

News Healthcare Deals, Investment & Update: Week July 7th 2023

1. Bright Health Group Enters into Definitive Agreement with Molina Healthcare to Sell its California Medicare Advantage Business, Bolstering Capital Position to Continue Advancing its Value-Driven Care Model

Brand New Day and Central Health Plan, a California Medicare Advantage company owned by Bright Health Group, will be sold to Molina Healthcare for \$600 million. Bright Health is expected to be better able to meet its obligations to its bank lenders, take care of liabilities from its discontinued ACA insurance company, and improve its capital position as a result of the transaction. Bright Health will concentrate on its Consumer Care Delivery business with the goal of fostering differentiation and long-term expansion. Starting in 2024, Medicaid and ACA Marketplace populations in Florida and Texas will receive services from Bright Health's Consumer Care Delivery business as per the terms of the agreement. The deal is pending regulatory approval and is anticipated to finalize in the first quarter of 2024. ([Link](#))

2. Mental Health Provider, Heading Health, Secures \$4.5M in Series A Extension

Heading, a provider of insurance-based mental healthcare, has secured \$4.5 million in a Series A extension round, which was co-led by Gron Ventures and Jam Fund. One Mind Accelerator, Thiel Capital, Mystic Ventures, Gaingels, and Antifund are a few other investors. With the funding, Heading will be able to grow into new markets and improve both its analytics and care delivery systems. Heading offers a thorough and patient-centered approach to treat people who are suffering from depression and trauma. They offer nutrition, interventional techniques, psychotherapy, and psychiatry as services. Once permitted, the company intends to use psychedelic treatments. Heading plans to grow even further in Dallas and Houston in addition to its current operations in Austin and the Dallas-Fort Worth metro area. They are in-network with major insurance providers in Texas. ([Link](#))

3. Soaak Technologies Acquires RenuYou Clinics, Expanding its Innovative Solutions for Mental Strength and Physical Well-being

A well-known provider of health technology, Soaak Technologies, has purchased RenuYou Clinics, a reputable facility that specializes in individualized treatments including brain mapping and neurofeedback. Soaak Technologies' reputation as a pioneer in mental and physical well-being is strengthened by this acquisition. qEEG Brain Mapping, Neurofeedback, Metabolic Therapy, Talk Therapy, Alpha-Theta Therapy, EMDR, and Photobiomodulation are just a few of the therapies available at RenuYou Clinics. Soaak Technologies' disruptive solutions are expanded by the incorporation of RenuYou Clinics' experience. The acquisition underlines Soaak Technologies' dedication to a comprehensive strategy for wellbeing, tackling numerous issues people experience around the world. Soaak Technologies develops cutting-edge technologies with the goal of enabling people to live happier, healthier lives. ([Link](#))

4. UnitedHealthcare invests \$5 billion in data and technology for virtual healthcare

In their fully insured employer-sponsored plans, UnitedHealthcare has established a \$0 out-of-pocket expense benefit for virtual visits. With this improvement, remote urgent care should become more practical and inexpensive. Starting on July 1, eligible members won't be required to pay deductibles or copays for virtual appointments. The benefit is available to self-funded plans with the option to embrace it, and it is applicable to newly effective and renewing policies. The investment made by UnitedHealthcare in technology and innovation is part of a

larger initiative to deliver high-quality healthcare at an affordable price. Over five million members will gain from this coverage improvement by the end of the next year, enhancing health fairness and care accessibility. ([Link](#))

5. CareSource and Radiant Alliance ink new deal

CareSource, a nonprofit health plan, has reached an agreement with Radiant Alliance, a group of Ohio-based nonprofits to form a new nonprofit entity. Metta Healthcare and United Church Homes, part of Radiant Alliance, will become an affiliate of CareSource pending regulatory approval. This collaboration aims to provide innovative solutions for serving aging Americans and individuals with complex health needs. The organizations will focus on integrating housing, provider, and payer capabilities to enhance care outcomes. By combining their resources, they aim to create a unique platform for integrated, value-based care arrangements. ([Link](#))

6. CMS eyes expedited pathway to medicare coverage of innovative tech

The Centers for Medicare & Medicaid Services (CMS) have proposed a Transitional Coverage for Emerging Technologies (TCET) pathway in partnership with the Agency for Healthcare Research and Quality (AHRQ). This pathway aims to expedite Medicare coverage for designated Breakthrough Devices, ensuring faster access to new treatments for beneficiaries while maintaining rigorous review standards. The TCET pathway offers a transparent and predictable evidence generation framework, promoting innovation and patient-centered care. CMS intends to provide coverage for innovative technologies with limited evidence, while safeguarding Medicare beneficiaries and maintaining high-quality care standards. ([Link](#))
Original link to proposal – ([Link](#))

7. CMS Proposes \$375M Cut to Medicare Home Health Payments

The Centers for Medicare & Medicaid Services (CMS) has proposed a 2.2 percent cut, equivalent to \$375 million, to Medicare home health payments in 2024. The cut reflects the impact of the Patient-Driven Groupings Model (PDGM) and a behavior assumption adjustment. CMS also plans to adopt a 2021-based home health market basket and update payment groups. The proposal includes new measures related to COVID-19 vaccinations and functional discharge scores in the Home Health Quality Reporting Program. Home health agencies have raised concerns about the payment cut, arguing it could harm the industry and limit patient access to care. ([Link](#))

Proposal Link – ([Link](#))