

Federal Health Update

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EXECUTIVE AND CONGRESSIONAL NEWS

- **The House and Senate are on recess until April 28, 2014.**
- **Senator Mark Udall (D-Colo.), who serves on the U.S. Senate Armed Services Committee, announced that TRICARE will cover total disc arthroplasty surgery, a surgical procedure that can help troops suffering from some spinal injuries recover more quickly and return to unrestricted duty.**

TRICARE's decision follows Udall's pressure over the past year for it to re-evaluate its previous decision to not cover the artificial disc-replacement procedure.

"As a senior member of the U.S. Senate Armed Services Committee, I am proud to lead efforts to ensure our brave service men and women have access to the treatments they need through TRICARE to address battlefield injuries. I am pleased TRICARE heeded my call to provide our men and women in uniform coverage for total disc arthroplasty surgery," Udall said. "TRICARE's re-evaluation of its coverage of total disc arthroplasty surgery will help not just military personnel going forward, but also those who have sought treatment since December 2012. This move will help our wounded troops recover from debilitating back pain faster and with fuller mobility, and get back to unrestricted duty serving our country."

MILITARY HEALTH CARE NEWS

- **On April 18, 2014, the U.S. Department of Defense awarded Express Scripts (NASDAQ: ESRX) administration of the TRICARE Pharmacy Program, Fourth Generation (TPharm4) contract serving approximately 10 million beneficiaries.**

The seven-year contract will include administering a retail pharmacy network, operating the TRICARE Mail Order Pharmacy and providing specialty pharmacy services effective May 1, 2015. Express Scripts has been providing the DoD's home delivery and retail pharmacy network services since 2003 and 2004, respectively, adding specialty pharmacy in 2009.

Express Scripts' technical and administrative services will expand under the TPharm4 contract, as the company will serve the pharmacy needs of the military worldwide, including Military Treatment Facilities.

Express Scripts has achieved beneficiary satisfaction ratings as high as 98.3 percent, while consistently delivering significant savings for the DoD through cost-containment strategies such as increasing home delivery, driving deep retail network discounts and administering advanced clinical programs with specialist pharmacists.

The pharmacy benefit manager is considered a key partner in the Pentagon's goal to reduce health care spending by \$17 billion to \$22 billion over the next five years. The pharmaceutical operations directorate is expected to contribute \$1.3 billion to that savings.

- **Rear Adm. Thomas McGinnis, chief of pharmaceutical operations for the Defense Health Agency, will retire Friday, April 25.**

During his nine-year tenure leading TRICARE's pharmacy program, he expanded pharmacy options for TRICARE beneficiaries, negotiated with retail pharmacies for lower prices on prescription drugs and initiated a program that allows TRICARE beneficiaries to get certain vaccines at retail pharmacies.

He also is largely responsible for implementing TRICARE's mail-order prescription program and promoting its growth.

- **The Defense Health Agency announced its plans for reinstating thousands of beneficiaries who lost eligibility for TRICARE Prime last October, but by law, not all who were booted off Prime will be able to re-enroll.**

The fiscal 2014 National Defense Authorization Act required the Defense Department to give affected beneficiaries a one-time option to continue in TRICARE Prime.

And in accordance with the law, TRICARE plans to send letters starting April 28 to those eligible to re-enroll. Beneficiaries will have until June 30 to make their decision.

But while roughly 177,000 TRICARE Prime beneficiaries — mainly retirees and family members — were dis-enrolled from HMO-style program when DoD reduced the availability of Prime to locations within 40 miles of an active or former military base, fewer than half will receive letters to re-enroll.

According to DHA, about 35,000 beneficiaries received waivers or moved to another Prime service area after they were dis-enrolled and no longer are affected.

But the law passed by Congress in December also stipulated that the one-time opt-in apply only to beneficiaries who live in a ZIP code that was a designated Prime service area as of Sept. 30, 2013, and they live within 100 miles of a current or former military medical treatment facility.

That second condition prevents 66,000 beneficiaries who once had Prime in areas where the

Tricare contract managers offered it but there were no bases, including much of the TRICARE South region and cities like Pittsburgh and Minneapolis, from opting back in.

DHA officials said about 76,000 beneficiaries will get letters informing them of their eligibility and information on how to get back into Prime. They also will be required to see a primary care doctor who practices within 40 miles of the present or former military base, should they choose to re-enroll.

Those who don't want to return to Prime will not have to take any action. They will remain on TRICARE Standard.

To re-enroll, the beneficiary must submit an enrollment form and waive drive time standards. Managed care contractors will help beneficiaries find available PCMs. Enrollment forms are available online at www.tricare.mil/forms.

- **This year's Expert Field Medical Badge competition ended with 42 medics earning the elite badge on April 17.**

The Expert Field Medical Badge is a Department of the Army special skill award recognizing exceptional competence and outstanding performance by field medical personnel. The certification test began with 294 candidates, with 14 percent making the final cut and being awarded the badge.

The two-week event requires candidates to pass three combat testing lanes that challenged them on warrior skills, medical and casualty evacuation, night and day land navigation, tactical combat casualty care, communication tasks and a road march.

Each lane consisted of up to 20 events to test candidates' knowledge and ability to react under stress. The final test required the candidates to finish a 12-mile road march in less than three hours.

According to the U.S. Army Medical Department, the Expert Field Medical Badge test is the utmost challenge to the professional competence and physical endurance of the soldier medic. It is the most sought after peacetime award in the medical community.

All candidates must finish with what they started with or they are automatically disqualified.

- **The Department of Defense and military service branches have released a variety of free programs that enable you to conveniently manage your nutritional intake, physical activity, sleep, mental wellness and tobacco cessation efforts.**

These are some examples of recently released tools and mobile apps that can help you lead a healthier life:

My Pregnancy A to Z Journal – This pregnancy app from the Air Force's [Center of Excellence for Medical Multimedia](#) allows users to track health statistics, manage appointments, maintain a pregnancy journal, note vaccinations and immunizations, upload ultrasounds, record doctor's notes and more. The app is available for [Android](#) users and for [other mobile devices](#).

The Big Moving Adventure – Created through a partnership between the [National Center for Telehealth and Technology](#), and the Sesame Workshop, this app helps children ages three to five cope with the mental stresses surrounding moving to a new area. The app is available via your favorite app store.

Pier Pressure – Developed by the Navy, the [Pier Pressure app](#) promotes responsible drinking by integrating real-life choices into a fun game. It also provides resources to help individuals

drink responsibly using a blood alcohol content calculator.

High Intensity Tactical Training – This new website and [mobile app from Marine Corps Semper Fit](#) introduces High Intensity Tactical Training to Marines. It offers advanced, functionally-based strength and conditioning exercise programs for all active-duty and Reserve Marines aimed at optimizing physical performance in combat. The app is available via your favorite app store.

For a full list of mobile apps and tools that support healthy living, visit [Operation Live Well](#).

- **Federal News Radio interviewed Lt. Gen. (Dr.) Douglas Robb, director of the Defense Health Agency to discuss how DHA will meet its mission to increase readiness through better health care at lower costs.**
<http://www.federalnewsradio.com/394/3608567/DHA-sets-sights-on-big-savings-with-joint-first-strategy>

VETERANS AFFAIRS NEWS

- **On April 23, 2014, First Lady Michelle Obama and Dr. Jill Biden announced the launch of a new integrated employment tool to connect veterans and service members with employers, and to help translate military skills into the civilian workforce.**

The Veterans Employment Center, an integrated, online tool connecting veterans, transitioning service members and their spouses with both public and private-sector employers, is the result of an interagency effort to improve, simplify and consolidate the current array of employment resources for veterans. Additionally, this will provide one comprehensive database of resumes for employers who are seeking to leverage the skills and talents of veterans, service members, and their spouses.

The new online resource, called the Veterans Employment Center, is the first interagency tool to bring a wealth of public and private job opportunities, a resume-builder, military skills translator and detailed career and training resources together in one place. In connection with the First Lady and Dr. Biden's Joining Forces initiative, the Department of Veterans Affairs worked with employers, the Departments of Defense, Labor, Education, and the Office of Personnel Management to design and develop the site, incorporating features of existing online employment tools within government.

The result is an integrated solution providing veterans, transitioning service members, and military spouses with the tools they need to connect to employers. With this tool, employers will be able to search and view Veteran, Service Member, and spouse resumes in one comprehensive location.

The Veterans Employment Center will provide employers with access to a targeted pool of resumes from veterans and transitioning service members, allowing them to search resumes to identify veterans with skill sets applicable to civilian employment at their organization, and to track progress towards reaching their veteran hiring goals. Resumes are visible to all employers with an active LinkedIn or Google profile. To prevent spam, an applicant's name and email address are redacted and only visible to employers verified by the VA as registered companies with the IRS. The site is also built using open data and an open application programming interface to attract private-sector innovation.

Joining Forces is a national initiative launched by First Lady Michelle Obama and Dr. Biden to engage all sectors of society to give our service members and their families the opportunities

and support they have earned. In addition, Dr. Biden launched the Military Spouse Employment Partnership in June 2011 with just under 60 companies. Today, Dr. Biden announced there are 228 partner employers, more than 1.8 million jobs posted on the MSEP Career Portal and more than 60,000 military spouse hires.

The Veterans Employment Center can be found at: <https://www.ebenefits.va.gov/ebenefits/jobs>

GENERAL HEALTH CARE NEWS

- **Death records show that American Indian and Alaska Native (AI/AN) death rates for both men and women combined were nearly 50 percent greater than rates among non-Hispanic whites during 1999-2009.**

Correct reporting of AI/AN death rates has been a persistent challenge for public health experts. Previous studies showed that nearly 30 percent of AI/AN persons who identify themselves as AI/AN when living are classified as another race at the time of death.

Key findings:

- Among AI/AN people, cancer is the leading cause of death followed by heart disease. Among other races, it is the opposite.
- Death rates from lung cancer have shown little improvement in AI/AN populations. AI/AN people have the highest prevalence of tobacco use of any population in the United States.
- Deaths from injuries were higher among AI/AN people compared to non-Hispanic whites.
- Suicide rates were nearly 50 percent higher for AI/AN people compared to non-Hispanic whites, and more frequent among AI/AN males and persons younger than age 25.
- Death rates from motor vehicle crashes, poisoning, and falls were two times higher among AI/AN people than for non-Hispanic whites.
- Death rates were higher among AI/AN infants compared to non-Hispanic white infants. Sudden infant death syndrome and unintentional injuries were more common. AI/AN infants were four times more likely to die from pneumonia and influenza.
- By region, the greatest death rates were in the Northern Plains and Southern Plains. The lowest death rates were in the East and the Southwest.

The studies address race misclassification in two ways. First, the authors linked U.S. National Death Index records with Indian Health Services registration records to more accurately identify the race of AI/AN people who had died. Second, the authors focused their analyses on the Indian Health Services' Contract Health Service Delivery Area counties (CHSDA) where about 64 percent of AI/AN persons live. Fewer race misclassification errors occur in CHSDA data than in death records.

The authors reviewed trends from 1990 through 2009, and compared death rates between AI/AN people and non-Hispanic whites by geographic regions for a more recent time period (1999-2009).

The report concludes that patterns of mortality are strongly influenced by the high incidence of diabetes, smoking prevalence, problem drinking, and health-harming social determinants. Many of the observed excess deaths can be addressed through evidence-based public health interventions.

- **The U.S. Food and Drug Administration (FDA) proposed a new program to provide earlier access to high-risk medical devices that are intended to treat or diagnose**

patients with serious conditions whose medical needs are unmet by current technology.

The proposed Expedited Access Premarket Approval Application for Unmet Medical Needs for Life Threatening or Irreversibly Debilitating Diseases or Conditions (“Expedited Access PMA” or “EAP”) program features earlier and more interactive engagement with FDA staff—including the involvement of senior management and a collaboratively developed plan for collecting the scientific and clinical data to support approval—features that, taken together, should provide these patients with earlier access to safe and effective medical devices.

EAP is not a new pathway to market, but rather a collaborative approach to facilitate product development under the agency’s existing regulatory authorities. While other existing device programs have focused on reducing the time for the premarket review, EAP also seeks to reduce the time associated with product development.

The EAP builds on the [Innovation Pathway pilot](#), which the FDA launched in 2011, and the FDA’s experience with expedited review programs for pharmaceuticals, including [Accelerated Approval and Breakthrough Therapies](#). When utilizing the EAP program, the FDA will continue to apply the current approval standard of demonstrating a reasonable assurance of safety and efficacy.

In addition to the Expedited Access Program, the FDA published a separate draft guidance that outlines the agency’s current policy on when data can be collected after product approval and what actions are available to the FDA if approval conditions, such as post-market data collection, are not met. Included in the guidance is advice on the use of surrogate or independent markers to support approval, similar to the data points used for accelerated approval of prescription drugs.

- **The US Food and Drug Administration proposed rules to ban electronic cigarettes to minors and require warning labels as well as federal approval.**

Three years after saying it would regulate e-cigarettes, the Food and Drug Administration is moving to control not only these battery-powered devices but also cigars, pipe tobacco, hookahs (water pipes) and dissolvable tobacco products. Currently, the FDA regulates cigarettes, roll-your-own tobacco and smokeless products such as snuff.

The proposed rules won’t ban advertising unless the products make health-related claims nor will they ban the use of flavors such as chocolate or bubble gum, which public health officials say might attract children.

Still, Story said, consumers might benefit, because “it provides them a product that will be consistent.” E-cigarettes contain varying ingredients and levels of nicotine that are heated into a vapor that users inhale in a practice known as “vaping.” Most look like conventional cigarettes but some resemble everyday items such as pens and USB memory sticks.

The rules come as e-cigarette sales, buoyed by TV ads with Hollywood celebrities, have soared in recent year and debate has risen about whether the devices are more apt to lure kids toward tobacco or help adults quit smoking.

An increasing number of states have cracked down by extending indoor smoking restrictions to e-cigarettes. Last month, U.S. poison centers reported a surge in illnesses linked to the liquid nicotine used in the devices.

While they don’t contain many of the harmful chemicals of conventional cigarettes, the FDA found trace amounts of toxic and carcinogenic ingredients in several samples in late 2008 when the e-cigarette market was just beginning in the United States. It sought to regulate them as drug-delivery devices, but in 2010, a federal judge ruled it could only do so if they made

therapeutic claims. So in April 2011, the agency said it would regulate them as tobacco products, because the nicotine is derived from tobacco leaves.

The proposed rules will require tobacco products that weren't on the market by Feb. 25, 2007 — a date set by a federal law — to apply for FDA review within 24 months after the rules are issued. The products can stay on the market pending FDA's review.

Despite these requirements, the proposal doesn't contain the marketing restrictions sought by some critics that were almost sure to trigger litigation. Several dominant e-cigarette manufacturers, which now include the nation's three largest cigarette makers — Philip Morris, R.J. Reynolds and Lorillard — have embraced limited regulation such as a ban on sales to minors. Yet they've argued that their e-products shouldn't be regulated as tightly as conventional cigarettes — an approach the FDA appears to be taking.

The FDA said the rule aims to bolster product safety. It said since e-cigarettes have not been fully studied, consumers have no way to know how much nicotine or other chemicals they contain and whether they're safe or beneficial.

REPORTS/POLICIES

- **The GAO published “VA Construction: VA's Actions to Address Cost Increases at Denver and Other Major Medical-Facility Projects,” (GAO-14-548T) on April 22, 2014.** This report examines VA construction management issues, specifically, changes to costs, schedule, and scope of the Denver project and the reasons for these changes; actions VA has taken since 2012 to improve its construction management practices; and VA's response to opportunities identified in GAO's 2013 report for it to further improve its management of the costs, schedule, and scope of these construction projects. <http://www.gao.gov/assets/670/662689.pdf>
- **The GAO published “Department of Health and Human Services: Solicitations of Support for Enroll America,” (GAO-14-305R) on April 21, 2014.** This report examines HHS' efforts to solicit support from outside entities, including Enroll America, a nonprofit organization whose mission is to maximize the number of uninsured Americans who enroll in health coverage made available by PPACA. The report provides information on the facts surrounding any solicitations of support made by HHS officials for outside entities engaged in activities related to PPACA and the actions taken by HHS officials to inform their decisions to make such solicitations. <http://www.gao.gov/assets/670/661829.pdf>

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

- There was no legislation proposed this week.

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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