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Legislative Update: Senate HELP Committee Releases Reconciliation Bill Text

Yesterday, the Senate Health, Education, Labor, and Pensions (HELP) Committee released the text and a section-by-section summary of its portion of the reconciliation bill. The package focuses largely on higher education, targeting financial assistance programs that Republicans allege inflate tuition costs at colleges and universities. While the committee adjusted certain policies in the One Big, Beautiful Bill Act (H.R. 1), the House's version of reconciliation that passed last month, the draft bill leaves two policies that AMCP is tracking untouched.

Graduate Student Loans

Section 81001 would prevent the Department of Education from issuing Grad PLUS loans to graduate and professional students, starting in the 2026-2027 academic year. These loans generally offer more favorable terms than other types of federal or private student loans, including lower interest rates or pausing interest accrual while a student is enrolled in school. This section would also establish annual and lifetime limits on Direct Unsubsidized (Stafford) loans for graduate and professional students. Starting in the 2026-2027 academic year, students pursuing a professional degree, including a PharmD, may borrow no more than $50,000 in any year. Professional students would also face a maximum lifetime borrowing limit of $200,000, which applies to both master's and professional degrees.

AMCP is concerned that these proposals threaten the sustainability of the pharmacy profession and may exacerbate existing shortages across practice areas. At the time of graduation, the average PharmD student held about $171,000 in student debt. These costs reflect the necessary investment for training future medication specialists and frontline healthcare professionals. Without access to adequate financial assistance, our country could face a brain drain as prospective students forego attending schools of pharmacy and other medical professions.

ACA Cost-Sharing Reduction Payments

The HELP Committee package also contains one important policy related to the Affordable Care Act (ACA) individual market. Section 87001 would reinstate funds for cost-sharing reduction (CSRs) payments for certain low-income beneficiaries enrolled in qualified health plans. CSRs were created under the ACA to reimburse insurers for lowering out-of-pocket costs for eligible low-income individuals (those who earn between 100% and 250% of the federal poverty level) enrolled in silver marketplace plans. The first Trump administration ended CSR payments, which resulted in insurers raising premiums and increasing federal outlays for premium tax credits. By reinstating CSRs, Republicans hope to address the practice of "silver loading," wherein plans incorporate the costs of providing CSRs into silver plan premiums, which increases federal spending due to premium tax credits. The Congressional Budget Office (CBO) estimates that reinstating CSR payments would save the federal government over $30 billion over 10 years by reducing premiums in the individual market by about 12%.

The bill prevents CSR payments from reimbursing qualified health plans that provide coverage for abortion, except to save the life of the mother or to terminate a pregnancy that is a result of rape or incest. According to the Kaiser Family Foundation (KFF), 12 states require marketplace plans to cover abortion services and may come into conflict with this provision.