



## MYMAVERICK RECAP

### January 19, 2023

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## Digital Health

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- A *Forbes* article outlined the financial constraints facing health systems in the upcoming year, pointing to digital clinical investments as a potential avenue for overcoming these challenges.
- **Alira Health** raised \$58M in funding to further develop its technology that allows patients to track clinical trial participation, therapeutic progress, and create patient “health storylines”.
- **Oula**, a hybrid maternity clinic, raised \$19.1M in Series A funding to add mental health care and in-house sonography to its products.
- **Authenticx**, a digital health software company that utilizes customer feedback to improve healthcare delivery, obtained \$20M in Series B funding.
- **Modify Health**, a nutrition platform and provider of medically tailored meals, raised \$10M in Series B funding.
- A paper published in *Nature* highlighted the lack of reproducibility in AI, as privacy concerns continue to stall the clinical usage of AI.

- MIT and the Mass General Cancer Center shared a study in which their AI model, Sybil, accurately predicted the short-term and long-term risk of lung cancer in patients without smoking history data, following a low-dose chest scan.
- NYC-based **Northwell Health** launched an AI-based chatbot that identifies urgent concerns in pregnant women and directs them to an emergency department, if needed.

## Interoperability & Health IT

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### FEDERAL NEWS

- The ONC released the Draft United States Core Data for Interoperability (USCDI) Version 4, which adds 20 new data elements and “Facility Information” as a new data class. Comments are due April 17, 2023.
  - The ONC’s new health IT standards bulletin explains the background and changes for USCDI version 4.

### INDUSTRY NEWS

- The AMA released new CPT codes for AI and virtual reality services to accommodate their increasing use in healthcare.
- A report published by **Philips** details the top ten healthcare technology trends experts expect in 2023, including using AI to address workforce shortages and increased use of patient monitoring.
- A study in *AJMC* highlighted how reducing EHR inbox notifications in primary care settings did not have a significant effect on clinician burnout.
- **Health Gorilla**, a health information network and interoperability provider, released its inaugural 2023 State of Interoperability report and found that 60% of health systems report duplicative or incomplete data retrieved through health information exchanges.
- Google sister company **Verily** announced major restructuring plans that include laying off 15% of its staff, exiting the development of medical devices, and using AI and data science to accelerate precision medicine.
- **Microsoft**, which invested in **OpenAI** back in 2019, recently announced plans to incorporate AI tools into all of its products, including ChatGPT.

### PUBLIC HEALTH DATA

- The number of telehealth apps more than doubled from pre-pandemic levels; these apps are two times more likely to support COVID-19 response efforts such as messaging, vaccine administration, and laboratory testing.
- A machine learning algorithm identified four subphenotypes of long COVID from the EHRs of patients; this discovery has implications for the treatment and management of long COVID.

### DATA PRIVACY AND SECURITY

- The HHS Health Sector Cybersecurity Coordination Center (HC3) issued a warning to the healthcare sector about the tactics used by Royal and BlackCat ransomware.



- CISA, which is in charge of protecting the U.S.' critical infrastructure, released its 2022 Year in Review, which highlighted its accomplishments over the past year and outlined its goals for 2023.
- Since 2009, the number of health data breaches exceeded the U.S. population of 331.9 million.

## Payers & Providers

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### DRUG PRICING

- On January 13, 2023, the Medicare Payment Advisory Commission (MedPAC) discussed policy recommendations to address rising Part B drug prices.
- PwC's 2023 pharma trend report is predicting continued pressure on drug pricing and increased scrutiny of pharma M&A. More here.
- HHS recently released its regulatory healthcare priorities, as part of the Biden Administration's Unified Agenda, here, including a significant focus on drug prices.

### HEALTHCARE TRANSPARENCY

- **Turquoise Health** officially launched its Instant Good Faith Estimates Service which has a free version for individual providers and a paid version for health systems.
  - The tool uses cost data from CMS' Price Transparency rules to generate good faith estimates in compliance with the No Surprises Act.
- California filed a lawsuit against **Eli Lilly, Novo Nordisk, Sanofi, CVS Caremark, Express Scripts, and Optum**, alleging they unlawfully increased the price of insulin. According to a 2021 report, insulin costs over ten times more in the U.S. compared to other countries.
- Florida Governor Ron DeSantis proposed legislation to improve drug pricing transparency by imposing stricter requirements on PBMs, requiring them to disclose affiliated pharmacies or settlements and to submit reports justifying price increases.

### PAYERS

- CMS announced 15.9 million people have enrolled in the 2023 ACA Marketplace, with 3.1 million new enrollees finding health insurance coverage.
  - Nationally, the uninsured rate for those under 65 continues to fall to historic lows, with the extension of enhanced Marketplace subsidies, increased enrollment outreach, state Medicaid expansion, and the Medicaid continuous enrollment policy, which is set to end April 1, 2023.
- At its latest public meeting, MedPAC acknowledged new CMS data showing that Medicare Advantage plan enrollment surpassed 30 million across 776 contracts in 2023.
  - AHIP applauded the landmark in a press release highlighting the efficiency and cost-saving ability of MA plans.
- **UnitedHealth Group** CEO Brian Thompson reported that the "triple-demic" resulting from COVID-19, the flu, and RSV did not impact care costs late last year. The pattern indicates a potential shift back to predictable health markets and pre-pandemic trends.



- **UnitedHealthcare** filed a protest of North Carolina's decision to award its state health plan contract to **Aetna**, joining **BCBS North Carolina**. The companies claim that the state did not allow for equal bidding opportunities for the contract.

## PROVIDERS

- Last week, MedPAC recommended that Congress increase Medicare payment rates by 1% in 2024 to accommodate inflation.
- A report released by **Kaufman Hall** predicted an increase in health and hospital M&As after dropping in 2021 and 2022 from previous years, as providers look to grow or maintain their practices.
- **Trinity Health** announced plans to appoint virtual nurses across 88 hospitals in 26 states as an attempt to combat staffing shortages and improve patient care.
- **Transcarent**, an employee healthcare navigation company, partnered with **Cleveland Clinic** to expand its network of medical specialists.
- **Healthgrades** recognized the top 50 hospitals in the U.S. for 2023 using 2019-2021 Medicare data to evaluate performance. More here.
- A report from **Gibbins Advisors** found that major healthcare bankruptcies increased by 84% in 2022, a return to pre-pandemic levels for reasons such as high labor and supply costs and declining government relief funding.

## VALUE-BASED CARE

- CMS released the participation rates for three innovative accountable care initiatives that its innovation center (CMMI) is overseeing: 13.2 million Medicare beneficiaries and 700,000 providers will participate in the Medicare Shared Savings, ACO REACH, and Kidney Care Choices models.
- **UnitedHealth Group** plans to integrate more behavioral health and home health services into its care delivery strategy as the company expects 4M more individuals to participate in value-based care models provided by **Optum** in 2023 than in 2022.
- A study from Weill Cornell Medical College found Merit-Based Incentive Payment System (MIPS) scores may not accurately reflect physician performance through process and outcome measures.

## HEALTH EQUITY & SDOH

- The Joint Commission announced it is elevating health disparities as a quality and safety priority to a new National Patient Safety Goal (NPSG) for certain accredited healthcare organizations, including all hospitals and some ambulatory care organizations.
- A *Health Affairs* study found that risk adjustment models that consider social factors will limit marginalized groups to the inequitable spending they have historically received.
  - Instead, the study suggests that over-predicting spending for low-income groups allows for more equitable resource distribution and reduces inequalities.
- *Becker's* interview with **Point32Health** highlights how the organization addresses health equity by improving methods to track comprehensive SDOH-related data.



## MEDICAID

- With the continuous enrollment provision soon ending, AHIP is calling for improved communication with Medicaid beneficiaries to assist in transitions to new plans.
- An analysis from Kaiser Family Foundation summarized the challenges that Medicaid will face as it addresses the mental health crisis in 2023.
- During the COVID-19 pandemic, Medicaid beneficiaries receiving long-term services and support (primarily through home-based care) had 26.6 times higher excess mortality rates than individuals within the general population, according to a study in *Health Affairs*.

## Virtual Health

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### FEDERAL NEWS

- Federal action may be required, if/when the Public Health Emergency ends on April 11, 2023, to allow telehealth providers to prescribe medications to treat substance abuse disorders and mental health issues. A report released by **Talkiatry**, a telepsychiatry company, found that thousands of patients would lose access to mental health services when COVID-era exemptions end. See more here.
- The Congressional Budget Office (CBO) released cost estimates, on January 12, 2023, of the Medicare telehealth provisions in the Consolidated Appropriations Act: \$2.3B over two years.
- **A new Kaiser Family Foundation (KFF) analysis found that expanded use of telehealth services did not lead to significant cost savings early in the COVID-19 pandemic.** For the most common mental health claims, the average payment (insurer and enrollee paid amounts combined) was about the same regardless of whether the service was delivered by telehealth or in-person.

### NEW LAUNCHES AND PARTNERSHIPS

- **Avanlee Care** partnered with **Walmart** to deliver its digital health monitoring tool to unpaid caregivers, allowing caregivers to monitor their aging family members' health better and stay connected with their loved ones.
- **Prospect Medical** partnered with **Signify Health**, an in-home care company that uses telehealth to increase access to preventative and in-home services, to coordinate care for fee-for-service Medicare beneficiaries.
- **Help Texts** launched a subscription-based service to address healthcare worker burnout and fatigue. This text-based system allows healthcare workers to receive customized supportive texts and coordinate support systems with their friends and loved ones.
- **Beaufort Memorial Hospital** partnered with **Publix Pharmacy** to launch a new telehealth center. The center, which is located within a Publix pharmacy, offers patients a convenient option for receiving telehealth care.

### OTHER TELEHEALTH NEWS

- According to Fair Health's Monthly Telehealth Regional Tracker, national telehealth use decreased by 3.7% in October 2022. The number of COVID-19 diagnoses during telehealth



appointments fell, but the number of acute respiratory condition diagnoses rose. More [here](#), [here](#).

- **Teladoc** [laid off](#) 6% of its non-clinical staff (300 workers) as part of a restructuring plan.
- In a recent interview [conducted](#) by *Healthcare IT News*, Sanford CIO Brad Reimer discussed Sanford's \$350M virtual care initiative, which aims to improve healthcare for rural and underserved communities across the Midwest.
- Following its acquisition of **Amwell**, a virtual care company, **Horizon Health Alliance** now [provides](#) virtual care to 70% of its patients, according to a recent article in *Healthcare IT News*.

