Federal Health Update

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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 is in recess until May 15, 2017.**

- **On May 4, 2017, the House passed (217-214) H.R.1628 - American Health Care Act of 2017. This legislation is a revised version of the earlier bill. It includes three significant amendments:**
  - An amendment by Rep. Tom MacArthur (R-N.J.) allowing states to opt out of requiring insurers to cover the ACA's list of "essential health benefits"; instead, states could develop their own lists of what benefits they considered essential. The amendment also would allow states to charge more for 1 year to patients with pre-existing conditions if they have been without insurance coverage for 63 days or more.
  - An amendment by Reps. Fred Upton (R-Mich.) and Billy Long (R-Mo.) providing states with an extra $8 billion over 5 years to set up high-risk pools to cover patients with high costs due to pre-existing conditions, in addition to the $130 billion already in the bill that states could use for that purpose.
  - An amendment by Rep. Martha McSally (R-Ariz.) preventing members of Congress from being exempted from the AHCA. The AHCA originally exempted Congress members from being affected by state waivers.

- **On May 4, 2017, President Trump today announced his intent to nominate Matthew Bassett to be the Assistant Secretary of Health and Human Services, Legislation.**

  Prior to his nomination, he served as a senior executive for healthcare companies, myNEXUS and Davita Inc. In addition to his experience in the private sector, he held senior positions in the United States House of Representatives for members of the House Rules and Energy and Commerce Committees. He also served the Governor of Kentucky as a senior advisor in his role as Chief of Staff to Kentucky's Cabinet for Health and Family Services. Bassett, holds a BA degree from Baylor University and a Master's in Health Care Administration from Trinity University.

- **On April 28, 2017, President Trump signed into law H.J.Res. 99, which makes further continuing appropriations for fiscal year 2017, and for other purposes.**

MILITARY HEALTH CARE NEWS

- **The Department of the Navy announced that Rear Adm. (lower half) Gayle D. Shaffer will be assigned as medical officer of the Marine Corps; and director, Health Services, Headquarters U.S. Marine Corps, with additional duties as chief of the Dental Corps, Arlington, Virginia.** Shaffer is currently serving as liaison officer, Bureau of Medicine and Surgery, Defense Health Agency; and chief of the Dental Corps, Falls Church, Virginia.

- **The Defense Health Agency announced that TRICARE will no longer include the drug Nexium in the preferred, or formulary, drug list, and it will no longer be available in military hospitals and clinics, effective June 28, 2017.**

  In order to prepare for the change, patients are currently being asked to switch to one of the following three preferred alternatives that have been shown to demonstrate effective results.

  - Omeprazole
  - Pantoprazole
  - Rabeprazole

  Your doctor may determine that the preferred alternatives are not right for you and that Nexium is medically necessary To be medically necessary means it is appropriate, reasonable, and adequate for your condition. In those cases, TRICARE will continue to cover the cost of Nexium, minus the $20 copay for a 90-day supply of home delivery and $24 copay for a 30-day supply via a retail outlet.

  Your doctor must submit a prior authorization and a reason why it is medically necessary via the Express Scripts doctor line in order for you to fill your prescription. For patients who continue to use Nexium with a prior authorization but WITHOUT a doctor's medical necessity determination, the non-formulary copay cost will be $49 for a 90-day supply via home pharmacy delivery or $50 for a 30-day supply via a retail outlet.

  Nexium is a popular drug to treat gastroesophageal reflux disease (GERD). GERD is a chronic digestive disease, which occurs when stomach acid flows back into the esophagus (or food pipe). This acid irritates the lining of the esophagus which over time can lead to GERD. Many

people can make lifestyle changes and take over-the-counter medication to manage their GERD symptoms. Other people need stronger medicine to reduce symptoms. Proton pump inhibitors (PPI) is the drug class used to treat GERD. PPIs decrease the amount of acid created in the stomach and relieve GERD symptoms. The drugs also work to heal previous acid damage to the stomach and esophagus.

For more information regarding the PPI alternatives please visit the National Institutes of Health's MedlinePlus website. For more information regarding brand, generic drugs and which drugs are on TRICARE's formulary list please visit the TRICARE website.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) and the Department of Energy (DOE) announced the formation of a new partnership focused on the secure analysis of large digital health and genomic data, or so-called "big data."**

  The data would be collected from the VA and other federal sources to help advance health care for veterans and others in areas such as suicide prevention, cancer and heart disease, while also driving DOE's next-generation supercomputing designs.

  Known as the VA-DOE Big Data Science Initiative, the partnership will be based within DOE's National Laboratory system, one of the world's top resources for supercomputing. The effort will leverage the latest DOE expertise and technologies in big data, artificial intelligence and high-performance computing to identify trends that will support the development of new treatments and preventive strategies.

  DOE high-performance computing represents the state of the art in global computer science, involving machines capable of millions of billions of calculations per second.

  One part of the new initiative is MVP-CHAMPION— short for the Million Veteran Program (MVP) Computational Health Analytics for Medical Precision to Improve Outcomes Now. MVP, VA's landmark genomics program, has already enrolled more than 560,000 Veteran volunteers, who have provided DNA samples; completed surveys about their health, lifestyle and military experiences; and granted secure access to their electronic health records for research purposes. The partnership with DoE will maximize the impact of studies using MVP data.

  Along with data from MVP and VA's electronic health records system, the new VA-DOE program will use health data from the Department of Defense, Centers for Medicare and Medicaid Services, and the Center for Disease Control's National Death Index.

  An initial suite of specific studies that are part of VA-DOE Big Data Science Initiative is already being planned. One aims to build algorithms to generate highly tailored personalized risk scores for suicide. The scores could be used by VA clinicians and researchers to help predict which patients are at the highest risk, and to evaluate prevention strategies. The researchers will work with VA's Office of Suicide Prevention to enhance current algorithms already in use in VA.

  Another project focused on prostate cancer will seek new ways to tell which tumors are lethal versus nonlethal cancer and require treatment, and, by contrast, others that are slow growing and unlikely to cause any symptoms. Yet another study will explore what sets of risk factors are the best predictors of certain forms of cardiovascular disease to inform individualized therapy and treatments for patients based on their individual risk factors.

  For more information on MVP, informatics and VA research in general, visit www.research.va.gov.

- **The U.S. Department of Veterans Affairs (VA) announced that, as part of its recognition of**

Mental Health Awareness Month in May, it is promoting "Use Your Voice," a national awareness program that encourages Veterans to seek mental health treatment if they need it.

The Use Your Voice program is designed to let not only veterans, but all Americans know that reaching out for mental health information and support is just as important as talking to one's doctor about diet, blood pressure, joint pain and other health challenges.

Individuals and organizations can make a difference and get involved by downloading, sharing, tweeting or posting a variety of content located at www.MakeTheConnection.net/UseYourVoice. Additionally, VA will hold a Facebook Live event about the Use Your Voice program at 1 p.m. (EST) May 4, which can be viewed and shared via the Make the Connection Facebook page: https://www.facebook.com/VeteransMTC.

While many veterans do not experience mental health issues in their lifetime, it is critically important for those who do to know that support and treatment are available. By changing how people discuss mental health conditions and symptoms of mental illness, VA is making it easier for veterans who need support to feel comfortable reaching out.

For more information on mental health treatment, veterans' personal stories of recovery and a locator tool to find veterans' resources across the country, visit VA's Make the Connection website at http://www.MakeTheConnection.net/UseYourVoice.

GENERAL HEALTH CARE NEWS

- **The Food and Drug Administration (FDA) released unpublished Interim Final Rule (IFR) on May 1 (and scheduled to be published in the Federal Register on May 4), which delays the compliance date for its regulations governing calorie labeling for menus and menu boards at restaurants and similar retail food establishments.**

  In the notice, FDA states that it will delay the compliance date for menu labeling from May 5, 2017 to May 7, 2018. The Agency is reconsidering certain aspects of the menu labeling regulations and requesting comments from industry and other stakeholders. FDA says it is "taking this action to enable [FDA] to consider how we might further reduce the regulatory burden or increase flexibility while continuing to achieve our regulatory objectives, in keeping with the Administration's policies."

  The delay in the compliance date will be effective immediately upon formal publication of the IFR in the Federal Register. FDA cites the good cause exception of the Administrative Procedure Act (5 U.S.C. 553(b)(B)) as its basis for not following notice and comment rulemaking before issuing the delay. Specifically, the Agency says that because "a number of regulated establishments continue to raise numerous, complex questions about applicability of the menu labeling requirements and about how to implement them, we have decided that providing an opportunity for public comment would be impracticable and contrary to the public interest."

  FDA is particularly interested in "approaches to reduce the regulatory burden or increase flexibility with respect to:

  - Calorie disclosure signage for self-service foods, including buffets and grab-and-go foods;
  - Methods for providing calorie disclosure information other than on the menu itself, including how different kinds of retailers might use different methods; and
  - Criteria for distinguishing between menus and other information presented to the consumer.

  FDA is requesting that comments be submitted within 60 days after the IFR is published, i.e., by July 3, 2017.

- **The Centers for Disease Control and Prevention announced that the death rate for African-Americans (blacks) has declined 25 percent from 1999 to 2015.**

  The study finds there are still disparities between blacks and whites. Although blacks as a group are living longer, their life expectancy is still 4 years less than that of whites.

  Disparities in all age groups are narrowing because death rates are declining faster among blacks than among whites. The overall disparity in death rates between these two races for all causes of death in all age groups was 33 percent in 1999 but fell to 16 percent in 2015. The racial death rate gap closed completely for deaths from heart disease and for all causes of death among those 65 years and older.

  Of concern, the study also found that blacks in their 20s, 30s, and 40s are more likely to live with or die from conditions that typically occur at older ages in whites, including heart disease, stroke, and diabetes. Risk factors for some diseases, such as high blood pressure, may go unnoticed and untreated during these early years. Notably, the death rates for homicide among blacks did not change over the 17 years of the study.

  The report also describes improvements in other causes of death, such as a dramatic decrease of about 80 percent in HIV deaths among 18- to 49-year-olds from 1999-2015. Dramatic drops in HIV deaths were also seen among whites. Still, a wide disparity remains with blacks seven to nine times more likely to die from HIV.

  Among the key findings from the report:

  - Blacks ages 18 to 64 are at higher risk of early death than whites.
  - Disparities in the leading causes of death for blacks compared with whites are pronounced by early and middle adulthood, including homicide and chronic diseases such as heart disease and diabetes.
  - Blacks ages 18-34 years and 35-49 years are nine times and five times, respectively, as likely to die from homicide as whites in the same age groups.
  - Blacks ages 35-64 are 50 percent more likely to have high blood pressure than whites.
  - Blacks ages 18-49 years, are two times as likely to die from heart disease as whites.
  - Blacks have the highest death rate for all cancers combined compared with whites.

  The federal government collects data on prevention measures and risk factors that impact health through programs such as Healthy People 2020. For more information on CDC efforts to reduce disparities through prevention and removing barriers to health equity, visit www.cdc.gov/healthequity.

REPORTS/POLICIES

- **The Rand Corp. published *"The Effects of the American Health Care Act on Health Insurance Coverage and Federal Spending in 2020 and 2026,"* on May 3, 2017.** This report analyzed the impact of the American Health Care Act (AHCA), proposed in the U.S. House of Representatives on March 6, 2017, would have on health care enrollment. https://www.rand.org/pubs/research_reports/RR2003.html

HILL HEARINGS

- The Senate Veterans Affairs Committee will hold a hearing on **May 10, 2017**, to examine the Veterans Choice Program and the future of care in the community.

LEGISLATION

- **S.989** (introduced April 28, 2017): A bill to amend the Public Health Service Act to provide for the participation of pediatric subspecialists in the National Health Service Corps program, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Roy Blunt [R-MO]
- **H.R.2336** (introduced May 3, 2017): To amend the Public Health Service Act to authorize a primary and behavioral health care integration grant program was referred to the House Committee on Energy and Commerce. Sponsor: Representative David Loebsack [D-IA-2]
- **H.R.2310** (introduced April 28, 2017): 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 [R-PA-3]
- **S.1022** (introduced April 28, 2017): A bill to amend the Public Health Service Act to facilitate assignment of military trauma care providers to civilian trauma centers in order to maintain military trauma readiness and to support such centers, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Johnny Isakson [R-GA]
- **H.R.2312** (introduced April 28, 2017): To amend title 38, United States Code, to provide for covered agreements and contracts between the Secretary of Veterans Affairs and eligible academic affiliates for the mutually beneficial coordination, use, or exchange of health-care resources, and for other purposes was referred to the House Committee on Veterans' Affairs. Sponsor: Representative Beto O'Rourke [D-TX-16]
- **H.R.2251** (introduced April 28, 2017): To amend the Department of Veterans Affairs Health Care Programs Enhancement Act of 2001 and title 38, United States Code, to require the provision of chiropractic care and services to veterans at all Department of Veterans Affairs medical centers and to expand access to such care and services was referred to the House Committee on Veterans' Affairs. Sponsor: Representative Lucille Roybal-Allard [D-CA-40]
- **H.R.2244** (introduced April 28, 2017):To direct the Secretary of Health and Human Services to carry out a pilot project under which no more than 3 sponsors agree to evaluate the psychological and social distress experienced by patients participating in a clinical trial, conducted by the respective sponsor, of a drug or biological product that is intended to treat a serious or life-threatening disease or condition, and for other purposes was referred to the House Committee on Energy and Commerce. Sponsor: Representative Leonard Lance [R-NJ-7]

MEETINGS

- The 7th Annual Traumatic Brain Injury Conference will be held **May 24-25, 2017**, in Washington DC. http://tbiconference.com/home/

- The AUSA 2017 Annual Meeting & Exposition will be held **Oct. 9-11, 2017**, in Washington DC. http://ausameetings.org/2017annualmeeting/
- The 2017 AMSUS Annual Continuing Education Meeting will be held on **Nov. 27- Dec. 1, 2017**, at the Gaylord National Harbor, Md. http://www.amsus.org/annual-meeting/

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