

# Around the world of U.S. healthcare in 360 words or less

Center for Healthcare Regulatory Insight

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Editor's note

This note is produced every Friday by the <u>KPMG Center for Healthcare</u> <u>Regulatory Insight</u> and is intended to be short and succinct, no more than 360 words, to provide a digestible bite of healthcare and life sciences news from the past week. Please share this email with colleagues and other interested individuals, and encourage them to <u>subscribe to our mailing list</u> <u>here</u>.

We welcome your feedback. Let us know if KPMG can help. Please <u>reply</u> <u>here to me</u>, **Larry Kocot**, principal and national leader, KPMG Center for Healthcare Regulatory Insight or simply reply to this email with any comments or requests.

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#### Special Supplement: COVID-19 News

In light of the continuing daily volume of COVID-19 activity and news, we have summarized <u>COVID-19 news for the week in this special supplement</u>.





#### Healthcare regulatory news

An <u>HHS final rule requires</u> most department regulations to be reviewed every 10 years... President-elect Biden <u>will suspend</u> pending Trump Administration regulations, effective January 20th.

CMS <u>finalized</u> updated transaction standards for Part D e-prescribing programs... CMS <u>guidance requires</u> state Medicaid programs to cover all

forms of opioid use disorder treatments... CMS <u>formally withdrew</u> its Medicaid Fiscal Accountability Regulation... An <u>HHS advisory opinion says</u> drug manufacturers should provide 340B discounts to contract pharmacies; some <u>companies are unlikely to comply</u>... CMS issued <u>guidance to states</u> <u>for addressing social determinants of health</u> in Medicaid/CHIP.

Two federal district courts issued a <u>14-day temporary restraining order</u> and <u>injunction</u>, respectively, to block implementation of the Most Favored Nation drug pricing model until CMS follows requisite regulatory notice and comment procedures... A federal <u>appeals court upheld</u> hospital price transparency requirements, which took effect January 1... 115 HCA Healthcare and Christus Health hospitals <u>sued to block HHS from</u> retroactively changing calculation of DSH payment adjustments.

FDA <u>approved the first generic of glucagon</u>, for treatment of hypoglycemia... FDA draft guidance <u>aims to support design</u> of single-patient clinical trials for rare diseases.

OIG recommended that <u>hospital wage index increases target</u> rural hospitals.

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#### Healthcare law and policy news

Congress <u>certified the election</u> of President-elect Joe Biden and Vice President-elect Kamala Harris.

Haven will <u>disband by the end of the month</u>... CHI Franciscan and Virginia Mason <u>completed their merger</u>... New York Life <u>completed its acquisition of</u> <u>Cigna's group life and disability</u> insurance business... Centene <u>will acquire</u> <u>Magellan Health</u> (\$2.2B)... Allscripts <u>sold its care coordination business</u> to WellSky (\$1.35B)... Harvard Pilgrim and Tufts Health Plan <u>completed their</u> <u>merger</u>... UnitedHealth Group <u>will purchase Change Healthcare</u> (\$13B)... AmerisourceBergen <u>will acquire Walgreen's drug distribution unit</u> (\$6.5B)... Methodist Le Bonheur <u>halted acquisition of two Tenet hospitals</u> after regulatory scrutiny.

A <u>JMIR study found</u> that the largest increase in telehealth use during the pandemic came from <u>behavioral health and chronic illness visits</u>... GoodRx reported that pharmaceutical companies <u>raised prices</u>, an average of 4.2%, for 629 brand prescription drugs in the new year... A <u>Health</u> <u>Affairs study found</u> that hospitals in Medicaid expansion states saved an average of \$6.4M on uncompensated care and increased revenue an average of 8.6M from 2013 to 2017. 0



Questions or comments, please send to <u>ushcinsight@kpmg.com</u>.

## Succeeding in the new reality

Visit the COVID-19 resource center for KPMG analysis, insights, and perspectives.



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## COVID-19 by the Numbers

There are now over 21.5 million confirmed COVID-19 cases in the US, with a <u>death toll over 365,000</u>... The daily death toll <u>exceeded 4,000 for the first time</u> on Thursday... COVID-19 patients <u>occupy at least</u> <u>10% of all hospital beds in 34 states</u>... A more <u>transmissible variant of COVID-19</u> has been reported in multiple US states.

6.25 million COVID-19 <u>vaccine doses have been administered in the US</u>, just 29% of those distributed to states... NIAID Director Anthony Fauci estimates that the US <u>could soon be giving 1 million vaccinations a</u> <u>day</u>... CDC reported that <u>29 people have developed anaphylaxis</u> after receiving a COVID-19 vaccine, or roughly 5.5 per 1 million doses given.

## Executive and Administrative Action

HHS will <u>allocate \$22 billion to states and local jurisdictions</u> to support testing (\$19B) and vaccination campaigns (\$3B).... HHS announced the Community Based Testing Site program <u>will operate into April</u> <u>after receiving a \$550 million</u> funding extension.

### Healthcare Regulatory News

FDA granted emergency use authorization to **Quanterix's COVID-19 antibody treatment**.

FDA <u>warned that the Curative</u> COVID-19 test, <u>which is used by Congress</u>, is prone to false negative results.

### Healthcare Law, Business, and Policy News

Senate Minority Leader Chuck Schumer said <u>one of his first priorities</u> once becoming Majority Leader will be legislation sending \$2,000 stimulus payments to Americans.... 89% of <u>respondents to a Politico-</u> <u>Harvard poll</u> believe providing additional financial aid to businesses and individuals impacted by the pandemic is "extremely important" for President-elect Biden and the new Congress.

AHA President and CEO Richard Pollack <u>urged HHS Secretary Alex Azar to better address ongoing issues</u> related to vaccine rollout and provide more transparency and guidance... Eight Democratic governors <u>urged the Trump Administration to release the "second doses"</u> of COVID-19 vaccines in order to increase the number of individuals receiving their first dose.

## Surveillance, Testing, and Treatment

The Trump Administration plans to <u>accelerate administration of COVID-19 vaccines</u> at up to 40,000 pharmacies (with 3,000 to 6,000 pharmacies receiving doses within the next two weeks)... HHS Secretary Alex Azar <u>urged states to start vaccinating people more widely</u>, including more seniors and other high-risk populations, to prevent vaccines from going unused.

President-elect Joe Biden plans to <u>invoke the Defense Production Act</u> to boost COVID-19 vaccine production.

The federal government <u>discussed with Moderna the possibility of halving the dose</u> of its COVID-19 vaccine... Other countries have <u>begun delaying second doses of COVID-19 vaccines</u> to increase the rate of people receiving the first dose... FDA released a statement <u>encouraging following authorized dosing schedules</u>... Pfizer said there was "<u>no data" to suggest that a single dose</u> of its COVID-19 vaccine will provide protection from infection after 21 days.

The UK <u>authorized use of AstraZeneca and University of Oxford's</u> COVID-19 vaccine and <u>administered</u> <u>the first dose</u>; the US is unlikely to <u>authorize the vaccine until at least April</u>... The European Medicines Agency <u>recommended Moderna's vaccine</u> for authorization in the EU... Moderna plans to increase the <u>minimum 2021 production of its COVID-19 vaccine</u> from 500 million to 600 million doses... The EU is negotiating to <u>acquire up to 300 million more</u> doses of the Pfizer-BioNTech COVID-19 vaccines.

Novavax began a <u>phase 3 trial</u> of its COVID-19 vaccine with 30,000 volunteers... CureVac and Bayer <u>formed an alliance to seek approval</u> of and distribute CureVac's COVID-19 vaccine.

Operation Warp Speed chief Moncef Slaoui believes COVID-19 vaccine manufacturers <u>should "unblind"</u> <u>their trials</u>, providing the vaccine to those in the placebo arm, once they gain emergency use authorization.

A team of World Health Organization <u>researchers have been delayed in beginning a study</u> of COVID-19's origins in China.

A <u>study from University of Texas Medical Branch researchers suggests that the Pfizer-BioNTech vaccine</u> may protect against fast-spreading variants of COVID-19... A <u>Science study found</u> that immunity to COVID-19 <u>usually lasts at least 8 months after infection</u> and could last longer... A <u>NEJM study found that</u> <u>blood plasma</u> from recovered COVID-19 patients can help older adults from developing serious illness is treated with the therapy within days of first symptoms.