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

- The Senate and House are in recess this week.

MILITARY HEALTH CARE NEWS

- TRICARE published an article, highlighting the benefits available to its beneficiaries to protect them from or treat heart disease during Heart Health Month.

TRICARE covers cardiovascular disease screenings, including blood pressure and cholesterol checks. For men age 65 to 75 who have ever smoked, TRICARE covers a one-time abdominal aortic aneurysm screening to screen for cardiovascular disease.

During a Health Promotion and Disease Prevention exam, TRICARE also covers Type 2 diabetes screening for those who have high blood pressure and adults between the ages of 40 and 70 who are overweight or obese. Getting preventive screenings now could save your life tomorrow.

Heart disease is the term used to refer to several types of problems affecting the heart. According to the Centers for Disease Control and Prevention (CDC), heart disease is the leading cause of death in the U.S., responsible for 610,000 deaths per year. Coronary artery disease, which is caused by plaque buildup in the heart’s blood vessels, is the most common type of heart disease and causes most heart attacks.

Every year, nearly 800,000 Americans have a heart attack. It’s important to know the warning signs and symptoms of a heart attack. If you think you’re having a heart attack, waiting to get help can cause damage to your heart and may be life-threatening. Call 911 or go to the
nearest emergency room immediately. If you aren’t sure how TRICARE covers emergency care or urgent care, learn the difference and the rules for your TRICARE plan.

You can decrease your risk for developing heart disease. During Heart Health Month, pay attention to your heart and give it the care it deserves. Start by eating a healthy diet, exercising regularly, limiting alcohol, and giving up smoking. Your doctor can also help you determine your level of risk and suggest changes to help improve your heart health. Remember, cardiovascular disease screenings are part of your TRICARE benefit. Don’t delay seeing your doctor.

VETERANS AFFAIRS NEWS

- The U.S. Department of Veterans Affairs (VA) has implemented the Veterans Appeals Improvement and Modernization Act of 2017, which was signed into law Aug. 23, 2017, and represents one of the most significant statutory changes to benefit veterans in decades.

Effective today, veterans who appeal a VA claims decision have three decision review options: Higher-Level Review, Supplemental Claim and Appeal to the Board of Veterans’ Appeals.

  - In the Higher-Level Review option, a more experienced adjudicator will conduct a new review of the previous decision.
  - Veterans who select the Supplemental Claim option may submit new and relevant evidence, and VA will assist in developing new evidence under its duty to assist.
  - If veterans appeal a decision to the Board, they can choose one of three dockets: direct review, evidence or hearing.

VA's goal is to complete Supplemental Claims and Higher-Level Reviews in an average of 125 days, and decisions appealed to the Board for direct review in an average of 365 days. Under the legacy process, decisions averaged three to seven years.

VA remains committed to reducing significantly the inventory of legacy appeals. VA’s fiscal year 2019 budget included funding for 605 additional appeals employees, which VA used to establish two new Decision Review Operations Centers at the St. Petersburg, Florida, and Seattle, Washington, regional offices. The former Appeals Resource Center in Washington, D.C., was converted to a third Decision Review Operations Center.

For more than 18 months, VA has worked toward full implementation of the Appeals Modernization Act, but reform has been a goal for VA and its stakeholders for years. In March 2016, VA sponsored an “Appeals Summit” in which VA, veterans service organizations, veterans advocates and Congress worked together to design a new appeals system. The summit resulted in the drafting, passage and implementation of the Appeals Modernization Act.

For more information on Appeals Modernization, visit http://www.va.gov/decision-reviews.

- The U.S. Department of Veterans Affairs (VA) will publish a proposed regulation in the Federal Register on Feb. 21, 2019, for the new Veterans community care program, including access standards.

The proposed regulation would establish new rules for the veterans’ community care program required by section 101 of the VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act (MISSION Act) of 2018.

Last month, VA Secretary Robert Wilkie announced its proposed access standards for community care and urgent care provisions that will take effect in June and guide when Veterans can seek care to meet their needs under the MISSION Act – be it with VA or with community
Under the MISSION Act, signed by President Trump in June 2018, there are six different eligibility criteria for community care:

- Services unavailable
- Residence in a state without a full-service VA medical facility
- 40-mile legacy/grandfathered from the Choice program
- Access standards
- Best medical interest
- Needing care from a VA medical service line that VA determines is not providing care that complies with VA’s standards for quality

**Access Standards**

VA is proposing new access standards, effective when the final regulations publish (expected in June 2019), to ensure veterans have greater choice in receiving care.

Eligibility criteria and final standards as follows were based on VA’s analysis of all of the best practices both in government and in the private sector and tailored to the needs of our Veteran patients:

- Access standards will be based on average drive time and appointment wait times.
- For primary care, mental health, and non-institutional extended care services, VA is proposing a 30-minute average drive time standard.
- For specialty care, VA is proposing a 60-minute average drive time standard.
- VA is proposing appointment wait-time standards of 20 days for primary care, mental health care, and non-institutional extended care services, and 28 days for specialty care from the date of request with certain exceptions.

Eligible veterans who cannot access care within those standards would be able to choose between eligible community providers and care at a VA medical facility.

The proposed regulation (RIN 2900-AQ46) is currently available online at https://federalregister.gov/d/2019-03030.

The proposed regulation is scheduled to be published in the Federal Register tomorrow, Feb. 22, and VA encourages the public to provide input on the proposed regulation by March 25, 2019, during the public comment period. For instructions on how to submit a comment, visit the Federal Register website at www.regulations.gov and search for RIN 2900-AQ46.

**GENERAL HEALTH CARE NEWS**

- The Centers for Disease Control and Prevention (CDC) and the Agency for Toxic Substances and Disease Registry (ATSDR) announced they have identified communities to be a part of assessments to examine human exposure to per and polyfluoroalkyl substances (PFAS).

The communities are near current or former military installations. The assessments are expected to begin in 2019 and continue through 2020 and are laying the groundwork for CDC/ATSDR’s future multi-site health study that will look at the relationship between PFAS exposure and health outcomes.

PFAS are man-made chemicals that have been used in industry and consumer products since the 1950s. They have been used in non-stick cookware; water-repellent clothing, stain-resistant fabrics and carpets; some cosmetics; some firefighting foams; and products that resist grease,
water, and oil. Scientists are still learning about the health effects of exposure to PFAS. Some studies have shown that PFAS exposure may affect growth, learning, and behavior of infants and older children; lower a woman’s chance of getting pregnant; interfere with the body’s natural hormones; increase cholesterol levels; affect the immune system; and increase the risk of cancer.

CDC/ATSDR partnered with the Pennsylvania Department of Health and the New York State Department of Health through a grant program with the Association of State and Territorial Health Officials (ASTHO) to begin assessing exposure in the communities of Bucks and Montgomery County (PA) and Westhampton (NY). CDC/ATSDR will build upon the groundbreaking work done by Pennsylvania and New York to complete exposure assessments in eight additional locations starting in 2019:

- Berkeley County (WV) near Shepherd Field Air National Guard Base
- El Paso County (CO) near Peterson Air Force Base
- Fairbanks North Star Borough (AK) near Eielson Air Force Base
- Hampden County (MA) near Barnes Air National Guard Base
- Lubbock County (TX) near Reese Technology Center
- Orange County (NY) near Stewart Air National Guard Base
- New Castle County (DE) near New Castle Air National Guard Base
- Spokane County (WA) near Fairchild Air Force Base

The primary goal of these exposure assessments is to provide information to communities about levels of PFAS in their bodies. The results of these assessments will help communities better understand the extent of their environmental exposures to PFAS.

People in each of these communities will be selected randomly to participate in the exposure assessments. Participants will have their PFAS levels checked via blood and urine samples. Like the two pilot sites in Pennsylvania and New York, the exposure assessments will use statistically based sampling. The sampling results from participants can give scientists information about community-level exposure.

The exposure assessments are one part of CDC’s/ATSDR’s efforts to address PFAS exposure in communities. CDC/ATSDR is involved in over 30 sites nationwide and is currently working in the Pease International Tradeport community to test the protocol for the upcoming multi-site health study.

For more information about the PFAS Exposure Assessment or PFAS: https://www.atsdr.cdc.gov/pfas/index.html or call 1-800-CDC-INFO (232-4636).

- National health expenditure growth is expected to average 5.5 percent annually from 2018-2027, reaching nearly $6.0 trillion by 2027, according to a report published today by the independent Office of the Actuary at the Centers for Medicare & Medicaid Services (CMS).

Growth in national health spending is projected to be faster than projected growth in Gross Domestic Product (GDP) by 0.8 percentage points over the same period. As a result, the report projects the health share of GDP to rise from 17.9 percent in 2017 to 19.4 percent by 2027.

The outlook for national health spending and enrollment over the next decade is expected to be driven primarily by:

- Key economic factors, such as growth in income and employment, and demographic factors, such as the baby-boom generation continuing to age from private insurance into
Medicare; and

- Increases in prices for medical goods and services (projected to grow 2.5 percent over 2018-2027 compared to 1.1 percent during the period of 2014-2017).

Similar to the findings in last year's report, the report found that by 2027, federal, state and local governments are projected to finance 47 percent of national health spending, an increase of 2 percentage points from 45 percent in 2017. As a result of comparatively higher projected enrollment growth in Medicare, average annual spending growth in Medicare (7.4 percent) is expected to exceed that of Medicaid (5.5 percent) and private health insurance (4.8 percent).

Selected highlights in projected health insurance enrollment and national health expenditures by sector and payer include:

- **Health Insurance Enrollment**: Net enrollment gains across all sources are generally expected to keep pace with population growth with the insured share of the population going from 90.9 percent in 2017 to 89.7 percent in 2027.

- **Medicare**: Medicare spending growth is projected to average 7.4 percent over 2018-2027, the fastest rate among the major payers. Underlying the strong average annual Medicare spending growth are projected sustained strong enrollment growth as the baby-boomers continue to age into the program and growth in the use and intensity of covered services that is consistent with the rates observed during Medicare’s long-term history.

- **Medicaid**: Average annual growth of 5.5 percent is projected for Medicaid spending for 2018-2027. Medicaid expansions during 2019 in Idaho, Maine, Nebraska, Utah, and Virginia are expected to result in the first acceleration in growth in spending for the program since 2014 (from 2.2 percent in 2018 to 4.8 percent in 2019). Medicaid spending growth is then projected to average 6.0 percent for 2020 through 2027 as the program’s spending patterns reflect an enrollment mix more heavily influenced by comparatively more expensive aged and disabled enrollees.

- **Private Health Insurance and Out-of-Pocket**: For 2018-2027, private health insurance spending growth is projected to average 4.8 percent, slowest among the major payers, which is partly due to slow enrollment growth related to the baby-boomers transitioning from private coverage into Medicare. Out-of-pocket expenditures are also projected to grow at an average rate of 4.8 percent over 2018-2027 and to represent 9.8 percent of total spending by 2027 (down from 10.5 percent in 2017).

- **Prescription Drugs**: Spending growth for prescription drugs is projected to generally accelerate over 2018-2027 (and average 5.6 percent) mostly as a result of faster utilization growth. Underlying faster growth in the utilization of prescription drugs, particularly over 2020-2027, are a number of factors including efforts on the part of employers and insurers to encourage better medication adherence among those with chronic conditions, changing pharmacotherapy guidelines, faster projected private health insurance spending growth in lagged response to higher income growth, and an expected influx of new and expensive innovative drugs into the market towards the latter stage of the period.

- **Hospital**: Hospital spending growth is projected to average 5.6 percent for 2018-2027. This includes a projected acceleration in 2019, to 5.1 percent from 4.4 percent in 2018, reflecting the net result of faster expected growth in both Medicare (higher payment updates) and Medicaid (as a result of expansion in five states), but slower projected growth in private health insurance as enrollment declines slightly due to the repeal of the individual mandate.

- **Physician and Clinical Services**: Physician and clinical services spending is projected to grow an average of 5.4 percent per year over 2018-2027. This includes faster growth in prices over 2020-2027 for physician and clinical services due to anticipated rising wage growth related to increased demand from the aging population.

REPORTS/POLICIES

- The GAO published “Defense Health Care: Actions Needed to Determine the Required Size and Readiness of Operational Medical and Dental Forces,” (GAO-19-206) on Feb. 21, 2019. This report examines the extent to which DoD has determined and reported to Congress on its operational medical and dental personnel requirements; and initiatives to maintain and a methodology to assess the critical wartime readiness of medical providers. https://www.gao.gov/assets/700/697009.pdf

HILL HEARINGS

- The Senate and House Veterans Affairs Committees will hold a hearing on Feb. 26, 2019, to receive the legislative presentation of the Disabled American Veterans.
- The Senate and House Veterans Affairs Committees will hold a hearing on Feb. 27, 2019, to receive the legislative presentation of the American Legion.
- The House Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies will hold a hearing on Feb. 28, 2019, to examine female veterans access to VA services.
- The Senate Armed Services Subcommittee on Personnel will hold an oversight hearing on Feb. 27, 2019, to examine military personnel policies and military family readiness.

LEGISLATION

- H.R.1309 (introduced Feb. 19, 2019): introduced Feb. 19, 2019): A bill to direct the Secretary of Labor to issue an occupational safety and health standard that requires covered employers within the health care and social service industries to develop and implement a comprehensive workplace violence prevention plan, and for other purposes was referred to the Committees on Education and Labor, Energy and Commerce, and Ways and Means. Sponsor: Representative Joe Courtney [D-CT-2]
- H.R.1302 (introduced Feb. 15, 2019): A bill to authorize the Assistant Secretary for Mental Health and Substance Use, acting through the Director of the Center for Substance Abuse Treatment, to award grants to States to expand access to clinically appropriate services for opioid abuse, dependence, or addiction was referred to the House Committee on Energy and Commerce. Sponsor: Representative Bill Foster [D-IL-11]
- H.R.1301 (introduced Feb. 15, 2019): A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare program of certain mental health telehealth services was referred to the Committees on Energy and Commerce, and Ways and Means. Sponsor: Representative Suzan K. DelBene [D-WA-1]

MEETINGS

- The 9th Annual Heroes of Military Medicine Awards Dinner will be held on May 9, 2019, in Washington DC. https://www.hjfcp3.org/heroes-dinner/

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