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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

FDA final guidance details application of least burdensome provisions to medical device reviews... FDA draft guidance lays out principles for combination product premarket review... FDA will hold a public workshop to examine barriers to generic drug development... FDA took enforcement action against Walgreens for alleged tobacco sales to minors.

CMS and CDC proposed updates to laboratory proficiency testing under CLIA... OMB is reviewing a final rule to reverse the ban on nursing home pre-dispute arbitration agreements... OCR announced a record year for HIPAA enforcement penalties.





Healthcare law and policy news

During his State of the Union address, President Trump announced a strategy to end the HIV epidemic and \$500 million for childhood cancer research, and urged Congress to address global "freeloading" impacting drug costs.

HHS Secretary Alex Azar urged hospitals to better inform patients about treatment costs; suggested new models for rural healthcare outside of the hospital; and discussed FDA efforts to promote generic drug competition through harmonization with peer nations.

Seven pharmaceutical company CEOs will testify before the Senate Finance Committee on drug pricing... CMS Actuary estimated that the rebate safe harbor proposed rule could increase federal spending by \$196 billion over a decade; Eli Lilly and Novartis expressed support for the proposed rule.... Beginning in March, Johnson & Johnson will include the list price and typical out-of-pocket cost for Xarelto.

North Carolina <u>selected five plans</u> to participate in its Managed Medicaid program... Four states <u>moved to join</u> 17 other states as defendants in *Texas v. U.S.* and defendants <u>requested</u> an expedited appeal... Pennsylvania's <u>Attorney General told UPMC</u> to keep its network open to Highmark.

Healthcare added 41,600 jobs in January, up almost 20,000 from January 2018... Baylor Scott & White and Memorial Hermann ended their merger... Aetna, Anthem, HCSC, PNC, and IBM will collaborate to design a blockchain ecosystem for improving transparency and interoperability.

Premier <u>estimated that unnecessary ED visits</u> for chronic condition patients cost \$8.3 billion in excessive 2017 healthcare spending... *Health Affairs* studies found that inpatient hospital prices <u>rose 42% between 2007 and 2014</u>, while physician services

prices rose 18%; and that <u>half of the Medicare spending</u> <u>slowdown</u> between 1999 and 2012 is attributable to slower spending growth for cardiovascular diseases.



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