

Health Care Quarterly Report—Q2

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1. Private Equity & M&A

[Real estate giant Hines partners with Sentio to invest in senior housing](#)

Houston-based real estate company Hines has announced that it has partnered up with Orlando-based health care investment company Sentio Investments. The partnership will create an investment portfolio of senior housing and additional health care real estate, rather than developing it. Sherri Schugart of Hines said that although Hines is looking to invest in all health care asset classes across the U.S., the company is particularly excited about the opportunities in senior housing.

Senior Housing News on Jun 20, 2018

[Mightier attracts \\$2.4 million](#)

Children's behavioral health company Mightier has announced that the latest round of seed funding – led by Slow Ventures – has raised \$2.4 million. The company, which was founded out of Boston's Children's Hospital, has now raised a total of more than \$3.7 million in seed funding.

PE Hub - US Blog on Jun 19, 2018

[Mental health startup Modern Health seeded with \\$2.3 million](#)

Emotional health benefits startup Modern Health – founded by Alyson Friedensohn and neuroscientist Erica Johnson – has announced that it has secured \$2.26 million in seed funding, in a round led by Afore. According to Alyson Friedensohn, the funding will be used to expand the business, and to accelerate the development of its healthcare platform.

Dow Jones VentureWire Alert on Jun 17, 2018

continued on next page

1. Private Equity & M&A *(continued)*

[Mindstrong closes \\$15 million funding for brain health technology](#)

Mental health company Mindstrong Health – based in Palo Alto, California - has confirmed that it has secured \$15 million of Series B funding, bringing the total amount of financing closed by the company to \$29 million. Mindstrong uses smartphone activity to measure brain function, mental health and behavior, and the funding will be used to scale the business and seek out partnerships within the healthcare industry.

Dow Jones VentureWire Alert on Jun 15, 2018

2. Behavioral Health

[Novel model to address post-disaster behavioral health issues may also help other communities](#)

A new case study, published in June in the *International Journal of Environmental Research and Public Health* by LSU Health New Orleans schools of Medicine and Public Health, looks at how collaboration in addressing behavioral health and promoting community resilience following the 2016 Great Flood in Baton Rouge, successfully increased the capacity of local behavioral health services. The report also suggests that this approach could be used in other disaster-struck communities.

News Medical on Jun 25, 2018

[Telebehavioral health finding its niche](#)

As healthcare providers increasingly look to view patients more holistically, behavioral health is growing in importance, and more and more companies are investing in technologies and telehealth to help them deliver these services. Spending on behavioral health is expected to reach \$281 billion by 2020, and though it is accepted that more needs to be done, some companies are seeing a return on investments using digital apps and telehealth principles when delivering behavioral health.

Healthcare Dive on Jun 21, 2018

[Why employers nationwide are incorporating teletherapy into benefits packages](#)

As more and more businesses recognize the importance of mental health at work, and offer their employees mental health benefits, some of the challenges many are facing are cost and access. According to the Human Resources Management's 2017 Employee Benchmark Report, as many as 81 percent of companies now offer mental health benefits to staff, and to overcome these challenges, many are turning to telebehavioral health.

BioPortfolio Latest News on Jun 6, 2018

3. Post-Acute Care

[Physical therapy and rehab go virtual](#)

San Diego-based technology company VERA is working with physical therapists and patients to provide a virtual physical therapy platform that patients can use at home. Dr. Joe Smith, CEO of VERA, describes the platform as a link to clinicians, giving ‘an unprecedented amount of transparency into the post-acute care process’.

Modern Healthcare - Breaking News on Jun 23, 2018

[Better outcomes, satisfaction with hospital-at-home care programs: JAMA study](#)

According to a study published in JAMA Internal Audience, bundled payments of acute hospital care provided at home, combined with 30 days of post-acute transitional care, shows shorter stays in the hospital, lower re-admission rates, fewer visits to emergency rooms, and greater patient satisfaction, compared with patients treated only as inpatients at the hospital.

Healthcare Dive on Jun 25, 2018

[Hospice care has become booming multibillion-dollar industry](#)

One of the country’s biggest insurance companies – Humana – is one of several insurers looking to invest in hospice care. Humana has announced plans to partner with two investment companies to acquire two hospice chains that would create the largest hospice operator in the U.S., with hundreds of sites across dozens of states.

Kaiser Health News on Jun 25, 2018

[Hospitals use home health to cut costs of readmission](#)

Michigan-based Residential Healthcare is one of several home health companies working closer with hospitals to expand its presence in the post-acute care market. The move, which sees Residential Healthcare expand into two other states with hospital joint ventures, allows expertise in post-hospital care services to be developed, giving the company and the health care providers working with it, steady revenue growth, and the opportunity to cut down on financial penalties incurred by patient readmissions.

Crain’s Detroit Business Latest News on Jun 24, 2018

[NQF report finds gaps in post-acute, long-term care measures](#)

A new report from the National Quality Forum’s Measure Application Partnership has warned that although there have been great strides in bringing post-acute care and long-term care together, there are still notable gaps and differences between the two, especially for those patients who move back and forth between the two forms of care. The report calls for more to be done in coordinating care between post-acute and long-term patients, and in the quality and consistency of data transfer.

Healthcare Dive on Apr 2, 2018

4. Access and Assisted Living

Advocate of senior living innovations to lead Amazon’s health venture

Amazon, Berkshire Hathaway and JPMorgan Chase – who have launched a new health care venture together (as yet un-named) – have announced that that Dr Atul Gawande, author of the book “Being Mortal” and advocate of innovation within senior living models, has been appointed CEO of the new health care venture.

Senior Housing News on Jun 20, 2018

SunTrust seeing ‘quite a bit’ of demand for senior housing construction financing

SunTrust senior vice president Evelyn Lee has said that although concerns about oversupply remain in the senior housing development industry, lots of senior housing operators are seeking out construction financing for senior housing, especially in the Southeast area of the country. The demand has seen the Aging Services practice at SunTrust recently begin offering financing to senior housing providers nationwide.

Senior Housing News on Jun 19, 2018

Three wellness tech initiatives senior living providers must deliver

As the senior living industry continues to focus on wellness, demand for technology is also growing, especially technology that focus on emotional, mental, physical, social and spiritual health. This article looks at three wellness technology initiatives that senior living providers should consider in order to remain competitive, including: implementing smart communities; community-wide Wi-Fi; and providing new technology to senior residents.

Senior Housing News on Jun 14, 2018

Senior housing at risk of excess inventory over next eight years

The National Investment Center for Seniors Housing & Care (NIC) has warned that if the current national run-rate of growth in senior living (45,000 units) continues, the U.S. could have an oversupply of senior living units within 3.7 years.

Senior Housing News on Jun 13, 2018

Benesch is aiding UH’s legal partnership

In July, University Hospitals completed their first medical-legal partnership with the Legal Aid Society of Cleveland, with the opening of the Rainbow Center for Women & Children. The move will allow University Hospitals to improve access to lower-income families in Cleveland and combat societal health; and will allow the Legal Aid Society of Cleveland to also focus on those societal needs across the state. The partnership has also been supported by Benesch, who has made a donation for a full-time attorney at the facility.

Benesch Press Releases on May 12, 2018

5. Federal and State

[Statement from FDA Commissioner Scott Gottlieb, M.D., on FDA's efforts to foster discovery and development of new tools to fight antimicrobial-resistant infections](#)

The FDA have published a statement from Commissioner Scott Gottlieb, M.D., outlining the importance of combating serious antimicrobial drug resistant infections, and describing the efforts of the FDA in fostering the discovery and development of new tools in this fight.

FDA Statement on June 12, 2018

[FDA taking action to remove barriers to lower drug prices](#)

The move by the FDA to implement the 21st Century Cures Act has been welcomed by the Senate Health Committee Chairman Lamar Alexander, who described the move as 'smart', saying it will help remove barriers to lower drug prices, allowing insurers to negotiate better prices on drugs and devices for their customers. It will also encourage better information sharing between insurance companies, including on new drugs or devices about to be approved or come to market, and their potential uses.

US Senate Committee on June 12, 2018

[Senate Finance Committee's HEAL Act, a critical step toward tackling the opioid crisis](#)

The Senate Finance Committee has unanimously voted to advance the Helping to End Addiction and Lessen Substance Use Disorders Act of 2018 (HEAL), which will seek to improve the way the country is addressing the ongoing opioid crisis through reforming Medicare, Medicaid and family services programs.

US Senate Committee on June 14, 2018

[Bills promoting use of electronic health records for behavioral health providers pass House and Senate](#)

The United States House of Representatives and the U.S. Senate have both passed amendments to the Social Security Act to allow Centers for Medicare and Medicaid Innovation to allow incentive payments for behavioral health providers to adopt and use electronic health records.

US Senate Committee on June 14, 2018

[House prepares for week of action on opioid bills](#)

No fewer than 34 bills designed to tackle the opioid epidemic were debated and voted on in the week of June 12, 2018. However, Energy and Commerce ranking member Frank Pallone has warned that he feels that "collectively these bills do not go far enough in providing the resources necessary for an epidemic of this magnitude".

Roll Call News on Jun 12, 2018

[HHS proposes Medicare payment rules to encourage hospitals to be clearer about prices](#)

The government has proposed changes to rules on federal payments that will require hospitals to post their prices online and make electronic health records more available to patients. As part of the annual updates to Medicare payment rules, the administration is also considering setting aside an additional \$1.5 billion in funds to buffer hospitals from the expense of treatment for patients who cannot pay their bills, raising fears that the government is expecting an influx of uninsured patients as it continues to weaken Obamacare.

The Washington Post - National News on Apr 25, 2018

6. Electronic Health Records

[Walmart just scored a patent for a blockchain-based health care records system](#)

Retail giant Walmart has been awarded a patent for a new blockchain-based system to house medical records, a platform that would allow first responders to access emergency medical data for patients who can't communicate.

Fortune Magazine on Jun 22, 2018

[House passes bill aligning SUD patient protections with HIPAA](#)

The U.S. House of Representatives has voted to pass the Overdose Prevention and Patient Safety Act, allowing for patient records for patients with substance-use-disorders to be disclosed without their written consent, so long as this does not violate HIPAA. This brings the privacy protection for substance-use-disorder patients aligned with the HIPAA Privacy Rule. Offences under the new bill will fall under the HIPAA civil penalty structure, rather than any criminal penalties.

IAPP - Privacy Association Daily Dashboard on Jun 22, 2018

[These \\$500 medical records show why Apple could upend the health data industry](#)

Following a report from the Government Accountability Office which showed that many patients give up on accessing their medical records when they find out how much it costs, citing two patients who were charged over \$500 to access their individual health records. With Apple's new health records app, and partnerships with both hospitals and electronic medical-record companies, commentators believe that the iPhone maker could transform the health data industry and make it far more affordable and accessible for people to access their health records.

CNBC Commentary News on May 17, 2018

7. Future of Healthcare

[How artificial intelligence in healthcare can improve patient outcomes](#)

Staff shortages continue to impact the U.S. healthcare industry, with 48 percent of nurses in 2017 saying that shortages have worsened. Physicians too, are spending up to 80 hours a week in the hospitals in which they work, with examples being told of 28-hour long shifts. These long hours, staff shortages, and high stress levels, make errors more likely. This article looks at the ways in which healthcare providers and technology companies are working together to use artificial intelligence to help patients, and support staff, and how AI could help the healthcare industry in the future – for example, in helping detect patterns in patient health that could help treatment. Hortonworks News on Jun 25, 2018

[The top 5 startups disrupting healthcare using AI, digital therapeutics, health insurance, and genomics](#)

This report from Business Insider Intelligence looks at various ways in which technology start-ups are disrupting and improving the wider healthcare industry, particularly in the ways they are targeting out-of-date, inefficient legacy systems; using AI to improve workflows for clinicians; reduce costs; and foster preventative medicine.

Business Insider on Jun 21, 2018

[Google is hiring people to work on improving visits to the doctor's office with voice and touch tech](#)

Google is set to expand its Medical Digital Assist team, looking at using voice recognition and audio and touch technologies to improve the accuracy and availability of care for both patients and doctors. The technology aims to create the 'next gen clinical visit experience' by using voice recognition to help doctors take notes from patients, and aims to deploy tests with an external healthcare partner this year.

CNBC Health Care on Jun 14, 2018

[Telehealth providers trying to stand out](#)

Healthcare providers looking to buy telehealth technology are now looking for more than just high-quality video chat platforms, and this is forcing telehealth providers to innovate and find new ways to stand out. Some technologies are able to triage patients to different virtual follow-ups; integrating with providers' clinical workflows; or bringing their own network of remote specialists for support.

Politico - Morning eHealth on Jun 14, 2018

[NIH unveils new opioid research plans](#)

The National Institutes of Health has announced its new HEAL initiative to tackle the ongoing opioid crisis and improve pain management for patients. The initiative aims to improve treatment for opioid misuse and addiction patients, and to fight addiction at the source by implementing better strategies for pain management. Congress has also added \$500 million of funding to support this HEAL initiative.

MedPage Today on Jun 12, 2018

[Start-ups have a better shot than Amazon at fixing health care, says prominent tech investor](#)

Co-founder of software company Palantir and Silicon Valley venture capitalist Joe Lonsdale has said that technology start-ups partnering with healthcare systems could be better placed to impact the healthcare industry than technology giants, such as Amazon, Apple and Google. Lonsdale, who has just raised a \$640 million fund, is intending to invest a lot of it into healthcare.

CNBC Health Care on May 17, 2018

8. Insurance

[Trump boasts he's 'gutted' the ACA, avoids blame for consequences](#)

In a speech in Nevada in June, President Trump told supporters that despite Senator John McCain's vote against repealing the Affordable Care Act, he has succeeded in 'essentially gutting' the ACA, and that following amendments to the Act, any premiums or negative consequences should be blamed on the Democrats. This is following claims from two big insurance companies claiming that Republican policies were causing significant insurance premium increases.

MSNBC - Latest News on Jun 25, 2018

[Insurance plans' opioid policies 'not well-developed to limit their overuse'](#)

According to a new study published in JAMA Network Open, despite attempts by insurance companies to combat opioid abuse by implementing quantity limits, requiring preapproval for prescriptions, or using therapy sessions with other medications, opportunities have been missed by both private insurers, and Medicare and Medicaid policies to encourage patients to move toward safer, more effective alternatives to prescription opioids. Study senior author Dr. G. Caleb Alexander said that, "at least unwittingly, insurers have contributed to the opioid epidemic".

Modern Healthcare - Breaking News on Jun 22, 2018

[Oscar Health to enter six new insurance markets despite Obamacare attacks](#)

New York start-up Oscar Health has announced plans for an aggressive expansion into six new markets from 2019, despite continued attacks on the Affordable Care Act, which the company offers individual coverage under. The expansion would 'nearly double' its current footprint, expanding into Florida, Arizona, Michigan, Ohio, Tennessee and Texas, subject to regulatory approval.

Forbes Healthcare News on Jun 21, 2018

9. Mergers and Acquisitions

[American Medical Association says CVS-Aetna merger shouldn't happen](#)

The American Medical Association has called on regulators to block the proposed merger between Aetna and CVS. AMA president Barbara McAneny warned that if approved, the merger “would likely substantially lessen competition in many healthcare markets, to the detriment of patients”.

MedCity News on Jun 20, 2018

[Merger creates large nonprofit in Washington](#)

Seattle-based non-profit organizations Navos and Community Psychiatric Clinic have announced that they will merge on November 1, 2018, adopting the Navos name for the combined organization. Navos is affiliated with MultiCare, which is a non-profit, community-based health system with its own program of behavioral health. The merger is expected to provide “significant economies of scale”, according to Navos CEO David Johnson, and will look at the treatment of mild and moderate disorders.

Behavioral Healthcare Magazine on Jun 18, 2018

[Healthcare megadeals seen more likely after media merger ruling](#)

Following the June, 2018 ruling by federal judge Richard Leon to block the Department of Justice's suit against the proposed \$85.4 billion merger between AT&T and Time Warner, commentators are expecting other pending mergers and acquisitions in the healthcare industry to be given approval. The move could see CVS' proposed \$69 billion acquisition of Aetna, and Cigna's proposed \$67 billion acquisition of Express Scripts both move forward.

Healthcare Dive on Jun 14, 2018

[Opinion: Don't rule out an Anthem-Humana merger](#)

And the ruling could also provide incentive to Anthem to consider a bid for Humana, according to Max Nisen of Bloomberg, especially if other mega-mergers in the healthcare industry are also approved.

Becker's Healthcare - Hospital Review on Jun 14, 2018

[The disappearing doctor: how mega-mergers are changing the business of medical care](#)

More and more big companies are looking at potentially mega mergers in the healthcare market, taking advantage of the decline in traditional primary care services and using retail or drug stores to deliver medical care.

International Herald Tribune Reuters business on Apr 7, 2018