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## EXECUTIVE AND CONGRESSIONAL NEWS

- **The House and Senate will be in recess until April 14, 2015.**

- **The House passed H.R. 2 the Medicare Access and CHIP Reauthorization Act of 2015 on March 26, 2015.**

  The legislation, sponsored by House Speaker John Boehner and House Minority Leader Nancy Pelosi, permanently fixes Medicare reimbursement for doctors. It also includes a two year extension for a popular children’s health insurance program and money for community health centers.

  The Boehner-Pelosi measure would replace a 1990s formula that linked doctor pay to economic growth with a new one more focused on quality of care. It also would require means-testing of Medicare beneficiaries so higher income people pay higher premiums.

  The legislation was designed to spare Medicare doctors a 21-percent pay cut effective April 1 under the existing payment formula. Under the plan, a Medicare recipient with annual income of between $133,000 and $160,000 would see their Medicare premium share increase from 50 to 65 percent, and a recipient with annual income between $160,000 and $214,000 would pay 75 percent rather than 65 percent.

  The Senate could act quickly on the measure before they go into recess this week.

- **On March 26, 2015, President Obama announced his intent to nominate Franklin R.**
Parker, to be the next assistant secretary of the navy for manpower and reserve Affairs, Department of Defense.

Parker is currently chief counsel of the Maritime Administration in the Department of Transportation, a position he has held since 2012. From 2009 to 2012, Parker served as attorney advisor in the Office of the General Counsel of the Navy, Department of Defense. From 2005 to 2009, Mr. Parker worked as an associate at Winston & Strawn LLP. Parker received a B.A. from Yale University, a J.D. from Stanford Law School, and an M.P.P. from the John F. Kennedy School of Government at Harvard University.


  The budget plan also cuts spending by $5.5 trillion over the next decade.

  The Republican plan but dramatically cuts (10 percent) agency work forces through attrition and increases retirement contributions for all current federal employees, and increases the Postal Service employee contributions to their health insurance premiums.

  The legislation also decreases the rate of return on the Thrift Savings Plan’s government securities fund (G Fund) and encourages the elimination of the Federal Employee Retirement System annuity supplement.

  The Defense Department’s budget increased more than $20 billion in fiscal 2016 – funds placed into an account not subject to the budget caps imposed by sequestration.

  President Obama has said he would veto any legislation that leaves sequestration intact.

MILITARY HEALTH CARE NEWS

- The Service Surgeons General testified before the Senate Appropriations Committee on March 25, 2015, highlighting the military medical system’s accomplishments and rejecting the recent proposal to dismantle the existing structure as recommended by the Military Compensation and Retirement Modernization Commission.

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  The Military Compensation and Retirement Modernization Commission has recommended that active-duty families, military retirees and their families and reserve members be moved to commercial-based health plans managed by the Office of Personnel Management, similar to the health plans offered to federal employees.

  According to the Military Times, Army Lt. Gen. Patricia Horoho, Navy Vice Adm. Matthew Nathan and Air Force Lt. Gen. Thomas Travis told the committee that changing the system as proposed would degrade combat readiness.

  "Our hospitals are our health readiness platforms," Horoho said. "This crucial link to readiness sets us apart from the civilian health system. ... Any radical departure from our combat-tested system would degrade readiness in an environment where our next deployment could be tomorrow."

  Nathan said most of the health issues commanders deal with are not combat casualty cases, but infectious diseases, other injuries and common illnesses, and military treatment facilities already provide platforms for this training.

  "Although it’s important to focus on combat casualty and trauma capabilities ... it’s [also] important we have a wide range of patients, ranging from the very young — pediatrics — for
when we are involved in humanitarian missions, evacuations, and the elderly," Nathan said. "We have robust partnerships with shock trauma centers to keep our [combat] skills sharp."

Travis said that vision, along with other changes underway within DoD, such as consolidating common services of the service medical commands under the Defense Health Agency and efforts to increase efficiency in major health care markets nationwide, will improve military health and readiness.

"I am confident we are on course to ensure medically fit forces, provide the best expeditionary medics on the planet and improve the health of all we serve to meet our nation's needs," Travis said.

The Obama administration is expected to provide its response to the report by April 1.

- Two Military Health System leaders earned a national award for their work providing new alternatives in pain management to warfighters.

Army Maj. Gen. Richard Thomas of the Defense Health Agency and Dr. Eric Schoomaker of the Uniformed Services University of the Health Sciences received the Philipp M. Lippe, MD, Award from the American Academy of Pain Medicine. The award recognizes outstanding contributions to the social and political aspects of pain medicine, and was presented during the academy’s annual meeting at National Harbor, Maryland.

“This is not an individual award. This is recognition of the team effort,” said Thomas, head of health care operations at the Defense Health Agency. “Techniques to manage pain learned over the last 10 years or so are good examples of the innovations that come out of our combat experience.”

Thomas said the military is now more open to methods other than narcotic-based medicines when treating a warfighter struck with pain.

“It's opened the possibilities for our patients and improved their management of pain problems. People can perform better and get their lives back together quicker, optimizing their recovery and life after injury,” he said.

The award also highlights the work the military has done with the civilian and academic communities, such as the Uniformed Services University, to promote changes in the practice of medicine.

“This award recognizes that the problems of our warriors -- our soldiers, sailors, airmen, Marines, coast guardsmen and their families -- are being listened to by practitioners across the country,” said Schoomaker, a former Army surgeon general. “If there's any good to come out of war, it's that we get insights into problems plaguing mankind for millennia.”

VETERANS AFFAIRS NEWS

- The Department of Veterans Affairs (VA) announced it has standardized the claims and appeals forms for veterans seeking disability benefits.

These standardized forms guide veterans to clearly state the symptoms or conditions for which they are seeking benefits and provide the information necessary for VA to start processing their claims and appeals.

The easiest and fastest way for a veteran to submit an application for compensation is online through the eBenefits (www.ebenefits.va.gov) portal. VA encourages veterans to work with representatives of Veterans Service Organization (VSO), or their state or county representatives,
who can assist with filing electronically or in paper form. Standardized forms are a key component of VA’s transformation, which will help achieve the Department’s goal to eliminate the backlog by the end of this year.

There are two claim actions that now require standardized forms:

**Veterans’ or survivors’ applications for disability compensation or pension** – Specific forms are designed to capture information necessary to identify and support benefit claims.

- Veterans filing for disability benefits must now use [VA Form 21-526EZ, Application for Disability Compensation and Related Compensation Benefits](#).
- Wartime Veterans filing for needs-based pension must use [VA Form 21-527EZ, Application for Pension](#).
- Survivors filing a claim for dependency and indemnity compensation (DIC), survivor’s pension, and accrued benefits must complete [VA Form 21-534EZ, Application for DIC, Death Pension, and/or Accrued Benefits](#).

**Notices of Disagreement with any aspect of VA’s decision on a disability claim** – The standardized Notice of Disagreement form is used when a claimant wishes to initiate an appeal.

- Veterans disagreeing with a VA compensation decision should use [VA Form 21-0958, Notice of Disagreement](#).
- Veterans and survivors will not be required to use a standardized notice of disagreement form to initiate appeals of pension or survivors benefit decisions at this time.

VA recognizes that some veterans may need additional time to gather all of the information and evidence needed to support their claim and therefore established a new intent to file a claim process. Applicants may notify VA of their intent to file a claim in order to establish the earliest possible effective date for benefits if they are determined eligible. An intent to file a claim may be submitted in one of three ways:

- Electronically via [eBenefits](#) or with the support of a Veterans Service Organization (VSO) through the Stakeholder Enterprise Portal.
- Completing and mailing a paper [VA Form 21-0966, Intent to File a Claim for Compensation and/or Pension, or Survivors Pension and/or DIC](#)
- Over the phone with a VA call center or in person with a public contact representative.

Veterans may appoint a duly authorized representative, such as a VSO, who can notify VA of a claimant’s intent to file using any of the methods listed above. VA will provide an individual up to one year from the date they submit their intent to file a claim to complete the required application form. Veterans may wish to use this one-year period to gather evidence necessary to support the claim so that evidence can be submitted along with the application form.

VA’s move to standardized claim and appeal forms will make the process easier and more efficient for both VA and the veterans, and allow VA to establish a quicker, more streamlined benefits delivery system.

- **In order to expand eligibility for the Veterans Choice Program, the Department of Veterans Affairs (VA) announced that it will change the calculation used to determine the distance between a veteran’s residence and the nearest VA medical facility from a straight line distance to driving distance.**

The policy change will be made through regulatory action in the coming weeks. The Veterans Choice Program was authorized by the Veterans Access, Choice, and Accountability Act of 2014 (VACAA).
The method of determining driving distance will be through distance as calculated by using a commercial product. The change is expected to roughly double the number of eligible veterans.

The Veterans Choice Program is a new, temporary benefit that allows eligible Veterans to receive health care in their communities rather than waiting for a VA appointment or traveling to a VA facility. Veterans seeking to use the Veterans Choice Program should call 1-866-606-8198 to confirm their eligibility and to schedule an appointment. Since the Choice Program went into effect on November 5, 2014, more than 45,000 medical appointments have been scheduled.

Using expanded authorities from VACAA, VA continues to expand access to care through increased staffing and enhanced collaboration with both the Indian Health Service and Native Hawaiian Health Care Systems.

VA is enhancing its health care system and improving service delivery to better serve Veterans and set the course for long-term excellence and reform. VA has made significant progress in various areas of the legislation, such as extending the Assisted Living/Traumatic Brain Injury Pilot program and Project Arch, to expand timely access to high-quality health care for Veterans.


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**GENERAL HEALTH CARE NEWS**

- The Department of Health and Human Services announced a targeted initiative aimed at reducing prescription opioid and heroin related overdose, death and dependence.

Deaths from drug overdose have risen steadily over the past two decades and currently outnumber deaths from car accidents in the United States. The President’s FY 2016 budget includes critical investments to intensify efforts to reduce opioid misuse and abuse, including $133 million in new funding to address this critical issue.

HHS’s efforts focus on three priority areas that tackle the opioid crisis, significantly impacting those struggling with substance use disorders and helping save lives.

- Providing training and educational resources, including updated prescriber guidelines, to assist health professionals in making informed prescribing decisions and address the over-prescribing of opioids.
- Increasing use of naloxone, as well as continuing to support the development and distribution of the life-saving drug, to help reduce the number of deaths associated with prescription opioid and heroin overdose.
- Expanding the use of Medication-Assisted Treatment (MAT), a comprehensive way to address the needs of individuals that combines the use of medication with counseling and behavioral therapies to treat substance use disorders.

Addressing the opioid crisis is a top priority for the department and the Secretary is committed to bipartisan solutions and evidence-informed interventions to turn the tide against opioid drug-related overdose and misuse.

Prescription drugs, especially opioid analgesics—a class of prescription drugs used to treat both acute and chronic pain such as hydrocodone, oxycodone, codeine, morphine, and methadone,
have increasingly been implicated in drug overdose deaths over the last decade. Deaths related to heroin have also sharply increased since 2010, with a 39 percent increase between 2012 and 2013. Among drug overdose deaths in 2013, approximately 37 percent involved prescription opioids. Given these alarming trends, it is time for a sustainable response to prevent and treat opioid use disorders.

For more information on the HHS’s efforts and this initiative, see here.

- **On March 25, 2015, Department of Health and Human (HHS) Services Secretary Sylvia M. Burwell appointed Rachel Kaprielian to be the Region I Director of HHS.**

  The HHS Region I office is based in Boston and works with officials in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

  As a regional director, Kaprielian will serve as a key representative of HHS in working with federal, state, local and tribal officials on health and social service issues, like implementation of the Affordable Care Act.

  Kaprielian served as secretary of the Executive Office of Labor and Workforce Development in Massachusetts Governor Deval Patrick’s Administration Cabinet. Prior to that, she served as registrar of the Massachusetts Registry of Motor Vehicles. Before serving in executive roles, Kaprielian was a six-term member of the Massachusetts legislature where she was a leader in health care policy throughout her tenure including Massachusetts’ health care reform. Her leadership in health policy has been recognized in multiple disciplines, notably in prevention measures such as tobacco cessation and education, early intervention and care for children, electronic health care records management and numerous human services initiatives, as well as job training and services for the disabled, home and rehabilitative care and wellness measures.

- **Advanced development is underway on an improved anthrax vaccine that could provide protection in fewer doses than the currently licensed anthrax vaccine and so may be more cost-effective to stockpile, U.S. Department of Health and Human Services announced on March 23, 2015.**

  The development work will be done through a 30-month, $31 million agreement between HHS and Emergent BioSolutions Inc. of Gaithersburg, Maryland.

  The Biomedical Advanced Research and Development Authority (BARDA), part of the Office of the Assistant Secretary for Preparedness and Response (ASPR) at HHS, will provide funding and technical assistance for NuThrax, including non-clinical studies, product development, and manufacturing to support phase 3 safety studies with larger groups than previous studies.

  NuThrax is enhanced with CPG 7909 to stimulate the immune system. Studies conducted to date with NuThrax indicate that two doses are sufficient to protect against anthrax.

  Nuthrax is a modified formulation of BioThrax, an anthrax vaccine manufactured by Emergent that requires three doses to protect against anthrax. BioThrax is licensed by the U.S. Food and Drug Administration for use prior to exposure to anthrax and could be used after exposure with emergency use authorization from the FDA. BioThrax is stockpiled in the Centers for Disease Control and Prevention’s Strategic National Stockpile, and BARDA is supporting additional work under Project BioShield to apply for label expansion for post-exposure use.

  Early development of NuThrax was sponsored by the National Institutes of Health’s National Institute of Allergy and Infectious Diseases (NIAID) and the Department of Defense. This early work included manufacturing process development, critical non-clinical studies, and completion of phase 1 and 2 clinical studies.
NuThrax represents the successful transition of a vaccine from early development under NIAID into advanced development under BARDA and resulted from more than six years of collaboration on the vaccine’s development between the two HHS agencies.

The new project is part of BARDA’s comprehensive, integrated portfolio approach to the advanced research and development, innovation, acquisition, and manufacturing of vaccines, drugs, diagnostic tools, and non-pharmaceutical products for public health emergency threats. These threats include chemical, biological, radiological, and nuclear agents, pandemic influenza, and emerging infectious diseases.

To learn more about preparedness, response and recovery from the health impacts of disasters, visit the HHS public health and medical emergency website, phe.gov. Information about medical countermeasure advanced research and development visit medicalcountermeasures.gov.

- The U.S. Food and Drug Administration expanded the approved use for Eylea (aflibercept) injection to treat diabetic retinopathy in patients with diabetic macular edema.

Diabetic retinopathy (DR) is the most common diabetic eye disease and is a leading cause of blindness in adults in the United States. According to the Centers for Disease Control and Prevention, diabetes (type 1 and type 2) affects more than 29 million people in the United States and is the leading cause of new blindness among people ages 20 to 74 years. In 2008, 33 percent of adults with diabetes aged 40 years or older had some form of DR. In some cases of DR with diabetic macular edema (DME), abnormal new blood vessels grow on the surface of the retina. Severe vision loss or blindness can occur if the new blood vessels break.

In February, the FDA approved Lucentis (ranibizumab injection) 0.3 mg to treat DR in patients with DME.

Eylea is administered by a physician as an injection into the eye once a month for the first five injections and then once every two months. It is intended to be used along with appropriate interventions to control blood sugar, blood pressure and cholesterol.

The FDA granted breakthrough therapy designation to Eylea for the treatment of DR with DME. The FDA can designate a drug a breakthrough therapy at the request of the sponsor if preliminary clinical evidence indicates the drug may demonstrate a substantial improvement over available therapies for patients with serious or life-threatening conditions. The FDA also reviewed the new use for Eylea under the agency’s priority review program, which provides for an expedited review of drugs that demonstrate the potential to be a significant improvement in safety or effectiveness in the treatment of a serious condition.

The FDA previously approved Eylea to treat wet (neovascular) age-related macular degeneration, a condition in which abnormal blood vessels grow and leak fluid into the macula. Eylea is also approved to treat DME and macular edema secondary to retinal vein occlusions, both of which cause fluid to leak into the macula resulting in blurred vision.

Eylea is marketed by Tarrytown, N.Y.-based Regeneron Pharmaceuticals Inc. Lucentis is marketed by South San Francisco, California-based Genentech, a subsidiary of Roche Pharmaceuticals.

**REPORTS/POLICIES**

- The GAO published “Health Care Funding: Federal Obligations to and Expenditures by Selected Entities Involved in Health-Related Activities, 2010-2012,” (GAO-15-270R) on
March 25, 2015. This report describes federal obligations to the six organizations; these organizations’ expenditures of federal funding; federal obligations to FQHCs; and (4) FQHCs’ expenditures of federal funding. http://www.gao.gov/assets/670/669140.pdf


HILL HEARINGS

The Senate Appropriations Subcommittee on Military Construction and Veterans Affairs, and Related Agencies will hold a hearing on April 16, 2015, to examine proposed budget estimates and justification for fiscal year 2016 for military construction and military family housing for select combatant commanders and select defense agencies.

LEGISLATION

- **H.R.2** (introduced March 23, 2015): Medicare Access and CHIP Reauthorization Act of 2015 was reported to House. Sponsor: Representative Michael C. Burgess [TX-26]

- **H.R.1547** (introduced March 23, 2015): To amend the Internal Revenue Code of 1986 to repeal certain limitations on health care benefits enacted as part of the Patient Protection and Affordable Care Act was referred to the House Committee on Ways and Means. Sponsor: Representative Erik Paulsen [MN-3]

- **H.R.1590** (introduced March 23, 2015): To establish a prize program to award a prize and contract for the development of a fully-integrated electronic health records program for use by the Department of Defense and the Department of Veterans Affairs was referred to the Committee on Armed Services, and in addition to the Committee on Veterans’ Affairs. Sponsor: Representative David P. Roe [TN-1]

- **H.R.1600** (introduced March 25, 2015): To amend title XXVII of the Public Health Service Act to limit co-payment, coinsurance, or other cost-sharing requirements applicable to prescription drugs in a specialty drug tier to the dollar amount (or its equivalent) of such requirements applicable to prescription drugs in a non-preferred brand drug tier, and for other purposes was referred to the House Committee on Energy and Commerce. Sponsor: Representative David B. McKinley [WV-1]

- **H.R.1602** (introduced March 25, 2015): To amend the Public Health Service Act to establish direct care registered nurse-to-patient staffing ratio requirements in hospitals, and for other purposes was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means. Sponsor: Representative Janice D. Schakowsky [IL-9]

- **H.R.1604** (introduced March 25, 2015): To amend the Veterans Access, Choice, and Accountability Act of 2014 to expand the eligibility of veterans to receive mental health care at non-Department of Veterans Affairs facilities was referred to the House Committee on Veterans' Affairs. Sponsor: Representative Thomas MacArthur [NJ-3]

- **H.R.1607** (introduced March 25, 2015): To amend title 38, United States Code, to improve the disability compensation evaluation procedure of the Secretary of Veterans Affairs for veterans
with mental health conditions related to military sexual trauma, and for other purposes was referred to the House Committee on Veterans' Affairs.
Sponsor: Representative Chellie Pingree [ME-1]

- **H.R.1624** (introduced March 25, 2015): To amend title I of the Patient Protection and Affordable Care Act and title XXVII of the Public Health Service Act to revise the definition of small employer was referred to the House Committee on Energy and Commerce.
  Sponsor: Representative Brett Guthrie [KY-2]

- **H.R.1636** (introduced March 25, 2015): To direct the Secretary of Health and Human Services to conduct or support a comprehensive study comparing total health outcomes, including risk of autism, in vaccinated populations in the United States with such outcomes in unvaccinated populations in the United States, and for other purposes was referred to the House Committee on Energy and Commerce.
  Sponsor: Representative Bill Posey [FL-8]

- **S.832** (introduced March 23, 2015): A bill to amend title 10, United States Code, to authorize the provision of behavioral health readiness services to certain members of the Selected Reserve of the Armed Forces based on need, to expand eligibility to such members for readjustment counseling from the Department of Veterans Affairs, and for other purposes was referred to the Committee on Armed Services.
  Sponsor: Senator Jon Tester [MT]

- **S.836** (introduced March 23, 2015): A bill to amend the Internal Revenue Code of 1986 to repeal certain limitations on health care benefits enacted by the Patient Protection and Affordable Care Act was referred to the Committee on Finance.
  Sponsor: Senator John Barrasso [WY]

- **S.841** (introduced March 23, 2015): A bill to expand eligibility for health care under the Veterans Access, Choice, and Accountability Act of 2014 to include certain veterans seeking mental health care, and for other purposes was referred to the Committee on Veterans' Affairs.
  Sponsor: Senator Joni Ernst [IA]

- **S.864** (introduced March 25, 2015): A bill to amend the Public Health Service Act to establish direct care registered nurse-to-patient staffing ratio requirements in hospitals, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions.
  Sponsor: Senator Barbara Boxer [CA]

- **S.865** (introduced March 25, 2015): A bill to amend title 38, United States Code, to improve the disability compensation evaluation procedure of the Secretary of Veterans Affairs for veterans with mental health conditions related to military sexual trauma, and for other purposes was referred to the Committee on Veterans' Affairs.
  Sponsor: Senator Jon Tester [MT]

- **S.AMDT.356 to S.CON.RES.11** (introduced March 24, 2015): To establish a deficit-neutral reserve fund relating to providing health care to veterans who reside more than 40 miles driving distance from the closest medical facility of the Department of Veterans Affairs that provides the care sought by the veterans was proposed on the Senate floor.
  Sponsor: Senator Jerry Moran [KS]

### MEETINGS

- The HIMSS Annual Conference and Exhibition will be held on **April 12-16, 2015**, in Chicago, Ill. [http://www.himssconference.org/]

- The 5th Annual Traumatic Brain Injury Conference will be held **April 15-16, 2015**, in Washington DC. [http://tбiconference.com/home/]

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• The Heroes of Military Medicine Awards will be held on May 7, 2015, in Washington, DC. http://www.hjfcp3.org/heroes-dinner

• 2015 AMSUS Annual Continuing Education Meeting - The Society Of The Federal Health Professionals will be held on Dec. 1-4, 2015, in San Antonio, Texas. http://amsusmeetings.org/annual-meeting/

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