



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

Center for Healthcare Regulatory Insight



March 3, 2023 | Issue 261

Editor's note

This note is produced every Friday by the [KPMG Center for Healthcare Regulatory Insight](#) 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 [subscribe to our mailing list here](#).

We welcome your feedback. Let us know if KPMG can help. Please [reply here to me](#), **Larry Kocot**, principal and national leader, KPMG Center for Healthcare Regulatory Insight or simply reply to this email with any comments or requests.

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Healthcare regulatory news

HHS will [form new OCR divisions](#) to support health information privacy and cybersecurity enforcement.

DEA [proposed rolling back](#) pandemic-related policies to once again require [in-person evaluations](#) before doctors can prescribe any [Schedule II and narcotic controlled medications](#), and [buprenorphine](#), for more than 30 days.

FDA [approved the first treatment](#) for the neurological disease, Friedreich's ataxia... FDA is [seeking comment](#) on [AI's role in drug manufacturing](#)... FDA [announced actions](#) to strengthen its Tobacco Center, including a 5-year strategic plan and seeking Congressional [authority to collect user fees from e-cigarette](#) companies.



Healthcare law and policy news

House Republicans [launched an investigation into PBMs](#)... CBO [reportedly estimated](#) a bipartisan Medicare Advantage (MA) prior authorization reform bill would cost \$10B.

North Carolina legislators [reached an agreement to expand Medicaid](#).

Eli Lilly will [reduce the price of its two best-selling insulin products by 70%](#) and expand its program capping monthly copays at \$35... Walmart Health [will open 28 new centers](#) in 2024.

Pfizer is [exploring acquiring Seagen](#) (\$30B)... Dr. Reddy Laboratories [will acquire Mayne Pharma](#) (\$105M)... MercyOne and Genesis Health System [completed their merger](#)... CHS [will sell two North Carolina hospitals](#) to Novant Health... Presbyterian Healthcare and UnityPoint Health [plan to merge](#).

JAMA studies found: (1) [MA patients are less likely to be hospitalized](#) than traditional Medicare patients due to “shifting inpatient care to settings such as ED direct discharges and observation stays;” and (2) families/caregivers [rated care from for-profit hospice providers worse](#) than care from non-profit providers... CDC [reported Black Americans are nearly twice as likely as white Americans](#) to visit hospital EDs for mental health disorders.

A [KFF analysis found 2021 MA insurer gross margins](#) averaged \$1,703/enrollee, more than double margins of insurers in the individual (\$745), fully-insured group/employer (\$689), and Medicaid managed (\$768) markets... A [KFF-Peterson analysis found](#) the share of outpatient setting claims with the highest two levels of complexity grew from 22% in 2003 to 43% in 2021.

Kaufman Hall reported [hospital operating margins were down 1%](#) in January... A [STAT analysis found](#) large hospitals systems’ investment income increased significantly in Q4 2022, relative to 2021.

World Obesity Federation [projected obesity/overweight will cost](#) the global economy [\\$4T+](#) by 2035.

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Special Section: COVID-19, Other Respiratory Illnesses, and mpox News

CMS released [an overview fact sheet](#) on waivers, flexibilities, and transition policies following expiration of the COVID-19 public health emergency... Five states (AZ, AR, ID, NH, SD) [are scheduled to begin disenrolling Medicaid beneficiaries in April](#) due to procedural reasons identified during eligibility redeterminations that started in February.

The Biden Administration [asked Congress to approve more than \\$1.6B](#) to help support initiatives to address pandemic-related fraud.

Wall Street Journal reported that an Energy Department [report concluded with “low confidence”](#) that COVID-19 likely arose from a laboratory leak... The National Security Council [emphasized the federal government has not reached a consensus](#) on the origins of the pandemic.

FDA granted emergency use authorization to the [first combination at-home test for COVID-19 and influenza](#)... An FDA advisory committee [will meet March 16 to discuss approval](#) of Paxlovid for treatment of mild-to-moderate COVID-19 in high-risk individuals.

A [BMJ study found](#) four months after COVID-19 infection, twice as many vaccinated individuals as compared to unvaccinated individuals reported their long COVID symptoms had disappeared.

An FDA [advisory committee](#) recommended [approval \(7-4, with one abstention\) of Pfizer's RSV vaccine](#) and [approval \(10-2 on safety and 12-0 on efficacy\)](#) of GlaxoSmithKline's RSV vaccine. Some committee members expressed concerns about cases of associated Guillain-Barre syndrome with both vaccines.

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