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Editor's note

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>.

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Healthcare regulatory news

CMS <u>released a final</u> Medicare Advantage (MA) Risk Adjustment Data Validation (RADV) rule to <u>use extrapolated audit findings</u>, beginning in 2018, to clawback roughly \$4.7B in MA plan payments over 10 years... CMS <u>anticipates</u> average 2024 MA plan <u>revenue growth of 1.03%</u>.

CMS will <u>create a 16-month Healthcare.gov SEP</u> for individuals who <u>lose</u> Medicaid coverage during redetermination periods.

FDA Commissioner Robert Califf <u>announced plans</u> to <u>redesign the Human</u>
<u>Foods Program...</u> FDA <u>may allow some drug manufacturers to begin confirmatory trial enrollment after</u> accelerated approval, while <u>CMS may provide lower payment</u> for accelerated approval drugs.

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Healthcare law and policy news

The White House <u>announced Cancer Moonshot initiatives</u>, including \$10M in HRSA funding to improve cancer screening access and a public-private partnership to accelerate cancer care innovation.

A federal appeals court ruled HHS cannot require pharmaceutical companies to provide 340B discounts to "an unlimited number" of contract pharmacies...

Bayer and EMD Serono will impose constraints on contract pharmacies; 21 drug manufacturers have imposed such restrictions.

FTC <u>filed a proposed order fining GoodRx \$1.5M</u> for <u>sharing consumers' health</u> <u>data with advertisers/third parties</u>, the first enforcement action under the Health Breach Notification Rule.

Amgen <u>launched the first biosimilar</u> to Humira and announced <u>its pricing approach</u>... Teva <u>will leave PhRMA</u>.

Commonwealth Fund reported <u>US continues to far exceed other high-income countries in healthcare spending</u>, with worse outcomes... A <u>JAMA study found</u> mortality rates among pregnant women increased 22% from pregnancy-related causes and 36% from nonpregnancy causes 2019-2020... A CDC study found <u>57% of Americans support banning tobacco product sales</u>.

46Brooklyn <u>data show drug manufacturers raised drug prices</u> a median of 5% on 988 products in January... A *JAMA* study estimated <u>drug price negotiations</u> on 37 top-selling Part D and Part B drugs would have reduced Medicare net spending by \$26.5B, or 5%, from 2018-2020.

Altarum reported healthcare prices rose 2.8% year-over-year in December and 2.9% over the final six months of 2022, up from 2.2% in the first half... Kaufmann Hall reported approximately half of US hospitals finished 2022 with a negative margin.

MACPAC voted to <u>recommend that Congress</u> grant states the ability to <u>impose</u> <u>Medicaid coverage limits on FDA-approved drugs</u> with restricted Medicare coverage while awaiting additional efficacy evidence.

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Special Section: COVID-19 and Other Respiratory Illnesses News

President Biden told Congress that the administration will end the COVID-19 national and public health emergencies (PHE) on May 11... Meanwhile, the World Health Organization Director-General determined that the COVID-19

pandemic "continues to constitute a public health emergency of international concern."

Dr. Ashish Jha, White House's COVID-19 response coordinator, said the <u>federal government will stop offering free COVID-19 vaccines and treatments</u> as the medicines transition to the private market between the summer and early fall.

DEA <u>plans to propose regulations</u> allowing telehealth providers to continue prescribing controlled substances after the PHE ends.

An American Heart Association study found, driven in large part by COVID-19, that 928,741 people died from cardiovascular disease in 2020, up from 874,613 in 2019 and the highest death count since 2003 (910,000)... A University of Missouri study found people experiencing long COVID are susceptible to developing only seven symptoms (fast-beating heart, hair loss, fatigue, chest pain, shortness of breath, joint pain and obesity) for up to a year after infection.

The House Oversight and Accountability Committee and Energy and Commerce committee held hearings.scrutinizing.the-federal government's COVID-19 response in determining the origins of COVID-19 and fraud and abuse in pandemic spending, respectively... A GAO report.concluded "technologies are mature and available for helping inform the origin of pandemics, but several non-technological challenges" (e.g., lack of sufficient access to samples and genetic sequence data; lack of standardization in submitting, accessing, and using genetic data; and lack of sufficient and skilled interdisciplinary workforce) hinder such investigations.

FDA revised emergency use authorizations for COVID-19 antivirals to allow doctors to prescribe the treatment to certain individuals without a positive COVID-19 test... A preprint study found use of Merck's COVID-19 antiviral pill, molnupiravir, may be leading to new mutations of the virus in some patients.

The US National Science Advisory Board for Biosecurity <u>unanimously</u> <u>approved</u> draft <u>recommendations</u> to expand oversight of research on pathogens.

An FDA Advisory Committee will <u>meet February 28 to discuss Pfizer's and GlaxoSmithKline's RSV vaccine</u> candidates.



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