

PNC PHARMA & LIFE SCIENCES

Monthly News Brief

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[Boston Scientific's \\$3.7B Axonics Buy Tops List of MedTech M&A in 2024](#) *(MedTech Dive)*

MedTech dealmaking has not taken off this year, but there have been a number of smaller tuck-in acquisitions and private equity agreements. Boston Scientific announced it would buy Axonics for \$3.7B, however they may still have a few hurdles to clear before closing the deal, as some antitrust experts have speculated the Federal Trade Commission could challenge the merger

[AstraZeneca Joins Radiopharmaceutical Deals Spree with \\$2.4B Buyout of Fusion](#) *(BioPharma Dive)*

AstraZeneca is the latest pharmaceutical company to make a sizable bet on radiopharmaceutical drugs for cancer by acquiring Fusion Pharmaceuticals for up to \$2.4B. Radiopharmaceuticals are complex medicines that deliver a targeted dose of radiation directly to a tumor and may transform the standard of care by supplanting radiation therapy. Between 30 and 50% of patients with cancer today receive radiotherapy at some point during treatment

[Masimo to Split Off Consumer Business](#) *(MedTech Dive)*

Masimo plans to separate its consumer audio and consumer health products businesses, nearly two years after it acquired Sound United for \$1B. The acquisition was an unusual step for a medical device company. The strategy was to leverage Sound United's expertise to accelerate Masimo's expanding portfolio of consumer products. However, Masimo struggled with declining revenue in 2023 and opted to split off the business with hopes that it will improve the profitability of the healthcare business

[Elevance to Buy Kroger's Specialty Pharmacy](#) *(Healthcare Dive)*

Elevance Health's (fka Anthem Health) pharmacy benefit manager (PBM) has agreed to buy Kroger's specialty pharmacy business, as PBMs continue to double down on sources of reliable revenue in a competitive pharmacy market. Specialty pharmacies dispense expensive prescription medicines for complex, chronic conditions. Less than 2% of the U.S. population takes specialty drugs, but the prescriptions account for 50% of total U.S. pharmacy spend. Kroger will retain its in-store retail pharmacies and walk-in clinics

[Congress Revives Talks on LDTs with Clock Ticking on FDA Rule](#) *(Citeline)*

Industry groups have warned that the FDA's plan to expand oversight of ~80,000 laboratory-developed tests threatens to prevent or delay patient access to innovative diagnostics. The FDA contends the risks associated with the increasingly complex tests have grown since the agency first adopted an enforcement discretion approach to regulating them years ago. The bill, according to the sponsors, would create a comprehensive framework for oversight of a new category of in vitro clinical tests (IVCTs), which include LDTs, and would move LDT oversight from CMS to the FDA

[Eli Lilly Partners with Amazon Pharmacy for Home Delivery of its Weight Loss, Diabetes and Migraine Drugs](#) *(Fierce Healthcare)*

Eli Lilly is partnering with Amazon's pharmacy unit to offer home delivery for diabetes, migraine and obesity medications. Lilly launched its direct-to-consumer service, LillyDirect, and selected Amazon Pharmacy to service as dispensing provider. The company is also focused on leveraging its logistics, now including drone delivery to make it faster and easier for patients

[AI to Expand MedTech Portfolios, Revenue Streams](#) *(MedTech Dive)*

Moody's provides an overview of the ways AI could affect the medical device industry in the coming years. Analysts see AI improving product offerings, revenue streams, productivity and efficiency, which can have a positive impact on the credit quality of medical devices moving forward. Moody's expects AI regulation to play a fundamental role in the ultimate credit impact of AI

[Biden administration Proposes Strengthening Medicare's Drug Pricing Power](#) *(BioPharma Dive)*

The White House is working to expand the government's power to lower drug prices beyond what was approved in the 2022 Inflation Reduction Act. New efforts include increasing Medicare's price negotiation authority from 10-20 drugs per year to 50 drugs per year

[API Market Trends](#) *(Contract Pharma)*

The global active pharmaceutical ingredients (API) market size was ~\$237B in 2023 and is expected to grow at a rate of 5.8% through 2030. Advancements in API manufacturing, growth of the biopharmaceutical sector, and an increase in geriatric population are among the key drivers of the API market. Contract manufacturing and outsourcing of API molecule development are growing trends in the pharmaceutical sector

[Mass General Brigham Works with FDA to Create Brain-Computer Interface Group](#) *(MedTech Dive)*

Mass General Brigham has created a collaborative community to accelerate the development of implantable brain-computer interface (BCI) devices. The group brings BCI experts together with the FDA and other organizations to develop harmonized approaches to the technology. The collaborators aim to resolve the clinical, regulatory, coverage and payment questions facing developers of BCIs

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