Welcome to Federal Health Update. This newsletter is a compilation of the latest news in the federal health care sector.

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**EXECUTIVE AND CONGRESSIONAL NEWS**


**MILITARY HEALTH CARE NEWS**

- Dr. David Smith is performing the duties of the assistant secretary of Defense for Health Affairs until a nominee is chosen and confirmed. Or the past 4 years, Smith has served as the deputy assistant secretary of Defense for Health Readiness Policy and Oversight.

- The Department of Defense released the policy and procedure changes for reduction in force (RIF) for civilian positions in the competitive and excepted service.

The changes are required per section 1101 of the National Defense Authorization Act (NDAA) for Fiscal Year 2016 (P.L. 114-92), as codified in 1597(f) of Title 10, United States Code. The law requires that when RIF is necessary, the determination of employee separations shall be made primarily on the basis of performance.

In order to comply with the law, the department has reprioritized the “order of retention” as implemented by Office of Personnel Management in government-wide regulations, by placing performance as the primary retention factor. This is a substantial change for DoD from existing, government-wide provisions. The current, government-wide RIF retention factors are: tenure,
veteran’s preference, length of service, and performance, in descending order.

Under the new procedures, employees shall be ranked on a retention register based on periods of assessed performance, followed by the retention factors of: performance rating of record, tenure group, performance average score, veteran’s preference, and DoD Service Computation Date- RIF (DoD SCD-RIF).

The department’s new procedures are consistent with the Defense Performance and Management Appraisal Program (DPMAP), which is the department’s enterprise-wide performance management program designed to foster a results-oriented performance culture that links individual performance to organizational goals. To ensure fairness, since not all DoD civilians are under the new DPMAP, procedures have been developed to calculate the “rating of record” of employees not covered by DPMAP.

For more information, please view the memorandum at: https://www.defense.gov/Portals/1/Documents/pubs/OSD000467-17-RES-Final.pdf

VETERANS AFFAIRS NEWS

The Department of Veterans Affairs announced that Dr. Michael Ohl is creating Telehealth Collaborative Care, a model to improve the quality of care for veterans who live far from specialty clinics.

Telehealth Collaborative Care uses videoconferencing to connect rural veterans with human immunodeficiency virus (HIV) with VA specialists.

HIV is a chronic condition that can result in serious outcomes for patients lacking access to quality treatment. The illness attacks the body’s immune system and can cause acquired immune deficiency syndrome, or AIDS, a potentially life-threatening disease. Approximately 18 percent of the 26,000 veterans under VA care for HIV live in rural areas. These veterans have limited access to high-quality, HIV specialty clinics.

Ohl’s study explores rural veterans’ interest in using video telehealth at close-by, VA community-based outpatient clinics, (CBOCs) to maintain their ongoing care. CBOCs serve as satellite clinics for large VA medical centers. Veterans can telecommunicate, via video at CBOCs, with an HIV specialist at the larger facility.

HIV pharmacists, psychologists, and nurse-care managers may also be included in videoconferences. A nurse onsite with the veteran at the outpatient clinic can administer treatment if prescribed by the specialist. Veterans can also meet with their primary care physician onsite. The primary care clinic and specialty care clinic can then communicate to determine how best to co-manage the Veteran’s care.

The coordinated process lifts a major travel burden off rural veterans. In 2010, rural veterans with HIV were an average of 86 minutes by car from the closest infectious disease clinic versus 23 minutes on average for urban Veterans. Rural Veterans were also less likely than their urban counterparts to use specialty care.

The Telehealth Collaborative Care study, which involves approximately 800 veterans, is focusing on rural areas near San Antonio, Houston, Dallas and Atlanta, each of which has a VA hospital with an HIV specialty clinic. Veterans with HIV who live closer to a primary care clinic or CBOC than to a specialty clinic and who have at least a 90-minute drive to one of these cities are being offered the telehealth option.

Through interviews with the veterans, Ohl and his team are finding that most of those offered telehealth are choosing to take advantage of the option. VA offers close to 50 telehealth specialties. During fiscal year 2016, more than 700,000 Veterans completed approximately 2 million telehealth appointments.
For more information about VA’s work in HIV and AIDS, visit http://www.hiv.va.gov/patient/index.asp. Information about Ohl's study may be found at http://www.hsrdr research.va.gov/research/abstracts.cfm?Project_ID=2141702405.

- The Washington Post reports that Robert Snyder, Department of Veterans Affairs Acting Secretary, stated the VA will exempt anyone from the Administration's hiring federal freeze it deems necessary for public safety, including frontline caregivers.

According to David Shulkin, the Administration’s nominee for VA secretary and currently VHA head, has said the agency urgently needs to hire more doctors and nurses.

On Jan. 24, White House Press Secretary Sean Spicer said the VA’s workforce is covered by the order Trump signed on Jan. 23. However, the White House backtracking Spicer’s remarks and said “public safety” can be construed to include “public health.”

GENERAL HEALTH CARE NEWS

- There was no news released from federal health agencies. On Jan. 24, employees at several federal agencies including the Department of Agriculture, Environmental Protection Agency and the Department of Health and Human Services have been barred by the Trump administration from making any statements, or providing any documents to the public or journalists.

- Heart failure rates are going up in the United States, according to a new report from the American Heart Association.

The report, AHA's 2017 Heart Disease and Stroke Statistics Update, finds heart disease remains the leading cause of death in the United States, even as the death rate from heart disease is heading down.

The number of American adults with heart failure -- in which the heart is too weak to pump blood throughout the body -- rose by 800,000 over five years. The number of people with heart failure is expected to rise by 46 percent by 2030. As a result, 8 million people will have heart failure by then.

Reasons for the rising number of Americans with heart failure include an aging population and a growing number of heart attack survivors, who are at increased risk for heart failure.

In the United States, more than one-third of adults (92 million) have cardiovascular disease. In 2014, nearly 808,000 Americans died from cardiovascular disease. However, one bright spot in the update is that deaths from cardiovascular diseases fell more than 25 percent from 2004 to 2014.

Heart attacks strike about 790,000 people in the United States each year, and kill about 114,000. The update found similar numbers for stroke. In 2014, about 795,000 Americans had a new or repeat stroke, and 133,000 of them died.

Americans had more than 350,000 out-of-hospital cardiac arrests -- that's when the heart suddenly stops -- and nearly 90 percent were fatal.
**REPORTS/POLICIES**


- The GAO published “Veterans Health Administration: Management Attention Is Needed to Address Systemic, Long-standing Human Capital Challenges,” (GAO-17-30) on Jan. 23, 2017. In this report GAO determined VHA's capacity to perform key HR functions; evaluated the extent to which VHA's HR processes are consistent with human capital management principles and internal control practices; and assessed VHA's performance management process and its efforts to monitor and improve employee engagement. The study found VHA is facing key human capital challenges that hamper its ability to effectively serve veterans — including skills gaps within medical centers’ HR offices and inadequate training for HR staff. http://www.gao.gov/assets/690/681805.pdf

**HILL HEARINGS**

- There are no health-related hearings scheduled next week.

**LEGISLATION**

- **H.R.633** (introduced Jan. 24, 2017): To authorize health insurance issuers to continue to offer for sale health insurance coverage offered in the individual market before the enactment of the Patient Protection and Affordable Care Act in satisfaction of the minimum essential health insurance coverage requirement, and for other purposes was referred to House Ways and Means. Sponsor: Representative Gregg Harper [R-MS-3]:

- **H.R.661** (introduced Jan. 24, 2017): To authorize health insurance issuers to offer for sale previously available health insurance coverage in the small group market in satisfaction of the minimum essential health insurance coverage requirement, and for other purposes was referred to House Ways and Means. Sponsor: Representative Brett Guthrie [R-KY-2]

- **S.194** (introduced Jan. 24, 2017): A bill to amend the Public Health Service Act to establish a public health insurance option, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Sheldon Whitehouse [D-RI]

- **H.R.635** (introduced Jan. 24, 2017): To amend the Public Health Service Act to establish a public health insurance option, and for other purposes was referred to the House Committee on Energy and Commerce. Sponsor: Representative Janice D. Schakowsky [D-IL-9]

- **H.R.628** (introduced Jan. 24, 2017): To amend the Public Health Service Act to prohibit application of preexisting condition exclusions and to guarantee availability of health insurance coverage in the individual and group market, contingent on the enactment of legislation repealing the Patient Protection and Affordable Care Act, and for other purposes was referred to the House Committee on Energy and Commerce. Sponsor: Representative Rodney Davis [R-IL-13]

- **H.R.644** (introduced Jan. 24, 2017): To amend the Public Health Service Act to prohibit governmental discrimination against providers of health services that are not involved in abortion
was referred to the House Committee on Energy and Commerce. Sponsor: Representative Diane. Black [R-TN-6]

- **S.222** (introduced Jan. 24, 2017): A bill to repeal provisions of the Patient Protection and Affordable Care Act and provide private health insurance reform, and for other purposes was referred to the Committee on Finance. Sponsor: Senator Rand Paul [R-KY]

- **S.196** (introduced Jan. 24, 2017): A bill to provide for a Public Health Emergency Fund, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Bill Cassidy [R-LA]

- **S.191** (introduced Jan. 24, 2017): A bill to improve patient choice by allowing States to adopt market-based alternatives to the Affordable Care Act that increase access to affordable health insurance and reduce costs while ensuring important consumer protections and improving patient care was referred to the Committee on Finance. Sponsor: Senator Bill Cassidy [R-LA]

### MEETINGS


- The Heroes of Military Medicine Awards will be held on **May 4, 2017**, in Washington, DC. [http://www.hjfcp3.org](http://www.hjfcp3.org)


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If you need further information on any item in the *Federal Health Update*, please contact Kate Theroux at (703) 447-3257 or by e-mail at katetheroux@federalhealthcarenews.com.