

ML Strategies Posts Weekly Health Care Update on August 11, 2014

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ML Strategies has posted its weekly **Health Care Update**. This publication provides timely information on implementation of the Affordable Care Act, Congressional initiatives affecting the health care industry, and federal and state health regulatory developments. Highlights this week include:

- **Brady Unveils Medicare/Medicaid Fraud Bill:** House Ways and Means Subcommittee on Health Chairman Kevin Brady (R-TX) released a discussion draft of the Protecting Integrity Medicare Act of 2014—the Committee’s expansive bill to address fraud in the Medicare and Medicaid systems. The draft, which is open for comment from stakeholders, includes a number of bipartisan priorities such as removing Social Security numbers from Medicare cards, increasing education for providers to address fraud through the Medicare Administrative Contractors, and changing durable medical equipment (DME) face-to-face requirements. Reigning in fraud and abuse in public programs continues to be a bipartisan area of agreement as lawmakers strive to introduce legislation focusing on reigning in health care spending.
- **Possible Litigation Threat Adds to Considerations in Containing Drug Costs:** As the fight over high spending for the landmark hepatitis C drug, Sovaldi, continues to escalate, especially among state Medicaid programs, stakeholders are now concerned that lawsuits may be an emerging tactic for patients seeking access to the \$84,000 per treatment drug. For example, citing a recent case in Arkansas over the cystic fibrosis drug, Kalydeco, which costs \$300,000 over the course of a treatment, the Global Liver Institute is supporting such plaintiffs and indicated that more lawsuits could be on the way. The difference between the two types of drugs may be in the size of the intended population. While there are 3.2 million Americans with hepatitis C and clinicians continue to argue about the effectiveness of Sovaldi for a large subset of the group, the entire cystic fibrosis population numbers around 30,000 in the U.S. For many policymakers in the states and at the federal level, the debate continues around the likelihood for which any innovative therapy is likely to reduce costs/improve quality for a patient and whether that can justify the up-front price of a particular drug.

Click [here](#) to read this week’s Health Care Update.

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