Maverick Health Policy

MYMAVERICK RECAP

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NEWSLETTER CONTENTS

Digital Health

DIGITAL HEALTH INVESTMENTS

- Digital health funding fell to a five-year low for the fourth quarter of 2022, according to a *CB Insights* report. See more here.
- **Angle Health**, a digital health insurance startup co-founded by former Palantir engineers, raised $58M in an early-stage round of funding.
- **Health Payment Systems**, a company that helps consumers pay medical bills, announced it raised $25M to accelerate the growth of PayMedix, its fintech payment consolidation tool.
- **Precision Neuroscience** closed $41M in Series B funding, and plans to seek FDA approval of its brain-computer interface technology to treat neurological conditions, like strokes.
- **Posterity Health**, the first digital male fertility center, received $7.5M in an oversubscribed funding round.
- **Nourish**, an San Francisco-based telehealth platform for nutrition, raised $8M in seed funding.

- **Knownwell**, a company that offers weight-related care including metabolic health services, nutrition counseling, and behavioral health care, launched with $4.5M in seed funding from **Flare Capital Partners**.
- Knownwell's launch comes the same week that **Ro**, a direct-to-patient healthcare company, announced a weight loss program that sends at-home metabolic tests (measuring A1C, cholesterol, thyroid, etc.) to patients before creating a personalized treatment plan.

ARTIFICIAL INTELLIGENCE INVESTMENTS

- **Nvidia** and startup **Evozyne** collaborated to create novel and more efficient versions of human proteins never before seen in nature using AI, a feat that has strong implications for potential therapies of rare genetic disorders.
- **Arrive Health**, formerly **RxRevu**, a Denver-based company that provides prescription benefit services to hospitals, acquired a suite of AI-integrated patient engagement technologies that were developed by **UPMC Enterprises** to show patients alternatives when they can't afford their prescriptions.
- **Bayer** acquired AI strategic imagining and analytics provider **Blackford** in an effort to integrate AI technology into its clinical workflow.

ARTIFICIAL INTELLIGENCE NEWS

- **Microsoft's** multi-billion dollar investment in **OpenAI**, the creator of the AI chatbot tool ChatGPT, sparked conversations about the use of AI tools in healthcare. More on this here, here, and here.
  - Researchers found that ChatGPT passed the United States Medical Licensing Exam and may be able to assist with medical decision-making.
- Two Members of Congress raised concerns that the White House's Blueprint for an AI Bill of Rights may conflict with the AI guidelines that will be released by the Department of Commerce's National Institute for Standards and Technology. The letter can be found here.
- The Health Sector Cybersecurity Coordination Center released a brief detailing the risks of AI in healthcare, warning that hackers can leverage AI to breach patient data.
- According to estimates from the National Bureau of Economic Research, over the next five years payers could save up to $110B using AI technology.
- University of Chicago launched **Transform**, an accelerator that will support and fund AI and data science start-ups.
- **Microsoft** laid off thousands of employees in the midst of its shift towards AI and technology-driven solutions.
- A recent article in *Healthcare Innovation* discussed the rising need for Chief AI Officers – whose role it is to oversee AI/ML projects and strategies – in healthcare.

Interoperability & Health IT

FEDERAL NEWS
- In an interview with *Healthcare IT Today,* Micky Tripathi – the National Coordinator for Health IT at HHS – underlined his thoughts on the 21st Century Cures Act and its impact on interoperability and data sharing.
- Integrating prescription monitoring programs with electronic health records can help combat the opioid epidemic, according to an ONC brief.

INDUSTRY NEWS
- The **Regenstrief Institute** launched its patient-matching framework, which is designed to standardize patient-matching tools to ensure the appropriate integration of patient data. More here.
- Providers said a major contributor to clinician burnout and workforce shortages is the lack of interoperable medical records and failure to integrate tech tools, according to a survey conducted by KLAS.
- **Meditech,** a well-known E.H.R. vendor, partnered with **MedAllies** to incorporate clinical direct messaging into its electronic health record systems in an effort to improve interoperability.
- ChatGPT, an **OpenAI** chatbot, reportedly passed the U.S. Medical Licensing Examination, as part of a recent research experiment. More here.
- **Cleveland Clinic** and **Palantir Technologies** announced a multiyear partnership to build a "Virtual Command Center" to streamline wait times, bed assignments, staff allocation, and overall utilization of resources
- The CDC announced plans to establish an Office for Public Health Data, Surveillance and Technology to better monitor public health issues. More here.
- Public health officials reiterated their concerns with the methods of data collection used at the beginning of the COVID-19 pandemic, arguing that they were insufficient to help mitigate the spread of the virus.
- According to a recent article in *Health Affairs*, federal data sets often exclude prison hospital data, which reduces the quality of care for incarcerated populations and has the potential to harm public health.

DATA PRIVACY AND SECURITY
- On January 31, 2023, comments are due on the proposed rule to change the privacy standard for substance use disorder patient records to better align with HIPAA. More here.
- The Identity Theft Research Center released a report that shows at least 344 organizations in the healthcare industry suffered data breaches in 2022.
- Manatt, a law firm, is hosting a webinar on February 8, 2023, to examine privacy oversight for health data stored outside of the health care system and beyond the reach of HIPAA.
- Husch Blackwell published an update on proposed state privacy legislation.

- AHA's Senior Advisor for Cybersecurity and Risk, John Riggi, named Daixin as the most concerning ransomware variant in healthcare today.
- Ransomware group **BlackCat** is behind a recent string of attacks on healthcare vendors, including **PharmaCare Services**, **NexGen Healthcare**, and **One Brooklyn Health**.

Payers & Providers

HEALTHCARE TRANSPARENCY
- *Health Affairs* launched a new *Forefront* (its blog) series, called Provider Prices in the Commercial Sector, to feature articles about health care provider prices. The first articles are:
  - Private Sector Health Care Prices—Defining The Terms Of The Policy Debate
  - MedPAC Chairman Michael Chernew's "Seven Burning Questions Related to Commercial Prices For Health Care Services"
- In an effort to improve drug pricing transparency, **Optum** released Price Edge, a digital price comparison tool that scans generic drug prices to offer enrollees the lowest price.
- A new health care stats tool, called the Congressional District Health Dashboard -- launched this week by NYU Grossman School of Medicine and the Robert Wood Johnson Foundation -- makes health data (not prices) transparent. The dashboard draws from multiple sources, like the National Vital Statistics System, to breakdown stats about, for example, rates of obesity, mental stress, and uninsured in each congressional district.

PAYERS AND PROVIDERS
- **Jeff Zients will succeed Ron Klain as the next White House chief of staff.** Zients knows health care issues well as a former executive of the Advisory Board. He also fixed healthcare.gov when it was broken, and ran the Office of Management and Budget, the National Economic Council, and led the Biden administration's COVID-19 response effort.
- Amazon announced that Amazon Prime customers can enroll in "RxPass" to receive generic drugs that treat more than 80 common conditions, including high blood pressure and anxiety, for a $5-a-month flat fee.

PAYERS
- As the deadline to raise the debt ceiling approaches -- forcing the U.S. Treasury to take extraordinary measures to keep paying Medicare providers and other obligations -- House Republicans are considering proposals that would cut Medicare and other entitlement programs. See more here, here, here, here.
- CMS is expected to release its final rule about changes to risk adjustment in the Medicare Advantage program by February 1, 2023. These changes will be challenging to many health plans, see here, here.
- **AHIP** held its 2023 State of the Industry event to outline the challenges facing the industry and its plan to address them, including increasing competition, expanding behavioral health

programs, supporting prior authorization reform, improve health equity outcomes, and lowering prescription drug costs.

- The **Blue Cross Blue Shield Association** set site-neutral payment reform as a high policy priority, alongside other legislative goals the lobbying group highlighted in a new report.
- **Elevance Health** announced plans to acquire **BCBS of Louisiana**. More here.
- The latest **Gallup** poll found that 57% of U.S. adults believe that the federal government should ensure that all Americans have health insurance coverage.
- **UnitedHealth Group**'s proposed $1.3B acquisition of UK-based clinical software company **EMIS Group** is being investigated by the UK's Competition and Markets Authority for anti-trust violations.

PROVIDERS

- The American Hospital Association was the #3 spender on lobbying activity across all industries in Q4 of 2022, spending $7 million, according to *Politico*.
- After conducting a year-long investigation into non-profit hospitals, the *New York Times* found that --despite their mission to help underserved populations -- many hospitals prioritized revenue-generation. This story was also featured on the NYT's 30-minute podcast, *The Daily*.
- As CMS announces steps to scrutinize nursing home safety issues, the long-term care trade associations reported that senior care institutions are experiencing significant staffing shortages.
  - A bipartisan group of rural-state Senators wrote to CMS asking it to reconsider a plan to mandate staffing levels in nursing homes.
- Harvard economics and policy experts, including MedPAC's Chairman Michael Chernew, published a study in *JAMA* that explored whether better care was available at bigger, consolidated health systems. The study found that "Performance on clinical quality and patient experience measures was marginally better in systems but spending and prices were substantially higher."
  - The recently-passed omnibus spending package included much higher fees for large merger deals (of all kinds, not just hospital consolidation), to raise additional revenue for U.S. antitrust enforcement efforts of the FTC and DOJ. Starting in 2023, M&A deals that are valued over $5B, may cost as much as $2.25M in filing fees, up from $280,000. See FTC press release here.
- The Joint Commission, which evaluates and accredits more than 22,000 health care organizations through on-site surveys, appointed Susan Fox, CEO of White Plains Hospital in New York, to its Board of Commissioners.
- Some providers are charging for e-visits when corresponding with patients via patient portals, according to a *New York Times* article and a *JAMA* study.
- Nurse practitioners topped the U.S. **Bureau of Labor Statistics** list of the 20 fastest growing occupations between 2021 and 2031. More here.

VALUE-BASED CARE

- At an event this week, CMMI Director Liz Fowler announced that CMS will release new payment models on advance primary care and the total cost of care.

- An underline analysis by Peterson-Kaiser Family Foundation Health System Tracker found that if insurers continue to pay similar rates for telehealth and in-person visits, offering telehealth services is unlikely to reduce healthcare spending.

HEALTH EQUITY & SDOH

- After a meeting of the Health Impact Project, a collaboration of The Pew Charitable Trusts and the Robert Wood Johnson Foundation, Pew published a roadmap to help provider focus their health equity efforts.
- Kaiser Family Foundation published an article summarizing the benefits of community health worker (CHW) services – emphasizing their potential to improve health equity – and discussed state policies for expanding Medicaid coverage of CHWs.
- **Included Health** partnered with **Tufts Health Plan** and **Harvard Pilgrim Health Care** to expand holistic, anti-discriminatory LGBTQ+ services by promoting education, matching individuals to providers, and supporting beneficiaries as they navigate service options.
- **Lucet**, a Blues network spinout, launched a platform intended to help payers connect their beneficiaries to behavioral health services.

MEDICAID

- In response to a letter from HHS Secretary Becerra, the FCC confirmed that Medicaid enrollment calls and text messages from federal and state governments will not violate robotext or robocall prohibitions.
- Kaiser Family Foundation (KFF) published a brief on what to watch about Medicaid policy in 2023, including the plans of CMS to develop new guidance about how the year-end spending deal will impact Medicaid coverage for COVID-19 testing and vaccines.
- South Dakota lawmakers proposed adding work requirements to the state's newly expanded Medicaid program, which passed in November.

Virtual Health

FEDERAL NEWS

- As the end of the PHE approaches, the **Alliance for Connected Care** requested that CMS release an interim final rule to extend access to some Medicare telehealth services.

NEW LAUNCHES AND PARTNERSHIPS

- **Intermountain Health** and **Story Health** partnered to improve patients' heart and vascular treatment plans using virtual health technology, such as email, text, and voice calls.
- **Golisano Children's Hospital** and **Elemeno Health**, a digital health company, partnered to release an app that provides surgical staff with communication tools, checklists, and training videos.
- **UnitedHealthcare** launched virtual behavioral health benefits at no additional cost for more than 5M fully insured members through **Optum**.

OTHER TELEHEALTH NEWS

- According to a study published in *JAMA*, contrary to popular belief, telehealth doesn't improve access to opioid use disorder treatment and neither improves nor worsens quality of care for those with the disorder.
- A **KFF** analysis showed private healthcare payers reimbursed providers similarly for telehealth and in-person care at the beginning of the pandemic.
- The CMO of **Geisinger's** hybrid primary care service, **Geisinger at Home**, reported that the program reduced the percentage of ED visits and inpatient admissions and lowered cost of care.