

Federal Health Update

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ktheroux@federalhealthcarenews.com

EXECUTIVE AND CONGRESSIONAL NEWS

- **President Trump gave his first State of the Union address on Jan. 30, 2017.**

MILITARY HEALTH CARE NEWS

- **As of Feb. 1, 2017, copayments for prescription drugs at TRICARE Pharmacy Home Delivery and retail pharmacies increased.**

These changes affect TRICARE beneficiaries who are not active duty service members.

While retail pharmacy and home delivery copayments increased, prescriptions filled at [military pharmacies](#) remain available at no cost.

Using home delivery, the copayments for a 90-day supply of generic formulary drugs rose from \$0 to \$7. For brand-name formulary drugs, copayments grew from \$20 to \$24, and copayments for non-formulary drugs without a medical necessity increased from \$49 to \$53.

At a retail network pharmacy, copayments for a 30-day supply of generic formulary drugs will increase from \$10 to \$11 and from \$24 to \$28 for brand-name formulary drugs.

In some cases, survivors of active duty service members may be eligible for lower cost-sharing amounts.

To see the new TRICARE pharmacy copayments, visit www.tricare.mil/pharmacycosts. To learn

more about the TRICARE Pharmacy Program, or move your prescriptions to home delivery, visit www.tricare.mil/pharmacy.

- **Military.com reports that 35,000 TRICARE beneficiaries were overcharged for drugs in early January.**

In early January, Express Scripts misinterpreted a plan design rule in Defense Health Agency manuals, which resulted in some beneficiaries paying a deductible on prescriptions filled at an in-network pharmacy when they should not have been.

Those beneficiaries effected will be reimbursed in February.

VETERANS AFFAIRS NEWS

- **The U.S. Department of Veterans Affairs (VA) announced steps that it is taking as part of an aggressive new approach to produce rapid improvements at VA's low performing medical facilities nationwide.**

VA defines its low-performing facilities as those medical centers that receive the lowest score in its [SAIL star rating system](#), or a one-star rating out of five. VA currently has 15 such one-star facilities:

Hampton (Virginia); Harlingen (Texas); Roseburg (Oregon); Washington (DC); Big Spring (Texas); Denver (Colorado); Dublin (Georgia); El Paso (Texas); Jackson, (Mississippi); Loma Linda (California); Memphis (Tennessee); Murfreesboro (Tennessee); Nashville (Tennessee); Phoenix (Arizona); and Walla Walla (Washington).

The steps VA is taking to produce rapid improvements at its low-performing facilities include:

Central, national accountable leadership – VA has designated Dr. Peter Almenoff, director of VA's Office of Reporting, Analytics, Performance, Improvement and Deployment (RAPID) Healthcare Improvement Center, to oversee improvement at each of the centers. Almenoff reports directly to Dr. Carolyn Clancy, executive in charge of the Veterans Health Administration (VHA).

Comprehensive analysis and identification of improvement targets – VA is employing a new initiative, known as Strategic Action Transformation (STAT), which uses a rigorous and formal approach based on clinical performance indicators to identify vulnerabilities in each low-performing facility and set specific targets for improvement.

Provision of national resources for improvement – VA's RAPID team of experts will use sophisticated statistical tools to track the progress of improvement against these targets, and, where warranted, will dispatch a team of expert improvement coaches quickly to the medical centers to assist them in meeting the goals.

Accountability for results –VA's Central Office will review each of the facilities quarterly, and if the facilities fail to make rapid substantial progress in their improvement plan, VA leadership will take prompt action, including changing the leadership of the medical center.

- **The Department of Veterans Affairs (VA) announced that Doug Paxton, director of the Roseburg VA Health Care System, has stepped down and an interim replacement has been named.**

This is a step aimed at improving care for veterans served by Roseburg, which remains one of VA's 15 lowest performing facilities.

Paxton has accepted reassignment as assistant director at the Huntington VAMC in West Virginia.

Paxton is being replaced by David L. Whitmer, who will serve as the as interim director at Roseburg. Whitmer currently serves as chief operating officer of the Sunshine Health Network, St. Petersburg, Fla. Prior to joining VA, Whitmer served at the Department of Health and Human Services, National Institute of Health (NIH), in various leadership and supervisory roles from 1999 to 2014.

Both appointments are effective Feb. 4, 2018.

GENERAL HEALTH CARE NEWS

- **Dr. Brenda Fitzgerald, director of the US Centers for Disease Control and Prevention, resigned on Jan. 30, 2017, because of reports that she had purchased tobacco stock after she took the position at the CDC.**

Smoking remains the leading cause of preventable death in the United States. Tobacco use will result in the deaths of nearly 500,000 Americans this year. Fitzgerald's investment conflicts with the mission of the CDC to "protect America from health, safety and security threats, both foreign and in the U.S".

According to Politico, Fitzgerald bought tens of thousands of dollars in new stock holdings in at least a dozen companies.

The day after the purchase, Fitzgerald toured the CDC's Tobacco Laboratory, which researches how the chemicals in tobacco harm human health.

- **The Centers for Medicare & Medicaid Services (CMS) released proposed changes for the Medicare health and drug programs in 2019 that increase flexibility in Medicare Advantage that will allow more options and new benefits to Medicare beneficiaries, meeting their unique health needs and improving their quality of life.**

The proposal also includes important new steps to ensure new patient-doctor-plan communication in combatting the opioid crisis.

As a part of these changes, CMS is redefining health-related supplemental benefits to include services that increase health and improve quality of life, including coverage of non-skilled in-home supports, portable wheelchair ramps and other assistive devices and modifications when patients need them.

CMS has previously not allowed an item or service to be eligible as a supplemental benefit if the primary purpose included daily maintenance. Under the new policy announced today, CMS would allow supplemental benefits if they compensate for physical impairments, diminish the impact of injuries or health conditions, and/or reduce avoidable emergency room utilization.

CMS also announced new action to combat the nation's opioid epidemic through its effective oversight of programs that have successfully reduced opioid overutilization by Part D enrollees. The agency is also designing the framework of several new policies that would give health plans additional tools to better manage chronic overuse among beneficiaries by ensuring patient-doctor-plan communication regarding opioid use.

Medicare Advantage remains a popular choice among beneficiaries and has high satisfaction ratings. In 2018, Medicare Advantage and Part D premiums decreased and the number of Medicare Advantage plans available to choose from across the country increased from about 2,700 to more than 3,100 – and enrollment in Medicare Advantage is at an all-time high as approximately one-third of all Medicare beneficiaries are enrolled in a plan.

The proposed updates will result in a payment increase that promotes stability and insures that resources will be available to support beneficiaries enrolled in private Medicare plans.

REPORTS/POLICIES

- **The GAO published “VA Disability Benefits: Opportunities Exist to Better Ensure Successful Appeals Reform,” (GAO-18-349T) on Jan. 30, 2018.** This report focuses on the extent to which VA's plan: addresses the required elements in the Act, and reflects sound planning practices identified in prior GAO work. <https://www.gao.gov/assets/690/689655.pdf>
- **The GAO published “Coast Guard Health Records: Timely Acquisition of New System Is Critical to Overcoming Challenges with Paper Process,” (GAO-18-363T) on Jan. 30, 2018.** This report addresses Coast Guard's reasons for deciding to terminate further IHiS development; management and oversight actions for the discontinued project and whether lessons learned were identified; current process for managing health records and the challenges it is encountering; and plans for effectively implementing a new EHR system and the current status of its efforts. <https://www.gao.gov/assets/690/689661.pdf>

HILL HEARINGS

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

LEGISLATION

- **H.R.4899** (introduced Jan. 30, 2018): To amend the Public Health Service Act to provide grants for treatment of heroin, opioids, cocaine, methamphetamine, 3,4-methylenedioxymethamphetamine (ecstasy), and phencyclidine (PCP) abuse, and for other purposes was referred to the House Committee on Energy and Commerce. Sponsor: Representative Matt. Cartwright [D-PA-17]
- **S.2357** (introduced Jan. 30, 2018): A bill to require the Secretary of Veterans Affairs to review the processes and requirements of the Department of Veterans Affairs for scheduling appointments for health care and conducting consultations under the laws administered by the Secretary, and for other purposes was referred to the Committee on Veterans' Affairs. Sponsor: Senator Jon. Tester [D-MT]

MEETINGS

- HIMSS 2018 Annual Conference will be held on **March 5-9, 2018**, in Las Vegas Nev. <http://www.himssconference.org/>
- 2018 Heroes of Military Medicine Awards Dinner will be held on **May 3, 2018**, in Washington, DC. <http://www.hjfc3.org/heroes-dinner/>
- The 8th Annual Traumatic Brain Injury Conference will be held on **May 16-17, 2018**, in Washington DC. <http://tbiconference.com/home/>

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.