



## Around the world of U.S. healthcare in 360 words or less

### Center for Healthcare Regulatory Insight



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#### Editor's note

*This note is produced by the KPMG Center for Healthcare Regulatory Insight and is intended to be short and succinct, less than 360 words, to provide a digestible bite of news relevant to our clients and practices. Links are provided to source material (proposed and final regulations, agency guidance and press releases, reports, research, etc.) when available.*

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#### Healthcare regulatory news

CMS released the 2019 Medicare Advantage and Part D [rate notice and final call letter](#) and [MA and Part D policy final rule](#), which, among other things, boosts [MA payments by 3.4%](#), increases the share of risk adjustment payments based on encounter data from 15% to 25%; clarifies the [STAR rating calculation](#) when plans consolidate; and expands the definition of “primarily-health related” benefits to allow coverage of new supplemental benefits... [CMS clarified](#) that MA plans contracting directly with a facility/provider can negotiate separate payment rates for 340B drugs, not subject to CMS program cuts.

[CMS reported](#) that 11.8 million were enrolled in ACA exchange plans in 2018, down from 12.2 million in 2017; average premiums went up, although 83% of consumers received subsidies reducing monthly premiums to \$89, down from \$106 in 2017... [Kaiser Family Foundation found](#) that 90% of Americans still plan to purchase health insurance even after the individual mandate penalty ends.

FDA [issued a mandatory recall](#) of kratom products due to salmonella contamination... Commissioner Scott Gottlieb [announced the FDA](#) is developing guidance to incorporate patient views and experiences into drug reviews... Gottlieb also [encouraged social media sites](#) to do more to prevent the promotion and illegal sale of opioids and [expressed confidence](#) that the agency would be able to intervene if a right-to-try bill was used to take advantage of patients.



#### Healthcare law and policy news

MedPAC [unanimously voted to recommend](#) cutting payments to some free-standing emergency departments and [considered recommending](#) consolidating four existing hospital value-based payment program into a single initiative.

California [sued Sutter Health](#) for alleged anticompetitive practices driving up healthcare prices for patients... [OIG reported](#) that in FY2017 Medicaid fraud efforts resulted in 1,528 convictions, 961 civil settlements and judgements, 1,181 individuals excluded from federal programs, and \$1.8 billion in recoveries.

A new [CVS Health](#) initiative will focus on patients with chronic kidney disease... the [National Restaurant Association is partnering with UnitedHealthcare](#) to increase small business association health plan options.

Iowa [enacted a bill](#) allowing the sale of ACA non-compliant "health benefit plans"... the Ohio Department of Insurance meanwhile [barred "gag clauses,"](#) ordering PBMs and insurers to disclose the lowest price for prescription drugs to consumers.





Questions or comments, please send to [us-hcinsight@kpmg.com](mailto:us-hcinsight@kpmg.com)



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