

Federal Health Update

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EXECUTIVE AND CONGRESSIONAL NEWS

- **On April 28, 2016, the House Armed Services Committee passed its version of the National Defense Authorization Act for fiscal year 2017 (NDAA 2017).**

Among the proposals is a strategy to reform TRICARE. These reforms include:

- Simplify TRICARE Options by providing two comprehensive options designed to better meet the health care needs of service members, their families and retirees: a managed care option [Tricare Prime] and a no-referral network option [Tricare Preferred]. This section would establish TRICARE Preferred as the self-managed, preferred provider option that would replace TRICARE Standard and Extra. This section would also establish annual enrollment fees and fixed dollar copayments for Active Duty family members and retirees who join the Armed Services on or after January 1, 2018 and enroll in TRICARE Preferred or in TRICARE Prime, the managed-care option. In addition, this section would authorize the Secretary of Defense to establish an annual enrollment fee for TRICARE Preferred for beneficiaries who were in the Active Duty or retired categories prior to January 1, 2018.
- Expand Access to Care by eliminating referrals for urgent care and ensuring urgent care access for military families through 11:00PM; extending care at Military Treatment Facilities (MTF) primary care clinics beyond normal business hours; expanding public/private partnerships to increase and complement MTF services provided to beneficiaries; and enabling retirees to purchase durable medical equipment at the DOD cost.
- Improve Beneficiaries Experience at Military Treatment Facilities by standardizing

appointment scheduling and first-call resolution when contacting clinics, increasing the number of available appointments, and maximizing the use of telehealth and secure messaging.

- Ensure Quality Health Care by adopting the Centers for Medicare and Medicaid Services core quality metrics so that beneficiaries can review and compare performance across organizations, and incorporating value-based purchasing strategies in TRICARE contracts.
- Strengthens the Readiness of Military Healthcare Professionals by establishing new trauma centers at military medical centers in areas with unmet patient demand; establishing additional partnerships to enable military trauma specialists and support staff to work in civilian trauma centers for sustained periods of training; increasing opportunities and complexity of care by concentrating military provider resources at MTFs in locations with a large military and retiree population; and expanding the responsibility of the Defense Health Agency for hospital administration, thus allowing the military services to focus on medical readiness.
- Keep Faith with the Current Force by making the benefit sustainable while expanding access to better care, the Proposal implements changes to cost-sharing, deductibles, and other fees for the future force. The Proposal permits an enrollment fee for retirees selecting the new PPO option in 2020 - if DOD can demonstrate and independently validate improvements to access and care.

To read the full text of the bill, please visit:

<http://docs.house.gov/meetings/AS/AS00/20160427/104832/BILLS-114HR4909ih-FC.pdf>

- **On April 28, 2016, Senators Johnny Isakson (R-Ga.) and Richard Blumenthal(D-Conn.) chairman and ranking member of the Senate Committee on Veterans' Affairs, respectively, announced the Veterans First Act to begin to change the culture at the Department of Veterans Affairs (VA).**

The bill will give the VA the tools to fire bad actors, will prohibit bonuses for employees accused of wrongdoing, and will institute protections for whistleblowers.

Isakson and Blumenthal said the bill is designed to demand a higher level of accountability from the 335,000-employee department in the wake of numerous scandals over the past few years at VA facilities across the country involving serious mismanagement, misconduct and mistreatment of veterans.

The *Veterans First Act* also includes numerous provisions to improve services for our nation's veterans, including expanding a VA program that allows seriously-injured veterans to receive care in their own homes, enhancing programs for veterans' mental health care, and beginning to address the VA's massive backlog of veteran disability claims appeals.

The *Veterans First Act* makes it easier for leadership at the VA to remove employees at all levels. It holds accountable all VA leaders, including political appointees, for managing the Department. It removes the Merit Systems Protection Board, which recently reversed the demotions of three senior executives at the VA, from the appeal process for executives at the department. The bill also prohibits bonuses for employees who have been found guilty of wrongdoing and includes numerous protections for whistleblowers.

Other notable provisions of the bill include the improvement and expansion of the VA's Program of Comprehensive Assistance for Family Caregivers to provide all generations of veterans with the opportunity to receive care in their own homes, as well as the strengthening of the care veterans receive in their communities, through allowing the VA to enter into provider agreements with community doctors and ensuring those provider get paid promptly by making the VA the primary payer for services rendered under the Veterans Choice Program.

MILITARY HEALTH CARE NEWS

- **The Secretary of the Navy Ray Mabus and Chief of Naval Operations Adm. John M. Richardson announced Rear Adm. (lower half) David A. Lane will be assigned as director, National Capital Medical Directorate, Defense Health Agency, Falls Church, Virginia.** Lane is currently serving as director, Walter Reed National Military Medical Center, Bethesda, Maryland.
- **The Defense Health Agency announced that Dr. Jonathan Woodson the assistant secretary of Defense for Health Affairs, is stepping down as the leader and senior medical official of the \$50 billion per year enterprise.**

Woodson is returning to Boston University School of Medicine, where he will help establish a health systems innovation and policy institute. The institute will focus on leader development, biotechnology and system design.

Woodson began his tenure at the Military Health System in 2010. As he prepares to depart, Woodson reflected on one of the longest tenures in his position's history. As he has throughout his time leading the MHS, Woodson focused on six lines of effort: Modernize the MHS; Define and deliver the medical capabilities and manpower needed in the 21st century; Balance the force structure; Invest in and expand strategic partnerships; Transform TRICARE; and expand the global health engagement strategy.

"One of the first priorities for all of us has been to modernize how we manage the MHS," said Woodson. "Just more than two and a half years ago, we stood up the Defense Health Agency, a joint, integrated combat support agency enabling the Army, Navy and Air Force medical services to provide a medically ready force and ready medical force in both peacetime and wartime."

Woodson said nearly 85 percent of medicine is the same no matter what uniform the provider wears. The Defense Health Agency, he said, found ways to standardize some areas while recognizing there are still unique needs for each service. The bottom line is taking care of the patients. "We established strategic objectives to meet patient access, quality, safety, satisfaction and cost requirements, bringing a better health system for our warfighters, retirees and their families. It's what we owe all of our beneficiaries."

Woodson led the efforts to modernize the MHS' electronic health record system, being rolled out enterprise-wide starting in the Pacific Northwest at the end of 2016. The new system promises to keep pace with medical advances and innovations in technology, while helping the MHS continue to provide high-quality health care to patients, as well as an agile, responsive system for health care professionals. All this comes with a projected savings to taxpayers of more than \$5 billion.

Another key area – and one Woodson feels needs more work – is balancing the skills and capabilities between the active duty and reserve components in the military. Woodson is also a brigadier general who serves as a surgeon in the U.S. Army Reserves. "I might be leaving this office, but I will continue to be connected to the MHS ... just not advising the Secretary of Defense," he said with a smile.

Woodson also pointed to the successful strategic partnerships the MHS has built during his tenure. During the past two years, Woodson said the MHS strengthened its partnerships with civilian peers, including the American College of Surgeons, the Institute of Medicine and the Institute for Health Improvement. These partnerships not only enhance trauma training and best practice sharing, but when combined with the lessons learned about battlefield trauma they've

helped military medicine produce the lowest fatality rate for U.S. troops in the history of warfare.

“We have more of our warfighters being able to go home to their families, despite the fact the injuries have been of an unprecedented nature,” said Woodson.

Another key issue during Woodson’s time has been the modernization of TRICARE. He sees the efforts of MHS to solve access issues through programs such as secure messaging, telemedicine and greater availability of care on evenings and weekends as key to ensuring the long-term stability of the program. In addition, these efforts will help keep TRICARE solvent for the future of all beneficiaries.

As he moves on from his position, Woodson reiterated it was a team effort that helped him succeed, and in turn, ensured the success of the MHS. He feels he’s leaving the organization better than he found it, and his successors will continue in that vein.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs announced four senior leader appointments at facilities in Indiana, Ohio and Pennsylvania.**
 - John A. Gennaro, the current director of the [Cincinnati VA Medical Center](#), has been selected to fill the vacant Director’s position at the [Erie VA Medical Center](#) in Pennsylvania. In the new role, Gennaro will oversee a staff of more than 700 who provide health care services to 22,000 veterans and a budget of \$144 million.

Prior to the new assignment, he oversaw the delivery of health care to more than 43,000 veterans, a staff of 2,000 and an annual budget of approximately \$387 million at the Cincinnati VA Medical Center. During his time there,
 - Glenn Costie, the current Medical Center director in Dayton, will fill the role of acting director in Cincinnati. He brings more than 30 years’ experience to the post, having worked at VA Medical Centers in Chicago, IL; West Haven, CT; Cleveland, OH; Baltimore, MD; and Poplar Bluff, MO.
 - Mark Murdock, who has been on a temporary assignment the past six months as the acting director at the [Northern Indiana Health Care System](#), will return to the Dayton VA Medical Center as its acting director. Before his temporary assignment at the Northern Indiana Health Care System, IN, Mr. Murdock was the associate director for the Dayton facility. Mr. Murdock brings more than a decade of leadership experience in healthcare delivery services.
 - Jay Miller, associate director for the Northern Indiana Health Care System, will assume the position as acting medical center director for that facility while a permanent director is sought. Miller has 25 years of leadership experience within VA, which includes VA Ann Arbor Healthcare System, MI; Battle Creek VA Medical Center, MI; VA Central Alabama Healthcare System, AL; Aleda E. Lutz VA Medical Center, MI; and North Chicago VA Medical Center, IL.

GENERAL HEALTH CARE NEWS

- **To speed the development of diagnostic tests for Zika virus infection, the U.S. Department of Health and Human Services’ Office of the Assistant Secretary for Preparedness and**

Response (ASPR) will support the collection of blood samples from people in the continental United States and Puerto Rico who have been infected with Zika virus.

There is an urgent need to expand diagnostic capacity for serological tests that identify Zika virus-specific Immunoglobulin M, or IgM, antibody to definitively determine whether people who have been potentially exposed to Zika virus were actually infected. Diagnostic developers have identified a lack of access to blood samples positive for Zika virus antibodies, which are needed to validate whether serological tests are performing as expected, as a significant barrier to advancing the development of their products.

Under a six month, \$692,000 project funded by ASPR's Biomedical Advanced Research and Development Authority ([BARDA](#)), Clinical Research Management Inc. of Hinckley, Ohio, will collect blood samples from people who have had confirmed Zika virus infection, in coordination with state and local health departments and the Centers for Disease Control and Prevention. These samples will be collected and made available to diagnostic companies for use in validating the performance of their tests.

The Zika virus is spread to people primarily through the bites of infected *Aedes aegypti* mosquitoes. In past outbreaks, many people infected with Zika have not exhibited symptoms. However, the virus can cause a serious birth defect called [microcephaly](#), as well as other severe fetal brain defects. Zika also has been found to be transmitted sexually.

▪ **Births among Hispanic and black teens have dropped by almost half since 2006, according to a new analysis published by CDC.**

This mirrors a substantial national decline: births to all American teenagers have dropped more than 40 percent within the past decade. Despite this progress, key challenges persist for many communities, according to the report.

While dramatic declines among Hispanic and black teens (51 percent and 44 percent, respectively) have helped reduce gaps, birth rates remain twice as high for these teens nationally compared with white teens. Published today in CDC's *Morbidity and Mortality Weekly Report*, the new analysis highlights key community- and state-level patterns:

- **Dramatic racial and ethnic differences:** In some states, birth rates among Hispanic and black teens were more than three times as high as those of whites.
- **Socioeconomic and education gaps:** Higher unemployment and lower income and education are more common in communities with the highest teen birth rates, regardless of race.
- **Key in-state differences:** In some states with low overall birth rates, pockets of high birth rates exist in some counties.
- **Regional patterns:** Counties with higher teen birth rates were clustered in southern and southwestern states.

In the new report, CDC researchers analyzed national- and state-level data from the National Vital Statistics System (NVSS) to examine trends in births to American teens ages 15 to 19 years between 2006 and 2014. County-level NVSS data for 2013 and 2014 also offer a point-in-time picture of local birth rates. To better understand the relationship between key social and economic factors and teen birth rates, researchers examined data from the American Community Survey between 2010 and 2014.

Researchers highlight the importance of teen pregnancy prevention interventions that address socioeconomic conditions like unemployment and lower education levels, for reducing disparities in teen birth rates. State and community leaders can use local data to better understand teen pregnancy in their communities and to direct programs and resources to areas with the greatest need.

[Research](#) has shown that teen pregnancy and childbirth cost U.S. taxpayers an estimated \$9 billion each year and have negative health and social consequences.

Preventing teen pregnancy remains one of CDC's top priorities and the agency is working on a number of fronts. One key component of this work is encouraging community-centered efforts.

REPORTS/POLICIES

- **The GAO published “Defense Health Care: DOD Is Meeting Most Mental Health Care Access Standards, but It Needs a Standard for Follow-up Appointments,” (GAO-16-416) April 28, 2016.** This report examines, among other things, the mental health care DOD makes available to service members domestically and overseas and the accessibility of mental health care provided to service members domestically and overseas.
<http://www.gao.gov/assets/680/676851.pdf>

HILL HEARINGS

- The Senate Armed Services Subcommittee on Personnel will hold a business hearing on **May 10, 2016**, to examine to markup those provisions which fall under the subcommittee's jurisdiction of the proposed National Defense Authorization Act for fiscal year 2017.
- The Senate Armed Services Committee will hold hearings on **May 11-13 2016**, to examine to markup the proposed National Defense Authorization Act for fiscal year 2017.

LEGISLATION

- **H.R.5044** (introduced April 25, 2016): Making supplemental appropriations for fiscal year 2016 to respond to Zika virus was referred to the Committee on Appropriations.
Sponsor: Representative Nita M. Lowey [NY-17]
- **H.R.5052** (introduced April 26, 2016): To direct the Attorney General and the Secretary of Health and Human Services to evaluate the effectiveness of grant programs that provide grants for the primary purpose of providing assistance in addressing problems pertaining to opioid abuse, and for other purposes.
Sponsor: Representative Kevin McCarthy [CA-23].
- **H.R.5068** (introduced April 25, 2016): To amend the Public Health Service Act to establish the Office of the Chief Information Security Officer within the Department of Health and Human Services was referred to the House Committee on Energy and Commerce.
Sponsor: Representative Billy Long [MO-7]
- **H.R.5075** (introduced April 27, 2016): To require the Administrator of the Federal Aviation Administration to commission a study of the health impacts of airplane flights on affected residents of certain metropolitan areas, and for other purposes was referred to the House Committee on Transportation and Infrastructure.
Sponsor: Representative Stephen F. Lynch [MA-8]
- **S.2858** (introduced April 27, 2016): A bill to amend part D of title XVIII of the Social Security Act to require the Secretary of Health and Human Services to negotiate for lower prices for Medicare prescription drugs was referred to the Committee on Finance.

Sponsor: Senator Al Franken [MN]

- **S.2866** (introduced April 27, 2016): A bill to amend the Public Health Service Act to provide for the sharing of health information concerning and individual's substance abuse treatment by certain entities was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Joe Manchin III [WV]

MEETINGS

- The Heroes of Military Medicine Awards will be held on **May 5, 2016**, in Washington D.C. <http://www.hjfc3.org/heroes-dinner>
- The 6th Annual Traumatic Brain Injury Conference will be held **May 11-12, 2016**, in Washington DC. <http://tbiconference.com/home/>
- The Disaster Health Education Symposium: Innovations for Tomorrow will be held on **Sept. 8, 2016**, at the Uniformed Services University in Bethesda, Md. <https://ncdmph.usuhs.edu>.
- The AUSA 2016 Annual Meeting & Exposition will be held **Oct. 3-5, 2015**, in Washington DC. <http://ausameetings.org/2016annualmeeting/>
- 2016 AMSUS Annual Continuing Education Meeting will be held on **Nov. 29- Dec. 2, 2016**, at the Gaylord National Harbor, Md. <http://www.amsusmeetings.org/>

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