



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

Center for Healthcare Regulatory Insight



April 9, 2021 | Issue 167

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.

[Subscribe here](#) 

Special Supplement: COVID-19 News

In light of the continuing daily volume of COVID-19 activity and news, we have summarized [COVID-19 news for the week in this special supplement](#).



Healthcare regulatory news

CMS proposed increasing 2022 payments for [inpatient rehabilitation facilities](#) by [1.8% \(\\$160M\)](#); [inpatient psychiatric facilities](#) by [2.3% \(\\$90M\)](#); [hospices](#) by [2.3% \(\\$530M\)](#); and [SNFs](#) by [1.3% \(\\$444M\)](#).

528,000 Americans [have signed up for ACA coverage](#) through the special enrollment period (SEP) to-date... DOL [affirmed that unemployed workers can enroll in ACA plans](#) through an SEP once *American Rescue Plan* fully-subsidized COBRA coverage ends (September).

CMMI [paused 2022 Direct Contracting Model enrollment](#).

HHS is exploring regulations to [fix the "family glitch"](#)... CBO [concluded that a public insurance option](#) would likely help contain ACA market provider rates and lower administrative costs.

FDA approved [Supernus' pediatric ADHD](#) treatment and a Gilead [triple-negative breast cancer drug](#)... FDA released [generic drug development guidance](#) for the pandemic, including that facility inspection delays could threaten 180-day exclusivity for certain products.

Special Counsel urged FDA to [closely reexamine biologic plant inspection](#) compliance matters... Industry lawyers expect [more FDA dietary supplements oversight](#).



Healthcare law and policy news

Senate Finance will [hold a confirmation hearing](#) April 15 for CMS Administrator-nominee Chiquita Brooks-LaSure.

Supreme Court [continued its hold](#) on Medicaid work requirement cases, while the Biden Administration revoked [Wisconsin](#) and [Michigan](#) Medicaid work requirements.

The Senate parliamentarian will allow [another reconciliation bill](#) this year, setting up a possible opportunity for Democratic-led drug-pricing reform and coverage expansion to avoid filibuster hurdles... A [multinational corporation tax plan](#), released by Senate Democrats, could negatively impact pharmaceutical companies.

OIG [recommended](#) an HCA-owned hospital [repay \\$23.6M in Medicare overpayments](#).

LumiraDx will [go public through a \\$5B SPAC](#) merger... Bright Health [acquired Zipnosis](#)... FierceHealthcare reported that [COVID-19 has accelerated hospital acquisition](#) of ambulatory surgical centers... Rock Health reported that digital health startups [raised \\$6.7B across 147 deals in Q1 2021](#), the most funded quarter to-date.

40 healthcare organizations [signed a value-based-care compact](#), aiming to tie 70% of payments to capitation and alternative payment models by 2024.

Health Affairs studies found that [Medicaid expansion increased receipt](#) of opioid use disorder medications in the criminal justice system; [not-for-profit hospitals spent less on charity care](#) (2.3% of expenses) than for-profit (3.8%) and government-run hospitals (4.1%) in 2018; and [medical device industry payments to physicians](#) averaged [\\$904M/year 2014-2017](#), compared to \$821M/year for the pharmaceutical industry.



Questions or comments, please send to us-hcinsight@kpmg.com.

Succeeding in the new reality
Visit the COVID-19 resource center for KPMG analysis, insights, and perspectives.

kpmg.com/socialmedia



[Privacy](#) | [Legal](#)

You have received this message from KPMG LLP. If you wish to unsubscribe from Around the world of U.S. healthcare in 360 words or less, please [click here](#). If you wish to unsubscribe from all KPMG communications, please [click here](#).

KPMG LLP, 3 Chestnut Ridge Road, Montvale, NJ 07645

© 2021 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. NDP131714-1A

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.



COVID-19 News Supplement

Center for Healthcare Regulatory Insight



COVID-19 by the Numbers

There are now over 31 million confirmed COVID-19 cases in the US, with a [death toll over 560,000](#)... The country averaged [roughly 65,000 new confirmed cases/day over the past week](#), while daily case counts increased in 13 states... The COVID-19 strain originating in the UK (B.1.1.7) is [now the most common variant in the US](#).

175 million COVID-19 [vaccine doses have been administered](#) in the US (3.04M/day over the last week)... 112 million Americans ([43.2% of Americans 18 and older](#) and 76.9% of Americans 65 and older) have received at least one dose of a COVID-19 vaccine; 25.6% of Americans 18 and older are fully vaccinated... The US [administered 4 million vaccines](#) in a single day for the first time over last weekend.

Executive and Administrative Action

President Biden announced that all US adults [should be made eligible for a COVID-19 vaccine](#) by April 19... HHS expanded its COVID-19 [vaccine program to all \(1,470\) community health centers](#) across the country... The Administration announced three more federally-run mass vaccination sites in [Columbia, SC](#), [Pueblo, CA](#), and [St. Paul, MN](#).

Press Secretary Jen Psaki said that the Biden Administration [will not mandate use of vaccine “passports.”](#)

The US is launching a fundraising campaign on April 15 to [support purchase of COVID-19 vaccines for the world’s poorest countries](#) through COVAX... Secretary of State Anthony Blinken [named Gayle Smith as Coordinator for Global COVID-19 Response](#) and Health Security.

CDC Director Rochelle Walensky [declared racism as “a serious public health threat”](#) and vowed to use pandemic funds to invest in communities of color and other disproportionately affected groups to address disparities.

HHS extended by six months its [contract with TeleTracking to provide technology](#) used for its database through which hospitals report COVID-19 capacity data.

Healthcare Regulatory News

CDC revised guidance to say that [regular cleaning of surfaces with soap and water is sufficient](#) to reduce COVID-19 spread and that use of special disinfecting chemicals are only needed where there is a suspected or confirmed case.

Healthcare Law, Business, and Policy News

Politico reported [on growing concerns among privacy experts](#) over how patient data collected by retail pharmacies during COVID-19 vaccine administration may be used.

Planned Parenthood launched a [\\$2 million COVID-19 vaccination education campaign](#) and plans to distribute thousands of vaccines at sites across five states.

A Surgo Ventures [poll found that 59% of the US population](#) has already received a COVID-19 vaccine or plans to as soon as it becomes available to them and that vaccination rates will likely plateau in April before the country reaches herd immunity... An AP-NORC poll found that [75% of Americans are willing to receive the COVID-19 vaccine or have already received](#) at least one dose, up from 67% in late January; vaccine hesitancy varies across age group, political affiliation, ethnicity, and geography... A STAT-Harris poll found [that 21% of Gen Z Americans \(ages 18-24\) do not plan](#) to get vaccinated... Only 52% of US parents [responding to an Axios-Ipsos poll](#) plan to get their children vaccinated for COVID-19 as soon as possible.

A [JAMA Pediatrics analysis estimated](#) that 37,300 to 43,000 children have lost a parent due to COVID-19... Another [JAMA Pediatrics study](#) concluded that multisystem inflammatory syndrome in children (MIS-C) resulted from delayed immunological responses to COVID-19, peaking 2 to 5 weeks after COVID-19 peaks... A *Lancet* study found that [33% of COVID-19 patients had a neurological or psychiatric illness](#) within six months of COVID-19 diagnosis; 13% of COVID-19 patients received a neurological or psychiatric diagnosis for the first time.

Surveillance, Testing, and Treatment

The European Medicines Agency concluded that AstraZeneca's COVID-19 vaccine is [linked to dangerous blood clots in "very rare" cases](#), but that overall benefits of the vaccine outweigh risks... The World Health Organization acknowledged [a "plausible" connection](#) between the vaccine and blood clots... As a result of blood clot concerns, University of Oxford [paused dosing in a clinical trial of children and teenagers](#) testing its COVID-19 vaccine with AstraZeneca.

Johnson & Johnson (J&J) [assumed full responsibility for manufacturing](#) its COVID-19 vaccine at a Baltimore plant where 15 million doses were ruined; while AstraZeneca is working with the federal government to [identify a new vaccine plant to support production](#) of its vaccine... J&J will [allocate 86% fewer doses of its vaccine](#) across the country next week, down to just 700,000... J&J is testing its COVID-19 [vaccine in pregnant women and children](#) ages 12 to 17.

CDC Director Rochelle Walensky said that [Pfizer-BioNTech's COVID-19 vaccine could be expanded to children as young as 12 years old as soon as May](#) and that Moderna's could be available by summer.

NIH began a [clinical trial to study the risk of allergic reactions](#) to Moderna and Pfizer-BioNTech's COVID-19 vaccines.

Walgreens will [change its scheduling system for the Pfizer-BioNTech COVID-19 vaccine](#) after it was discovered that second doses were being scheduled four, rather than three, weeks apart.

Production of Moderna's COVID-19 vaccine will [nearly double after reaching an agreement with contract manufacturer Catalent](#) to increase output to roughly 400 vials per minute.

Politico reported on [growing concerns among vaccine manufacturers](#) about lack of capacity to produce vaccine boosters or revised vaccines alongside original versions.

The US Army [will begin testing of an Army-developed COVID-19 vaccine](#) potentially effective against emerging variants.

COVAX has delivered [nearly 38.4 million COVID-19 vaccine doses](#) to more than 100 countries.

An Eli Lilly-Incyte rheumatoid arthritis therapy [failed to keep hospitalized COVID-19 patients from progressing to mechanical ventilation](#).

Merck and Ridgeback Biotherapeutics reported [that the antiviral molnupiravir "significantly reduced infectious virus](#) in subjects in a mid-stage study after five days of [COVID-19] treatment."