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#### Editor's note

<u>This series</u> is produced by KPMG Healthcare and is intended to be short and succinct, less than 360 words, to provide a weekly digestible bite of healthcare regulatory, policy, and industry news relevant to our clients. Links are provided to source material (proposed and final regulations, agency guidance and press releases, reports, research, etc.) when available. Please share this email with colleagues and other interested individuals, and encourage them to <u>subscribe to our mailing list here</u>.

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# Healthcare regulatory news

HHS OIG<u>instituted</u> new performance standards for its Medicaid Fraud Control Units, which are state-level Medicaid watchdogs that provide oversight on Medicaid provider fraud and patient abuse or neglect.

Responding to the <u>AI Executive Order</u>, CMS issued <u>a RFI on AI in</u> <u>healthcare</u>, requesting information on healthcare stakeholders' use of AI; the agency will leverage this input to select companies to present at CMS' AI Demo Days.

HRSA <u>announced</u> \$100M in awards to expand the health workforce, with a specific emphasis on high need areas... These investments aim

to address growing concerns of a healthcare worker shortage, exacerbated by such factors as an <u>aging population in need of more care</u> and <u>healthcare worker burnout</u>.





# Healthcare law and policy news

Congress <u>passed</u> a \$2.9B emergency funding bill for the VA that will cover veteran benefits over the coming weeks... The agency predicts a funding gap of around \$12B in the next fiscal year as the VA continues <u>to serve more beneficiaries</u> and has increased benefit offerings due to the <u>PACT Act.</u>

The Fifth Circuit Court of Appeals <u>ruled</u> that PhRMA, along with two other organizations, can challenge the Inflation Reduction Act's Medicare drug price negotiation program and sent the case back to the district court... This is the first time a court ruled in favor of drug manufacturers among the <u>multiple lawsuits</u> filed against the Medicare drug price negotiation program.

The FTC <u>filed a lawsuit</u> against the three largest pharmacy benefit managers (PBMs) in the country and their group purchasing organizations for engaging in anticompetitive practices that artificially inflate insulin prices... In the same week, Express Scripts <u>sued</u> the FTC for the agency's <u>July report</u> on the role of PBMs in increasing drug prices for consumers, claiming the report contains false facts.

A KFF <u>analysis</u> found that in 2024, MA plans will receive \$11.8B in Quality Bonus Payments from the government, a \$1B decrease from 2023; the MA quality bonus program aims to incentivize higher quality plans and assist beneficiaries in plan selection, and MA plans <u>use the bonuses</u> to lower cost-sharing and offer supplemental benefits.





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