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

- President Obama sent a letter to House Speaker Boehner on March 30, 2015, regarding the 15 recommendations by the Military Compensation and Retirement Modernization Commission.

  In his letter, President Obama said he supported the underlying objectives of the recommendations and has asked his Administration to adopt or refine as many as possible. He promised to send a progress report to Congress by April 30, 2015. To read the text of the letter, visit: https://www.whitehouse.gov/the-press-office/2015/03/30/letters-president-military-compensation-and-retirement-modernization-com

MILITARY HEALTH CARE NEWS

- On March 31, 2015 the Department of Defense released the Quarterly Suicide Report (QSR) for the fourth quarter of calendar year 2014.

  The report summarizes confirmed suicide counts for all services and components during the months of October through December of 2014, and also includes total suicide counts for 2014, 2013 and 2012.

  In the fourth quarter of 2014, there were 69 suicides among service members in the active
component, 21 suicides among service members in the reserves, and 18 suicides among service members in the National Guard.

In calendar year 2014, there were 268 confirmed suicides in the active component, up slightly from 254 in 2013; 79 in the reserve, down from 86 in 2013; and 87 in the National Guard, down from 134.

Service members and their families who need support can reach out to the Military Crisis Line, which offers free and confidential support for those in crisis at http://veteranscrisisline.net/ActiveDuty.aspx.

- Health Net Federal Services, a subsidiary of Health Net, announced it has received a contract modification from the Defense Department to extend its support for the TRICARE health care program through the end of March 2018.

  The modification covers three one-year option periods, the first of which is already in effect.

  “Health Net is gratified for the opportunity to continue serving men and women who bravely serve our country, as well as their family members and military retirees,” said Thomas Carrato, president of Health Net Federal Services.

  Health Net Federal Services helps 2.8 million TRICARE beneficiaries in Washington DC and 22 states in the “North Region” get access to health care services.

VETERANS AFFAIRS NEWS

- The Department of Veterans Affairs appointed four new members to the Department of Veterans Affairs’ (VA) Advisory Committee on Women Veterans, an expert panel that advises the Secretary on issues and programs affecting women veterans.

  Established in 1983, the Committee makes recommendations to the Secretary for administrative and legislative changes.

  Of the approximately 22 million living veterans, about 2 million are women veterans. They comprise 9.2 percent of the total veteran population. VA estimates that by 2040, women veterans will comprise approximately 16 percent of the total veteran population.

  New members of the Committee:

  - Ms. Octavia Harris, El Cajon, California, a retired command master chief, U.S. Navy; currently serves as a program manager of the Comprehensive Advanced Restorative Effort at the San Diego Naval Medical Center;
  - Ms. Louisa Long Jaffe, Alexandria, Virginia, a retired lieutenant colonel, U.S. Army; currently serves as president and chief executive officer of Technical and Project Engineering, LLC;
  - Dr. Joyce Johnson, Chevy Chase, Maryland, a retired rear admiral, U.S. Public Health Service; currently practices medicine in the specialty of public health/preventive medicine, and serves as a global health/public health and management consultant; and
  - Ms. Shannon McLaughlin, Sharon, Massachusetts, a major serving full time in the Massachusetts National Guard, with combat service in Afghanistan.

  The new Committee members, who are appointed to two-year terms, join committee members Dr. Shirley Quarles of Atlanta, Georgia; Ms. Felipe Torres, Helotes, Texas; and Ms. Mary
Westmoreland, Bronxville, New York, who were also reappointed for another term.

For more information about women Veterans, visit www.va.gov/womenvet.

- The Department of Veterans Affairs announced it has reduced its backlogged claims from a high of 611,000 claims in March of 2013 to fewer than 200,000 this week – a 67 percent decline.

VA has applied new technology, dedicated more human resources toward claims processing, and improved efficiencies through automation and paperless claims processing. In addition, VA cites the transformation of Veterans Benefits Administration’s training and quality assurance programs resulting in steady increases in the accuracy of decisions.

Just a few years ago, claims processors handled 5,000 tons of paper annually, an amount equivalent to 200 Empire State Buildings. In less than two years, VA converted claims processing to a 21st Century digital environment where claims for VA benefits and services can be submitted and processed, and benefits delivered, online.

Veterans increasingly are filing claims electronically from the start at https://www.ebenefits.va.gov. Veterans can submit their applications online, upload their supporting documentation, and check the status of their claim through a multi-channel Web portal boasting nearly 60 self-service features.

GENERAL HEALTH CARE NEWS

- The Office of the National Coordinator for Health Information Technology (ONC) announced the availability of online tools and resources designed to help states participating in the State Innovation Models initiative improve health care quality and lower costs.

The State Innovation Models initiative supports states in planning or implementing a customized, fully developed proposal capable of creating statewide health transformation to improve health care, focusing on Medicare, Medicaid, and Children’s Health Insurance Program beneficiaries. This new initiative is part of the U.S. Department of Health and Human Services effort to achieve better care, smarter spending of health dollars, and healthier people.

With the support of $665 million in awards, over half of states (34 states and 3 territories, and the District of Columbia), representing nearly two-thirds of the population are participating in the initiative.

ONC has developed tools and resources to help leverage existing health IT infrastructure and tools being used by state Medicaid systems and health care providers. These include resources that can help states and health care providers use health IT tools to manage an individual’s care for both their primary care and behavioral health needs, ensuring the individual is getting the right care, at the right time, and at the right place. Many of these tools and resources, accessible at www.HealthIT.gov, will also be available to states that are not participating in the State Innovation Models initiative.

To learn more about the tools and resources available, please visit: www.HealthIT.gov. For more information on the awards, please visit: http://innovation.cms.gov/initiatives/State-Innovations/
Preparedness and Response (ASPR) awarded approximately $12 million to BioCryst Pharmaceuticals of Durham, North Carolina.

The contract is for the advanced development of a promising experimental drug for Ebola, including preparing for large-scale manufacturing of the drug and conducting related studies.

The initial work will be undertaken over the next 18 months with support from ASPR’s Biomedical Advanced Research and Development Authority (BARDA). The contract can be extended through August 2017 and up to a total of approximately $35 million.

BioCryst’s drug, BCX4430, is a small molecule that prevents the Ebola virus from reproducing in the body. In non-human primate studies, the drug was effective against Ebola virus and Marburg virus, another virus in the filovirus family, indicating that BCX4430 may be useful as a broad spectrum antiviral drug.

Under product development funding from the National Institutes of Health, BioCryst currently is conducting Phase 1 safety studies of BCX4430 for safety in healthy volunteers. If these studies show that the drug is safe, BCX4430 could become one of the possible treatments tested for efficacy in clinical studies.

While these studies are underway, BARDA will support the company’s ongoing efforts to improve manufacturing processes and scale up production in facilities in the United States. This work includes improving manufacturing processes to increase product yield, reduce process steps, and increase the scalability of manufacturing, so that thousands of doses can be made with consistent product quality.

If the contract is extended, the company would conduct additional manufacturing work and other studies required to apply for U.S. Food and Drug Administration approval.

- **The Centers for Disease Control and Prevention (CDC) have identified incidence of the four major molecular subtypes of breast cancer by age, race/ethnicity, poverty level, and several other factors.**

These four subtypes respond differently to treatment and have different survival rates. The new data will help researchers more accurately stratify breast cancer by clinically relevant degrees of risk and potentially have an impact on breast cancer treatment. Moreover, armed with this information, women will be able to better understand the implications for their health based on their breast cancer subtype.

“The Annual Report to the Nation on the Status of Cancer, 1975-2011” was co-authored by experts from the North American Association of Central Cancer Registries (NAACCR), the American Cancer Society (ACS), the Centers for Disease Control and Prevention (CDC), and the National Cancer Institute (NCI) at the National Institutes of Health.

Breast cancer subtypes have major implications for determining treatment and may hold important clues to the origins of breast cancer. There are four molecular subtypes, which can be approximated by their hormone receptor (HR) status and expression of the HER2 gene: Luminal A (HR+/HER2-), Luminal B (HR+/HER2+), HER2-enriched (HR-/HER2+), and triple negative (HR-/HER2-). These subtypes are now being recorded by cancer registries across the nation, giving statisticians the ability for the first time to comprehensively examine breast cancer rates based on clinically meaningful subtypes.

The new report suggests that some of the differences in rates of breast cancer incidence and mortality across racial and ethnic groups are related to differences in the incidence of different subtypes. Geographic variation in rates that the authors observed were based on multiple factors, including underlying demographic patterns, regional cultures and associated behaviors, as well as access to care.
The researchers found unique racial/ethnic group-specific patterns by age, poverty level, geography, and by specific tumor characteristics. Rates of HR+/HER2- breast cancer, the least aggressive subtype, were highest among non-Hispanic whites, aligning with previously reported findings. Rates of HR+/HER2- breast cancer decreased with increasing levels of poverty for every racial and ethnic group. Also consistent with prior studies, non-Hispanic blacks had higher incidence rates of the most aggressive breast cancer subtype, triple negative, than other racial/ethnic groups.

Non-Hispanic blacks also had the highest rates of late-stage disease and of poorly/undifferentiated pathology among all the subtypes. All of these factors are associated with lower survival and correspond with blacks having the highest rates of breast cancer deaths.

**REPORTS/POLICIES**

- The GAO published “Children’s Health Insurance Program: Effects on Coverage and Access, and Considerations for Extending Funding,” (GAO-15-348) on March 30, 2015. This report provides information on the effect of CHIP on children’s coverage, and what key issues may be considered in determining the ongoing need for CHIP. In this report, GAO examines what assessments of CHIP suggest about its effect on children’s health care coverage and access; and what key issues identified by GAO’s work the Congress may wish to consider in determining whether to extend CHIP funding. [http://www.gao.gov/assets/670/668768.pdf](http://www.gao.gov/assets/670/668768.pdf)

**HILL HEARINGS**

- The House Veterans Affairs Committee will hold a hearing on **April 15, 2015**, to examine the promise and progress of the Choice Program/
- 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.
- The House Veterans Affairs Committee will hold a hearing on **April 30, 2015**, to examine access and quality of care and services for women veterans

**LEGISLATION**

- There was no legislation proposed this week.

**MEETINGS**

- The HIMSS Annual Conference and Exhibition will be held on **April 12-16, 2015**, in Chicago, Ill. [http://www.himssconference.org/](http://www.himssconference.org/)
- The Heroes of Military Medicine Awards will be held on **May 7, 2015**, in Washington, DC. [http://www.hjfcp3.org/heroes-dinner](http://www.hjfcp3.org HEROS-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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