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# President Trump kicks off his second term with numerous healthcare rescissions

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## The Buzz This Week

On Monday, Donald Trump was inaugurated as the 47th President of the United States, marking the start of his second term in office. In his inaugural address, President Trump outlined key elements of his administration's agenda, including plans to reverse policies from the previous administration, as he set the tone for the upcoming four years.

The new administration moved quickly. Trump enacted 46 presidential actions, 26 of which were executive orders (EOs). Among them was the "[Initial Rescissions of Harmful Executive Orders and Actions](#)," which revoked almost 80 Biden Administration actions, including numerous healthcare orders.

The following are among the first of Trump's presidential actions:

- **Changes to Biden Administration Affordable Care Act (ACA) EO.** Trump revoked an EO that extended ACA enrollment periods and allotted extra funding for third parties that aid people in the enrollment process. This rescission comes on the heels of another [record-breaking enrollment period](#) for the ACA, with more than 24 million people enrolling in the insurance program.
- **Reversing Biden Administration drug pricing models.** Trump revoked an EO that had prompted the Center for Medicare and Medicaid Innovation to create three drug pricing experiments aimed at implementing protective measures and reducing drug costs.

The models were implemented to: (1) lower the cost of cell and gene therapies for Medicaid beneficiaries through multi-state outcomes-based purchasing agreements; (2) incentivize drugmakers through discounted rates for Medicare drugs that receive accelerated approvals; and (3) cap certain generic drugs at \$2 monthly out-of-pocket prices under Medicare prescription drug plans. The first of these

programs was set to kick off next month.

- **Removal of policy against gender and sex discrimination.** Trump revoked a 2022 policy that prohibited discrimination against people based on sexual or gender identity. Last week, the US House of Representatives passed a ban on transgender girls and women in female sports in federally funded schools. Trump stated in his inauguration speech, “It will henceforth be the official policy of the United States government that there are only two genders, male and female.”
- **Withdrawal from the World Health Organization (WHO).** Trump’s EO calls for the US’s departure from the WHO within 1 year of the official notification to the United Nations. It also pauses “future transfers of any US Government funds, support or resources to the WHO.” The global health body will lose millions of dollars in funding. Trump made a similar attempt in 2020.

Trump also revoked Biden Administration executive actions on issues like artificial intelligence, immigration, climate change, energy, overhauling the federal government, and diversity programs—executing on many of his campaign promises.

## Why It Matters

Trump’s first day marked a contrast from his first term when he signed only one executive order on Inauguration Day. While EOs do not immediately equate to new laws, they do direct federal agencies to begin changing their policies. EOs can also be blocked or overridden via congressional or court actions.

Trump has nominated many like-minded individuals to spearhead federal agencies. As Senate confirmation hearings continue, it will become clearer what additional policy changes are likely to develop across these agencies and specifically how they may impact healthcare.

Under President Biden, ACA enrollment more than doubled. Trump’s EO rescinding the Biden-era flexibilities will likely result in reduced enrollment rates. Many of the gains in enrollment can also be attributed to extra government subsidies that lowered the cost of ACA premiums. Congress has yet to determine the future of those subsidies, though significant cuts have been floated.

Biden launched new drug pricing models in February 2023 to lower the price of drugs and increase accessibility to high-cost therapies. Rescinding this order could have reverse effects, potentially increasing out-of-pocket expenses, as well as stalling the development of additional cost-reduction models and creating uncertainty regarding the federal government’s approach to addressing drug costs.

The Biden Administration also made strides in protecting the transgender community and increasing access to gender-affirming care. Though Trump’s EO does not explicitly address such care, it is the first of many that will seek to limit trans rights, according to a senior administration official. Trump has pledged to ban transition-related care for minors, and this order “aims to prohibit taxpayer funds from being used for gender-affirming care.”

The WHO relies heavily on the [US's financial contribution](#), and the loss in resources could hinder the organization's ability to respond to infectious disease outbreaks and other emergencies around the world in a timely and effective manner. Additionally, the withdrawal could reduce US access to global health intelligence, including the global network that sets the flu vaccine's composition every year. This could potentially lead to slower recognition of emerging threats, delayed implementation of best practices, and exacerbated [disease outbreak concerns](#).

Other possible action in the coming weeks include: reinstating the Mexico City Policy that blocks US global health funding to nongovernmental organizations (NGOs) abroad if they provide or promote abortion care; withholding federal funds from public school districts with vaccine mandates; and implementing an international pricing index to tie Medicare drug prices to those paid in other countries, to name a few.

Contrasting his first term, Trump will be working with a Republican-controlled Congress and a conservative majority Supreme Court of the United States. The new Congress has already moved forward with some of his agenda, including the recent House vote on Title IX and transgender rights and [Senate passing of the Laken Riley Act](#). The Supreme Court is set to hear a challenge to the ACA regarding preventative services coverage.

It is unclear what other healthcare priorities the Trump Administration will focus on and what challenges he may see from Congress and the courts as he embarks on his second term in office.

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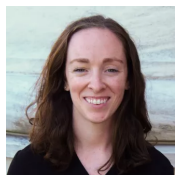
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