

April 15, 2022 | Issue 217

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>proposed</u> decreasing 2023 skilled nursing facility <u>payment by \$320M</u>, while seeking comment on establishing <u>minimum staffing levels</u>... VP Kamala Harris <u>announced maternal health initiatives</u>, including a <u>CMS "birthing-friendly" hospital designation</u> in 2023.

CMS released guidance on surprise billing independent dispute resolution.

HHS released an Equity Action Plan.

FDA <u>draft guidance</u> recommends drug <u>sponsors submit Race and Ethnicity</u> <u>Diversity Plans</u> with clinical trial designs... FDA <u>proposed developing a publicly-available rating system</u> for measuring pharmaceutical manufacturing quality and <u>mitigating drug shortages</u>... OMB is <u>reviewing two proposed rules</u> to harmonize FDA human subject protections regulations with the HHS Common Rule.

HRSA is <u>seeking comment on improving</u> the Organ Procurement and Transplantation Network.

USDA announced \$43B in grants to rural healthcare providers in 22 states.

FTC <u>delayed the deadline</u> for comments on PBM practices until May 25... FTC and DOJ <u>held a listening session</u> on healthcare merger impacts.

GAO is <u>investigating private equity ownership</u> impacts on nursing homes residents' health.





Healthcare law and policy news

Biden Administration <u>announced actions to decrease medical debt burden</u>, including directing HHS to weigh medical billing practices in <u>grantmaking</u> decisions.

Politico highlighted <u>possible FDA shortcomings in US</u> food safety and nutrition regulation; <u>Senate HELP</u> and <u>House Energy and Commerce</u> Committees requested additional information from the agency.

Carlyle Group <u>will acquire Abingworth</u>... GlaxoSmithKline <u>will acquire Sierra</u>
<u>Oncology</u>... Halozyme Therapeutics <u>plans to acquire Antares Pharma</u> (\$960M)...
Hackensack Meridian and Englewood Health <u>called off their merger</u>... Trinity
Health <u>will rebrand its Michigan operations</u>.

Despite CMS' Aduhelm coverage decision, Eisai and Eli Lilly will <u>seek accelerated</u> <u>approval for their experimental Alzheimer's drugs</u>... ICER concluded Bluebird Bio's gene therapy for beta thalassemia may be cost effective at \$2.1M.

Urban Institute reported <u>ACA benchmark plan premiums fell 1.8% in 2022...</u> A *Health Affairs* study found <u>49.3% of Medicare Advantage members had at least one health-related social need... Lown Institute reported <u>227 of 275 hospital</u></u>

systems had 2019 tax breaks exceeding community benefit spending... A <u>Lancet study found</u> only 43% of 20,692 clinical trials reported race or ethnicity data.

US had the <u>highest-ever death total in 2021 (3.465M)</u>, driven by 415,000+ COVID-19 deaths... A <u>JAMA study found</u> U.S. adolescents' overdose death rate increased 94% from 2019-2020, largely driven by fentanyl.





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

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COVID-19 by the Numbers

Approximately <u>80.5 million COVID-19 cases</u> have been documented in the US, with a death toll of over 985,000... The country <u>averaged about 30,000 cases/day</u> over the past week, up from approximately 25,000 two weeks ago; cases are <u>increasing in 27 states and DC</u>; meanwhile, COVID-related deaths averaged <u>approximately 500/day</u> over the past week, continuing a downward trend... Cases <u>rose in 31 states</u> during the first full week in April... However, World Health Organization (WHO) reported <u>global COVID-19 cases were down 24% over the past week</u>, while global deaths were down 18%... The BA.2 variant now accounts for approximately 86% of COVID-19 cases in the US.

More than <u>11.4 billion COVID-19 vaccine doses have been administered across 184 countries</u>... Over 565 million COVID-19 <u>vaccine doses have been administered</u> in the US... Over 256.5 million Americans (<u>approximately 82.1% of Americans 5 and older</u>) have received at least one COVID-19 vaccine dose; over 218.5 million Americans are fully vaccinated (70% of Americans 5 and older); over 99 million Americans have received a booster or additional dose (just 45.3% of those fully vaccinated).

Executive and Administrative Action

HHS Secretary Xavier Becerra <u>extended the COVID-19 public health emergency for another 90 days</u>, effective April 16.

CDC extended the federal mask mandate for air travel and other public transportation until May 3.

White House Chief Medical Advisor, Anthony Fauci, said <u>COVID-19 won't be eradicated or eliminated</u> and that people should asses their own risks moving forward.

Philadelphia became the <u>first major US city to reinstate</u> an indoor mask mandate.

HRSA <u>distributed more than \$1.75 billion in Provider Relief Funds</u> to 3,680 providers, leaving \$3.5 billion remaining in the fund... A federal judge <u>permanently blocked the Treasury Department from attempting to recover pandemic relief</u> funds from Texas, Louisiana, or Mississippi if those states use the aid to offset state tax revenue shortfalls, despite an *American Rescue Plan Act* provision that states could not use the funds to fil budget gaps.

OSHA <u>extended to four days</u> its online public hearing for its proposed permanent COVID-19 rule for healthcare workers.

FDA granted emergency use authorization to the first COVID-19 breath test, found to be 91% effective at detecting positive samples.

Healthcare Law, Business, and Policy News

A Commonwealth Fund-Yale study <u>estimated COVID-19 vaccinations in the US prevented 2.3 million</u> <u>deaths</u>, 17 million hospitalizations, and \$900M in healthcare spending from December 2020 through March 2022.

An Axios/Ipsos survey found just 9% of Americans consider COVID-19 a "serious crisis," while 73% view it as "a problem, but manageable;" meanwhile, 36% support businesses requiring customers to show proof of vaccination (down from 51% in early February) and 51% support local school districts requiring everyone in the school to wear masks (down from 65-70% last fall).

WHO held public hearings on pandemic preparedness and response.

Surveillance, Testing, and Treatment

CDC's Advisory Committee on Immunization Practices <u>will meet April 20</u> to discuss COVID-19 vaccine booster doses.

Pfizer-BioNTech reported a <u>booster dose of their COVID-19 vaccine strengthened immune responses</u> <u>against COVID-19 and the Omicron variant</u> among children ages 5 to 11... The companies <u>plan to seek</u> <u>authorization of a booster</u> for healthy children in the age group.

Moderna will <u>recall 764,900 doses of its COVID-19 vaccine</u> made by a contract manufacturer after one vial was found to be contaminated.

Washington Post <u>highlighted increasing interest in a revamped vaccine strategy</u> focused on a nasal spray that could provoke "mucosal" immunity to stop transmission and potentially prevent even mild infections.

FDA <u>extended by three months its review of Regeneron's application</u> for full approval of its COVID-19 monoclonal antibody treatment.

Veru reported its <u>experimental COVID-19 drug, sabizabulin, cut the death rate 55%</u> among hospitalized patients at high risk for Acute Respiratory Distress Syndrome.

Kaiser Health News <u>reporting on shortcomings of the "test-to-treat" program</u> designed to expedite access to COVID-19 antivirals for patients who test positive.