

# Federal Health Update

APRIL 17, 2014

*Welcome to Federal Health Update. This newsletter is a compilation of the latest news in the federal health care sector.*

**Sponsored by:**

**SPECTRUM<sup>®</sup>**  
**HEALTHCARE RESOURCES**  
[www.spectrumhealth.com](http://www.spectrumhealth.com)  
800-325-3982

***Additional Sponsorship Opportunities Available.***

*Please contact Kate Theroux if you are interested in supporting this service.*

[ktheroux@federalhealthcarenews.com](mailto:ktheroux@federalhealthcarenews.com)

## EXECUTIVE AND CONGRESSIONAL NEWS

- **On April 16, 2015, President Obama signed into law S H.R. 2, the Medicare Access and CHIP Reauthorization Act of 2015.** This bill 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 Senate passed the measure on April 14.

## MILITARY HEALTH CARE NEWS

- **The military services' surgeons general testified before the House Appropriations Defense subcommittee on April 14, 2015.**

In their statements, each of the surgeons general outlined the impact of the proposed budget caps and urged lawmakers to fix the issues before the cuts go into effect. Under rules passed by Congress in 2011, the defense budget would be cut by roughly \$40 billion in fiscal 2016 unless Congress amends the Budget Control Act.

The Pentagon's proposed fiscal 2016 budget seeks \$47.8 billion for health care, including \$32.2 billion to care for more than 9 million active-duty personnel, family members and retirees.

The plan also proposes to consolidate TRICARE into a single system and also suggests new fees to provide wrap-around coverage for Medicare-eligible retirees and increased fees for retirees and their family members below age 65.

- **The Defense Health Agency, Office of Program Integrity (DHA-PI) has received a significant number of concerns from our TRICARE beneficiaries regarding unsolicited attempts by “Call Centers” to encourage them to provide personal identifying information and health information so that they can allegedly provide prescribed cream medications to the TRICARE beneficiary.**

TRICARE and its contractors never call and ask for personal identifying information or health information. Beneficiaries should be wary of unsolicited attempts by any entity asking them for personal or health information, either by phone or in person.

The “Call Center” will normally cold call and say, "I am a representative calling from XYZ, we are calling to tell you about a benefit TRICARE will cover for you for a prescription pain cream you are eligible for. Do you have any of the following medical issues (list of issues) or pain? If so, TRICARE wants to get you taken care of, all we need are your Doctor’s name and your TRICARE information and we will contact your doctor and get these medications or supplies out to you immediately and submit a claim. "

DHA PI strongly advises you to give NO information to these types of unsolicited request for your personal health information and personal identifying information. Often these “Call Centers” have identified what limited information they have through “google” searches or through individuals who have approached you independently and obtained information directly from you.

Should you receive a phone call for this information provide—NO information. Also, please immediately submit a Fraudline report to our Pharmacy Benefits contractor ESI. You can report the issue to Express Scripts Inc.

- Express Scripts Fraud Tip Hotline: 1-866-759-6139
- Email: [TRICAREfraudtip@express-scripts.com](mailto:TRICAREfraudtip@express-scripts.com)

ESI can also flag your profile and reject attempts to bill for these medications. If you do receive unsolicited medication in the mail, you can refuse delivery.

Additionally, TRICARE has revised and published the following news article: [TRICARE Revises Compound Drug Coverage](#)

## VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) announced the award of 20 contracts for the Assisted Living Pilot Program for Veterans with Traumatic Brain Injury (AL-TBI).**

Originally slated to end in 2014, the Veterans Access, Choice, and Accountability Act of 2014 (“VACAA”) extended this program through October 2017.

Under the AL-TBI program, veterans meeting the eligibility criteria are placed in private sector TBI residential care facilities specializing in neurobehavioral rehabilitation. The program offers team-based care and assistance in areas such as speech, memory and mobility. Approximately 202 Veterans participated in the AL-TBI Pilot Program in 47 facilities located in 22 states. Currently, 101 Veterans participate in the pilot as VA continues to accept new eligible patients into the program.

In October, [VA issued a request for proposal](#) (RFP) for vendors wishing to participate in the

program. In accordance with the RFP, VA has awarded 20 contracts to facilities located in 27 states. The contracts went into effect on April 1, 2015. The program is currently effective through October 2017, in accordance with VACAA.

For more information about the TBI program, visit [www.polytrauma.va.gov](http://www.polytrauma.va.gov). For information about VA's work to implement the Veterans Access, Choice, and Accountability Act of 2014, see <http://www.va.gov/opa/choiceact/documents/FactSheets/Progress-Report-March-2015-Fact-Sheet.pdf>

- **The Associated Press reports that Veterans Affairs Inspector General has reported mismanagement and delays in handling veterans' disability and pension claims at the Veterans Affairs facility in Philadelphia.**

The VAIG report problems including mishandled or neglected mail, untimely responses to more than 31,000 veterans inquiries, manipulation of dates to make old claims look new and millions of dollars in duplicate benefit payments. The inspector general said it took an average 312 days for VA employees to respond to inquiries — the VA has a five-day standard for response.

At least one VA supervisor altered 60 percent of quality reviews with the knowledge of office managers over three months, making accuracy rate reports "unreliable," the IG said. That employee is no longer doing that job.

The VA said it concurred with the majority of the recommendations; a new director was installed last July and there has been increased training. It said its internal review will help determine whether employees deliberately manipulated data or simply misunderstood policies.

The VA's official in charge of benefits, Allison Hickey, said the VA has moved aggressively to fix problems in Philadelphia since whistleblower complaints surfaced last summer. She cited the agency's budget requests to hire additional claims processors and other staff.

In a stern rebuttal, the IG report says fresh whistleblower allegations of wrongdoing in Philadelphia are continuing to come in.

## GENERAL HEALTH CARE NEWS

- **National Coordinator for Health Information Technology Karen B. DeSalvo, M.D., M.P.H., M.Sc., announced the availability of \$1 million in grant funds to support community projects for the Community Interoperability Health Information Exchange (HIE) Program.**

The funding will help support and enable the flow of health information at the community level, leading to better care and better health.

The Community Interoperability and HIE program will provide funds to up to ten community organizations, state or local government agencies, or other community groups. The awards will help unlock health information and better integrate community resources advancing better care and healthier communities.

Under the new grant program, awardees will demonstrate the use of health IT to the wide range of health providers, including those that are not eligible under the Medicare and Medicaid Electronic Health Record Incentive Programs. These include long-term and post-acute care providers, behavioral health providers, individuals and their caregivers, and other care setting and providers. These additional providers could also be safety net providers, public health, social service, emergency medical services and other key members of the care continuum.

The deadline for the submission of applications is 11:59 p.m. EDT on June 15, 2015. The

deadline to submit intent to apply notices is May 15, but intent to apply notices are not mandatory. The submission application is available at <http://www.grants.gov/web/grants/view-opportunity.html?oppld=275875>.

To find out more information about the New Funding Opportunity Announcement please visit: <http://www.healthit.gov/newsroom/grants-funding>.

- **The Centers for Disease Control and Prevention (CDC), in partnership with the Sierra Leone College of Medicine and Allied Health Sciences (COMAHS) and the Sierra Leone Ministry of Health and Sanitation (MoHS), is now enrolling and vaccinating volunteers for the Sierra Leone Trial to Introduce a Vaccine against Ebola (STRIVE).**

This study will assess the safety and efficacy of the rVSV-ZEBOV candidate Ebola vaccine among health and other frontline workers. The rVSV-ZEBOV candidate vaccine uses a vesicular stomatitis virus carrying a non-infectious Ebola virus gene. The vaccine cannot cause Ebola virus disease but can potentially stimulate an immune response to protect against the disease. The vaccine was developed by the Public Health Agency of Canada's National Microbiology Laboratory and licensed to NewLink Genetics.

In 2014, NewLink Genetics entered into a licensing and collaboration agreement with Merck to research, develop, manufacture, and distribute the rVSV-ZEBOV candidate vaccine. The vaccine has, and continues to be, studied in hundreds of people (as of March 26, 2015, more than 800 people) in Africa, Canada, Europe, and the United States. Results from early studies to date of the vaccine show an acceptable safety profile and indicate that the rVSV-ZEBOV candidate vaccine produces an immune response. The Biomedical Advanced Research and Development Authority is supporting the advanced development and manufacturing of the vaccine and is assisting CDC in conducting the clinical trial in Sierra Leone.

Because it is not yet clear how much protection, if any, the rVSV-ZEBOV candidate vaccine may offer, health and other frontline workers who receive the vaccine should continue to take full [preventive actions](#) to protect themselves from Ebola, including proper training, focused protocols and procedures, and use of all recommended personal protective equipment.

Learn more about STRIVE at [www.cdc.gov/vhf/ebola/strive/](http://www.cdc.gov/vhf/ebola/strive/).

- **Puerto Rico has the lowest incidence rate of new lung cancer compared with all other races and ethnic groups in the United States, according to a study by the Centers for Disease Control and Prevention.**

The report also shows that Puerto Rico has a lower incidence rate of female breast cancer compared with U.S. non-Hispanic white and black women.

The report presents for the first time invasive cancer incidence rates for 2007–2011 among Puerto Rican residents by sex, age, cancer site, and region using U.S. Cancer Statistics data. Puerto Rico has similar incidence rates to U.S. populations for cancer of the colon and rectum. Cancers of the prostate (152 cases per 100,000 men), female breast (84 cases per 100,000 women), and colon and rectum (43 cases per 100,000 persons) are the most common cancer sites among Puerto Rico residents.

The differences in reported cancer incidence rates between U.S. and Puerto Rican residents

may be partly explained by differences in health behaviors and risk factors associated with cancers. For example, Puerto Rico has lower smoking rates than all American states (with the exception of Utah), which could explain the lower rates of lung cancer.

The full report, "Invasive Cancer Incidence – Puerto Rico, 2007-2011," can be found at [www.cdc.gov/mmwr](http://www.cdc.gov/mmwr).

- **The Centers for Medicare & Medicaid Services (CMS) for the first time introduced star ratings on Hospital Compare, the agency’s public information website, to make it easier for consumers to choose a hospital and understand the quality of care they deliver.**

The Hospital Compare star ratings relate to patients’ experience of care at almost 3,500 Medicare-certified acute care hospitals. The ratings are based on data from the Hospital Consumer Assessment of Healthcare Providers and Systems Survey (HCAHPS) measures that are included in Hospital Compare. HCAHPS has been in use since 2006 to measure patients’ perspectives of hospital care, and includes topics like:

- How well nurses and doctors communicated with patients
- How responsive hospital staff were to patient needs
- How clean and quiet hospital environments were
- How well patients were prepared for post-hospital settings

The Hospital Compare ratings are just one example of how CMS is committed to helping consumers make informed health care decisions. The [Nursing Home Compare](#) site already uses star ratings to help consumers compare nursing homes and choose one based on quality. Physician Compare has started to include star ratings in certain situations for physician group practices, and CMS recently added star ratings to the Dialysis Facility Compare site to help to make data on dialysis centers easier to understand and use. Star ratings are planned for Home Health Compare later this year.

These ratings continue to move the health care system toward the Affordable Care Act call for transparent, easily understood and widely available public reporting. They also are a part of the Obama Administration’s Digital Government Strategy by providing content in customer-centric ways.

Consumers will now see 12 HCAHPS Star Ratings on Hospital Compare, one for each of the 11 publicly reported HCAHPS measures, plus a summary star rating that combines or rolls up all the HCAHPS Star Ratings. These star ratings will be updated each quarter.

For more information about the HCAHPS Survey please visit the official HCAHPS On-Line Web site: [www.HCAHPSonline.org](http://www.HCAHPSonline.org).

## REPORTS/POLICIES

- **The GAO published “Sole Community Hospitals: Early Indications Show That TRICARE's Revised Reimbursement Rules Have Not Affected Access to Care,” (GAO-15-402) on April 15, 2015.** In this report, GAO examines (1) how TRICARE's revised reimbursement rules for

SCHs compare to Medicare's reimbursement rules for these hospitals, and (2) the extent to which TRICARE's revised reimbursement rules for SCHs may have affected access to these facilities by service members and their dependents.

## HILL HEARINGS

- The Senate Appropriations Subcommittee on Military Construction and Veterans Affairs, and Related Agencies will hold a hearing on **April 21, 2015**, to examine proposed budget estimates and justification for fiscal year 2016 and fiscal year 2017 for the Department of Veterans Affairs.
- The Senate Veterans Affairs Committee will hold a hearing on **April 21, 2015**, to examine fulfilling the promise to women veterans.
- The Senate Finance Subcommittee on Health Care will hold a hearing on **April 23, 2015**, to examine the impact of the medical device tax on jobs, innovation, and patients.
- The House Armed Services Subcommittee on Military Personnel will hold a hearing on **April 23, 2015**, to examine the H.R. 1735 National Defense Authorization Act for Fiscal Year 2016.
- 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

- **H.R.1741** (introduced April 13, 2015): the Truth in Healthcare Marketing Act of 2015 was referred to the House Committee on Energy and Commerce  
Sponsor: Representative Larry Bucshon [IN-8]
- **H.R.1752** (introduced April 13, 2015): To amend the Internal Revenue Code of 1986 to make members of health care sharing ministries eligible to establish health savings accounts was referred to the House Committee on Ways and Means.  
Sponsor: Representative Mike Kelly [PA-3]
- **H.R.1769** (introduced April 14, 2015): To establish in the Department of Veterans Affairs a national center for research on the diagnosis and treatment of health conditions of the descendants of veterans exposed to toxic substances during service in the Armed Forces that are related to that exposure, to establish an advisory board on such health conditions, and for other purposes was referred to the Committee on Veterans' Affairs, and in addition to the Committee on Armed Services.  
Sponsor: Representative Dan Benishek [MI-1]
- **H.R.1807** (introduced April 15, 2015): To amend the Public Health Service Act to reauthorize a sickle cell disease prevention and treatment demonstration program and to provide for sickle cell disease research, surveillance, prevention, and treatment was referred to the House Committee on Energy and Commerce.  
Sponsor: Representative Danny K. Davis [IL-7]
- **H.R.1818** (introduced April 15, 2015): To amend the Public Health Service Act to provide grants to States to streamline State requirements and procedures for veterans with military emergency medical training to become civilian emergency medical technicians was referred to the House Committee on Energy and Commerce.  
Sponsor: Representative Adam Kinzinger [IL-16]
- **S.923** (introduced April 14, 2015): (introduced April 13, 2015): A bill to authorize the Secretary of Health and Human Services, acting through the Administrator of the Health Resources and

Services Administration, to award grants on a competitive basis to public and private entities to provide qualified sexual risk avoidance education to youth and their parents was referred to the Committee on Health, Education, Labor, and Pensions.  
Sponsor: Senator Lindsay Graham [SC]

## MEETINGS

- The Public Health Preparedness Summit will be held on **April 14-17, 2015**, in Atlanta, Ga. <http://preparednesssummit.org/>
- The Heroes of Military Medicine Awards will be held on **May 7, 2015**, in Washington, DC. <http://www.hjfc3.org/heroes-dinner>
- The AUSA 2015 Annual Meeting & Exposition will be held **Oct. 12-14, 2015**, in Washington DC. <http://ausameetings.org/2015annualmeeting/>
- 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/>

---

**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).**