

# Federal Health Update

FEB. 26, 2016

*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 Feb. 24, 2016, the Senate confirmed the nomination of Robert McKinnon Califf to be the next commissioner of Food and Drugs Administration.**

## MILITARY HEALTH CARE NEWS

- **The Air Force Chief of Staff announced the following assignments:**

Brig. Gen. Lee E. Payne, will be command surgeon, Headquarters Air Mobility Command, Scott Air Force Base, Illinois. Previously he was commander, Air Force Medical Operations Agency, Office of the Surgeon General, Joint Base San Antonio-Lackland, Texas.

Brig. Gen. Robert I. Miller, will be commander, Air Force Medical Operations Agency, Office of the Surgeon General, Joint Base San Antonio-Lackland, Texas. Previously he was director, education and training, Defense Health Agency; and commandant, Medical Education and Training Campus, Defense Health Agency, Joint Base San Antonio-Fort Sam Houston, Texas.

Col. James H. Dienst, who has been selected for the grade of brigadier general, will be director, education and training, Defense Health Agency; and commandant, Medical Education and Training Campus, Defense Health Agency, Joint Base San Antonio-Fort Sam Houston, Texas. Previously he was command surgeon, Headquarters Air Force Reserve Command, Robins Air Force Base, Georgia.

- **The Senate Armed Services Committee held a hearing on Feb. 23 to examine the Defense Health Care reform. Dr. Jonathan Woodson, assistant secretary of defense for health affairs; Navy Vice Adm. (Dr.) Raquel Bono, director of the Defense Health Agency; and the Army, Navy and Air Force surgeons general provided testimony and made recommendations.**

Woodson described initiatives within the Military Health System to improve, including using contracted private medical services when military treatment centers are not easily accessible for Defense Department beneficiaries. Specifically he discussed challenges facing beneficiaries seeking primary and specialty care.

DHA director Bono shared ways the Services and the agency have worked together to improve military health care quality and safety expectations for beneficiaries in both military treatment facilities and in TRICARE.

“We’re simplifying contracts, reducing management overhead in government and [contracts],” she noted, which would, for example, allow beneficiaries to use urgent care clinics without prior authorization.

“A DHA analytics team [also] will assess performance of MHS using joint measures for readiness, health, quality, safety, satisfaction and cost for leadership at the headquarters and field level,” Bono said.

#### **The Service Surgeons Generals focused on readiness.**

Army Surgeon General Lt. Gen. (Dr.) Nadja Y. West said improving patient access to care is her priority, she said, adding that she has directed actions to rapidly improve that access.

“I understand reforms are necessary to ensure the long-term sustainability of TRICARE,” she said, stressing that reforms should not increase financial burden on beneficiaries or affect readiness.

“Reforms must not degrade our combat-tested system or readiness in an environment where we must remain rotationally focused and surge ready [because] the next large-scale deployment could be tomorrow,” West said.

“As changes are considered, we strongly recommend sustaining care for active-duty families in military treatment facilities,” said Air Force Surgeon General Lt. Gen. (Dr.) Mark A. Ediger.

While the Military Health System has “proven itself time and again [with] the thousands of men and women who are alive today, it is not perfect,” said Navy Surgeon General Vice Adm. (Dr.) C. Forrest Faison III.

“We are committed to continuing necessary reforms ... to improve our patients’ experience, and most importantly, their health,” Faison added. “However, we must do so without putting at risk the very system that has yielded unprecedented survival.”

- **The Defense Health Agency announced that General Counsel Paul Hutter will retire from federal service.**

Hutter also served as deputy director of DHA during his tenure, and was an integral figure in helping stand up the agency when it began in 2013.

Hutter’s career began as an Army infantry officer stationed in his home state of Hawaii. He then entered Santa Clara law school while on active duty, and subsequently joined the Army Judge Advocate General Corps after earning his law degree. Hutter’s career path took him to Fort Riley, Kansas, then after leaving the active duty Army, back to Hawaii to work for a law firm, and then to the Department of Veterans Affairs for 19 years, where he served as General Counsel and

Chief of Staff, among many other positions.

During his time with DHA, Hutter said it has been a challenge changing the mantra of TMA from being an independent entity to a service-oriented organization. "In the near future, I'd like to see DHA's philosophy focus on providing customer service to stakeholders, in particular our beneficiaries. DHA is moving in that direction, and I hope the progress will continue. [Navy] Vice Adm. Bono, in a very thoughtful way, is identifying the necessary actions to fulfill this goal."

Hutter also recalled during his time as DHA deputy director how he brought each of the deputy Surgeons General together with each of the DHA Enterprise Support Activity (Shared Service) directors, which helped foster a disciplined process that has brought about service-level agreements, and greater understanding of the concept of operations.

"Not only have we been able to stand up the DHA," said Hutter, "but we've been able to provide value to the Services. Now DHA Director Bono is bringing more focus on this issue."

## VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) announced actions against two senior leaders in Cincinnati, Ohio.**

Based on preliminary results of a joint VA Office of Medical Inspector (OMI) and Office of Accountability (OAR) review conducted Feb. 9-11, 2016 at the Cincinnati VA Medical Center, Deputy Secretary of Veterans Affairs, Sloan D. Gibson, has proposed the removal of Jack Hetrick, the Veterans Integrated Service Network (VISN 10) director, from Federal Service. Today, Mr. Hetrick submitted his retirement.

Additionally, VA's Undersecretary for Health, Dr. David J. Shulkin, has detailed the Cincinnati VA Medical Center Acting Chief of Staff, Dr. Barbara Temeck, out of her current duties pending appropriate administrative action.

Hetrick received a notice of pending removal on Feb. 25. Shulkin has summarily suspended Temeck's privileges and detailed her to non-patient-care duties while he considers appropriate additional actions, effective Feb. 25.

The VA joint team conducted the site visit to investigate allegations of professional misconduct on the part of Temeck along with allegations that she directed the referral of Veterans for care in the community as a cost-shifting mechanism, resulting in poor quality of care.

The team did not substantiate any impropriety with respect to community care referrals or quality of care for Veterans. However, the team did substantiate misconduct by both Hetrick and Temeck related to Temeck's provision of prescriptions and other medical care to members of Hetrick's family. VA OIG has accepted VA's referral of the substantiated allegations for potential criminal investigation.

- **The Departments of Defense (DoD) and Veterans Affairs (VA) announced its ongoing effort to ease the transition for service members who require complex care management as they transition from the DoD system of health care to VA or within each system.**

The effort is designed to ease the burden for service members and Veterans, who have suffered illnesses or injuries so severe as to require the expertise provided by multiple care specialties throughout both Departments.

"More than a decade of combat has placed enormous demands on a generation of service

members and Veterans – particularly those who have suffered wounds, injuries, or illnesses which require a complex plan of care,” said Dr. Karen Guice, principal deputy assistant secretary of defense for health affairs, and co-chair of the DoD-VA Interagency Care Coordination Committee (IC3). “These individuals require the complex coordination of medical and rehabilitative care, benefits, and other services to successfully transition from active duty to veteran status, and to optimally recover from their illnesses or injuries.”

The hallmark of the effort is the implementation of the role of Lead Coordinator. The Lead Coordinator will be a designated member of a service member’s care management team who will serve as the primary coordinator for that individual. The Lead Coordinator will offer personal guidance and assist the service member and their families in understanding the benefits and services to which they are entitled. Service members, Veterans, and their families, working with their Lead Coordinator, will have someone to whom they can turn when they have a question or issue as they actively participate in their care. The first phase of Lead Coordinator Training was completed in November. It is expected that a total of 1,500 DoD staff and 1,200 VA staff will serve as Lead Coordinators.

This effort comes as a result of the work of the DoD-VA IC3, established in 2012 to implement a joint, standard model of collaboration for the most complex cases of care that will require a warm handoff from the DoD to the VA system of care, as well as within the Departments, and is based on many of the best practices of collaboration that have been created over the last decade. This effort was enacted as policy by both departments in 2015, aligning more than 250 sub-policies to one, overarching policy that will govern the coordination of complex care cases that transition between the two departments.

Coordination efforts are synchronized through the IC3 Community of Practice (CoP), a group representing more than 50 DoD and VA programs that provide specialty care, including rehabilitation services for the visually impaired and polytrauma centers. It will be the job of the Lead Coordinator to guide service members through the system, ensuring that they receive the care, benefits, and services they both require and to which they are entitled.

- **The Department of Veterans Affairs (VA) has awarded four major contracts that will bolster its ability to deliver timely health care to the nation’s veterans.**

The contracts make up a \$4.6 billion Medical Surgical Prime Vendor Next-Generation Program (MSPV-NG) acquisition, and represent a major step forward in supply chain modernization – a “breakthrough priority” of the Department’s MyVA transformation effort.

This Next Generation program improves the acquisition process of surgical supplies, and ensures a speedier delivery to veterans.

**Contracts were awarded to the following firms:**

- American Medical Depot, Miramar, FL – Small Business
- Kreisers, Inc. Sioux Falls, SD – Small Business
- Cardinal Health, Dublin, OH – Large Business
- Medline Industries, Inc., Mundelein, IL – Large Business

The contracts are being awarded for a period of 20 months with two, 20-month options, with an aggregate ceiling of \$4.6 billion. The contract will be managed by VA’s Strategic Acquisition Center based in in Fredericksburg, VA.

## GENERAL HEALTH CARE NEWS

- **The Centers for Disease Control and Prevention reported preliminary overall influenza vaccine effectiveness (VE) of 59 percent this season.**

This finding is comparable to [past estimates](#) for seasons when most circulating flu viruses and vaccine viruses have been similar.

There were sufficient data from the U.S. Flu VE Network to also calculate more specific VE estimates:

- 51 percent VE against the H1N1 viruses responsible for most flu illness this season
- 76 percent VE against all influenza B viruses
- 79 percent VE against the B/Yamagata lineage of B viruses

At this time, there are not enough data to estimate VE by age group, nor to estimate VE against H3N2 viruses or B/Victoria lineage viruses.

CDC maintains and monitors several influenza surveillance systems. This season, influenza-like-illness levels and the numbers of influenza-positive laboratory tests became elevated the week ending January 16. Activity now has been elevated for five consecutive weeks. For the past 13 seasons, flu seasons have averaged 13 weeks in length, with a low of one week to a high of 20 weeks.

While flu vaccine effectiveness can vary, CDC recommends an annual flu vaccine as the best way to prevent seasonal flu. CDC also recommends rapid treatment of seriously ill and high risk suspect flu patients with influenza antiviral drugs.

Interim VE estimates are based on data collected from the U.S. Flu VE Network from Nov. 2, 2015, through Feb. 12, 2016. With weeks to go for the current flu season, VE estimates may change. CDC will continue to publish influenza laboratory and disease surveillance data weekly in [FluView](#). Updated VE estimates will be provided as warranted and final VE estimates will be published after the season ends.

## REPORTS/POLICIES

- **The GAO published “Patient Safety: Hospitals Face Challenges Implementing Evidence-Based Practices,” (GAO-16-308) on Feb. 25, 2016.** This report describes key factors that affect hospitals' implementation of evidence-based patient safety practices and their reported effects on adverse events; (2) the types of programs health care payers use to promote hospital patient safety and their reported effects on adverse events; and (3) gaps, if any, that experts identify in the available information on patient safety practices.  
<http://www.gao.gov/products/GAO-16-308>

## HILL HEARINGS

- The House Appropriations Subcommittee on Military Construction, Veterans Affairs and Related Agencies will hold a budget hearing on **March 2, 2016**.
- The Senate and House Veterans Affairs Committees will hold a hearing on **March 2, 2016**, to receive the legislative presentation from the Veterans of Foreign Wars.
- The Senate and House Veterans Affairs Committees will hold a hearing on **March 3, 2016**, to receive the legislative presentation from the PVA, GSW, VVA, MOPH, BVA, WWP, NGAUS, and AMVETS.
- The House Veterans Affairs Subcommittee on Oversight and Investigations will hold a hearing on

**March 4, 2016**, to examine VA opioid prescription and pain management.

- The Senate and House Veterans Affairs Committees will hold a hearing on **March 16, 2016**, to receive the legislative presentation from the FRA, TREA, NASDVA, MOAA, AFSA, AX-POW, NCOA, JWV, and IAVA.

## LEGISLATION

- **H.R.4589** (introduced Feb, 23, 2016): the Excellence in Medicare Act was referred to the Committee on the Judiciary, and in addition to the Committees on Energy and Commerce, and Ways and Means  
Sponsor: Representative Thomas MacArthur [NJ-3]
- **H.R.4590** (introduced Feb, 23, 2016): Fiscal Year 2016 Department of Veterans Affairs Seismic Safety, Construction, and Leases Authorization Act was referred to the VA Subcommittee on Health  
Sponsor: Representative Jeff Miller [FL-1]
- **H.R.4591** (introduced Feb, 23, 2016): To amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to enter into agreements with certain health care providers to furnish hospital care, medical services, and extended care to veterans was referred to the VA Subcommittee on Health.  
Sponsor: Representative Jeff Miller [FL-1]
- **S.2562** (introduced Feb, 22, 2016): Heroin and Prescription Drug Abuse Prevention and Reduction Act was referred to the Committee on Health, Education, Labor, and Pensions.  
Sponsor: Senator Sherrod Brown [OH]
- **S.2567** (introduced Feb, 23, 2016): Preventing Overprescribing for Pain Act of 2016 was referred to the Committee on Health, Education, Labor, and Pensions.  
Sponsor: Senator Kirsten E. Gillibrand [NY]

## MEETINGS

- The HIMSS Annual Conference and Exhibition will be held on **Feb. 29 – March 4, 2016**, in Las Vegas <http://www.himssconference.org/>
- The Heroes of Military Medicine Awards will be held on **May 5, 2016**, in Washington D.C. <http://www.hjfc3.org/heroes-dinner>
- The 6th Annual Traumatic Brain Injury Conference will be held **May 11-12, 2016**, in Washington DC. <http://tbiconference.com/home/>
- The AUSA 2016 Annual Meeting & Exposition will be held **Oct. 3-5, 2015**, in Washington DC. <http://ausameetings.org/2016annualmeeting/>
- **2016 AMSUS Annual Continuing Education Meeting** will be held on **Nov. 29- Dec. 2, 2016**, at the Gaylord National Harbor, Md. <http://www.amsusmeetings.org/>

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