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Editor's note

This note is produced every Friday by the <u>KPMG Center for Healthcare 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</u> to our <u>mailing</u> list here.

We welcome your feedback. Let us know if KPMG can help. Please <u>reply here to</u> <u>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 COVID-19 news for the week in a special supplement.





Healthcare regulatory news

CMS <u>finalized its decision to limit</u> coverage of Aduhelm (and future monoclonal antibodies directed against amyloid to treat Alzheimer's) to <u>patients in clinical</u> trials.

IRS <u>proposed "fixing" the ACA "family glitch"</u>... President Biden issued an <u>Executive Order</u> to strengthen the ACA and Medicaid.

Average 2023 Medicare Advantage plan revenue will increase 8.5%.

CMS <u>finalized the MA maximum out-of-pocket (MOOP) rule</u>, which incorporates kidney disease care costs into MOOP calculations... CMMI <u>proposed indefinitely delaying</u> the Radiation Oncology Model.

HHS/OCR is <u>seeking comment</u> on how covered entities/business associates understand and are implementing "recognized security practices" for consideration in HIPAA security rule violation enforcement actions and whether to share penalties with affected individuals.

FDA released <u>draft guidance</u> on medical device cybersecurity premarket submission requirements.

CDC <u>plans to revamp</u> the agency and <u>announced grants</u> to increase the public health workforce.

National Cancer Institute Director, Ned Sharpless, will retire on April 29.

OIG reported 2019 Part D biologics spending <u>could have been \$84M (18%) lower</u> if biosimilars were used as frequently as the most-used biosimilars.

Justice Department <u>issued guidance</u> on ADA protections for those with opioid use disorder.





Healthcare law and policy news

UnitedHealth Group (UHG) and Change Healthcare <u>delayed their merger</u> with a possible \$650M UHG breakup fee... Change Healthcare <u>plans to sell</u>
<u>ClaimsXten</u>... Mon Health System and CAMC <u>plan to merge</u>... Thomas Lee
Partners <u>acquired Medical Objects</u> (\$1.5B)... Intermountain and SCL Health
<u>completed their merger</u>... Millennium Trust <u>will acquire PayFlex</u> from CVS... Pfizer
will <u>acquire ReViral</u>... AMR Action Fund, a collective of major drug manufacturers, invested in two biotechs to develop drug-resistant infection treatments.

ASHP reported <u>2021 US pharmaceutical spending reached \$576.9B</u>, up 7.7% from 2020.

Commonwealth Fund reported <u>US women of reproductive age have worse health</u> than women in other high-income countries, including the highest maternal

mortality rate (23.8/100,000 births)... *Health Affairs* studies found <u>commercial-to-Medicare hospital price ratios increased from 173% to 180% from 2012-2019</u> (ratios increased/decreased up to 38% depending on hospital referral region)... Part D beneficiaries receiving subsidies are <u>nearly twice as likely to fill high-cost</u> specialty drugs prescriptions than those without subsidies.

National Academies <u>recommended transforming nursing home care</u> delivery, financing, and regulation.

US life expectancy decreased from 78.86 to 76.60 years from 2019-2021.





Questions or comments, please send to <u>us-hcinsight@kpmg.com</u>.

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COVID-19 by the Numbers

Approximately 80.3 million COVID-19 cases have been documented in the US, with a death toll of over 980,000... The country averaged about 25,000 cases/day over the past week; COVID-related deaths averaged less than 600/day over the past week, down from nearly 800/day just two weeks ago... World Health Organization (WHO) reported global COVID-19 cases were down 16% over the past week, but noted uncertainty in the data due to a drop in testing in many countries... The BA.2 variant now accounts for approximately 72% of COVID-19 cases in the US... Some WHO data suggest the XE variant is about 10% more transmissible than the BA.2 variant.

WHO <u>reported a hybrid of the BA.1 and BA.2 subvariants (called XE) could be the most transmissible</u> variant yet, while health officials identified <u>two novel Omicron subvariants in China</u>.

More than <u>11.3 billion COVID-19 vaccine doses have been administered across 184 countries</u>... Over 560 million COVID-19 <u>vaccine doses have been administered</u> in the US... Over 255.8 million Americans (<u>approximately 81.9% of Americans 5 and older</u>) have received at least one COVID-19 vaccine dose; over 218 million Americans are fully vaccinated (69.8% of Americans 5 and older); 98.3 million Americans have received a booster or additional dose (just 45.1% of those fully vaccinated).

Executive and Administrative Action

President Biden <u>directed HHS</u> to <u>lead a government-wide effort to address long-COVID</u>, including a report on supports for patients, speeding enrollment in clinical trials on the condition, and advancing federal protections for those with long-term COVID-19 symptoms.

HHS announced more than 59M Medicare Part B beneficiaries now have access to eight FDA-approved or authorized over-the-counter COVID-19 tests per month with no cost-sharing at participating pharmacies and healthcare providers.

CMS will phase out some pandemic-related waivers for nursing homes over the next 30 to 60 days.

CMS announced it will <u>pay for a second COVID-19 booster dose</u> of either Pfizer-BioNTech or Moderna COVID-19 vaccines without cost-sharing for eligible individuals.

CDC <u>announced</u> it will <u>lift</u>, <u>effective May 23</u>, <u>the Title 42 order</u> that allowed officials to quickly deny admission to immigrants and asylum seekers during the pandemic.

HRA will <u>reopen the Provider Relief Fund reporting portal</u> for certain providers that missed the first reporting deadline <u>due to extenuating circumstances</u>, thereby allowing them to potentially avoid having to repay funds already received; providers must <u>submit a request to report late by April 22</u>.

Healthcare Law, Business, and Policy News

A federal appeals court <u>upheld the Biden Administration's COVID-19 vaccine mandate</u> for federal employees.

Early in the week, the Senate appeared to reach a <u>deal on a \$10 billion COVID-19 relief bill</u>, including <u>\$9.25 billion to BARDA</u> for therapeutics (\$5 billion) and development of future COVID-19 vaccines and expansion of vaccine manufacturing capacity (\$750 million); the package <u>did not include any funding for global pandemic</u> aid. However, after Senate Republicans <u>demanded a vote on amendments, including extending use of Title 42</u> at the border, the bill is <u>not expected to be voted on until after its upcoming two-week recess</u>.

A <u>JAMA study</u> found getting vaccinated against COVID-19 early in pregnancy is not associated with increased risk of congenital problems... A <u>BMJ</u> study <u>found elevated risks of deep vein thrombosis</u>, <u>pulmonary embolism</u>, and <u>bleeding</u> associated with COVID-19.

Urban Institute <u>projected 3.1 million individuals could lose coverage</u> if Congress does not extend *American Rescue Plan* enhanced ACA subsidies, with a disproportionate share of young adults, low-income individuals, Black Americans, and residents of southern states impacted.

A Politico <u>review of more than a half dozen states' pandemic preparedness plans</u> found most are still reliant on the federal government to fund vaccination, testing, and treatments for the uninsured and to support manufacturing of COVID-19 countermeasures.

A Harris poll found more than one-in-four parents with children under 5 are unvaccinated, <u>but 46% of those parents plan to vaccinate their children</u>, up from 35% in early February... A <u>STAT-Harris poll</u> found 60% of Americans, including 73% of Baby Boomers, would get a second COVID-19 booster if it is recommended to them.

Surveillance, Testing, and Treatment

FDA's Vaccines and Related Biological Products Advisory Committee metto discuss additional COVID-19 booster doses, including the need for ongoing clinical trials from vaccine manufacturers, establishing revised threshold for effectiveness of updated vaccines, and preparing for unknown future variants... An FDA briefing document for the meeting outlines the agency's possible approach to new COVID-19 vaccine formulations, indicating the process for developing the seasonal flu vaccine may provide a guide for how to update the vaccine considering current and emerging variants.

An <u>Israeli study published in *NEJM*</u> found a fourth dose of Pfizer-BioNTech's COVID-19 vaccine improves protection against infection and severe disease.

The European Centre for Disease Prevention and Control and European Medicines Agency recommended a fourth dose of COVID-19 vaccines only for adults age 80 and older.

FDA <u>pulled the emergency use authorization</u> for the monoclonal antibody sotrovimab due to ineffectiveness against the BA.2 subvariant.

FDA <u>updated its dosing regimen for Evusheld</u> , a pre-exposure prophylaxis antibody treatment for COVID-19, indicating individuals who received their initial dose more than three months ago should receive a doubled dose.