



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



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### Editor's note

*[This series](#) 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 [subscribe to our mailing list here](#).*

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### Healthcare regulatory news

HHS Secretary Beccera [declared a public health emergency](#) in Florida to help address the health impacts of Hurricane Milton and to provide flexibility for providers to serve Medicare and Medicaid beneficiaries... HHS [also urged providers and hospitals](#) to adopt innovative strategies to address the anticipated drug supply shortage, especially for IV fluid, due to the effects of the storm.

CMS released [an RFI](#) on the [Medicare \\$2 Drug List Model](#), seeking input on the sample list of \$2 generic drugs, as well as how changes in

pricing, clinical indication, and new generic launches will necessitate updates to the list.

The FDA [has approved](#) a rapid COVID-19/Flu A&B Antigen Test, the first OTC combination antigen test to gain approval through the standard review process, allowing it to be sold without an emergency use authorization.

OMB [released a memo](#) directing government agencies on the responsible acquisition of AI and AI-related products, with specific guidance on managing risk, increasing the involvement of agency officials in AI acquisition, and advising agencies to carefully negotiate contractual requirements... A Politico analysis found that [HHS has spent nearly \\$129M](#) on AI and related purchases in the past 5 years.



#### Healthcare law and policy news

Various proposals intended to reduce drug prices, such as expanding the number of drugs under the Medicare drug price negotiation program and eliminating direct-to-consumer advertising, would decrease drug costs by less than 1%, according to a [CBO report](#)... Separately, CBO [estimated](#) that Medicare coverage of anti-obesity medications would increase net federal spending by \$35B over 9 years, with the direct costs of the drugs far outweighing savings from improved health of beneficiaries.

According to a [KFF report](#), average annual premiums for employer-sponsored family plans rose 7% to \$25K... While total costs for employer coverage continue to rise, individual contributions to premiums remained at \$6K on average.

An [Epic Research report](#) found that individuals are increasingly self-paying for emergency room (ER) visits, with children on Medicaid or CHIP experiencing a 60% increase in self-paid ER visits; this surge in uninsured care coincides with the post-pandemic ending of Medicaid continuous enrollment.





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