

## May 21, 2021 | Issue 173

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 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.



## Special Supplement: COVID-19 News

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





## Healthcare regulatory news

President Biden <u>revoked</u> a Trump Administration order <u>blocking green-card</u> <u>applicants U.S admission</u> if unable to afford health coverage.

HHS <u>plans to rescind</u> a Trump Administration rule requiring health centers pass insulin/epinephrine <u>340B discounts to patients</u>... HRSA <u>ordered six</u>

<u>pharmaceutical companies</u> to <u>restore 340B drug discounts</u> to contract pharmacies; Eli Lilly <u>sued over the order</u>.

HHS <u>further delayed</u> until December 15 the Medicare Coverage of Innovative Technology pathway final rule.

SAMHSA <u>announced \$3B</u> in state/territory block grants for mental health and substance abuse initiatives... HRSA <u>announced \$14.2M to expand</u> <u>pediatric mental health access through telehealth</u>... CMS reported that <u>mental health services</u> use declined for adults and children by 22% and 34%, respectively, during the pandemic.

FDA <u>delayed until September 2023 the deadline</u> for manufacturers <u>to</u> implement unique device identifiers.

IRS <u>detailed how employers can calculate</u> eligible credits for providing former employees with COBRA coverage.





## Healthcare law and policy news

A <u>federal court ruled</u> that HHS must <u>adjust Medicare hospital direct</u> <u>graduate medical education reimbursement</u> due to an unlawful payment methodology change... Texas <u>sued HHS over rescinding extension</u> of its Medicaid waiver.

The Supreme Court <u>declined to hear</u> a Novartis <u>challenge to Amgen's</u> <u>patents</u> for Enbrel... Democratic House committee chairs <u>asked FTC to investigate Abbvie's actions</u> to prevent biosimilar competition to Humira.

Essentia ended plans to <u>acquire 14 CommonSpirit facilities</u>... Ro will <u>acquire Modern Fertility</u> (\$225M)... Anthem will <u>partner with Epic</u> on provider data exchange... Google is developing an AI tool <u>to identify skin, hair, and nail</u> conditions... JPMorgan Chase is <u>launching an effort</u> to improve employee healthcare.

Altarum reported that national health spending in March was 12.5% higher than last March when utilization dropped due to the pandemic... KFF reported that 27% of Medicare beneficiaries had a telehealth visit between summer and fall 2020; 56% of visits were telephone-only... A JAMA study found that 51.5% of US hospitals did not have a machine-readable chargemaster as required by price transparency regulations... Commonwealth Fund projected that 4.4 million individuals could gain insurance if all holdout states expanded Medicaid... Trust for America's Health reported that a record 156,242 Americans died from alcohol, drugs, or suicide in 2019.

USPSTF <u>recommended</u> screening for <u>colorectal cancer at age 45</u>, down from 50.





## Questions or comments, please send to ushcinsight@kpmg.com.

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## COVID-19 by the Numbers

There are now over 33 million confirmed COVID-19 cases in the US, with a <u>death toll of over 585,000</u>... The US averaged <u>30,000 cases/day over the past week</u>, down 20% from the week before... The White House announced earlier in the week that <u>COVID-19 cases were down in all 50 states for the first time</u> since the pandemic began.

279 million COVID-19 <u>vaccine doses have been administered</u> in the US (1.83M/day over the past week)... 160.2 million Americans (60.5% of Americans 18 and older and 85% of Americans 65 and older) have received at least one dose of a COVID-19 vaccine; 127 million Americans are fully vaccinated (45.2% of Americans 12 and older)... According to CDC data, <u>only 22% of Black Americans have been vaccinated</u>, compared to 29% of Hispanics and 33% of Whites and 41% of Asians.

## Executive and Administrative Action

President Biden announced the US will <u>send 20 million COVID-19 vaccine doses</u> from Pfizer-BioNTech, Moderna, and Johnson & Johnson to other countries, building on the 60 million AstraZeneca doses already announced.

The Defense Department <u>awarded \$56 million to Rhino Health</u> to produce 1.4 billion nitrile gloves domestically by the end of 2022.

GAO <u>reported that 94% of the nation's nursing homes</u> had more than one COVID-19 outbreak and that 85% of facilities had outbreaks lasting for five or more weeks.

## Healthcare Regulatory News

The Department of Justice and HHS OIG <u>warned providers that charging patients for COVID-19 vaccines</u> may violate the False Claims Act and other civil and criminal statutes.

FDA <u>updated guidance on drug approvals</u> when COVID-19 travel restrictions prevent facility inspections... FDA <u>released guidance</u> on <u>master protocols for evaluating prevention and treatment</u> options for COVID-19... FDA will <u>release guidance later this year</u> on how device makers can receive full approval for COVID-19 products granted temporary authorization.

OSHA guidance <u>instructs employers to follow new CDC mask guidance</u> for people fully vaccinated against COVID-19 while it reviews and updates formal employer guidelines.

## Healthcare Law, Business, and Policy News

CMS data show that traditional Medicare <u>spent \$16.6 billion on COVID-19 hospitalizations for 691,077 beneficiaries</u> from January 2020 to March 20, 2021; a total of 4,103,791 Medicare beneficiaries had confirmed COVID-19 infections over the same period.

A draft document from G20 nations <u>backs "voluntary licensing" of COVID-19 vaccine patents</u>, complicating US efforts to advance compulsory licensing waivers... The head of UNICEF <u>asked G7 countries to donate supplies</u> to the COVAX vaccine-sharing scheme in order to address shortages caused by disruption to Indian vaccine exports... Major global vaccine manufacturers and biotech companies <u>committed to a five-point plan</u> for advancing "COVID-19 vaccine equity" and focusing on "responsible dose-sharing."

Patient advocates and unions urged Congress to establish a patient registry for COVID-19 "long haulers."

Johns Hopkins University is <u>launching a "pandemic data initiative"</u> focused on highlighting COVID-19 data collection and reporting inconsistencies.

## Surveillance, Testing, and Treatment

FDA CDER Director, Peter Marks, said it would <u>take several months before FDA decides</u> whether to grant full approval to COVID-19 vaccines.

NIAID Director Anthony Fauci expects children as young as 4 to be eligible for COVID-19 vaccines by the end of the year or Q1 2022.

HHS will <u>not distribute Johnson & Johnson's (J&J) COVID-19 vaccine</u> to states again this week ... Emergent BioSolutions could resume manufacturing of J&J's COVID-19 vaccine within days and could <u>produce more than 100 million doses once given clearance</u> by the FDA to release doses... The GAVI Vaccine Alliance <u>agreed to buy 200 million doses</u> of J&J's vaccine.

FDA <u>authorized undiluted</u>, <u>thawed vials of Pfizer-BioNTech's vaccine to be stored</u> in the refrigerator for as long as a month.

A CDC study found that the Pfizer-BioNTech and Moderna vaccines were 94% effective against symptomatic COVID-19 of healthcare workers in the real world.

Moderna has begun exporting its COVID-19 vaccine to other countries.

Sanofi and GlaxoSmithKline <u>announced positive results from a phase 2 clinical trial</u> of their COVID-19 vaccine, reporting that it produced strong levels of neutralizing antibodies across age groups.

Public Health England reported that two doses of <u>AstraZeneca's COVID-19 vaccine provided 85% to 90%</u> protection against symptomatic disease.

A UK-based clinical trial will evaluate a range of COVID-19 vaccines as potential booster shots.

The European Medicines Agency <u>issued a positive scientific opinion</u> on GlaxoSmithKline and Vir Therapeutics' COVID-19 monoclonal antibody... FDA <u>publicly rebuked CytoDyn</u> for <u>promoting a monoclonal antibody</u> using erroneous and cherry-picked data.