

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

Center for Healthcare Regulatory Insight

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Editor's note

ATW 360 will not be published on Friday, July 9th. We hope you enjoy the 4th of July holiday!

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>.

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Healthcare regulatory news

An <u>HHS-Treasury proposed rule</u> would <u>roll back Trump Administration ACA</u> <u>policies</u> and extend individual market open enrollment... CMS proposed increasing 2022 <u>home health payments</u> 1.8% and 2022 <u>ESRD payments</u> 1.2%, while <u>expanding the home health value-based purchasing model</u> and <u>revamping the ESRD Treatment Choices Model</u> to address health inequities... CMS released <u>Part 1</u> of the <u>surprise billing interim final rule</u>.

CMS <u>transferred \$11.7B</u> among insurers in 2020 ACA risk adjustment program payments.

DEA <u>eased requirements for addiction treatment mobile vans</u> to deliver methadone.

FDA <u>draft guidance</u> would provide drug manufacturers with drug trial safety reporting requirement flexibilities.

Justice Department opened a <u>record 580 False Claims Act healthcare</u> <u>fraud cases</u> last year.

OIG concluded that CMS <u>does not have adequate authority</u> to ensure accredited hospitals are <u>prepared for pandemics</u>.

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Healthcare law and policy news

Daniel Tsai was named Director of Center for Medicaid and CHIP Services.

Supreme Court <u>refused to review hospitals' challenge</u> to site-neutral payment policies.

Eight opioid manufacturers/distributors <u>went on trial in New York</u> for opioid epidemic-related claims; Johnson & Johnson will <u>pay \$263M to settle</u> related lawsuits and <u>halt opioid sales</u>... Juul will <u>pay North Carolina \$40M</u> <u>to settle</u> vaping-related claims; NC Attorney General <u>urged FDA to ban</u> <u>flavors and limitnicotine</u> in e-cigarettes... A federal judge <u>ruled that</u> <u>AstraZeneca's lawsuit against HHS over 340B contract pharmacy</u> <u>discounts</u> can proceed despite HHS withdrawing an associated advisory opinion.

Two House committees <u>launched investigations</u> of Biogen's Aduhelm approval/pricing.... GAO reported that <u>Medicare and beneficiaries spent</u> <u>\$324B on prescription drugs advertised to consumers</u> from 2016-2018, 58% of total Part B/D spending... GoodRx <u>reported that hospital</u> <u>chargemaster</u> generic drug prices are nearly 6,000% higher than pharmacy costs.

KPMG, EBG, and FP reported that healthcare/life sciences deals are up 70% year-to-date... University of Oklahoma and University Hospitals Authority and Trust merged clinics and hospitals... AccentCare acquired Southeastern Health Care at Home... Anthem acquired MMM Holdings and its affiliates... Amedisys will acquire Contessa Health (\$250M)... Sanofi will invest \$447M/year in mRNA vaccine research... Walmart collaborated with Novo Nordisk to launch a private label insulin analog.

Physicians Advocacy Institute reported that <u>69.3% of physicians were</u> <u>employed by hospitals or corporations in January 2021</u>, up from 62.2% in January 2020.

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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 News Supplement

Center for Healthcare Regulatory Insight



COVID-19 by the Numbers

There are now <u>over 33.6 million confirmed COVID-19 cases</u> in the US, with a death toll of approximately 605,000... Cases are <u>up roughly 10% over the past week</u>, after several weeks of declining rates... CDC Director Rochelle Walensky said that roughly <u>one-in-four new COVID-19 cases are attributable to the highly transmissible Delta variant</u> and that cases are rising the fastest in communities where people remain unvaccinated.

328 million COVID-19 vaccine doses have been administered in the US (1.12M/day over the past week)... 181 million Americans (<u>64% of Americans 12 and older</u> and 88% of Americans 65 and older) have received at least one dose of a COVID-19 vaccine; 156 million Americans are fully vaccinated (55% of Americans 12 and older).

CDC Director Walensky <u>expressed continued support for the CDC's guidance</u> on mask-wearing despite the World Health Organization (WHO) suggesting that vaccinated people continue to wear masks; meanwhile, LA County <u>urged vaccinated individuals to continue wearing masks</u> as the Delta variant continues to spread.

Executive and Administrative Action

General Gus Perna will <u>retire this summer from the Countermeasures Acceleration Group</u>, formerly known as Operation Warp Speed.

The Biden Administration <u>fell short of meeting its goal of distributing 80 million COVID-19 vaccine doses</u> by the end of June; the US has shipped 24 million doses to 10 countries so far, with 40 million more doses expected to ship in the coming days.

Politico reported on <u>continuing challenges with filling the US Strategic National Stockpile</u> reserves with medical supplies needed for response to the current and future pandemics.

HHS rejected an AHA request to delay spending deadlines for some Provider Relief Funds recipients.

Healthcare Regulatory News

Bloomberg reported that <u>OSHA's emergency workplace standards was initially intended</u> to cover all workers, not just those in healthcare... OSHA <u>issued inspection guidelines</u> for the emergency standards... AHA <u>asked OSHA to delay compliance</u> of the standards by 6 months.

FDA <u>revoked emergency use authorizations</u> for respirator decontamination systems and certain masks due to increased domestic supply of N95 respirators.

Healthcare Law, Business, and Policy News

A CDC survey found that <u>53% of public health employees reported mental health symptoms</u> last Spring as a result of the pandemic... Just 41% of respondents to an Axios-Ipsos survey believe <u>attending a</u> <u>Fourth of July celebration is a large or moderate risk</u>... A KFF survey found that <u>just 3% of unvaccinated</u> <u>adults plan to get a COVID-19 vaccine</u> as soon as possible; 76% of adults are optimistic that the US is nearing the end of the pandemic.

A Resolve to Save Lives survey found that <u>32% of unvaccinated individuals were more likely to consider</u> <u>getting vaccinated</u> after having long-COVID symptoms described to them.

Surveillance, Testing, and Treatment

FDA granted emergency use authorization for <u>Genentech's arthritis drug Actemra in hospitalized</u> COVID-19 patients who are receiving supplemental oxygen, mechanical ventilation, systemic steroids or extracorporeal membrane oxygenation.

Moderna's COVID-19 vaccine <u>produced neutralizing antibodies to protect against the Delta, Beta, and</u> <u>Eta variants</u> in a lab study.

A <u>Nature study found</u> that Pfizer-BioNTech and Moderna's vaccines <u>prompt a strong immune response</u> that could potentially protect against COVID-19 for years.

A University of Oxford study found that a <u>longer gap of about 10 months between doses of</u> <u>AstraZeneca's COVID-19 vaccine</u>, and a third shot, can boost antibody levels and immune response... Another study found that <u>alternating doses of Pfizer-BioNTech's and AstraZeneca's COVID-19 vaccine</u> provided a stronger immune response than two doses of AstraZeneca's vaccine.

Johnson & Johnson (J&J) said that its <u>COVID-19 vaccine protects against the Delta variant</u> and that the immune response generated by the vaccine has lasted eight months... J&J <u>plans to conduct four clinical</u> <u>trials</u> of its COVID-19 vaccine in children ranging from under 2 years to 17 years old.

CureVac announced final clinical trial data show that its COVID-19 vaccine had an efficacy of only 48%.

COVAX urged Western countries to recognize equally all WHO-approved COVID-19 vaccines.

HHS <u>paused distribution of Eli Lilly's combination monoclonal antibody (mAb) treatment</u> for patients with mild to moderate COVID-19 at high-risk of developing severe symptoms due to the growing prevalence of virus variants against which the treatment does not appear effective.

Five Indian generic drug manufacturers will jointly conduct a clinical trial testing Merck's antiviral drug to treat mild COVID-19 in on-hospitalized patients.

An NIH study <u>concluded that rapid antigen COVID-19 tests are as effective</u> as laboratory PCR tests in detecting COVID-19.