



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 [KPMG Center for Healthcare Regulatory Insight](#) 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 [subscribe to our mailing list here](#).

We welcome your feedback. Let us know if KPMG can help. Please [reply here to me](#), **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

CMS [proposed](#) an average [7.98% increase](#) in revenue for 2023 Medicare Advantage plans; CMS also seeks comment on a “health equity index” for Star Ratings.

ASPE [reported on disparities in utilization](#) of audio-video vs. audio-only telehealth services.

FDA [proposed national standards](#) for [wholesale drug distributor licensure](#).

FDA released guidance on [review of drug-device combination products](#).

HHS announced [\\$19.2M to expand community-based primary care residency](#) programs.

Justice Department reported [healthcare companies accounted for \\$5B of \\$5.6B](#) in FY2021 False Claims Act settlements.



Healthcare law and policy news

President Biden relaunched the “Cancer Moonshot” to [cut the cancer death rate in half over 25 years](#).

KPMG, EBG, and FPP [reported 2,918 healthcare and life sciences announced/closed deals](#) in 2021, up from 1,936 in 2020... Beaumont and Spectrum [completed their merger](#)... PointClickCare Technologies [will acquire Audacious Inquiry](#)... Amedisys plans to [acquire Evolution Health](#)... Humana plans to [invest \\$1B in Medicare Advantage](#) and may [divest Kindred at Home’s hospice business](#).

Native American tribes reached [a \\$590M opioid settlement with Johnson & Johnson](#) and drug distributors... Cardinal Health will [pay \\$13M to settle kickback](#) allegations... GlaxoSmithKline will [receive \\$1.25B and royalties from Gilead](#) through an HIV product patent dispute settlement.

Pfizer is the 13th drug manufacturer to [restrict 340B discounts to contract pharmacies](#)... Magellan Health will partner with Zipline on [drone delivery of some members’ medications](#) this year.

JAMA studies found disparities in [30-day hospital readmission rates for dual-eligible patients persist even after accounting](#) for state and community-level social factors; just [9% of primary care and 4.5% of specialist provider compensation](#) is based on quality and costs; and adolescents/young adults [lost 1.2M years of life from unintentional drug overdoses](#) from 2015-2019.

CDC data show more than [100,000 Americans died from diabetes in 2021](#), up 15% from pre-pandemic... *A Modern Healthcare* analysis found [just 4.3% of hospitals received Hospital-Acquired Condition Reduction penalties](#) in all five years of the program.

Rx Savings Solutions reported roughly 150 drug manufacturers [raised 2022 list prices of 866 medicines 6.6%, on average](#), up from 4.5% last

year... Urban Institute estimated [15M individuals could lose Medicaid coverage](#) during redetermination processes after the public health emergency ends.

Healthcare data breaches [impacted a record 45 million individuals](#) in 2021.



Questions or comments, please send to us-hcinsight@kpmg.com.

Succeeding in the new reality
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COVID-19 News Supplement

Center for Healthcare Policy Insight



COVID-19 by the Numbers

[Roughly 76 million COVID-19 cases](#) have been documented in the US, with a death toll over 895,000... The country is now [averaging roughly 400,000 cases/day](#) over the past week, down from approximately 750,000/day just two weeks ago; however, COVID-related deaths continue trending upwards, averaging roughly 2,400/day... Long-term care facility [COVID-related deaths surpassed 200,000](#), accounting for 23% of all deaths in the country... World Health Organization said [90 million COVID-19 cases have been reported worldwide since the Omicron variant](#) was first discovered 10 weeks ago, more cases than in all of 2020.

More than [10.1 billion COVID-19 vaccine doses have been administered across 184 countries](#)... Over 540 million COVID-19 [vaccine doses have been administered](#) in the US (roughly 350,000/day over the past week)... Over 250 million Americans ([more than 80% of Americans 5 and older](#)) have received at least one COVID-19 vaccine dose; roughly 212 million Americans are fully vaccinated (roughly 68% of Americans 5 and older); nearly 89 million Americans have received a booster or additional dose (just 42% of those full vaccinated)... CDC data show that [only 22% of children ages 5 to 11](#) are fully vaccinated; 31% have received at least one dose.

Executive and Administrative Action

CMS is [developing an initiative](#) to cover [eight free over-the-counter COVID-19 tests per month](#) for Medicare beneficiaries beginning in the early spring.

Republican Governors of [Virginia and West Virginia urged](#) CMS to grant a limited waiver from the healthcare worker COVID-19 vaccine requirement for rural and state-run facilities in order to ensure appropriate staffing to address the pandemic.

The US Army will [immediately begin discharging service members](#) who have refused to get the COVID-19 vaccine.

HHS issued [new guidance](#) to healthcare providers on [civil rights protections for people with disabilities](#) during the public health emergency.

Healthcare Law, Business, and Policy News

A bipartisan, bicameral group of 45 Congressional members asked Congressional leaders to [extend pandemic-related telehealth waivers](#) as part of this month's must-pass omnibus legislation.

World Health Organization highlighted the [accumulation of tens of thousands of tons of medical waste as a result of the pandemic](#) and [recommended strategies](#) for integrating more environmentally sustainable waste practices into future pandemic preparedness efforts.

A CDC study of Los Angeles County public health data found that [unvaccinated individuals were 23 times more likely than individuals fully vaccinated](#) with a booster dose to be hospitalized during the Omicron wave.

Recently posted [pre-print studies suggest that immunity from Omicron infection does not appear sufficient to prevent](#) infection from [other future variants](#).

Despite an [earlier Data for Progress survey](#) showing 64% of likely voters strongly or somewhat support the federal government distributing free N95 masks, [only 5% of Americans have picked up free N95 masks](#) being distributed.

Surveillance, Testing, and Treatment

FDA [granted full approval to Moderna's](#) COVID-19 vaccine, Spikevax.

Novavax is [seeking FDA emergency use authorization](#) for its COVID-19 vaccine.

Early data suggest COVID-19 [vaccines appear effective against severe disease from an Omicron sublineage](#), BA.2, which is becoming more common in parts of the world.

Pfizer and BioNTech are [seeking emergency use authorization for two doses of their COVID-19 vaccine in children under age 5](#), FDA's advisory panel will meet on February 15th to consider data and make a recommendation. The CDC is expected to follow soon after, setting the vaccine up to potentially be available for the age group by the end of February... Some vaccine experts are [concerned that clinical trial data is not yet available on whether the vaccine is effective for the entire age group](#) and whether a third dose increases immune response.

Pharmacy groups are [urging the federal government to require insurers to pay pharmacies](#) more for [dispensing Pfizer and Merck's COVID-19 antiviral](#) pills... NPR reported that the federal government is spending roughly \$530M for each five-day course of Pfizer's COVID-19 antiviral, [but could get a lower price as a result of most favored nation pricing](#) if other countries get a better deal.

A [preliminary ICER analysis concluded](#) that COVID-19 antiviral pills from Merck-Ridgeback Biotherapeutics and Pfizer and the monoclonal antibody treatment from GlaxoSmithKline-Vir Biotechnology appear to be cost-effective.

NIAID released a [Pandemic Preparedness Plan](#) targeting [prototype pathogens](#) (viruses from families with the potential to cause significant disease) and priority pathogens (those already known to cause significant human harm) in order to more quickly combat future pandemic.