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 is in recess this week.

▪ On Feb. 15, 2014, President Obama signed into law:
  o S. 25, which extends for an additional fiscal year the current-law sequestration of certain Federal direct spending; repeals a current-law reduction in annual cost-of-living adjustments to military pensions for current military members and retirees; and establishes a $2.3 billion transitional fund for Medicare payments for physicians services in 2017; and
  o S. 540, the “Temporary Debt Limit Extension Act,” which temporarily suspends the public debt limit until March 15, 2015.

MILITARY HEALTH CARE NEWS

▪ TRICARE For Life (TFL) beneficiaries soon will receive letters guiding them to TRICARE Pharmacy Home Delivery or a military pharmacy for some prescriptions as part of a congressionally mandated pilot program.

  TFL is secondary coverage for TRICARE beneficiaries who have both Medicare Parts A and B in the United States and U.S. territories.
The pilot program starts March 15, and it requires beneficiaries who use TFL to get certain medications through Home Delivery or at a military pharmacy. The program applies to refills of maintenance medications taken regularly for chronic conditions, officials said.

As part of the pilot program, TRICARE will stop paying for these medications from a retail pharmacy. But they noted that the program does not apply to medications for acute conditions taken for a limited time, such as antibiotics or pain medications or any generic medications. At this time, it also does not apply to generic drugs.

Congress mandated the pilot program in the 2013 National Defense Authorization Act. It will last for five years, but beneficiaries may choose to opt out after filling an affected prescription under the pilot program through Home Delivery for one year.

Beneficiaries will be notified if they are taking a medication covered under the program. They will have two “courtesy fills” available through a retail pharmacy before they are responsible for the entire cost of their medication.

Beneficiaries may call the TRICARE pharmacy contractor, Express Scripts, at 1-877-882-3335 or visit the Express Scripts website to switch to Home Delivery or with questions about their medications. To switch a prescription to a military pharmacy, beneficiaries may need to get a new prescription from their doctor.

Some people are exempt, including people with another prescription drug plan or people living overseas. People living in a nursing home may contact Express Scripts to request a waiver from the pilot program.

TRICARE Pharmacy Home Delivery offers beneficiaries a 90-day supply of their medication with no copays for generic drugs and $13 for brand-name drugs. Switching from a retail pharmacy to Home Delivery can save TRICARE beneficiaries up to $152 every year for each prescription, officials said. Beneficiaries also can save by asking their doctor to write them a prescription for a generic version of their medication.

- **According to the Defense Health Agency (DHA), 8.4 percent of the military are heavy drinkers and 17.5 percent are moderate drinkers.**

These figures are based on the 2011 Health-Related Behaviors (HRB) Survey.

The study found the majority of the military population (58.6 percent) report being infrequent or light drinkers, and about 16 percent do not drink at all.

When the information is broken down by Service, the Marine Corps seems to have more of a culture for drinking. However, it also has the youngest average age of service member, and tends to have more unmarried members. As with the civilian population, as the group being examined ages, alcohol use decreases.

Disturbingly, the drinking rates among women in the military are increasing. This is not being seen on the civilian side. Except in the Air Force, military women drink more in all of the Services than their civilian counterparts. (Among men, this is only seen with men in the Marine Corps.)

The demographic factors that put an individual at the highest level of risk for heavy drinking are: Marine Corps; male, White, age 21-25; education less than college; unmarried; deployed. Among the 21-25 age group, military service members drink twice as much as their civilian counterparts.

Officials noted heavy drinkers experience other mental health issues, such as depression and anxiety, at much higher levels than others and leadership can make the difference in changing the drinking behaviors of those beneath them.
The Department of Veterans Affairs (VA) is collaborating with Kaiser Permanente to pool resources and ideas to solve some of the largest and most complex challenges in VA health care.

The partnership will enable more effective research and sharing of "best practices," focusing initially on four areas: Telehealth and virtual care; Genomics; Care of Veterans who are members of Kaiser Permanente; and Advanced analytics to use large data sets and population management with appropriate patient privacy protections.

Together VA and Kaiser Permanente will develop recommendations for how to design care using advanced analytics and technologies as well as research. This is not the first major collaboration between the two organizations. In 2010, Kaiser Permanente and VA launched a pilot program to exchange medical data using the Nationwide Health Information Network. The innovative pilot, launched in 2009, allows clinicians from both organizations to obtain a more comprehensive view of a patient's health record using electronic health record information, including information about health issues, medications and allergies while ensuring that patient privacy and confidentiality are protected.

With over 8 million enrollees, VA operates the largest integrated health care delivery system in the United States, with a mission to honor America's Veterans by providing exceptional health care that improves their health and well-being. VA provides a broad range of primary care, specialized care, and related medical and social support services.

The Department of Veterans Affairs (VA) announced the first of multiple Industry Innovation Competitions in 2014, which identifies, tests, and evaluates promising innovations that enhance the accessibility and quality of mental health care and services delivered to veterans.

The innovations from this competition will add to VA’s already extensive mental health programs, which can be found at www.mentalhealth.va.gov.

The competition is part of the VA Center for Innovation (VACI), a department-wide program that seeks the most promising innovations from employees, the private sector, non-profits, and academia to increase veterans’ access to VA services, improve the quality of services delivered, enhance the performance of VA operations, and reduce or control the cost of delivering those services.

This Industry Innovation Competition seeks creative solutions in three areas of significant importance to VA. Public and private companies, entrepreneurs, universities and non-profits are encouraged to propose new ways to respond to veteran mental health challenges specific to the topics:

- Upstream Suicide Intervention
- Improving Veterans Receptivity to Mental Health Care to Promote Treatment, Engagement, and Participation
- Innovative Methods of Incentivizing Behavior to Improve Mental Wellness

These topics and processes are detailed in the Broad Agency Announcement (BAA) and can be found at www.fbo.gov (RFP No. VA118-14-R-0077) and at: http://www.innovation.va.gov/
**GENERAL HEALTH CARE NEWS**

- **The Department of Health and Human Services announced three winners of an idea challenge to help communities support patients who depend on durable medical equipment (DME), such as oxygen concentrators and portable ventilators, during emergencies.**

  The contest was sponsored by HHS’ Office of the Assistant Secretary for Preparedness and Response (ASPR).

  Thousands of people in the United States rely on electrically powered DME equipment to meet their medical needs at home. In emergencies such as prolonged power outages, they often must seek help in shelters or emergency rooms to power the equipment or recharge their battery.

  Launched September 2013, the challenge sought inventive ideas on how to create a system that, in emergencies, could signal the location and status of the life-sustaining equipment. With this information, patients and caregivers can prepare and respond to prevent low batteries in emergencies.

  - Leo Angelo Gumpas and Xadean Ahmasi from Laurel, Md., won first place with the creation of an integrated, Internet-based system, which automatically monitors and transmits essential data from DME devices to caregivers and responders.

  - Stan Barrack from Forest Park, Ill., came in second with the idea to create an integrated set of tools that could use inexpensive technology, such as a cellular phone application, to securely share critical information on the status of DMEs in impacted areas with existing data centers where specific patient information is stored.

  - Third place was awarded to An-Hu-Li and his son David-Li from Commack, N.Y., who developed an idea for a cost-effective wireless DME status reporter based on two-way radio technology. The device would send and receive vital information between a patient DME unit and authorized users, such as caregivers and first responders, operating on the same radio frequency. The technology would include security features to prevent interception of confidential patient data.

  First place winners of the challenge receive $5,000; second place receive $3,000, and third place receive $2,000.

  To learn more about application challenges sponsored by federal agencies, including challenges that support emergency preparedness, visit [challenge.gov](http://challenge.gov).

- **The U.S. Food and Drug Administration and the European Medicines Agency (EMA) have set-up a new ‘cluster’ on pharmacovigilance (medicine safety) topics.**

  Clusters are regular collaborative meetings between the EMA and regulators outside of the European Union, which focus on specific topic areas that have been identified as requiring an intensified exchange of information and collaboration. Building on the experience of previous regular videoconferences between the FDA and the EMA in this area and on the recent creation of the EMA’s Pharmacovigilance Risk Assessment Committee, this cluster will provide a forum for a more systematic and focused exchange of information on the safety of medicines.

  The FDA and the EMA have already set-up such clusters to discuss issues related to biosimilars, medicines to treat cancer, orphan medicines, medicines for children, blood-based products, among other topics. Health Canada and the Japanese Pharmaceuticals and Medical Devices Agency are also involved in some of these clusters.

  As part of the new cluster, discussions on shared pharmacovigilance issues will now take place...
between the agencies on a monthly basis by teleconference. This increased degree of interaction will allow the agencies to work swiftly in the area of the safety of medicines and to coordinate communication activities. The creation of this cluster is the latest step in the FDA's and the EMA's broader approach to expand and reinforce international collaboration.

This type of collaborative effort is important for ensuring the safety and quality of medicines distributed to consumers throughout the globe. The new cluster will help medicines' regulators harmonize efforts to keep medicines safe, regardless of location.

Canadian and Japanese regulatory authorities will participate in the meetings of the cluster on pharmacovigilance as observers. The information exchange is covered by confidentiality arrangements between the FDA and the other participants.

- **The Centers for Disease Control and Prevention (CDC) announced that 60 percent of Americans who have died from the influenza this season were between 24-64 years old.**

  In 2012, only 18 percent of this age group died from influenza. Health officials attribute the increase to fewer of this cohort getting vaccinated.

  According to the CDC, 61 percent of the hospitalizations from influenza were ages 18 to 64, up from about 35 percent in the three prior seasons.

  CDC Director Tom Freiden noted that younger people’s vaccination rates are lower than older people’s.

  This season's dominant flu strain is the H1N1 virus, the same one that struck in 2009, with high rates of hospitalization and death among young adults and the middle aged.

  CDC recommends vaccinations for anyone over 6 months.

- **The Institute of Medicine announced that Victor J. Dzau, M.D., will be the next president of the Institute of Medicine, the National Academy of Sciences.**

  Currently chancellor for health affairs at Duke University, president and CEO for Duke University Health System, and James B. Duke Professor of Medicine, Dzau will succeed Harvey V. Fineberg, who has served as IOM's president for 12 years. Dzau's six-year term as president will begin July 1, 2014.

  Dzau is highly regarded as a trailblazer in translational research, health innovation, and global health care strategy and delivery. He was the guiding force in establishing the Duke Translational Medicine Institute, Duke Global Health Institute, Duke-NUS Medical School in Singapore, and Duke Institute for Health Innovation.

  Dzau's own seminal research laid the foundation for the development of angiotensin-converting-enzyme (ACE) inhibitors, which are used globally for the treatment of high blood pressure and congestive heart failure. He pioneered gene therapy for vascular disease, being the first to introduce DNA decoy molecules to block transcriptions as gene therapy in humans.

  The Institute of Medicine was established in 1970 by the National Academy of Sciences and has become recognized as a valuable resource for independent, scientifically informed analysis and recommendations on health issues. Under the Academy's 1863 congressional charter, IOM provides advice to government policymakers, health professionals and the public on issues such as health care delivery and quality, the obesity epidemic, vaccine safety, nutrition, cancer
prevention and management, and military and veterans’ health.

REPORTS/POLICIES

- The Institute of Medicine published “Preventing Psychological Disorders in Service Members and Their Families: An Assessment of Programs,” on Feb. 20, 2014. This report is a follow-up study on Department of Defense’s (DoD) efforts to prevent psychological disorders among active-duty service members and their families. The resulting report assesses the evidence base for DoD’s existing prevention programs and makes recommendations about program development and implementation.

To read the findings, please visit: http://www.iom.edu/~media/Files/Report%20Files/2014/Preventing-Military-Psychological-Disorders/MilitaryMentalHealth_findings.pdf

HILL HEARINGS

- The House and Senate Veterans Affairs Committees will hold a joint hearing on Feb. 25, 2014, to receive the legislative presentation of the American Legion.
- The House and Senate Veterans Affairs Committees will hold a joint hearing on Feb. 25, 2014, to receive the legislative presentation of the Disabled Americans Veterans Association.
- The Senate Armed Services Committee will hold a hearing on March 5, 2014, to examine the Defense Authorization Request for Fiscal Year 2015 and the Future Years Defense Program.
- The House and Senate Veterans Affairs Committees will hold a joint hearing on March 5, 2014, to receive the legislative presentation of the Veterans of Foreign Wars Association.
- The House and Senate Veterans Affairs Committees will hold a joint hearing on March 6 and 12, 2014, to receive the legislative presentation from various veterans services organizations.

LEGISLATION

- H.R.4067 (introduced Feb. 18, 2014): To provide for the extension of the enforcement instruction on supervision requirements for outpatient therapeutic services in critical access and small rural hospitals through 2014 was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means. Sponsor: Representative Lynn Jenkins [KS-2]

MEETINGS/WEBINARS

- The HIMSS Annual Conference and Exhibition will be held on Feb. 27-29, 2014, in Orlando, Fla. http://www.himssconference.org/
The 11th Annual World Health Care Congress will be held on **April 7-9, 2014**, in National Harbor, Md. [http://www.worldcongress.com/events/HR14000/](http://www.worldcongress.com/events/HR14000/).

- The Heroes of Military Medicine Awards will be held on **May 1, 2014**, in Washington, DC. [http://www.hjtcp3.org](http://www.hjtcp3.org)

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