

# Federal Health Update

APRIL 11, 2014

*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 April 7, 2014, President Obama signed into law S. 1557, the "Children's Hospital GME Support Reauthorization Act of 2013."** This legislation extends and reauthorizes appropriations through Fiscal Year 2018 for payments to children's hospitals associated with operating approved graduate medical residency training programs.
- **The House Appropriations Committee approved the fiscal year 2015 Military Construction and Veterans Affairs Appropriations bill.**

This legislation contains funding to train and equip our troops, provide housing and services to military personnel and their families, help maintain base infrastructure, and fund veterans' benefits and programs. The bill will now head to the House floor for consideration.

In total, the legislation provides \$71.5 billion in discretionary funding – a cut of \$1.8 billion below the fiscal year 2014 level. This reduction will not negatively affect projects or services on which troops and veterans rely. Instead, the bill provides less funding than the previous year for military construction, largely due to a lack of new need for such projects, while increasing funding for veterans programs by \$1.5 billion.

The bill was approved by the full committee on a voice vote.

For the draft text of the bill, please visit: <http://appropriations.house.gov/UploadedFiles/BILLS-113HR-SC-AP-FY2015-MilCon-SubcommitteeDraft.pdf>

For the draft bill report, please visit: <http://appropriations.house.gov/uploadedfiles/hrpt-113-hr-fy2015-milcon.pdf>

- **The *Washington Post* reports that Health and Human Services Secretary Kathleen Sebelius is resigning.**

White House officials said President Obama intends to nominate Office of Management and Budget Director Sylvia Mathews Burwell as her replacement. The announcement is expected on April 11.

Sebelius began her stint as HHS Secretary in 2009. She had served as governor of Kansas.

Burwell has been heading OMB for just under a year. She was confirmed by the Senate unanimously last April. The West Virginia native had previously served as deputy budget director in the Clinton administration.

- **On April 10, 2014, House Republicans passed H. R. 96, which establishes a budget plan would balance the federal budget in 10 years by cutting taxes, repealing President Obama's health care law and cutting social programs in favor of the national defense.**

The Senate has no plans to take up the bill.

- **On April 10, 2014, House Armed Services Committee Chairman Howard P. "Buck" McKeon (R-CA) and Ranking Member Adam Smith (D-WA), introduced HR 4435, the "by request" version of the bill.**

This procedural measure is traditionally the first step in the legislative process for crafting the FY 2015 National Defense Authorization Act. The legislation filed this week reflects legislative proposals submitted by the Department of Defense. When the Committee meets to consider the FY15 NDAA the content of HR 4435 will be struck and replaced with subcommittee and full committee proposals.

## MILITARY HEALTH CARE NEWS

- **On April 7, 2014, Secretary of Defense Chuck Hagel announced that President Obama has nominated Navy Rear Admiral (lower half) Raquel C. Bono, for appointment to the rank of rear admiral.** Bono is currently serving as acting commander, Joint Task Force National Capital Region Medical/director, National Capital Region Medical Directorate, Washington D.C.
- **Nine U.S. Representatives have written to the U.S. Department of Defense's TRICARE program in support of patient choice of pharmacy and to raise concerns regarding a new mandatory mail order program that was recently imposed upon beneficiaries for certain brand-name prescription drugs.**

"We are concerned that many TRICARE for Life patients who prefer to get their prescriptions from a community pharmacist have seen their options limited," the lawmakers wrote.

"Community pharmacists provide invaluable face-to-face counseling services and are trained to identify potential prescription drug abuse, which is a matter of increasing concern across the Nation."

The letter was signed by U.S. Reps. Walter Jones (R-N.C.); Dave Loebsack (D-Iowa); Austin Scott (R-Ga.); John Garamendi (D-Calif.); Doug Collins (R-Ga.); Rick Larsen (D-Wash.); Lynn

Westmoreland (R-Ga.); Sam Farr (D-Calif.); and Joe Courtney (D-Conn.).

The lawmakers expressed misgiving over potential disruption of care for beneficiaries who use local pharmacies for some prescription drugs and pharmacist services such as immunization or medication therapy management, while other prescription drugs fall under the mandatory mail order program. They also urged TRICARE to require its mail order providers to obtain patient consent prior to delivery of medications, in order to mitigate waste such as through auto-shipping.

## VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) hosted the first national forum for law schools and legal organizations that provide free legal help to veterans.**

Called “Vet Law 2014,” the forum welcomed attorneys, law students and legal aid organizations that provide pro bono services to veterans, especially homeless veterans and those at risk of becoming homeless.

The forum is designed to educate legal providers on the most pressing legal needs of Veterans. VA officials and veterans service organizations shared best practices for providing legal and benefits assistance to veterans. The forum built on the partnerships at 45 VA medical facilities, which have housed legal service clinics since 2011.

Issues on the agenda include legal assistance for eviction and foreclosure prevention; child support issues; outstanding warrants and fines; accessing public benefits; guardianship; clearing up bad credit; expunging criminal records; and family law matters, such as child support, child custody and divorce.

- **Ministers responsible for Veterans Affairs and officials from Australia, Canada, New Zealand, the United Kingdom, and the United States completed a series of meetings at the United States Military Academy at West Point, NY discussing the latest research, best practices and various areas of collaboration to address the growing needs of veterans.**

Representatives at the 2014 Ministerial Summit included:

- Canada – The Honorable Julian Fantino, Minister of Veterans Affairs
- New Zealand – The Honorable Michael Woodhouse, Minister of Veterans Affairs
- United Kingdom – The Right Honorable Anna Soubry, Minister of State for Defense, Personnel, Welfare and Veterans
- United States – The Honorable Eric K. Shinseki, Secretary of Veterans Affairs
- Australia – Secretary Simon Lewis, Secretary of Veterans Affairs

The following statement was released by Summit participants at the conclusion of the meetings:

*The Ministerial Summit is an event held every 18-24 months and the objectives are to address challenges facing Veterans communities. As host of the 2014 Summit, the United States welcomed guest representatives from Australia, Canada, New Zealand, the United Kingdom, and the U.S. Department of Defense. Participating officials discussed the importance of collaborative research in the areas of Post-Traumatic Stress Disorder (PTSD), Transition and Employment Initiatives, Strategic Communications, Women’s Health, and Memorial Affairs.*

*Providing services and honoring our veterans are one of the foundational strengths of our alliances. All participating governments at the Summit have programs aimed at the growing*

*needs of their Veteran populations. Research continues to play a vital role in further understanding the complex array of issues Veterans face both when they return from the battlefield, and when they transition to civilian life. Close collaboration on these shared values allows each country to continue to provide quality care to their Veterans.*

*While each nation has unique challenges in providing services to veterans, we all are committed to finding solutions to improve the quality of service for service members, veterans, and their families. As a result each country places great emphasis on the sharing of research methods, findings, and best practices. This spirit of cooperation and collaboration will ensure that our Departments will have the understanding and ability to help our nation's heroes as they take off the uniform and enter civilian life.*

*With the impending end of major military operations in Afghanistan, participants emphasized the importance continuing collaborative efforts through information exchanges and research so agencies can continue to provide insight into the complex issues that face our Veterans and their families. With the vast knowledge and expertise of each participating country, we can continue to share findings and look for ways to enhance services for our nation's veterans.*

- **The Seattle Times reports that the Department of Veterans Affairs made more than \$200 million in wrongful-death payments in the decade after 9/11, according to VA data obtained by The Center for Investigative Reporting (CIR).**

In that time, the agency made wrongful-death payments to nearly 1,000 families, ranging from decorated Iraq war veterans who shot or hanged themselves after being turned away from mental-health treatment, to Vietnam veterans whose cancerous tumors were identified but allowed to grow, to missed diagnoses, botched surgeries and fatal neglect of elderly veterans.

The median payment in VA wrongful-death cases was \$150,000.

In a written response to questions, agency spokeswoman Victoria Dillon said that while “any adverse incident for a veteran within our care is one too many,” the wrongful-deaths identified by CIR represented a small fraction of the more than 6 million veterans who seek care from the VA every year.

The agency, Dillon said, is “committed to continuous improvement.” When a death occurs, “we conduct a thorough review to understand what happened, prevent similar incidents in the future, and share lessons learned across the system,” she said.

The revelations come as the department faces intense scrutiny from Congress over the number of preventable deaths at VA facilities.

The House Committee on Veterans’ Affairs held a hearing Wednesday on preventable deaths where At lawmakers accused the agency of failing to discipline officials responsible for unnecessary deaths, pointing out that it has instead provided performance bonuses to these executives.

A five-page performance evaluation, which led to the bonus, made no mention of the outbreak, which began in 2011. After receiving the bonus, Moreland retired.

“It’s not enough for VA to simply compensate the families of those who died,” said Rep. Jeff Miller, R-Fla., chairman of the House Committee on Veterans’ Affairs. “In order to provide real closure for those struck by these heartbreaking preventable deaths, VA needs to hold fully accountable the employees who allowed patients to slip through the cracks.”

Unlike the private sector, where survivors can file cases in state and federal court and often win large punitive damages, families of patients who die under VA care must exhaust a months-long administrative review process before filing a lawsuit. Even if they succeed, families can win only actual, not punitive, damages from the federal government.

## GENERAL HEALTH CARE NEWS

- **The nation's health is improving in more than half of the critical measures that are known to have major influence in reducing preventable disease and death, according to a new report from the U.S. Department of Health and Human Services.**

Healthy People 2020 represents the nation's current 10-year goals and objectives for health promotion and disease prevention. Twenty-six specific measures—in categories such as access to care, maternal and child health, tobacco use, nutrition and physical activity—were identified as high-priority health issues. These leading health indicators (LHI), if addressed appropriately, have the potential to significantly reduce major influences or threats on the public's health that cause illness and death.

There are 14 health indicators that have either been met or are improving in this first third of the decade, including:

- Fewer adults smoking cigarettes;
- Fewer children exposed to secondhand smoke;
- More adults meeting physical activity targets; and
- Fewer adolescents using alcohol or illicit drugs.

While progress has been made across several indicators, the LHI Progress Report highlights areas where further work is needed to improve the health of all Americans. There are 11 leading health indicators that have not shown significant improvement at this point in the decade and 1 indicator where only baseline data are available.

For more information about the Leading Health Indicators Progress Update, please visit <http://www.healthypeople.gov/2020/LHI/default.aspx>.

- **The Department of Health and Human Services (HHS) released of privacy-protected data on services and procedures provided to Medicare beneficiaries by physicians and other health care professionals. The new data also show payment and submitted charges, or bills, for those services and procedures by provider.**

The new data set has information for over 880,000 distinct health care providers who collectively received \$77 billion in Medicare payments in 2012, under the Medicare Part B Fee-For-Service program. With this data, it will be possible to conduct a wide range of analyses that compare 6,000 different types of services and procedures provided, as well as payments received by individual health care providers.

The information also allows comparisons by physician, specialty, location, the types of medical service and procedures delivered, Medicare payment, and submitted charges. Physicians and other health care professionals determine what they will charge for services and procedures provided to patients and these "charges" are the amount the physician or health care professional generally bills for the service or procedure.

Last May, CMS released hospital charge data allowing consumers to compare what hospitals charge for common inpatient and outpatient services across the country.

To view the physician dataset, please visit: <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Provider-Charge-Data/Physician-and-Other-Supplier.html>.

- **Although births to younger teens aged 15 to 17 years have declined, they still represent over a quarter of teen births - nearly 1,700 births a week, according to a report from the Centers for Disease Control and Prevention.**

CDC researchers analyzed birth data from the National Vital Statistics System and adolescent health behavior data from the National Survey of Family Growth.

Findings include:

- The rate of births per 1,000 teens aged 15 to 17 years declined 63 percent, from 38.6 in 1991 to 14.1 in 2012.
- The birth rate to younger teens is higher for Hispanic, non-Hispanic black and American Indian/Alaska Native teens. In 2012, the birth rate per 1,000 teens aged 15 to 17 years was 25.5 for Hispanic teens, 21.9 for non-Hispanic black teens, 17 for American Indian/Alaska Native teens, 8.4 for non-Hispanic white teens and 4.1 for Asian/Pacific Islander teens.
- Most teens aged 15-17 (73 percent) had not had sex yet.
- Nearly 1 in 4 teens in this age group never spoke with their parents or guardians about sex.

Other findings about sexually active teens in this age group include:

- More than 80 percent had not received any formal sex education before they had sex for the first time.
- More than 90 percent of teens used some form of contraception the last time they had sex, but most of them relied on methods that are among the least effective.

May is Teen Pregnancy Prevention Month. This Vital Signs report was created to help the nation's communities continue the dialogue about teen pregnancy and its burden on our nation's youth. For more information about teen pregnancy visit <http://www.cdc.gov/TeenPregnancy/>.

## REPORTS/POLICIES

- **The GAO published "Health Care Workforce: Federal Investments in Training and the Availability of Data for Workforce Projections," (GAO-14-510T) on April 9, 2014.** The report addresses the scope of the federal government's role in health care workforce training and the availability of data related to projecting health care workforce supply and demand. <http://www.gao.gov/assets/670/662393.pdf>
- **The GAO published "Ongoing and Past Work Identified Access Problems That May Delay Needed Medical Care for Veterans," (GAO-14-509T) on April 9, 2014.** The report highlights preliminary observations from GAO's ongoing work related to VHA's management of outpatient specialty care consults, and concerns GAO raised in its December 2012 report regarding VHA's outpatient medical appointment scheduling, and progress made implementing GAO's recommendations. <http://www.gao.gov/assets/670/662395.pdf>
- **The Institute of Medicine published "Capturing Social and Behavioral Domains in Electronic Health Records: Phase One," on April 8, 2014.** This report identifies domains and measures that capture the social determinants of health to inform the development of recommendations for meaningful use of EHRs. This Phase 1 report is the first of two reports by the IOM committee. <http://www.iom.edu/Reports/2014/Capturing-Social-and-Behavioral->



## HILL HEARINGS

- The House Armed Services Subcommittee on Military Personnel will markup the provisions, which fall under the subcommittee's jurisdiction of the National Defense Authorization Act for fiscal year 2015 on **April 30, 2014**.
- The House Armed Services Committee will markup the National Defense Authorization Act for fiscal year 2015 on **May 7, 2014**.
- The Senate Armed Services Subcommittee on Personnel will hold a budget hearing on **May 21, 2014**, to markup those provisions, which fall under the subcommittee's jurisdiction of the proposed National Defense Authorization Act for fiscal year 2015.
- The Senate Armed Services Committee will hold a budget hearing on **May 22-23, 2014**, to markup the proposed National Defense Authorization Act for fiscal year 2015.

## LEGISLATION

- **S.2214** (introduced April 7, 2014): A bill to prevent a taxpayer bailout of health insurance issuers referred to the Committee on Health, Education, Labor, and Pensions.  
Sponsor: Senator Marco Rubio [FL]
- **S.2217** (introduced April 7, 2014): A bill to amend title 10, United States Code, to enhance the participation of mental health professionals in boards for the correction of military records and boards for the review of the discharge or dismissal of members of the Armed Forces was referred to the Committee on Armed Services.  
Sponsor: Senator Jon Tester [MT]
- **S.2220** (introduced April 8, 2014): A bill to provide protections for certain sports medicine professionals who provide certain medical services in a secondary state was referred to the Committee on Health, Education, Labor, and Pensions.  
Sponsor: Senator John Thune [SD]
- **S.2229** (introduced April 9, 2014): A bill to expand primary care access was referred to the Committee on Health, Education, Labor, and Pensions.  
Sponsor: Senator Bernard Sanders [VT]
- **S.2231** (introduced April 9, 2014): A bill to amend title 10, United States Code, to provide an individual with a mental health assessment before the individual enlists in the Armed Forces or is commissioned as an officer in the Armed Forces, and for other purposes was referred to the Committee on Armed Services.  
Sponsor: Senator Rob Portman [OH]

## MEETINGS/WEBINARS

- The Healthcare Marketing and Physician Strategies Summit will be held on **April 30 - May 2, 2014**, in Orlando, Fla.  
<http://www.healthcarestrategy.com/conferences/2014/hmss2014.asp>
- The Heroes of Military Medicine Awards will be held on **May 1, 2014**, in Washington, DC.

<http://www.hjfc3.org>

- The 2014 DoD/VA Healthcare Conference will be held **May 19 - 21, 2014**, in San Antonio, Texas. <http://www.dodhealthcare.com/>
- The AUSA 2014 Annual Meeting & Exposition will be held **Oct. 13-15, 2014**, in Washington DC. <http://www.ausa.org/meetings/2014/Pages/AnnualMeeting.aspx>
- AMSUS Annual Continuing Education Meeting will be held **Dec. 2-5, 2014**, in Washington, DC <http://amsusmeetings.org>

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**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](mailto:katetheroux@federalhealthcarenews.com).**