her that it would, signaling alignment between the administration and Congress on moving PBM reform forward.

Other Topics in the Discussion

- Sen. Cantwell asked whether Sec. Kennedy supported maintaining the Affordable Care Act's Advance
 Premium Tax Credits (APTCs), which are scheduled to expire. Kennedy responded that Democrats had
 failed to make the APTCs permanent, and while he supports fixing the system, his focus is on lowering
 premiums more broadly rather than extending temporary relief.
- Sen. David Daines (R-MT) asked if HHS would consider Montana's waiver to expand Medicaid with work requirements for able-bodied adults. Kennedy said yes.
- Multiple Democrats asked about the decision to fire the CDC Director, Susan Monarez.
- Sen. Blackburn asked about CMS's new interoperability framework and how it aligns with existing frameworks. Kennedy admitted alignment is still uncertain.
- Sen. Sheldon Whitehouse (D-RI) raised the "two-midnight" hospital stay requirement before patients qualify for skilled nursing care. Kennedy offered to work with senators directly on the issue.

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