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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 to our mailing list here</u>.

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

Beginning next week we will discontinue the special supplement and summarize COVID-19 news for the week in a special section within the body of ATW 360.



Healthcare regulatory news

An FDA final rule allows sale of over-the-counter hearing aids as soon as mid-October.

FDA <u>approved the first cell-based gene therapy for beta thalassemia</u>, bluebird bio's <u>Zynteglo</u> (\$2.8M/patient).

CDC Director Rochelle Walensky <u>announced an "ambitious" overhaul</u> of the agency's structure/operations, including improving the <u>speed/quality of communication of information</u> to the public.

CMS proposed mandatory Medicaid/CHIP quality reporting... CMS announced actions to strengthen/expand healthcare access for children... CMS approved 12-month postpartum Medicaid/CHIP coverage in Hawaii, Maryland, and Ohio... CMS will allow states flexibility to adjust final ACA rates due to the IRA... CMS will no longer require provider certificate of medical necessity and DME information forms starting in 2023.

Citing a <u>forthcoming study</u> finding hospitals increased prices 39%-51% following repeal/expiration of certificates of public advantage (COPAs), <u>FTC warned</u> states to <u>avoid COPA legislation</u> aiming to exempt hospital mergers from antitrust challenges.

OIG found just 35 of 72 NIH-funded clinical trials in 2019/2020 reported timely results per federal requirements, and recommended NIH improve procedures/enforcement.

The White House announced new actions to combat monkeypox.





Healthcare law and policy news

President Biden signed the *Inflation Reduction Act* into law and touted its impacts.

Endo International <u>filed for bankruptcy</u> due to opioid lawsuits... A federal judge <u>ordered CVS</u>, Walgreens, and Walmart to pay two Ohio counties \$650.5M for contributing to the opioid epidemic.

Humana <u>will acquire Inclusa</u>... Merck will <u>develop mRNA-based vaccines/therapies</u> with Orna Therapeutics (\$3.75B investment)... Mount Sinai and Regeneron <u>plan to sequence/study 1M patients' genomes</u>... Brainstorm Cell Therapeutics <u>will seek FDA approval of its ALS treatment</u> despite past agency opposition.

NextGen Healthcare intends to become a qualified health information network under TEFCA.

The Joint Commission will add health equity accreditation standards January 1.

A <u>JAMA study found</u> only 20 of 63 NCI-designated cancer centers were fully compliant with federal price transparency requirements.

HRSA <u>data show</u> prescription drug purchases through the <u>340B program reached \$43.9B in 2021</u>, up 15.6% from 2021... A <u>Reuters' analysis found the median price</u> of 13 FDA-approved novel chronic disease drugs in 2022 is \$257,000, up from \$180,000 for 30 drugs in the first half of 2021.

ONC reported just <u>12% of office-based physicians electronically exchanged</u> health information with public health authorities in 2019.



Questions or comments, please send to

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COVID-19 by the Numbers

Over 93.3 million COVID-19 cases have been documented in the US, with the death toll of approximately 1.039 million... As of August 17, 2022, the current 7-day moving average of daily new cases 95,652 decreased 9.9% compared with the previous week's 7-day moving average (106,115); the current 7-day moving average of new deaths (394) has decreased 10.6% compared with the previous week's 7-day moving average (441)... The 7-day moving average of hospitalizations with a confirmed case of COVID-19 was 5,845 for the week ending August 15, down 3.5% from the previous week.

As of August 13, the BA.5 variant <u>accounted for 88.8% of COVID-19 cases</u>, up from 87.1% the previous week.

More than 12.5 billion COVID-19 vaccine doses have been administered across 184 countries... Over 606 million COVID-19 vaccine doses have been administered in the US... Approximately 262.3 million Americans (approximately 83.7% of Americans 5 and older) have received at least one COVID-19 vaccine dose; over 223.6 million Americans are fully vaccinated (71.5% of Americans 5 and older); over 108.2 million Americans have received a booster or additional dose (just 48.4% of those fully vaccinated)... Approximately 941,750 children under age 5 have received at least one vaccine dose, out of nearly 20 million eligible recipients.

Executive and Administrative Action

HHS Secretary Xavier Becerra <u>did not provide 60-days' notice that the COVID-19 public health</u> <u>emergency (PHE) would end October 13</u>, suggesting that it will be extended again.

The Biden Administration plans to <u>stop paying for COVID-19 vaccines and treatments</u>, eventually transitioning to commercial distribution with costs being passed to insurers and consumers. A planning session for the transition, which will take months, is scheduled for August 30.

CMS <u>released resources</u>, including provider-type-specific fact sheets on current applicable waivers and other flexibilities, to help providers prepare for the end of the PHE.

CDC will <u>retake control of COVID-19 hospital data</u>, with hospitals resuming reporting to the CDC in mid-December as the federal government's contract with TeleTracking Technologies expires December 31.

Healthcare Law, Business, and Policy News

A <u>study found people infected with Alpha, Delta, and Omicron</u> COVID-19 variants <u>expel higher amounts</u> of the virus than those infected with other variants.

A <u>Lancet study found</u> people who have had COVID-19 are at increased risk of neurological and psychiatric conditions (e.g., brain fog, psychosis, and dementia) up to two years after infection.

Surveillance, Testing, and Treatment

White House COVID-19 Response Coordinator, Ashish Jha, said <u>next-generation</u>, <u>bivalent COVID-19</u> <u>vaccines that offer protection from multiple virus variants</u> will likely be available in September.

The UK became the <u>first country to approve</u> Moderna's <u>revamped bivalent COVID-19 vaccine targeting</u> the Omicron variant as a booster shot.

Novavax is <u>seeking FDA authorization for use of its COVID-19 vaccine as a booster dose</u> in people who have either received its shot or a different vaccine.

STAT <u>reported that Eli Lilly is charging \$2,100 for each dose</u> of its COVID-19 monoclonal antibody treatment bebtelovimab on the commercial market, up from approximately \$1,800/dose it charged the federal government; HHS ASPR indicates <u>providers can bill Medicare \$2,394/treatment</u>.