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## Editor's note

This note is produced every Friday by <u>KPMG</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>.

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## Healthcare regulatory news

President Biden signed an <u>executive order</u> prioritizing investment in women's health research and strengthening research standards across federal agencies to reduce disparities; the order asks Congress to approve \$12B for a National Institutes of Health women's health fund.

CMS is providing state Medicaid agencies with <u>additional flexibilities</u> to issue interim payments to providers impacted by the Change Healthcare ransomware attack.

Medicare Part D plans may now cover the anti-obesity medication (AOM) Wegovy for cardiovascular disease, according to new CMS guidance. Medicare will cover all other AOMs that receive FDA approval for an "additional medically accepted indication."





Healthcare law and policy news

MedPAC's March 2024 report to Congress recommended increasing Medicare physician pay for inflation and several reforms to MA, including replacing the quality bonus program, improving encounter data, and establishing more equitable benchmarks; the American Medical Association (AMA) responded that the recommendations inadequately address physician pay cuts.

A Congressional Budget Office (CBO) analysis on future Medicare coverage of AOMs suggests that if covered at their current prices, AOMs would increase the federal deficit over the next 10 years; CBO expects semaglutide to be selected for price negotiation in the next few years.

A bipartisan group of senators requested additional information from the Department of Defense (DoD) in response to a <u>Defense Logistics Agency</u> (DLA) report that revealed 27% of the FDA's Essential Medicines List is categorized as "Very High Risk" due to their dependence on ingredients of Chinese or unknown origin.

Per an American Hospital Association (AHA) survey, 94% of hospitals reported some financial impact from the Change Healthcare ransomware attack; nearly 60% of hospitals cited revenue losses of at least \$1M per day.

A Health Affairs Scholar study found the treatment retention rate for innetwork telehealth-based opioid use disorder (OUD) is significantly higher (72%) than that for uninsured or out-of-network patients (48% and 37%, respectively).

A study by the National Bureau of Economic Research (NBER) found mass Medicaid disenrollment due to the 2005 termination of Tennessee's 1115 waiver (Tenncare) led to a nearly 17% increase in total state crime; the study cites mental health and substance use disorder outcome changes as the primary effects of disenrollment and potential mechanisms for increased crime.





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