The COVID-19 pandemic has created unprecedented challenges for healthcare providers and health insurers. The following is a selection of federal and state actions as well as news and analysis articles from the Health Policy Tracking Service as published in its bi-weekly Snapshots. The selection includes Regulatory Intelligence and Reuters news coverage. More COVID-19 news and information can be found via the TRRI platform’s search facility.

Additional COVID-19 resources are also available on the Thomson Reuters COVID-19 Resource Center. For a regularly updated list of U.S. state updates on insurance-sector regulatory changes related to the COVID-19 epidemic, please click on this link: http://go-ri.tr.com/fuaD4N.

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COVID-19 COVERAGE

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FEDERAL ACTIONS

Biden Proposes Extension of Increased ACA Subsidies
President Biden has proposed the extension of the expanded Affordable Care Act premium tax credits in the American Rescue Plan.

The White House indicated, “Health care should be a right, not a privilege, and Americans facing illness should never have to worry about how they are going to pay for their treatment. No one should face a choice between buying life-saving medications or putting food on the table.”

The White House also pointed to President Biden’s plans to improve the Affordable Care Act by:

1 This COVID-19 Coverage Snapshot was compiled by members of the publisher’s staff.
- lowering prescription drug costs for everyone by letting Medicare negotiate prices,
- reducing health insurance premiums and deductibles for those who buy coverage on their own,
- creating a public option and the option for people to enroll in Medicare at age 60 and
- closing the Medicaid coverage gap to help millions of Americans gain health insurance.

According to the White House, “The American Families Plan will build on the American Rescue Plan and continue our work to make health care more affordable.”

The administration called the American Rescue Plan a historic investment in reducing Americans’ health care costs. It asserted that the American Rescue Plan is the largest improvement in the affordability of health care since the Affordable Care Act was passed in 2010.

Under the American Rescue Plan, the price of health insurance premiums was lowered for many people who buy their own health insurance plans for two years. It is saving families an average of $50 per person per month.

The American Families Plan would make those premium reductions permanent, representing a $200 billion investment. Nine million people would benefit from the increased savings on monthly premiums.

An estimated four million uninsured people will gain health insurance coverage if the legislation passes.

The legislation would also implement improvements in maternal health and support the families of veterans receiving health care services.²

**STATE ACTIONS**

**Colorado**

2021 CO H.B. 1256 (NS), engrossed April 27, concerning the promulgation of rules by the Department of Health Care Policy and Financing as it relates to entities that deliver services predominately through telemedicine.

**Louisiana**

2021 LA S.B. 176 (NS), engrossed April 29, to provide for Medicaid reimbursement paid to health care providers for COVID-19 testing; to provide for reimbursement under the Louisiana Medical Assistance Program; to provide for claim and billing procedures; to provide for separate reimbursement for COVID-19 testing; and to provide for related matters.

**New Jersey**

2020 NJ S.B. 3692 (NS), introduced April 26, establishes criminal penalties for production, sale, and use of false COVID-19 vaccination verification card; requires AG to establish COVID-19 vaccination fraud prevention program.

**New York**
- To assist providers in administering the COVID-19 vaccine. See 2021 NY REG TEXT 574415 (NS).
- To allow telemedicine in some circumstances for social distancing purposes due to outbreak of COVID-19. See 2021 NY REG TEXT 582283 (NS).

**North Carolina**
- 2021 NC S.B. 191 (NS), amended/substituted April 28, the No Patient Left Alone Act.
- 2021 NC H.B. 682 (NS), introduced April 27, to appropriate federal COVID funds to provide funding for freezers that are necessary for storing COVID-19 vaccines.

**South Carolina**
- 2021 SC S.J.R. 147 (NS), adopted April 28, a joint resolution to enact the "South Carolina COVID-19 Liability Immunity Act" so as to provide liability protections for a limited time period for healthcare providers and businesses that follow public health guidance in response to the coronavirus public health emergency, to define necessary terms, to provide liability protection for certain covered entities and covered individuals for coronavirus-related claims, to provide that defenses are cumulative and to provide a timeframe that this liability protections is in effect.

**REGULATORY INTELLIGENCE AND REUTERS NEWS**

**U.S. Health Agency Targets COVID Response, Nursing Homes, Social Disparities as Compliance Priorities**

(Regulatory Intelligence) - The U.S. Department of Health and Human Services top compliance priorities are led by spending in the COVID-19 response, as well as issues including the quality of nursing home care and social inequities in health services, a top agency investigator said in an industry speech.³

Christi A. Grimm, principal deputy inspector general for the HHS Office of Inspector General (OIG), identified the priorities in a keynote speech at the Healthcare Compliance Association Compliance Institute.

The OIG oversees the HHS's $2.2 trillion in program expenditures across the department's more than 100 programs, including Medicare and Medicaid.

Besides the COVID response, nursing homes, and healthcare inequities Grimm's address rounded out a list of five top priorities by citing telehealth services and program-integrity information. Grimm raised five additional compliance focus areas, but did not discuss them in detail in her speech. They are: combating substance use disorder, prioritizing cybersecurity, enforcing information blocking, implementing value-based care and strengthening managed care program integrity.

**Overseeing COVID-19 Relief and Response**

The OIG's first priority is audits, evaluations and investigations examining the COVID response, and will likely remain so for the next several years, Grimm said. The pandemic

³ Melissa D. Berry, U.S. health agency targets COVID response, nursing homes, social disparities as compliance priorities, Thomson Reuters Regulatory Intelligence (April 28, 2021) at http://go-ri.tr.com/Uz1J2U.
brought out the best from many healthcare workers and scientists, but it has also led to "bad actors exploiting the pandemic to cause harm."

The OIG has received over "2,400 complaints to [its] hotline related to purported COVID fraud" some leading to enforcement actions already. Grimm noted a Colorado physician provider was recently indicted for allegedly stealing from multiple provider-assistance programs to fund personal travel and home improvements.

"We are using every tool in our arsenal, pursuing criminal or civil charges, seeking exclusion or referring for suspension and debarment from programs, and working to recover ill-gotten gains," Grimm said.

**Realizing the Potential of Telehealth**

Although Grimm acknowledged the potential for healthcare access through telehealth, she also said it is "important that new policies and technologies with potential to improve care and enhance convenience achieve these goals and are not compromised by fraud, abuse, or misuse."

Being able to effectively expand telehealth and ensure program integrity will require effort on fronts not generally considered compliance areas, including cybersecurity, interoperability and patient access to technology. Expanding the reach of telehealth will also require identifying "key program integrity factors" such as policy and payment changes, according to Grimm.

**Quality of Care and Patient Safety in Nursing Homes**

Grimm noted that COVID has underscored the vulnerability of nursing home and long-term care patients. Although facility residents total less than 1% percent of the nation's population, they make up 34 percent of the COVID-19 deaths, she said.

Nursing home problems such as inadequate staffing levels and data reporting pre-date the pandemic but worsened by it, Grimm said. The inspector general's office will work on quality of care, patient safety and improving agency and state oversight of the facilities. It will also continue its work on infection control, facility-initiated discharges and the overuse of psychotropic drugs in facilities.

The OIG will be "laser focused on seeing positive change" at nursing homes, Grimm said.

**Advancing Health Equities**

The COVID-19 pandemic "demonstrated how stark racial and socioeconomic disparities in our country have significant negative effects for health outcomes," Grimm noted. CDC data show that American Indian or Alaska Native individuals are 2.4 times more likely to die from COVID than white Americans. For Hispanic or Latino Americans, the rate is 2.3 times higher and for Black Americans it is 1.9 times higher.

These means that not only did the pandemic "disproportionately affect communities of color," it also worsened the impact of disparities related to social determinants of health.

To OIG is bringing "equity to the forefront" by considering how to incorporate objectives related to equity, social determinants of health on health experiences and outcomes. It is
also examining to data underlying disparities to determine if it is complete and how best to use it to address the issues.

**Modernizing Program Integrity and Compliance Information**

The OIG is working to make "program integrity and compliance easier across the health care industry," Grimm said. The OIG hopes making it easier to access and use information that supports compliance work will "spur innovation and improve compliance programs."

The OIG is also looking at process changes required by the pandemic to determine what worked well and should continue when the pandemic subsides. It is also considering how to automate systems such as the List of Excluded Individuals and Entities that now require a manual process for each of the 26 million site visits annually.

In addition to the compliance areas, Grimm acknowledged provider concerns "about the off-ramp when emergency flexibilities expire after the pandemic ends." She assured listeners that the OIG would take a "reasonable and fair approach" that would allow providers to adjust as flexibilities end.

**World to Spend $157 billion on COVID-19 Vaccines Through 2025 - Report**

(Reuters) - Total global spending on COVID-19 vaccines is projected to reach $157 billion by 2025, driven by mass vaccination programs underway and "booster shots" expected every two years, according to a report by U.S. health data company IQVIA Holdings Inc released on Thursday.4

IQVIA, which provides data and analytics for the healthcare industry, said it expects the first wave of COVID-19 vaccinations to reach about 70% of the world’s population by the end of 2022. Booster shots are likely to follow initial vaccinations every two years, the report said, based on current data on the duration of effect of the vaccines.

The United States is preparing for the possibility that a booster shot will be needed between nine to 12 months after people receive their first full inoculations against COVID-19, a White House official said earlier this month. Pfizer Inc has also said boosters may be needed within 12 months.

Vaccine spending is expected to be highest this year at $54 billion with massive vaccination campaigns underway around the world. It is expected to decrease after that eventually to $11 billion in 2025, as increased competition and vaccine volumes drive down prices, said Murray Aitken, a senior vice president at IQVIA.

The forecast for such meteoric growth in sales for a new class of drugs or vaccines is unmatched, but reminiscent of the $130 billion spent on the new hepatitis C cures between 2014 to 2020 due to pent up demand, Aitken said in an interview.

The spending forecast for COVID-19 vaccines represents 2% of the roughly $7 trillion forecast for all prescription medicines during that time period, IQVIA said.

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Excluding the cost of COVID-19 vaccines, overall medicine spending is forecast to be $68 billion lower over the six years from 2020 to 2025 than it would have been without the pandemic, according to the report.

The pandemic caused major disruptions to doctor visits, procedures and medicine use, leading to some stockpiling in the early days for some medications and then a return to a more normal trend, the report said.

"While COVID-19 vaccines will cost $157 billion over the next five years," Aitken said, "that is a very small price to pay relative to the human cost of the pandemic."

**Vendor Paid to Conduct COVID-19 Contact Tracing in Pennsylvania Reports Breach**

(Reuters) - Insight Global, a vendor paid to conduct COVID-19 contact tracing in Pennsylvania, said on Thursday that some personal information collected by its employees during contact tracing may have been accessible to persons beyond authorized employees and public health officials.5

The Associated Press reported earlier on Thursday that private information of at least 72,000 people, including their exposure status and their sexual orientation, may have been compromised. The report cited the state's Health Department.

Insight Global said it became aware of the security vulnerability on April 21 and took steps to prevent any further access to or disclosure of information by April 23.

"Insight Global did not collect Social Security numbers, financial account information, or payment card information, and that type of information was not involved in this incident", the statement said.

The vendor said it was working with the Pennsylvania Department of Health to identify any individuals whose information may have been affected, adding that third-party IT security specialists were engaged to help determine the scope of the incident.

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