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

  To view the bill text click [here](#). For the bill summary click [here](#).

- On May 8, 2018, the House Veterans Affairs Committee passed the following legislation:
  - [H.R. 299](#): The Blue Water Navy Vietnam Veterans Act of 2017
  - [H.R. 5674](#): The Department of Veterans Affairs Maintaining Internal Systems and Strengthening Integrated Outside Networks “MISSION” Act
  - [H.R. 1972](#): The VA Billing Accountability Act
  - [H.R. 2147](#): The Veterans Treatment Court Improvement Act
  - [H.R. 3642](#): Military Sexual Assault Victims Empowerment (SAVE) Act
  - [H.R. 3832](#): The Veterans Opioid Abuse Prevention Act
  - [H.R. 4635](#): To direct the secretary of Veterans Affairs to increase the number of peer-to-peer counselors providing counseling for women veterans
  - [H.R. 5520](#): The Veterans Affairs Medicinal Cannabis Research Act of 2018
  - [H.R. 4245](#): The Veterans’ Electronic Health Record Modernization Oversight Act of 2017
  - [HR 4334](#): The Improving Oversight of Women Veterans’ Care Act of 2017
  - [H.R. 4451](#): The Homeless Veterans’ Reintegration Programs Reauthorization Act of 2017
  - [H.R. 4830](#): The Service members Improved Transition through Reforms for Ensuring
On May 8, 2018, the House Appropriations Committee approved the fiscal year 2019 Military Construction, Veterans Affairs, and Related Agencies Appropriations bill on a vote of 47-0.

In total, the legislation provides $96.9 billion in discretionary funding – $4.2 billion above the fiscal year enacted 2018 level. This includes $921.4 million in Overseas Contingency Operations funding.

Within this total, the House Appropriations Committee increased discretionary funding for the Department of Veterans Affairs by $3.9 billion (4.8 percent) over the fiscal year 2018 level, including funding to increase access to services for veterans, and to increase oversight and accountability within the department. This includes the advance funding provided for veterans in the fiscal year 2018 appropriations bill.

The House Appropriations Committee increased funding for military construction by $412 million over the fiscal year 2018 enacted level. This funding will provide needed resources for our service members to face existing and emerging threats, and to care for military families.

For a bill summary, visit:

For the draft text of the bill, visit:

MILITARY HEALTH CARE NEWS

The Defense Health Agency reports that a joint team of multinational surgeons and medical professionals successfully completed a cholecystectomy, or gall bladder removal, using a Da Vinci XI Robot Surgical System on a Sri Lankan citizen. The surgical team conducted the first ever robot-assisted surgery aboard Military Sealift Command hospital ship USNS Mercy on May 4, 2018.

Prior to the actual surgery on May 4, Gadbois, along with Dr. Vyramuthu Varanitharan, a general surgeon at Base Hospital Mutur, and Navy Cmdr. Tamara Worlton, a surgeon from Walter Reed National Military Medical Center ran through simulation exercises using the Da Vinci XI Surgical System on a mock patient and finalized surgical plans as a team.

On April 28, the team selected a patient who needed a cholecystectomy and was willing to have a robotic-assisted surgery performed. According to Worlton, all the preparation and collaboration put into planning before the operation paid off and the entire surgery was completed in a smooth and routine manner.

The surgery marked an additional first for Dr. Varanitharan, as this was also the first surgery he has conducted aboard a ship during his entire medical career.

After the surgery was successfully completed, the patient was transferred to the Mercy’s post anesthesia care unit to recover and was later discharged from the ship in excellent condition for her routine post-operative follow up care by Varanitharan.
Pacific Partnership is the largest annual multilateral disaster response preparedness mission conducted in the Indo-Pacific. This year's mission includes military and civilian personnel from the United States, Canada, United Kingdom, Australia, France, Peru, and Japan.

Pacific Partnership 2018 consists of more than 800 U.S. and partner nation military and civilian personnel working side-by-side with host nation counterparts to be better prepared for potential humanitarian aid and disaster response situations.

- **In honor of mental Health Awareness Month, TRICARE is hosting a webinar on May 17, 2018, to share details about mental health care services available to TRICARE beneficiaries.**

The “**TRICARE Mental Health and Substance Use Disorder Services**” webinar on Thursday, May 17, from 1 to 2 p.m. (ET) will discuss when and how to get mental health and substance use disorder care.

**Mental health** and substance use disorders can interfere with one’s life and overall physical health. They can be mild and brief, or more serious and persistent. TRICARE covers mental health and substance use disorder care that is medically or psychologically necessary. This includes both **outpatient and inpatient services**. This webinar will highlight some of these services.

There are different guidelines depending on the type of care needed. This webinar will cover when a referral or prior authorization is required, and the costs of **mental health care services**.

To register for the webinar, please visit: [https://attendee.gotowebinar.com/register/3946890892131175170](https://attendee.gotowebinar.com/register/3946890892131175170).

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**VETERANS AFFAIRS NEWS**

- **The U.S. Department of Veterans Affairs (VA) announced it is offering two opportunities for early participation in the new, more efficient claims decision review process outlined in the historic Veterans Appeals Improvement and Modernization Act of 2017.**

These two opportunities will allow eligible veterans to receive a review of a decision on a claim much faster than the current appeals process.

First, VA will expand the Rapid Appeals Modernization Program (RAMP) by removing the requirement that veterans first receive an invitation from VA in order to elect participation in the program. RAMP, initially launched in November 2017 as an invitation-only program, allows eligible veterans with a disability compensation appeal early access to the Higher-Level Review and Supplemental Claim Lanes outlined in the Appeals Modernization Act. By removing the invitation requirement, veterans will have the opportunity to benefit from the new, more efficient decision review process, versus continuing to wait in the legacy appeal process. As of March 31, RAMP reviews were completed in an average of 52 days.

Second, the Board of Veterans’ Appeals will launch its Early Applicability of Appeals Modernization (BEAAM) pilot project this month. Under this project, the Board will partner with the National Organization of Veterans’ Advocates, Paralyzed Veterans of America and the California Department of Veterans Affairs to identify 50 veterans who are dissatisfied with a recent decision on their benefits claim.

These veterans will participate in a study that allows them the option of appealing directly to the Board or seeking a review in RAMP. In this study, the Board will collect preliminary data about veteran choices and experiences.
In October, the Board will begin deciding appeals from RAMP decisions using the features of the Appeals Modernization Act, specifically its new, separate Direct, Evidence and Hearing dockets. The expansion of RAMP, combined with the BEAAM, will allow VA to collect valuable data about implementation of the Appeals Modernization Act.

**GENERAL HEALTH CARE NEWS**

- **On May 8, 2018, the Centers for Medicare & Medicaid Services (CMS) released the agency’s first Rural Health Strategy intended to provide a proactive approach on health care issues to ensure that the nearly 1 in 5 individuals who live in rural America have access to high quality, affordable health care.**

  The agency-wide Rural Health Strategy, built on input from rural providers and beneficiaries, focuses on five objectives to achieve the agency’s vision for rural health:

  - Apply a rural lens to CMS programs and policies
  - Improve access to care through provider engagement and support
  - Advance telehealth and telemedicine
  - Empower patients in rural communities to make decisions about their healthcare
  - Leverage partnerships to achieve the goals of the CMS Rural Health Strategy

  Approximately 60 million people live in rural areas – including millions of Medicare and Medicaid beneficiaries. CMS recognizes the many obstacles that rural Americans face, including living in communities with disproportionately higher poverty rates, more likely to have chronic conditions, being uninsured or underinsured, as well as experiencing a fragmented health care delivery system with an overworked and shrinking health workforce, and lacking access to specialty services.

  The new strategy focuses on ways in which the agency can better serve individuals in rural areas and avoid unintended consequences of policy and program implementation.

  CMS also will continue to collaborate with agencies across the U.S. Department of Health and Human Services (HHS) including, Federal Office of Rural Health Policy at the Health Resources and Services Administration (HRSA) to implement this strategy.


- **The Centers for Medicare & Medicaid Services (CMS) issued an interim final rule to increase the fee schedule rates from June 1, 2018, through December 31, 2018, for certain durable medical equipment (DME) items and services and enteral nutrition furnished in rural and non-contiguous areas (Alaska, Hawaii, and U.S. territories).**

  These areas of the country are not subject to the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program (CBP).

  This action is designed to protect access to needed durable medical equipment in rural and non-contiguous areas that are not subject to the DMEPOS CBP, helping beneficiaries to maintain their health, mobility, and overall quality of life. Stakeholders have raised concerns about significant financial challenges the current adjusted DME fee schedule rates pose for suppliers, including many small businesses, and that the number of suppliers in certain areas continues to
In 2016 and 2017, information from the DMEPOS CBP was used to adjust Medicare payments for certain DME and enteral nutrition in certain areas of the county where the CBP did not occur ("non-bid areas"). The CBP has not been implemented in rural areas comprising about half the volume of the volume of items and services furnished in non-bid areas subject to the adjustments. Beginning January 1, 2017, the fully adjusted fee schedule rates were on average 50 percent lower than the unadjusted rates in these non-bid areas based on the average reduction in payment for all of the items and services subject to the adjustments, weighted by volume.

In 2016, prior to the fully adjusted fee schedule rates going into effect, blended rates of 50 percent of the amount based on the competitive bid rates and 50 percent of the traditional fee schedule amounts were implemented for the transitional year period. Today’s action resumes these blended rates from June 1, 2018, to December 31, 2018, in rural and non-contiguous areas not subject to the CBP.

CMS is continuing to engage with stakeholders regarding the CBP, including the national mail-order program, and payment for items and services furnished in non-bid areas. CMS will continue to review data and information about rates for DMEPOS items and services, as required under section 16008 of the 21st Century Cures Act. CMS intends to undertake subsequent notice-and-comment rulemaking to address the rates for durable medical equipment and enteral nutrition furnished in 2019 and beyond.

For more information on Durable Medical Equipment Fee Schedule, Adjustments to Resume the Transitional 50/50 Blended Rates to Provide Relief in Rural Areas and Non-Contiguous Areas (CMS-1687-IFC) or to submit a comment on or before July 9, 2018, please visit: http://www.regulations.gov.

REPORTS/POLICIES

- The GAO published “DEPARTMENT OF HEALTH AND HUMAN SERVICES: Office of Inspector General’s Use of Agreements to Protect the Integrity of Federal Health Care Programs,” (GAO-18-322) published on May 10, 2018. This report describes the number of agreements and their general characteristics; the circumstances that may lead to an agreement and the standard provisions of agreements; and monitoring efforts and actions taken, if any, in response to noncompliance with the agreements. https://www.gao.gov/assets/700/691034.pdf


HILL HEARINGS

- The House Veterans Affairs Committee will hold a hearing on May 16, 2018, to hear testimony and proposals from VA.

- The Senate Armed Services: Subcommittee on Personnel will hold a hearing on May 22, 2018, to markup those provisions, which fall under the subcommittee’s jurisdiction of the proposed National

- The Senate Armed Services Committee will hold a hearings on May 23-25, 2018, to markup those the proposed National Defense Authorization Act for fiscal year 2019.

**LEGISLATION**

- **H.R.5695** (introduced May 7, 2018): A bill directing the Secretary of Health and Human Services to notify health care providers regarding permitted disclosures under federal health care privacy law during emergencies, including overdoses, of certain health information to families, caregivers, and health care providers was referred to the House Committee on Energy and Commerce. Sponsor: Representative David B. McKinley [R-WV-1]

- **H.R.5725** (introduced May 7, 2018): A bill directing the Secretary of Health and Human Services to submit to Congress a report on the extent to which Medicare Advantage plans (offered under part C of the Medicare program) include supplemental health care benefits designed to treat or prevent substance use disorders was referred to the Committees on Ways and Means, and Energy and Commerce. Sponsor: Representative Peter J. Roskam [R-IL-6]

- **H.R.5702** (introduced May 8, 2018): A bill requiring the Secretary of Health and Human Services to develop a strategy implementing recommendations relating to the Protecting Our Infants Act of 2015, and for other purposes was referred to the House Committee on Energy and Commerce. Sponsor: Representative Cheri. Bustos [D-IL-17]

- **H.R.5716** (introduced May 7, 2018): A bill amending title XVIII of the Social Security Act to require the Secretary of Health and Human Services to provide notifications under the Medicare program to outlier prescribers of opioids was referred to the Committees on Ways and Means, and Energy and Commerce. Sponsor: Representative Peter J. Roskam [R-IL-6]

- **H.R.5699** (introduced May 8, 2018): A bill directing the Secretary of Health and Human Services to develop guidance on pain management and the prevention of opioid use disorder for hospitals receiving payment under part A of the Medicare program was referred to the House Committee on Ways and Means. Sponsor: Representative Andy. Barr [R-KY-6]

- **H.R.5736** (introduced May 9, 2018): A bill amending the Public Health Service Act to establish a pilot program to help individuals in recovery from a substance use disorder, transition from treatment to independent living and the workforce, and for other purposes was referred to the Committees on Ways and Means, and Energy and Commerce. Sponsor: Representative Andy. Barr [R-KY-6]

- **H.R.5739** (introduced May 9, 2018): A bill establishing the Prescription Drug and Medical Device Price Review Board to regulate the prices of certain prescription drugs and medical devices, and for other purposes was referred to the Committees on Ways and Means, and Energy and Commerce. Sponsor: Representative Rosa L. DeLauro [D-CT-3]

- **H.R.5683** (introduced May 7, 2018): A bill requiring the Secretary of Veterans Affairs to report biennially on actions taken to address areas of concern that led to the inclusion of veterans health care in the High Risk List of the Government Accountability Office, and for other purposes was referred to the Committee on Veterans Affairs. Sponsor: Representative Jim. Banks [R-IN-3]

- **H.R.5722** (introduced May 9, 2018): A bill directing the Secretary of Health and Human Services to conduct a study and report to Congress recommendations on how to improve the use of non-opioid treatments for acute and chronic pain management for individuals entitled to benefits under part A or enrolled under part B of the Medicare program, and for other purposes was referred to the Committee on Ways and Means. Sponsor: Representative Jackie Walorski [R-IN-2]
MEETINGS

- The 8th Annual Traumatic Brain Injury Conference will be held **May 16-17, 2018**, in Washington DC. [https://tbiconference.com/home/](https://tbiconference.com/home/)


- The 2018 AMSUS Annual Continuing Education Meeting will be held on **Nov. 26-30, 2018**, at the Gaylord National Harbor, Md. [http://www.amsusmeetings.org/home-2/](http://www.amsusmeetings.org/home-2/)

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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.