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**

- **On Jan. 28, 2016**, President Obama signed into law: S. 142, the “Child Nicotine Poisoning Prevention Act of 2015,” which requires the packaging of liquid nicotine containers to be subject to existing child poisoning prevention packaging standards.

**MILITARY HEALTH CARE NEWS**

- Secretary of Defense Ashton Carter announced a plan to standardize maternity leave across the Services, according to the *Military Times*.

  The plan, announced as part of other Force of the Future personnel changes, sets maternity leave to 12 weeks. While this doubles the Army and Air Force's current six-week policies, but cuts the Navy and Marine's policy from 18 weeks to 12 weeks.

  Currently pregnant sailors and Marines will still be able to take advantage of the 18-week policy, which went into effect last summer, Carter said. He said officials chose 12 weeks as the standard in attempt to balance personnel benefits with readiness.

  Carter said he will also seek the authority from Congress to increase paid paternity days for new fathers from 10 to 14. “For those who want to become dads or are about to, I want them to know that this leave is available to them and I want them to make full use of it,” he said.
The secretary is ordering the services to establish "mothers' rooms" at every facility with over 50 women in an effort to help females continue breast feeding after coming back to work. Details were not immediately available on what the rooms would include. He said the order will result in the addition of about 3,600 such rooms across the U.S.

Carter announced a series of other family-friendly initiatives, including increased hours at child care facilities on base to 14 hours a day, and a program that would allow troops to request stabilization at their duty station in exchange for an additional service obligation. No information was immediately available on when those changes would take effect.

Pentagon officials said the services have been given 30 days to develop implementation plans for the new policies.

He also announced a pilot program that would allow active-duty troops to freeze their eggs or sperm. Details on how and where the pilot program would be administered were not immediately available. Carter also said the Department will continue to study offering other reproductive assistance, like IVF, which is currently not covered by TRICARE.

- **The Walter Reed Army Institute of Research (WRAIR) recently announced the initiation of a Phase 2 clinical trial to evaluate the safety and effectiveness of two potential Ebola vaccine candidates.**

The trial represents a significant step forward in the quest to curb future outbreaks of the disease.

The public health crisis sparked by the rapid spread of the Ebola virus in West Africa in 2014 and 2015 was a powerful demonstration of how infectious diseases and other biological threats can present difficult challenges for public health systems. The Department of Defense (DoD) was instrumental in efforts by the U.S. Government and the global health community to rapidly respond to Ebola, providing essential manpower and logistical support for the development of on-the-ground capacity for treatment and containment of the virus.

The successful development of an effective vaccine regimen to protect against the Ebola virus would serve as a tremendous global health victory, and Army researchers at WRAIR are committed to pursuing this goal.

In addition to bolstering the health system capacity of partner nations that are most at risk of future outbreaks of the virus, a vaccine would also be an important tool for force health protection, a key priority for DoD and the Military Health System (MHS).

Researchers conducting the study will assess the viability of vaccine candidates developed by two private biotechnology firms, Crucell Holland B.V. and Bavarian Nordic. Some of the initial research was funded by grants from the National Institutes of Health (NIH) and the Department of Health and Human Services (HHS), which, when taken together with the clinical trials being conducted by WRAIR, provides a prime example of the whole of government approach that the United States takes in addressing global health issues.

The study will seek to strengthen evidence for the safety and immunogenicity of the vaccine regimens in healthy subjects. A vaccine's immunogenicity refers to its ability to generate a response in a patient's immune system, a critical element in ensuring that the patient will successfully develop the necessary antibodies to protect against the virus in the future.

Spearheading the study are researchers and physicians with WRAIR’s Military HIV Research Program (MHRP). The expanded phase 2 clinical trials will include some volunteers with stably-suppressed HIV infections because they represent some of those who might benefit from a preventive Ebola vaccine in Africa. “It’s an important consideration given that both of these viruses can be present in the same communities,” says Col. Nelson Michael, MHRP Director.
Initially conducted at WRAIR’s facility in Silver Spring, Md., the study will expand to six sites in Africa in early 2016. Approximately 575 volunteers will participate in total. It will leverage WRAIR’s extensive clinical research assets at sites affiliated with MHRP in Nigeria, Uganda, Kenya, Tanzania and Mozambique.

This is the second Ebola vaccine clinical trial conducted at WRAIR, and will be the fourth Ebola vaccine study conducted in Africa by the Institute and MHRP.

**VETERANS AFFAIRS NEWS**

- On Jan. 27, 2016, a bipartisan group of 21 Senators and Representatives sent a letter to VA Secretary Robert McDonald urging the U.S. Department of Veterans Affairs (VA) to change its current policy to allow VA doctors to discuss and recommend marijuana as a treatment option in states where medical marijuana has been legalized.

  VHA Directive 2011-004, which expires January 31, 2016, prohibits VA doctors from recommending medical marijuana as a treatment option to veterans, even in states where it is legal. Under the current system, VA patients and doctors are discouraged from being honest with each another about medical marijuana.

  “According to the current directive, VA providers are prohibited from completing forms seeking recommendations or opinions regarding a veteran’s participation in a state-sanctioned marijuana program. This policy disincentsivizes doctors and patients from being honest with each other,” the Senators and Representatives wrote. “Congress has taken initial steps to alleviate this conflict in law and we will continue to work toward this goal. However, you are in a position to make this change when the current VHA directive expires at the end of this month. We ask that you act to ensure that our veterans’ access to care is not compromised and that doctors and patients are allowed to have honest discussions about treatment options.”

  The letter was signed by U.S. Senators Kirsten Gillibrand, Steve Daines, Jeff Merkley Cory Booker, Barbara Boxer, Patty Murray, Brian Schatz, Tammy Baldwin, Michael Bennet, Ron Wyden, and Elizabeth Warren, and U.S. Representatives Earl Blumenauer, Dina Titus, and Dana Rohrabacher Joe Heck, Sam Farr, Jared Polis, Chellie Pingree, Steve Cohen, Justin Amash, and Mark Pocan.

**GENERAL HEALTH CARE NEWS**

- With the final deadline to sign up for health insurance less than a week away, Sylvia M. Burwell, Secretary of Health and Human Services, and Logan Green, CEO of Lyft, announced a partnership to promote Open Enrollment.

  Lyft has reached out to drivers in more than 190 cities to provide them with important information about the Health Insurance Marketplaces and what drivers need to know to find a health plan by January 31. This is the first year that Lyft has partnered with HHS.

  The 2016 Open Enrollment period ends in four days, on Jan. 31. Consumers can shop for and enroll in a 2016 health plan now at HealthCare.gov. Many people who sign up for coverage through the Marketplace will qualify for financial help to make their monthly premiums more affordable. In fact, most can find plans with premiums for less than $75 a month after tax credits. If someone chooses to go without insurance, they risk paying a fee of $695 or more. Your last chance to avoid the penalty in 2016 is January 31.

  Lyft was founded in June 2012 by Logan Green and John Zimmer to reconnect people and communities through better transportation. Lyft is the fastest growing rideshare company in the U.S and is available in more than 190 cities.
The Centers for Medicare & Medicaid Services (CMS) released a proposed rule to update the methodology used to measure the performance of Accountable Care Organizations (ACOs) in the Medicare Shared Savings Program (Shared Savings Program).

The proposal builds on the momentum of growth in the Shared Savings Program and charts a path for long-term sustainability by improving the long-term incentives for ACOs as they continue to provide efficient, high quality health care to Medicare beneficiaries.

Under the proposed rule, CMS would modify the process for resetting the benchmarks, which are used to determine ACO performance for ACOs renewing their participation agreements for a second or subsequent agreement period. The proposed methodology would incorporate factors based on regional fee-for-service expenditures, into establishing and updating the ACO’s rebased historical benchmark, including an adjustment to the benchmark based on regional spending that is phased-in over several agreement periods.

Key proposals include:

- Recognizing that health cost trends vary in communities across the country by using regional, rather than national, spending growth trends when establishing and updating an ACO’s rebased benchmark.
- Adjusting an ACO’s rebased benchmark when it enters a second or subsequent agreement period by a percentage (increased over time) of the difference between fee-for-service spending in the ACO’s regional service area and the ACO’s historical spending, which will provide a greater incentive for continued ACO participation and improvement.
- Giving ACOs time to prepare for benchmarks that incorporate regional expenditures by using a phased-in approach to implementation.

Other changes would include:

- Adding a participation option to facilitate an ACO’s transition to performance-based risk arrangements by allowing eligible ACOs to elect a fourth year under their existing first agreement and defer by one year entering a second agreement period under a performance-based risk track.
- Streamlining the methodology for adjusting an ACO’s benchmark when its composition changes.
- Clarifying the timeline and other criteria for reopening determinations of ACO shared savings and shared losses for good cause or fraud or similar fault.

The proposed rule will be open to a 60-day comment period. The proposed rule is available for viewing at: https://www.federalregister.gov/public-inspection. Comments may be submitted by March 28, 2016 at: http://www.regulations.gov/.

REPORTS/POLICIES

- The Institute of Medicine (IOM) published “Speech and Language Disorders in Children: Implications for the Social Security Administration’s Supplemental Security Income Program,” on Jan. 26, 2016. This report reviews the evidence and identifies factors related to the rising rates of speech and language disorders. The report’s findings and conclusions underscore the long-term and profound impact of severe speech and language disorders on children, as well as the degree to which children with such disorders can be expected to be a significant presence in a program such as SSI. http://iom.nationalacademies.org/reports/2016/ssi-disability-program-for-children-with-speech-disorders-and-language-disorders.aspx#sthash.T39rSaRz.dpuf
HILL HEARINGS

- The House Veterans Affairs Subcommittee on Health will hold a hearing on **Feb. 11, 2016**, to examine improving VA community care billing and reimbursement.

LEGISLATION

- **S.2466** (introduced Jan. 27, 2016): A bill to amend the Safe Water Drinking Act to authorize the Administrator of the Environmental Protection Agency to notify the public if a State agency and public water system are not taking action to address a public health risk associated with drinking water requirements was referred to the Committee on Environment and Public Works.
  Sponsor: Senator Gary C. Peters [MI]

- **S.2467** (introduced Jan. 27, 2016): A bill to reduce health care-associated infections and improve antibiotic stewardship through enhanced data collection and reporting, the implementation of State-based quality improvement efforts, and improvements in provider education in patient safety, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions.
  Sponsor: Senator Sheldon Whitehouse [RI]

MEETINGS

- The Heroes of Military Medicine Awards will be held on **May 5, 2016**, in Washington D.C.

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.