



MYMAVERICK RECAP

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Digital Health

- Silicon Valley Bank predicted a decrease in late-stage health tech investment funding in 2023 as uncertain market pressures persist.
- The Wall Street Journal reported that investors expect stronger digital health startups to begin consolidating with competitors as the investment market restabilizes.
- Rock Health released two reports this week (here and here) recapping 2022 digital health venture funding trends. Hospital optimization software company LeanTaaS completed its acquisition of automation company, Hospital IQ. The combined companies are valued at \$1B and represent the largest AI- based hospital optimization software in the industry.
- Monogram Health, a tech-enabled in-home kidney disease management company, raised \$375M in funding from a number of industry investors, including CVS Health, Cigna Ventures, Humana, and SCAN, alongside financial sector investors including TPG Capital and Frist Cressey Ventures.
- After leading a \$45M investment round for behavioral health data company Holmusk, Veradigm (formerly Allscripts) announced the two companies will also be entering into a data partnership to grow Holmusk’s database of de-identified behavioral health information.

- KeyCare raised \$27M to expand its virtual-first platform that integrates with Epic and allows health systems to augment patients' virtual care experience.

Interoperability & Health IT

FEDERAL NEWS

- The ONC released its **2023 Interoperability Standards Advisory (ISA) Reference Edition**, which includes new sections on human and social services and pharmacy interoperability, and streamlines laboratory subsections. More here.
- Using data from the Health Information National Trends Survey, the ONC found racial disparities in patient portal offers and access, confirming why healthcare provider should encourage portal use.
- Physician groups are raising concerns about the 21st Century Cures Act's information-blocking mandate, that requires healthcare organizations to release test results to patients regardless of whether the physician has had time to review them or discuss them with the patient. These groups pushed back against the mandate, requesting that patients should decide when they want their results.

INDUSTRY NEWS

- DirectTrust and Electronic Healthcare Network Accreditation Commission (EHNAC), a health data standards organization, announced the completion of a merger. Both companies aim to improve the security of PHI data exchange.
- **University of California Davis Health and LiveCare Corp.** announced the development of Clinii, an AI model which can be used to interpret care team conversations and reveal insights that may improve patient care, clinician experience, and billing accuracy.
- **Google** introduced a new chatbot primarily targeted to healthcare providers called **MedPaLM**, which uses open-sourced language models to address medical inquiries.
- **CipherHealth**, a platform that gives providers conversational and clinical data on patients, is partnering with **SADA** to deploy **Google Cloud's Looker** to collect patient SDOH data for providers to leverage in care management.
- Minneapolis-based **Allina Health** will use **Qventus'** AI-powered platform to automate operation room scheduling processes. A report released by **Merrit Group** and **72point** found that 55% of health system CIOs are dissatisfied with marketers who fail to cater to their unique needs. The same survey showed that IT leaders often obtain information from online videos and base buying decisions on news coverage.
- A new study found that after a hospital began billing patients for complicated MyChart messages as e-visits, the overall volume of messages dropped.
- A study published in **JCO Oncology Practice** found that electronic informed consenting improves survey completion by participants in comparison to traditional paper-based consenting.



PUBLIC HEALTH DATA

- Public health professionals continue to combat misinformation about COVID-19 vaccines to restore trust in the U.S. public health system.
- **STAT News** reviews the efforts to reform the country's public health infrastructure by the CDC, the states, and think tanks, and how the Republican-led House is unlikely to act on any of them.

DATA PRIVACY AND SECURITY

- The HHS warned consumers to be aware of Clop, a notorious ransomware group, which recently infected files disguised as medical documents, as part of a ransomware attack.
- More than 20 healthcare organizations (like **Tufts, UPMC, Highmark, Walgreens, and CVS**) launched the **Health 3rd Party Trust (Health3PT) Initiative and Council**, which will establish standards, credible assurance models, and automated workflows to address cybersecurity concerns with third-party risk management.
- **Cedars-Sinai Medical Center** was sued over claims it transmitted patient data to Big Tech companies, including **Meta, Google** and **Microsoft**.

Payers & Providers

DRUG PRICING

- HHS announced key dates for the Medicare Drug Price Negotiation Program under the Inflation Reduction Act:
 - 9/1/23: CMS will publish the first 10 Medicare Part D drugs selected for negotiation
 - 1/1/24: Announcements about prices will be published
 - 1/1/26: Prices will be in effect
- A *Health Affairs* blog post summarizes 2022 changes to prescription drug policy and what to watch for in 2023, such as the Inflation Reduction Act (IRA) implementation, potentially significant FDA decisions, and alternative payment models addressing drug costs.
- This week, nearly every Blue Cross Blue Shield health plan in the country, along with their PBM **Prime Therapeutics** and pharmacy solutions firm **Evio**, invested in the launch of **Synergie Medication Collective**, a group purchasing organization designed to lower the cost of Medicare Part B drugs.
- Unlike Mark Cuban's Cost Plus Drug company that is focused on cutting consumer's costs at the pharmacy counter, **Synergie** is about disrupting the growing physician-administered specialty drug market.

PAYERS AND PROVIDERS

- HHS extended the Public Health Emergency for 90 more days. More here, here.
- The FTC proposed a new rule banning for-profit employers from imposing non compete contracts on workers who are leaving the company. The rule, already under heavy legal scrutiny, is expected to impact major payers and health systems. More here.



- Professor Tim Jost [published a blog](#) for the Commonwealth Fund about the RFI on Essential Health Benefits; the deadline for RFI responses is the end of January.

PAYERS

- CMS [data shows](#) that 156 million people receive health insurance through public programs, including Medicare, Medicaid, and CHIP as of September 2022.
 - HHS also announced that nearly 16M people have [signed up](#) for individual health plans on the ACA marketplace, a new record enrollment.
- A Commonwealth Fund [report explores](#) how Medicare Advantage marketing practices for health plans and health plan brokers are regulated, particularly as dissatisfaction with these practices rises.
- A *JAMA Health Forum* [study](#) found more beneficiaries [moved](#) from Medicare to Medicare Advantage plans between 2017 and 2020 than from the private to the public programs, with MA plans expected to supersede the traditional program in volume this year.
- Better Medicare Alliance commissioned Avalere [to report on a study](#) that shows MA plans provide better diabetes care than Medicare FFS.
- A Sheppard Mullin blog post is much more about the anticipated [MA RADV audit changes](#) than about the JP Morgan conference than Day 2 Notes from JP Morgan's conference.
- On December 29, a Michigan federal judge [dismissed](#) an antitrust claim against **Blue Cross Blue Shield of Michigan** that charged they violated state and federal laws by purposefully driving down reimbursement rates for anesthesiologists.
- **SelectHealth**, Intermountain's health plan, [announced](#) it will expand into Colorado in 2024 and offer Medicare Advantage and ACA exchange plans as a part of a partnership with UCHHealth. More about its play to accelerate value-based care with this new partnership [here](#).
- The California Department of Health Care Services [named five commercial managed care plans](#) to deliver Medi-Cal services across the state starting in January 2024, but **Kaiser Permanente** notably was awarded a separate, no-bid Medi-Cal contract, leading the other plans to complaint that KP will be able to cherry-pick healthier Medi-Cal enrollees.

PROVIDERS

- According to a [report](#) from Deloitte, hospitals and health systems are expected to [face](#) financial challenges in 2023 due to continued inflation, staffing shortages, and low margins. The most recent Kaufman Hall data shows that despite hospital margins [increasing](#) by 12% in November 2022, they remained negative overall.
 - PwC [advised](#) health systems in the U.S. to address workforce and financial challenges to remain competitive.
- A [survey](#) from SullivanCotter [shows](#) that compensation for advanced practice providers, including nurse practitioners and physician assistants, has increased by 4.5% across all major specialty categories.
- U.S. Bureau of Labor and Statistics [reports](#) healthcare employment increased by 54,700 jobs in Dec. 2022, with the majority of new positions in ambulatory care and hospitals.
- **CVS Health** [is considering](#) acquiring **Oak Street Health**, a primary care provider for Medicare recipients.



- **VillageMD** finalized its acquisition of **Summit Health-CityMD**, adding more than 2,800 providers, strengthening its footprint in five states, and growing its locations from over 250 to more than 680 in 26 markets.
- Orthopedic surgeons in the U.S. are increasingly turning to private equity investment firms to gain a share of the outpatient surgery market and to maintain their position as one of the highest-paid specialties in medicine, as reported by *KHN*.
- A Commonwealth Fund analysis highlighted the impact of consolidation, as 2021 Medicare inpatient spending was concentrated between two health systems for most regions.
- A gastroenterologist was sentenced to 30 months in prison for defrauding Medicare of more than \$3M for colonoscopies and other procedures not performed.

VALUE-BASED CARE

- Adam Boehler and Aneesh Chopra co-authored a *Health Affairs* blog post urging CMS to use digital technologies to modernize its risk adjustment methodology to improve payment accuracy.

HEALTH EQUITY & SDOH

- CMS awarded 200 new Medicare-funded physician residency spots focused on primary care and mental health, at 100 U.S hospitals in underserved communities.
- A *Health Affairs* blog post reports on ACOs' experience with incorporating social determinants of health into their total cost of care programs.
- The University of Notre Dame and Accenture are partnering for a new project that will use data and AI to identify and solve healthcare disparities in vulnerable populations.
- A new study finds policymakers and health leaders must address digital health literacy, language barriers, and broadband access to fully support digital health equity.
- A new EY survey shows that nearly all healthcare organizations have some type of health equity strategy, however, most of those strategies are new, contain a wide variety of focus areas, and differ on whether they are led by a Chief Equity Officer.
- This week, several SDOH announcements related to nutrition:
 - Houston-based Memorial Hermann Health System invested in **FoodSmart**, a telenutrition company that helps users assess their eating habits and form meal plans, and joined its Foodscript Network as a founding member.
 - **Season Health**, a food-as-medicine platform, will be offered in **healthAlign's** aging-in-place market to provide medically-tailored meals and nutrition advice to certain MA beneficiaries.
 - Through a partnership with Google Cloud, **NourishedRx** launched a food benefits management platform, that allows health plan beneficiaries to access personalized nutrition education and provides insights onto their nutrition-related needs. More here.
 - A recent *Health Affairs* study found that families experiencing food insecurity could incur up to \$2,500 in medical costs for one year.



MEDICAID

- The Kaiser Family Foundation published [10 things to know](#) about Medicaid redeterminations and other post-PHE Medicaid issues.

Virtual Health

FEDERAL NEWS

- The NIH [launched](#) “Home Test to Treat,” an entirely virtual community health intervention that provides free COVID-19 health services. The program will make antiviral treatment available for eligible patients to prevent severe illness and reduce hospitalizations.
- CMS [released](#) a telehealth indicator to help enrollees find providers that offer telehealth services. The indicator will be available on CMS’ provider data catalog and clinician profile pages.

NEW LAUNCHES AND PARTNERSHIPS

- **Teladoc** [released](#) an app that enables “personalized whole-person care” by integrating health services for primary care, mental health, and chronic condition management. More [here](#), [here](#).
- **Elevance Health** [launched](#) a nutrition tracker tool to its Sydney application. The tool uses AI to recognize foods from pictures uploaded by the user to log meals in a members health record, which can then be shared with a provider.
- **Intermountain Healthcare** [partnered](#) with **Omada Health** to provide virtual diabetes care and prevention. Together, the partnership will offer members support, such as in-home glucose monitors and interventions from trained health coaches.
- **Hinge Health** [released](#) a physical therapy in-home service to connect patients with physical therapists, health coaches, and physicians.

OTHER TELEHEALTH NEWS

- **CVS Health** [led](#) a \$25M funding round for **Array Behavioral Care**, a virtual therapy and psychiatric practice. With the help of CVS Health, Array seeks to increase access to virtual mental health care.
- **Carbon Health** [announced](#) the layoff of ~200 employees and a reduction of the number of services it offers.
- A new Kaiser Family Foundation [issue brief highlights](#) how state Medicaid programs have and continue to increase telehealth for behavioral care access.
- A [study](#) released by *JAMA Network* found that the use of in-person mental health services [decreased](#) by nearly 50%, but was offset by the expansion of telehealth during the COVID-19 pandemic. More [here](#), [here](#).

