



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 major payment rules this week: (1) the 2019 Physician Fee Schedule [proposed rule](#), would, [among other things](#), streamline documentation for E&M visits, expand access to telehealth services and cut physician reimbursement for newly introduced Part B drugs to WAC plus 3% for the first quarter of sales; also, changes to the [Quality Payment Program](#) will reduce burden and provide further flexibility for small practices; (2) the 2019 End-Stage Renal Disease (ESRD) and Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) [proposed rule](#) would increase reimbursement to ESRD providers

by 1.7% and pause DME competitive bidding to allow CMS to [simplify the program](#).

CMS [proposed terminating](#) a policy that allows states to divert Medicaid payments from providers to third parties, which will make it difficult for [public-sector unions](#) to collect dues from home health workers... HHS [OIG reported](#) that Medicaid insurers are falling short in reporting fraud and abuse to state officials.

FDA [released a series of guidance documents](#) to advance the development of gene therapies...also, FDA [launched](#) a drug shortage task force.



Healthcare law and policy news

President Trump nominated Brett Kavanaugh to replace Anthony Kennedy on the Supreme Court, which could hear a [number of healthcare related cases](#) over the next year... The Senate VA Committee [voted to approve](#) Robert Wilkie as VA Secretary.

CMS [announced it will freeze](#) ACA risk adjustment payments, impacting [\\$10.4 billion](#) in insurer payments for the 2017 plan year... CMS will [reduce ACA “navigator” funding to \\$10 million](#) next year and encourage information dissemination on short-term and other ACA non-compliant health plans.

HHS [Secretary Alex Azar called](#) for greater transparency and a smaller gap between 340B discounted drug prices and the provider reimbursement... Pfizer [agreed to defer](#) July 1 price increases after [criticism by President Trump](#); meanwhile a number of [drug manufacturers are cancelling or reducing](#) planned price increases in response to California’s drug pricing transparency law.

[Mercer reported](#) that employers’ healthcare costs rose an average of 2.6% last year; 34% of employers with fewer than 500 employees had cost increases greater than 10%... [Avalere reported](#) that FFS Medicare beneficiaries have 33% more emergency room visits and 23% more hospital stays compared to MA beneficiaries.



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