

# Three Minute Read™

Insights from the Healing American Healthcare Coalition™

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HEALING AMERICAN HEALTHCARE  
COALITION

**From the Editor:** This issue's article summaries include legal updates as well as disturbing news on physician burnout and hospital finances, then concludes with a look back at US performance during the first Covid wave. Click on the headline to read the full article.



[J&J proposes \\$8.9B talc settlement deal; some plaintiffs decry 'woefully inadequate' offer](#), by Angus Liu, Eric Sagonowsky, Fierce Pharma, 4/5/23

**TMR Topline** – After years of litigation and a \$2 billion verdict which J&J [unsuccessfully appealed](#) all the way to the Supreme Court, the company is offering \$8.9 billion over 25 years to resolve all lawsuits claiming that the company's talc-containing baby powders caused cancer. While lawyers for about 70,000 talc plaintiffs said they support the proposal, Beasley Allen, representing tens of thousands, is not: "An \$8.9 billion amount is woefully inadequate to cover even the current ovarian cancer and mesothelioma claims, much less any future claims."



[The FDA approves the overdose-reversing drug Narcan for over-the-counter sales](#), by Joe Hernandez, NPR, 3/29/23

**TMR Topline** – The FDA has approved the nasal spray Narcan - the brand name for the drug naloxone – for sale over-the-counter. Naloxone, which comes in a nasal spray and an injectable drug, can reverse the effects of an opioid overdose and restore a person's breathing. The drug's producer, Emergent Biosolutions, said it hopes to make the nasal spray available on store shelves and at

online retailers by late summer. The FDA approval comes as the US continues to see a staggering number of opioid-related deaths, driven in large part by the spread of synthetic opioids such as illicit fentanyl.



[Texas abortion pill ruling could impact other FDA-approved drugs, vaccinations: HHS secretary](#), by Stephen Neukam, The HILL, 4/9/23

**TMR Topline** – HHS Secretary Xavier Becerra said the move by a Texas federal judge to block the FDA's 2000 approval of mifepristone could have far-reaching effects on the status of other federally-approved medications and vaccinations. "When you turn upside down the entire FDA approval process, you're not talking about just mifepristone, you're talking about every kind of drug." Becerra argued the judge was inserting his "personal opinion" in the place of scientific conclusions. The FDA has appealed the ruling.



[Federal Judge Strikes Down Obamacare Requirement for Free Preventive Care](#), by Sheryl Gay Stolberg and

Reed Abelson, New York Times, 3/30/23

**TMR Topline** – The Texas federal judge who once declared the Affordable Care Act unconstitutional has issued a [far-reaching ruling](#) that prevents the Biden administration from enforcing a provision of the law that provides patients with certain types of free preventive care, including screenings for cancer, depression, diabetes and H.I.V. If the ruling stands, it could bring the US back to the days before the ACA when insurers were free to decide which preventive services they would cover. Judge O'Connor's national injunction came as no surprise as he had earlier [ruled](#) that use of the [U.S. Preventive Services Task Force violated](#) the Constitution because its members are not appointed by the president or confirmed by the Senate. The plaintiffs (Braidwood Management) also argued that their premiums shouldn't

support the H.I.V. drug regimen known as pre-exposure prophylaxis, or PrEP, that violates their religious freedom.

**TMR's Take:** Responses to the potential adverse effects of the two Texas rulings from providers, insurers and the administration were immediate. More to come next issue.



[Overworked physicians consider exiting roles as pay rates drop](#), by Alan Condon, Becker's Hospital Review, 3/24/22

**TMR Topline –** [Doximity's](#) 2023 Physician Compensation Report found two out of three physicians are thinking about leaving their current positions because they continue to be overworked (86%) and their compensation remained flat or declined last year. 36% are considering early retirement and 16% are looking for a new career. Average pay declined 2.4% in 2022. Click [here](#) to see the specialties with the highest and lowest annual compensation. The gender pay gap is still an issue with male physicians earning almost \$110,000 more than their female counterparts, a 26% gender pay gap. That pay gap may be contributing to the higher burnout rate (92%) among female physicians compared to 83% for male physicians. Doximity's survey results include responses from more than 31,000 full-time physicians in 2022.



[Major insurers to ease prior authorizations ahead of federal crackdown](#), by Nona Tepper, Modern Healthcare, 3/29/23

**TMR Topline –** UnitedHealth Group and Cigna are revamping their prior authorization (PA) processes. UnitedHealth will implement a "gold card" program through which qualifying providers will simply notify the insurer about pending care rather than request a PA, eliminating the need for most PAs. Cigna has removed PA reviews for nearly 500 services and devices since 2020 and uses an electronic process to enable fast responses. Humana also uses electronic processes to review PA requests. The CMS is slated to [finalize a proposal](#) next month that would require health insurers to automate PA, process them more quickly, justify denials and publicly report data on their decisions.

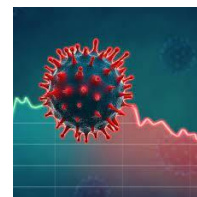
**TMR's Take:** No applause for the insurers please – their actions are widely seen as an attempt to forestall government intervention. PA requirements have increased in

recent years, care is being delayed, and are a major contributor to physician burnout.

## Fitch Ratings

[Hospitals faced 'worst operating year' ever in 2022: Fitch](#), by Alan Condon, Becker's Hospital Review, 4/6/23

**TMR Topline –** Fitch Ratings Senior Director Kevin Holloran said 2022 is shaping up to be *"the worst operating year we've ever seen,"* with hospital margins suffering steep declines due to labor costs and staff shortages, inflation, higher cost of capital, investment losses and the end of federal pandemic-related funds. He estimates that half of hospitals were not profitable for the full year and that the future for many, especially rural hospitals, looks bleak.



[The First Covid Wave: Comparing Experiences of Adults Age 50 and Older in the U.S. and Europe](#), The Commonwealth Fund, 4/5/23

**TMR Topline –** The Commonwealth Fund surveyed nearly 44,700 adults 50 and older in the US and 28 European countries to study how older adults were affected during the Covid-19 pandemic's first wave. It found the US to be one of the hardest-hit countries with over 1 million confirmed deaths, 91% of whom were over 50. Other significant negative outcomes included job loss, death of a friend or family member and delayed care for millions of Americans.

Older adults in the US were significantly more likely to report at least one adverse Covid-19 experience compared with European older adults. Nearly 1/3 of Americans reported forgoing care; from delaying treatment to being unable to see a doctor. The English, Lithuanians and French had 19.3%, 12.2% and 10.1% forgoing care, respectively. Nearly one in five older Americans reported the death of a relative, followed by Belgium (11%) and Spain (9%). Compared with Europeans, older Americans suffered the most unemployment with 13% reporting job loss during the first wave of the pandemic. Fewer than 10% in the European countries reported a loss of employment. Despite the pandemic being more intense in other countries than in the US, older Americans suffered worse outcomes. US public policies did not protect employment as well as policies in many European countries and were less stringent. The US health care system was less prepared to deliver care during the pandemic.