



# Health Care Quarterly Report—Q1

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## 1. Access and Assisted Living

### Senior housing occupancy levels could stabilize in 2018

According to a new report from investment bank and advisory company Lancaster Pollard, the downward trend in senior living occupancy from 2017 could be set to stabilize this year, with growth in occupancy set to start towards the end of 2018 or early 2019, thanks to continuing strength in the US economy and a slowdown in the number of new units being opened up within the primary and secondary markets.

Senior Housing News on Mar 27, 2018

### People with depression or anxiety finding it harder to get into better nursing homes

A study into the admissions of high-quality nursing homes across the US between 2012 and 2014 has suggested that people with common and treatable mental health problems, such as depression or anxiety, were 8% less likely to be admitted into higher rated Medicare nursing homes than those without them. The study also found that people with more severe mental health issues found it even harder to be

admitted: bipolar sufferers were 11% less likely to be admitted; people with schizophrenia 28% less likely; anyone with a substance abuse problem 27% less likely; and those with personality disorders as much as 32% less likely to be admitted to the higher rated nursing homes across the US.

Reuters Health News on Mar 23, 2018

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## 1. Access and Assisted Living *(continued)*

### The hidden costs of falling ill – even with health insurance

According to research published in The American Economic Review, the loss of future income due to the inability to work as much can cause a greater financial impact on individuals than any associated medical bills themselves. This means that even people with the best health insurance can face financial risk after falling ill.

New York Times Front Page on Mar 21, 2018

### The lack of dental coverage under Medicare can cause wider problems

Despite the benefits and coverage, traditional Medicare doesn't cover routine dental care. This means that as many as half of people within a Medicare program have some sort of untreated dental disease or problem, with some having to go abroad to find affordable dental care. According to Amber Willink – lead author of a new study published in Health Affairs – this lack of coverage for dental care can lead to wider health problems, ultimately increasing the cost of healthcare for Medicare itself.

New York Times Front Page on Mar 19, 2018

### Big drug companies destroying competition in US pharmacy market

Several independent pharmacies have warned that bigger drug companies are continuing to push out smaller pharmacy partners, despite several lawsuits and the attention of federal regulators. According to data from the Drug Channels Institute, there is a real lack of competition within the US pharmacy market, with the three biggest pharmacy benefit managers controlling more than 70% of the PBM market.

Bloomberg News on Mar 12, 2018

### Chinese investors keen on US senior housing sector

As the demand for senior housing grows in China, more and more Chinese investors are looking to the US senior housing market for their investment over the coming years, according to John Stasinios, managing director – healthcare at Cindat Capital Management.

Senior Housing News on Mar 12, 2018

## 2. Behavioral Health

### [Shortage of child psychiatrists could be causing overprescribing for Medicaid children](#)

The CMS has warned that both a shortage of child psychiatrists and the refusal of many to accept Medicaid, could be leading physicians to overprescribe psychotherapeutic medication to children who are on Medicaid or CHIP.

Modern Healthcare - Breaking News on Mar 29, 2018

### [Calls for more behavioral health workers in California](#)

A recent report from the University of California San Francisco's Healthforce Center has warned that California needs more behavioral health workers across the state if it is to provide adequate levels of mental health care.

Justia - Recent Employee Benefits Law Posts on Mar 26, 2018

### [Mental health patients could benefit from behavioral health homes](#)

Researchers in a study published in Health Affairs have called on healthcare providers to do more to support adults with serious mental illnesses, suggesting that behavioral health homes could help integrate physical and mental healthcare by promoting self-management and improving patient engagement.

Health IT Analytics - News on Mar 21, 2018

### [Behavioral health a factor in workplace injuries](#)

Almost 60% of women who had an injury at work also had a behavioral health condition, such as depression, anxiety and fatigue, compared with 33% of men. Although men were more likely to suffer a work-related injury, they were less likely to be affected by behavioral health.

SmartBrief - AHIP Wellness on Feb 16, 2018

### ['Lessons from a payer-led behavioral health home model'](#)

This article looks at the payer-led, Behavioral Health Home Plus model developed by the Community Care Behavioral Health Organization in Pennsylvania, and the lessons other providers can take from how it has improved and integrated mental health care through both self-directed care, or provider-supported care.

Fierce EMR on Feb 9, 2018

## 3. Electronic Health Records

### [Patient privacy at risk from hospital recycling](#)

Despite the increased regulation on protecting the personal information of patients, Canadian researchers have warned that the move to electronic health records could also be causing paper records with private information to be discarded in recycling bins, creating a higher risk of privacy breaches.

Reuters Health News on Mar 22, 2018

### [Calls for better technology for doctors and online health records](#)

Doctors are calling on the US government to back up their efforts to update and improve Electronic Health Record systems by deregulating EHRs, and allowing and encouraging innovation in the sector. This article highlights the time savings and efficiencies that better technology and systems could provide to US healthcare services.

Wall Street Journal - Opinion on Mar 21, 2018

## 4. Future of Healthcare

### [Amazon's health care threat is already reshaping the industry](#)

As Amazon.com Inc continues to plan for a move into healthcare, existing healthcare companies and their investors are looking at ways to ensure they can compete, which could mean increased costs for consumers as they look to pay off debt and prove their worth to investors.

Bloomberg News on Mar 26, 2018

### [Walmart joins Amazon in changing how it buys healthcare for its workers](#)

Walmart Inc has begun buying health care for its workers directly from providers in certain regions, bypassing insurers and looking to do more to cut costs for its employees – a move that competes with Amazon's similar goal of remaking health care for its own workers.

Bloomberg Markets on Mar 8, 2018

### [Warren Buffett says his healthcare venture will do more than squeeze middlemen](#)

Warren Buffet has said that the joint health venture between Berkshire Hathaway, Amazon and JPMorgan Chase will do more than simply drive down costs among insurance providers, but could also reduce overall healthcare spending within the US economy and, ultimately, improve healthcare for employees.

LA Times - Business News on Feb 26, 2018

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## 5. Insurance

### [The hard decisions of skipping health insurance](#)

This article looks at the thousands of people across America who are looking at the rising costs and deductibles in health insurance, and the shrinking networks available to them, and deciding to take the risk of not having cover. Although the proportion of people without health insurance remains at an almost all-time low – due in part to the Affordable Care Act – the Trump administration continues to roll back parts of the law, and monthly health insurance bills are rising for families across America.

Bloomberg News on Mar 26, 2018

### [White House says insurers adapted to Affordable Care Act](#)

A new report from the Council of Economic Advisers in the White House have said that health insurance companies have ‘largely adjusted’ to the Affordable Care Act now, and have returned to pre-ACA profitability, raising doubts over ACA subsidies.

Wall Street Journal - Politics News on Mar 22, 2018

### [Insurers boosting federal bonus payments by moving customers among plans](#)

This article looks at ‘crosswalking’ – the tactic employed by health insurance providers such as Humana, Aetna and others, to shuffle their customers among privately managed plans in order to collect additional revenue in federal payments. The maneuver also improved the ratings of the insurers’ plans without needing to actually improving their customer service, health screening or other quality measures.

Wall Street Journal - Politics News on Mar 12, 2018

### [Premiums for ACA health insurance plans could jump 90% in three years](#)

According to a new report, recent government decisions and the rising use and cost of individual health plans could cause insurance premiums for Affordable Care Act health plans to rise by 35-94% over the next three years across the country.

The Washington Post - National News on Mar 8, 2018

### [9 million fewer Americans expected to have health insurance in 2019](#)

A report from the Urban Institute has warned that several key decisions from the Trump administration could lead to as many as 9 million fewer Americans with health insurance over the next 12 months. President Trump’s discontinuation of federal support of a key Obamacare subsidy; the reduction of advertising and assistance for Obamacare’s open enrollment season; and the proposed expansion of short-term insurance policies, could all cause Obamacare premiums to rise by an estimated 18.2% on average over the next year, and the elimination of the individual mandate would give more and more people the power to decide whether or not to buy insurance.

CNN Recent News on Feb 26, 2018

## 6. Litigation

### [California disclosure law for faith-based pregnancy centers faces Supreme Court free-speech test](#)

The Supreme Court has suggested that the Californian disclosure law – that requires all pregnancy centers in the state, including faith-based centers, to notify women of state-offered subsidies for abortion, a law that several Supreme Court justices believe could be breaching faith-based pregnancy centers' freedom of speech.

LA Times - National News on Mar 20, 2018

### [Insurers await Appeals Court decision on Obamacare payments](#)

Health insurance companies and the government are waiting for a decision from a three-judge panel at the US Court of Appeals for the Federal Circuit on whether the government must pay out billions of dollars to insurers under promises that the companies claim were made under the Affordable Care Act.

Wall Street Journal - Politics News on Mar 16, 2018

### [Judge rules that US can sue UnitedHealth in Medicare case](#)

US District Judge Michael Fitzgerald has ruled that the US Justice Department can go ahead with a lawsuit against UnitedHealth Group Inc, in which it claims the company wrongly retained over \$1 billion from the government's Medicare programme.

Reuters News on Feb 13, 2018

## 7. Mergers and Acquisitions

### [Strongest start in health M&A in over ten years](#)

The first few months of 2018 have seen the busiest start to a year in health mergers and acquisitions in more than a decade, with approximately \$156 billion worth of deals already being agreed. This includes deals between Sanofi, Glaxo and Celgene with healthcare companies, and the figure could rise further if Takeda Pharmaceutical Co goes ahead with its rumoured acquisition of Shire plc for an estimated \$45 billion.

Bloomberg Markets on Mar 28, 2018

### [Physician practice acquisitions could be slowing](#)

According to a new report from the Physicians Advocacy, the number of physician practice acquisitions by hospitals and health systems plateaued in the later stage of 2016, following a 64% increase in physicians being employed by hospitals between 2012 and 2016.

Twin Cities Business Magazine on Mar 21, 2018

### [Analysts expect more healthcare M&A deals](#)

Following the deal between Cigna and Express Scripts, analysts are predicting further mergers and acquisitions in the health sector, as more companies continue to gain scale, and the fragmented supply chain continues to consolidate.

Bloomberg News on Mar 8, 2018

### [Failed insurance mergers could lead to vertical deals in healthcare industry](#)

Following the refusal of several merger deals between healthcare insurance companies, insurers are beginning to turn to pharmaceutical companies for M&A instead.

Bloomberg News on Mar 8, 2018

## 8. Private Equity

### [Healthcare private equity investments up in 2017, despite Obamacare uncertainty](#)

According to the American Investment Council, the US healthcare industry received \$83 billion in private equity last year – up from \$72 billion in 2016, and despite uncertainty surrounding Obamacare.

MiddleMarket - Mergers & Acquisitions Online on Feb 27, 2018

### [US files False Claims Act complaint against pharmacy](#)

The Department of Justice has confirmed that it has filed a complaint in intervention against Florida-based compounding pharmacy Diabetic Care Rx LLC d/b/a Patient Care America (PCA), as well as against two pharmacy executives and private equity firm Riordan, Lewis & Haden Inc, which manages the pharmacy, for an alleged kickback scheme for compounded drugs prescriptions reimbursed by TRICARE.

Department of Justice - News on Feb 23, 2018

## 9. Post-Acute Care

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

A new report from the National Quality Forum's Measure Applications Partnership has found that although there has been progress in aligning post-acute care and long-term care, there are still gaps, with many PAC and LTC patients often needing to move back and forth between different sites, and improvements needed in data transfer.

Healthcare Dive on Apr 2, 2018

### [MedPAC calls for Medicare post-acute care and physician payment reforms](#)

In its annual recommendations to Congress, the Medicare Payment Advisory Commission (MedPAC) has renewed calls for a unified prospective payment system for post-acute care providers from 2021, and recommends that the individual post-acute care systems be updated.

Mondaq Articles on Mar 29, 2018

### [MedPAC calls for more information for patients on post-acute care](#)

MedPAC has called for patients being discharged from hospitals into post-acute care facilities to be given more quality information about those facilities, so that they can select better quality providers, although how that information should be provided would need further investigation.

MedPage Today on Mar 1, 2018

## 10. Regulation and Reform

### [Democrats block veterans health care reform](#)

One of President Trump's key agenda items – the Caring for our Veterans Act, which offers better access to for-profit healthcare for military veterans – has been blocked by congressional Democrats, despite a compromise plan supported by the White House and veterans advocacy groups.

The Washington Post - National News on Mar 20, 2018

### [Spending bill dispute over healthcare and abortion rights](#)

A trillion-dollar spending bill has been hit by partisan disputes splitting Democrats, Republicans and the Presidents over abortion rights, healthcare costs, and a proposed Gateway Program railway tunnel between New Jersey and New York, which President Trump is against.

LA Times - National News on Mar 20, 2018

### [Californian single-payer healthcare could take years to develop](#)

As activists continue to call for reforms to California's healthcare system and replace it with a single-payer health plan, including for those insured through their work and Medi-Cal or Medicare, a March 2018 legislative report has warned that such a reform could take years to develop.

LA Times - Money & Company News on Mar 14, 2018

### [Cigna-Express Scripts deal to be investigated by antitrust](#)

The government's antitrust enforcers are set to review the proposed merger between Cigna Corp and Express Scripts Holding Co carefully, in the face of further mergers being discussed across the US healthcare industry.

Bloomberg News on Mar 9, 2018

### [Changes to ACA could increase insurance premiums](#)

According to analysis from the Urban Institute, attempts by the Trump administration to loosen rules around health insurance could cause insurance premiums to increase by double-digit percentages across the country next year by favoring cheaper, less-comprehensive plans over Obamacare plans, and potentially push out millions from ACA insurance.

Bloomberg News on Feb 26, 2018

### [US to extend skimpy health insurance outside of Obamacare](#)

The government has proposed a plan to extend the availability of skimpy health insurance plans from three months to 12 months, in a move that could undercut requirements under the Affordable Care Act.

Reuters News on Feb 20, 2018



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## 11. State Issues

### [Idaho seeks cheaper health insurance in the face of rising premiums](#)

New insurance industry estimates show that rising premiums are pushing people out of the health insurance market in Idaho. Insurance regulators in the state are proposing a cheaper, simpler health coverage that legal experts warn could be a violation of the Affordable Care Act, but that could help provide cover for those who can't otherwise afford it.

New York Times Front Page on Mar 9, 2018

### [US tells Idaho to comply with Obamacare](#)

However, the government has warned the state of Idaho that it cannot sell the proposed, cheaper healthcare plans that don't comply with the Affordable Care Act, even as the Trump administration seeks ways to loosen the laws around it.

Reuters US News on Mar 8, 2018

### [Kentucky sues drug distributor AmerisourceBergen over opioid epidemic](#)

Kentucky Attorney General Andy Beshear has issued a lawsuit against drug company AmerisourceBergen Corp, accusing the distributor of excessively distributing opioids across the state and for failing to report suspicious orders to authorities, contributing to the national opioid epidemic.

Reuters News on Mar 8, 2018

### [ER visits for opioid overdose up 30%. CDC study finds](#)

According to the US Centers for Disease and Prevention, emergency department visits for suspected overdoses related to opioids rose by 30% between July 2016 and September 2017 across the country, as the nationwide opioid epidemic continues to worsen.

CNN Top Stories on Mar 6, 2018

### [Government grants Arkansas permission to impose Medicaid work requirements](#)

The US government has granted permission to Arkansas to require many recipients of Medicaid to work or train for employment – making it the third state to be granted such permission. The government did, however, reject a second request from Arkansas to cut back on the expansion of Medicaid under the Affordable Care Act.

New York Times - Health Care on Mar 5, 2018

### [West Virginia teachers strike against soaring healthcare costs](#)

Teachers across West Virginia have launched strikes against low pay and rising healthcare costs under the Public Employees Insurance Agency - a move that lawmakers have said is unlawful, as teachers, like all public employees, don't technically have a right to strike in West Virginia.

LA Times - National News on Mar 3, 2018

### [In Idaho, medical-care exemptions for faith healing come under fire](#)

This article looks at the increasing criticism in Idaho targeted at medical-care exemptions for faith healing. The article particularly looks at stories of children's deaths as a result of non-treatment for serious conditions or illness.

The Washington Post - National News on Feb 20, 2018

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## 11. State Issues *(continued)*

### Idaho tries to get round Obamacare rules

In an attempt to circumvent the Affordable Care Act, Idaho's Republican governor has suggested that skimpy healthcare coverage could be offered as an alternative – a move that may test the Trump administration's enforcement of Obamacare.

Bloomberg News on Feb 14, 2018

## 12. Technology

### Telemedicine continues to grow rapidly, though reimbursement is slower to evolve

The telemedicine market continues to soar, and is expected to grow by as much as 18.8% over the next few years, to an estimated \$113.1 billion by 2025. Analysts believe that as many as 7 million people across America will use telemedicine this year, up from 350,000 in 2013. However, as the market continues to grow rapidly, reimbursement for telemedicine providers is struggling to keep up, with Medicare especially criticized for its limited reimbursement rules.

National Law Review - Business of Law & Legal Marketing News on Mar 27, 2018

### Israel to invest \$275 million in digital health project

Israel is set to invest 1 billion shekels (\$275 million) in a digital health project with German software company SAP SE to digitize all the health records of its 9 million citizens to help the development of new drugs and preventative medicines, as well as developing more personalized care.

Bloomberg News on Mar 25, 2018