

# Three Minute Read™

Insights from the Healing American Healthcare Coalition™

July 2023-1



**From the Editor:** This issue's article summaries include drug and A.I. updates, some insurance issues and America's disgraceful maternity mortality rate. Click on the headline to read the full article. If you enjoy this curated newsletter, please subscribe [here](#)



## [New Federal Decisions Make Alzheimer's Drug Leqembi Widely Accessible,](#)

by Pam Belluck, New York Times, 7/6/23

**TMR Topline** – Now that the FDA has given [full approval to the Alzheimer's drug Leqembi](#), Medicare will cover 80% of its \$26,500 annual cost. In clinical trials, the drug modestly slowed cognitive decline in Alzheimer's early stages, but comes with significant safety risks including brain swelling and bleeding. Leqembi is administered every two weeks as an infusion to patients who have an accumulation of the protein amyloid, a hallmark of Alzheimer's that the drug attacks. Clinical trial data suggests that it may slow decline by roughly five months over an 18-month period. The FDA also added a serious warning to [the drug's label](#), stating that in rare cases it can cause "serious and life-threatening events" and that there have been cases of brain bleeding, "some of which have been fatal." About 1.5 million Americans are estimated to be in the early stages of Alzheimer's and would be eligible to be treated with Leqembi. [A recent study](#) estimated that administering the drug to 85,000 patients would cost Medicare \$2 billion a year. It was developed and tested by Japanese company Eisai in partnership with Biogen. Ivan Cheung, CEO of Eisai's US operations, estimated that in the first three years, about 100,000 patients would receive the drug.



## [Healthcare entrepreneur Alex Oshmyansky describes his efforts to disrupt drug pricing,](#)

by Nick Hut, HFMA, 6/28/23

**TMR Topline** – Alex Oshmyansky, MD, PhD, co-founder and CEO of Mark Cuban Cost Plus Drug Company, provided an illuminating look under the hood at last month's HFMA's Annual Conference. By developing a "parallel supply chain for the pharmaceutical industry," anchored by a manufacturing facility in Dallas, the company is competing with the three wholesalers that control 90% of the market as well as pharmacy benefit managers. The company already is a registered wholesaler in all 50 states and carries about 20% of specialty drugs, with biosimilars soon to follow. With an emphasis on total transparency, the company already has a high percentage of the national market for certain drugs. It's well worth a read.

**TMR's Take:** With slightly better results than Biogen's Aduhelm, Leqembi offers some hope to patients suffering mild cognitive impairment, but will create affordability challenges to eligible patients burdened with high copayments, as well as the Medicare program that will foot the lion's share of its \$26,500 annual cost. **TMR** applauds the Mark Cuban Cost Plus Drug Company for tackling drug affordability, something that Congress has lacked the will to do given Big Pharma's successful lobbying efforts.



## [A.I. May Someday Work Medical Miracles. For Now, It Helps Do Paperwork.](#)

By Steve Lohr, New York Times, 6/26/23

**TMR Topline** – Doctors are finding that the best use for generative A.I. in health care is to ease the heavy burden of documentation that takes them hours a day and contributes to burnout. With doctors and nurses reporting [high levels of burnout](#), generative A.I. holds great promise

for documentation assistance for electronic health records. More than 1,100 physicians in the University of Pittsburgh medical system use Abridge software to document patient visits. Abridge translates medical terminology into plain English at 4th-grade reading level and produces a patient summary immediately after the visit accessible through the system's online portal.

**TMR's Take:**— Attendees at last month's HFMA's Annual Conference got a glimpse into [Houston Methodist's](#) use of A.I. for a virtual ICU and virtual observation in the inpatient setting as well as for streamlining admissions and discharges. The result: less stress on nursing staff and higher patient satisfaction scores. Another A.I. tool is being integrated with the EHR to leverage all information on a patient's chart to reduce deterioration and LOS.



[Medicare Advantage quality bonus program needs reform: Urban Institute](#), by Mari Devereaux,

Modern Healthcare, 7/6/23

**TMR Topline** – An Urban Institute report asserts that the CMS quality bonus program is ineffective in many cases, overpays Medicare Advantage organizations and needs reform. Despite more than half of MA plans receiving 5% bonuses for [high star ratings](#), the program has not led to plan beneficiaries receiving better care than they would in traditional Medicare plans. The program does not penalize low performing MA plans. The report urges CMS to shift its focus and target outlier performance, rewarding only the best contracts with bonuses and financially penalizing the worst.



[Kraft Heinz sues Aetna for alleged claims data mismanagement](#), by Jakob Emerson,

Becker's Hospital Review, 7/5/23

**TMR Topline** – Aetna has served as a TPA for Kraft's medical and dental plans for over 15 years. The complaint alleges that Aetna breached its fiduciary duties and used its role as third-party claims administrator "to enrich itself to Kraft Heinz's detriment," and claims more than \$1.3 billion in damages. Kraft tried to retrieve its medical claims data in 2021 but got "self-selected and edited" data from Aetna. Kraft is seeking a preliminary injunction to compel Aetna to provide complete claims data.



[UnitedHealthcare warned of rising healthcare utilization rates. Is pickleball to blame?](#), by Andrew Cass,

Becker's Hospital Review, 6/27/23

**TMR Topline** – The firm recently [warned](#) of rising healthcare utilization rates as they saw a higher-than-expected number of hip replacements, knee surgeries and other elective procedures. Analysts suggest that [pickleball](#) could be one factor driving the higher rate of injuries. "While we generally think of exercise as positively impacting health outcomes, the 'can-do' attitude of today's seniors can pose greater risk in other areas, leading to a greater number of orthopedic procedures," analysts said.

**TMR's Take:**— US health insurance – too many plans, too much overhead and too complicated. Imagine how much simpler healthcare would be with universal coverage.

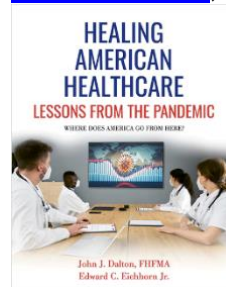


[U.S. maternal mortality more than doubled since 1999, most deaths among Black women – study](#), by

Nancy Lapid, Reuters, 7/3/23

**TMR Topline** – A [study](#) published in JAMA reported an estimated 1,210 maternal deaths in 2019, up from 509 in 1999, with the mortality rate among black women 2.5 times that of White women. The study analyzed data state-by-state and found that Black women had the highest mortality rate in some Northeast states. Southern states had high maternal mortality across all race and ethnicity groups, but especially for Black individuals. Causes of death within a year after pregnancy include mental health conditions, excessive bleeding, cardiac and coronary conditions, infections, blood clots, and pregnancy-related high blood pressure, according to the CDC.

**TMR's Take:** America is the richest country in the world, yet its maternal mortality rate is double that of other [high-income countries](#); for black women it's five times higher.



As "Healing American Healthcare, Lessons from the Pandemic" concluded, "**America should emulate the Scandinavians.**" It's available in both soft-cover and eBook versions. Click [here](#) to buy it at a discounted price with coupon Printbook or ebook at checkout.