On May 8, 2014, the House Armed Services Committee approved a $496 billion National Defense Authorization Act for fiscal year 2015, rejecting many of the department’s attempts to cut spending, including on arms programs and military pay increases.

The measure approved by the panel authorizes a $496 billion Pentagon base budget, plus $17.9 billion for defense-related nuclear programs in the Department of Energy. It authorized $79 billion for war funding, but lawmakers said that was a placeholder because the Pentagon had not yet submitted a request.

The Armed Services panel approved a 1.8 percent pay increase for most military personnel, rejecting a Pentagon plan to reduce the annual increase to 1 percent because of spiraling compensation costs, which now make up about half of the department’s budget. The pay of senior officers would be frozen.

In all, the panel cut more than $5 billion from Defense Department spending plans and shifted the funds around to pay for equipment and projects the Pentagon sought to trim or eliminate as it tries to cut $1 trillion projected spending over a decade as ordered by Congress.

The bill now goes to the full House of Representatives, where it must be passed and reconciled with a Senate version before going to President Barack Obama for his signature.

Full Committee Mark: H.R. 4435 - FY15 NDAA [PDF]
Read Highlights of the Chairman’s Mark Fact Sheet [PDF]
TRICARE and Military OneSource are co-hosting a webinar to educate TRICARE beneficiaries about their behavioral health benefit. The webinar will take place on Thursday, May 15 at 1 p.m. ET.

TRICARE covers mental/behavioral health care that is medically or psychologically necessary. There are many different types of outpatient and inpatient mental/behavioral health care, and the coverage varies by the type of care.

The featured speaker for this event is Dori Rogut. Rogut is a psychiatric nurse practitioner with more than 30 years’ experience in the field of psychiatric mental health nursing. She has worked for the Defense Department for the past twelve years in different positions encompassing both clinical and administrative policy roles.

To sign up, go to the registration page for the webinar.

A squad leader with Warrior Transition Battalion-Europe's Vilseck platoon was recently named a finalist for a national leadership award.

Staff Sgt. Brandon Wooldridge was one of eight people from across the United States selected to compete for the Paul G. Hearne Leadership Award. The award is presented annually by the American Association for People with Disabilities, the nation's largest disability rights organization.

The association's Paul G. Hearne Leadership Award advances the work of Paul Hearne, one of the group’s founders and a renowned leader in the national disability community. It realizes his goal of cultivating emerging disability rights leaders.

Wooldridge was the only member of the military or veteran community to be named a finalist. A native of Raleigh, North Carolina, Wooldridge enlisted in the Army in 2002 as an infantryman. He deployed to Iraq in 2004 where he was injured by shrapnel from a rocket propelled grenade attack that resulted in his leg being amputated below the knee.

After being evacuated first to Landstuhl Regional Medical Center in Germany, then to Walter Reed Army Medical Center in Washington, D.C., he underwent more than four months of treatment and rehabilitation for his injury, to include learning how to walk and run with a prosthetic leg. His full recovery took about a year, during which he decided he wanted to stay on active duty and return to his job as an infantryman.

Wooldridge said he continued to request positions or details that would get him out into the field where he could prove his abilities despite his injury. He continued to advance in his chosen field, receiving promotions to both sergeant and staff sergeant. Not only that, but he continued to deploy as well, twice more to Iraq and once to Afghanistan.

In 2012, Wooldridge applied for special duty as a squad leader with Warrior Transition Battalion-Europe, whose mission is to assist wounded, ill and injured soldiers with the transition either back to active duty or to the civilian community. It was a job he felt he could contribute much to given his own experiences as a Wounded Warrior, he said.

"Everybody's case is different but this is where they come to heal," Wooldridge said, explaining that soldiers assigned to [Warrior Transition Battalion-Europe] usually need extensive treatment requiring regular medical appointments. "I'm the link between the medical side and the Army. I make sure they get to their appointments, all the paperwork is handled, help take care of their day-to-day needs, and help them find their way through the process."
Military children are used to dealing with transition in their lives. From parental deployments to friends relocating, military life can be a lot for a child to handle. That’s why the Department of Defense offers a number of programs that put the mental health of military children at the forefront.

The DoD offers programs to help the mental health of military children.

- The **Exceptional Family Member Program** looks at a child’s all-around needs to ensure the family is not placed in a location where there would be a lack of services.
- The **Educational & Development Intervention Services**, is a “multidisciplinary program that’s designed to identify unique needs in young children and make sure [the military] provides federally-mandated services in the schools outside of the U.S.
- Youth centers at local installations offer many options for children as well, and military chaplains can be helpful as a resource.

Visit the [Substance Abuse and Mental Health Services Administration](https://www.samhsa.gov) website to find out what communities around the country are doing for Children’s Mental Health Awareness Day (May 8).

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**Senior Master Sgt. David Smith, and Air Force medic received the 2014 Heroes of Military Medicine award on May 1, in Washington, D.C., for his work advancing and impacting military medicine.**

Smith provided medical care for more than 500 Joint Operations Task Force and Air Force Special Operations Detachment personnel without a loss of life or limb as a special operations independent duty medical technician and paramedic over the course of five years.

He was selected to serve as the subject matter expert liaison between the Air Force Special Operations Command and Baltimore Shock Trauma Center for the Sustainment of Trauma and Readiness Skills program at the University of Maryland in April 2005.

According to the Henry M. Jackson Foundation for the Advancement of Military Medicine website, Smith led the largest trauma training platform in the Department of Defense, making sure more than 1,300 providers, nurses and technicians received the right training for today’s military operations.

His revision of the Advanced Medic Course lectures, lab procedures and patient simulation scenarios prepared more than 300 special operations medics.

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**Effective May 1, TRICARE Prime Overseas (TPO), TRICARE Prime Remote Overseas (TPRO) and TRICARE Young Adult (TYA) beneficiaries can enroll over the phone.** For more information, visit:

- [TRICARE Prime Overseas](https://www.tricare.mil)
- [TRICARE Prime Remote Overseas](https://www.tricare.mil)
- [TRICARE Young Adult](https://www.tricare.mil)

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**CNN reports that Veterans Affairs Secretary Eric Shinseki has ordered a "face-to-face audit" at all Department of Veterans Affairs clinics.**
On May 8, 2014, House Veterans Affairs Committee voted to subpoena Shinseki in the wake of accusations that his department is responsible for deadly delays in health care at some of its hospitals.

The Shinseki subpoena will cover e-mails that allegedly discussed the destruction of a secret list, first reported by CNN, of veterans waiting for care at a Phoenix VA hospital.

The House panel agreed to issue the subpoena in a verbal vote Thursday morning. Shinseki will testify May 15 before the Senate Committee on Veterans’ Affairs, CNN also learned.

The plans to conduct an audit come after Democratic Rep. Ann Kirkpatrick of Arizona wrote to Shinseki, urging a nationwide audit of the scheduling system currently used at VA medical facilities. Read Kirkpatrick’s letter to Shinseki (PDF)

The White House Press Secretary Jay Carney said that President Obama takes seriously the allegations that veterans died waiting for care at the Phoenix VA hospital, Carney said. He repeated that the VA’s inspector general is conducting an independent investigation into the allegations.

On May 5, the American Legion, the nation’s largest veteran organization, and another veterans group, Concerned Veterans for America, called for Shinseki's resignation.

- Secretary of Veterans Affairs Eric K. Shinseki made the following statement on the allegations regarding the Phoenix VA Health Care System:

  “We take these allegations very seriously. Based on the request of the independent VA Office of Inspector General, in view of the gravity of the allegations and in the interest of the Inspector General’s ability to conduct a thorough and timely review of the Phoenix VA Health Care System (PVAHCS), I have directed that PVAHCS Director Sharon Helman, PVAHCS Associate Director Lance Robinson, and a third PVAHCS employee be placed on administrative leave until further notice.

  “Providing veterans the quality care and benefits they have earned through their service is our only mission at the Department of Veterans Affairs. We care deeply for every veteran we are privileged to serve.

  “We believe it is important to allow an independent, objective review to proceed. These allegations, if true, are absolutely unacceptable and if the Inspector General’s investigation substantiates these claims, swift and appropriate action will be taken.

  “Veterans deserve to have full faith in their VA health care. I appreciate the continued hard work and dedication of our employees and of the community stakeholders we work with every day in our service to veterans.”

GENERAL HEALTH CARE NEWS

- The Department of Health and Human Services (HHS) announced that new preliminary data show an overall 9 percent decrease in hospital-acquired conditions nationally during 2011 and 2012.

  National reductions in adverse drug events, falls, infections, and other forms of hospital-induced harm are estimated to have prevented nearly 15,000 deaths in hospitals, avoided 560,000 patient injuries, and approximately $4 billion in health spending over the same period.

  After holding constant at 19 percent from 2007 to 2011 and decreasing to 18.5 percent in 2012, the Medicare all-cause 30-day readmission rate has further decreased to approximately 17.5
percent in 2013. This translates into an 8 percent reduction in the rate and an estimated 150,000 fewer hospital readmissions among Medicare beneficiaries between January 2012 and December 2013.

These improvements reflect policies and an unprecedented public-private collaboration, including efforts from the federal Partnership for Patients initiative and Hospital Engagement Networks, Quality Improvement Organizations, the Centers for Medicare & Medicaid Services, the Agency for Healthcare Research and Quality, the Centers for Disease Control and Prevention, the Administration on Community Living, the Indian Health Services, and many others.

The public-private partnerships are working collaboratively – along with health care providers – to identify and spread best practices and solutions to reducing hospital acquired conditions and readmissions.


- Two health care organizations have agreed to settle charges that they potentially violated the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules by failing to secure thousands of patients’ electronic protected health information (ePHI) held on their network.

The monetary payments of $4,800,000 include the largest HIPAA settlement to date.

The U.S. Department of Health and Human Services (HHS) Office for Civil Rights (OCR) initiated its investigation of New York and Presbyterian Hospital (NYP) and Columbia University (CU) following their submission of a joint breach report, dated September 27, 2010, regarding the disclosure of the ePHI of 6,800 individuals, including patient status, vital signs, medications, and laboratory results.

NYP and CU are separate covered entities that participate in a joint arrangement in which CU faculty members serve as attending physicians at NYP. The entities generally refer to their affiliation as “New York Presbyterian Hospital/Columbia University Medical Center.” NYP and CU operate a shared data network and a shared network firewall that is administered by employees of both entities. The shared network links to NYP patient information systems containing ePHI.

The investigation revealed that the breach was caused when a physician employed by CU who developed applications for both NYP and CU attempted to deactivate a personally-owned computer server on the network containing NYP patient ePHI. Because of a lack of technical safeguards, deactivation of the server resulted in ePHI being accessible on internet search engines. The entities learned of the breach after receiving a complaint from an individual who found the ePHI of the individual’s deceased partner, a former patient of NYP, on the internet.

In addition to the impermissible disclosure of ePHI on the internet, OCR’s investigation found that neither NYP nor CU made efforts prior to the breach to assure that the server was secure and that it contained appropriate software protections. Moreover, OCR determined that neither entity had conducted an accurate and thorough risk analysis that identified all systems that access NYP ePHI.

As a result, neither entity had developed an adequate risk management plan that addressed the potential threats and hazards to the security of ePHI. Lastly, NYP failed to implement appropriate policies and procedures for authorizing access to its databases and failed to comply with its own policies on information access management.

NYP has paid OCR a monetary settlement of $3,300,000 and CU $1,500,000, with both entities agreeing to a substantive corrective action plan, which includes undertaking a risk analysis, developing a risk management plan, revising policies and procedures, training staff, and
providing progress reports.

For information about the basics of HIPAA Security Risk Analysis and Risk Management, as well as other compliance tips, visit: http://www.hhs.gov/ocr/privacy/hipaa/understanding/training

The New York and Presbyterian Hospital Resolution Agreement may be found at: http://www.hhs.gov/ocr/privacy/hipaa/enforcement/examples/ny-and-presbyterian-hospital-settlement-agreement.pdf

The Columbia University Resolution Agreement may be found at: http://www.hhs.gov/ocr/privacy/hipaa/enforcement/examples/columbia-university-resolution-agreement.pdf

REPORTS/POLICIES

- There were no relevant reports published this week.

HILL HEARINGS

- The Senate Veterans Affairs Committee will hold a hearing on May 15, 2014, to examine the state of the Veterans Affairs health care system.

- 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.


LEGISLATION

- **H.R.4561** (introduced May 1, 2014): the *Rural Veterans Health Care Improvement Act of 2014* was referred to the House Committee on Veterans' Affairs
  
  Sponsor: Representative Carol Shea-Porter [NH-1].

- **H.R.4580** (introduced May 6, 2014): To amend title 38, United States Code, to modify authorities relating to the collective bargaining of employees in the Veterans Health Administration was referred to the House Committee on Veterans' Affairs.
  
  Sponsor: Representative Adam B. Schiff [CA-28]

- **H.R.4592** (introduced May 7, 2014): To amend the Public Health Service Act to improve the diagnosis and treatment of hereditary hemorrhagic telangiectasia, and for other purposes was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means.
  
  Sponsor: Representative Jim Gerlach [PA-6]

- **S.2276** (introduced May 1, 2014): the *Caring for America's Heroes Act* was referred to the Committee on Armed Services
  
  Sponsor: Senator Roy Blunt [MO]
- **S.2278** (introduced May 1, 2014): the *Safeguarding Care Of Patients Everywhere Act* was referred to the Committee on Health, Education, Labor, and Pensions.
  Sponsor: Senator Tom Coburn [OK]

- **S.2300** (introduced May 7, 2014): A bill to amend title 10, United States Code, to require the Secretary of Defense to conduct periodic mental health assessments for members of the Armed Forces and to submit reports with respect to mental health, and for other purposes was referred to the Committee on Armed Services.
  Sponsor: Senator Joe Donnelly [IN]

### MEETINGS/WEBINARS


- The National Center for Disaster Medicine and Public Health will host a webinar on mental health resiliency in the disaster health workforce, “Fostering Resilience in Disaster Health Responders,” on **May 22, 2014**.
  [https://ncdmph.adobeconnect.com/_a1137435577/resilientresponders/](https://ncdmph.adobeconnect.com/_a1137435577/resilientresponders/)

- The National Center for Disaster Medicine and Public Health will host the 2014 Learning in Disaster Health Workshop on **Sept. 9-10, 2014**, in the Washington DC area.
  [http://ncdmph.usuhs.edu/](http://ncdmph.usuhs.edu/)


- The 30th Annual Meeting of the International Society for Traumatic Stress Studies (ISTSS) will be held **Nov. 6-8, 2014**, in Miami, Fla. [http://www.istss.org/MeetingsEvents.htm](http://www.istss.org/MeetingsEvents.htm)

- The AMIA 2014 Annual Symposium will be held on **Nov. 15-19, 2014**, in Washington DC.

- AMSUS Annual Continuing Education Meeting will be held **Dec. 2-5, 2014**, in Washington, DC [http://amsusmeetings.org](http://amsusmeetings.org)


- The 2014 Special Operations Medical Association (SOMA) Science Assembly will be held on **Dec. 8-11, 2014**, in Tampa, Fla.
  [http://www.specialoperationsmedicine.org/Pages/scientificassembly.aspx](http://www.specialoperationsmedicine.org/Pages/scientificassembly.aspx)

- The AAMA 2015: The National Summit of Medical Administrators will be held on **Jan. 19-21, 2015**, in Clearwater, Fla. [http://aameda.org/p/cm/ld/fid=159](http://aameda.org/p/cm/ld/fid=159)

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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.