

# 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 and Senate are in recess until June 1, 2015.**
- **On May 21, 2015, the Senate Committee on Appropriations approved the FY2016 Military Construction and Veterans Affairs (MilCon-VA) Appropriations Bill, which provides resources for veterans' benefits and programs and makes funding available to equip and house military personnel.**

The bill, which is now available for Senate consideration, totals \$77.6 billion in discretionary funding, \$5.5 billion above the FY2015 level and \$1.2 billion below the President's budget request.

Military construction is funded at more than \$8.0 billion, an increase of \$1.5 billion over the FY2015 enacted level. This funding allows for full funding of family housing, military family support services, hospital and health facilities construction, and important overseas investments.

The bill also contains \$163.8 billion in discretionary and mandatory funding for the Department of Veterans Affairs (VA) to support American veterans and their families. This funding represents a 6.5 percent increase over FY2015 enacted levels to provide for health care, benefit claims processing, medical and prosthetic research, information technology, and the VA National Cemeteries.

The Senate is expected to take up the bill upon their return. For more details about the legislation, please visit: <http://www.appropriations.senate.gov/news/committee-advances-fy2016-military-construction-and-veterans-affairs-appropriations-bill>

- **On May 22, 2015, President Obama signed into law H.R. 2496, the “Construction Authorization and Choice Improvements Act.”** This legislation extends authorization of a Department of Veterans Affairs medical facility project in Denver, Colorado, and makes certain changes to the Veterans Choice Act.
  
- **On May 21, 2015, the House Energy & Commerce Committee unanimously passed H.R. 6, the 21st Century Cures Act.** Intended to modernize the nation’s biomedical innovation infrastructure and hasten the pace of cure through a variety of reforms addressing drug and device development and approval, clinical trial design, research funding, interoperability of health technology, and other issues.

- **The *Military Times* reports that the current Senate Armed Services Committee’s bill for the National Defense Authorization Act for fiscal year 2016 includes an increase on copays for prescription drugs for TRICARE beneficiaries.**

The panel’s draft 2016 defense authorization bill calls for increasing co-payments on all brand-name prescriptions starting in 2016, raising co-pays for generics beginning in 2019 and then continuing to incrementally boost all co-pays through 2025.

Medications would continue to be offered at no cost through military pharmacies, as well as to survivors of those who die or died on active duty, and medically retired personnel and their family members.

TRICARE pharmacy co-payments rose \$3 for most prescriptions in February 2015

If approved the proposal would keep co-payments steady next year for generic prescriptions obtained through network pharmacies or by mail — \$8 for a 30-day prescription at a retail store and \$0 for a 90-day prescription by home delivery. But prescriptions for brand names would increase, to \$28 from \$20 for a 30-day script at a retail store and to \$28 from \$16 for a 90-day prescription by mail. Fees also would increase for drugs not listed in TRICARE’s formulary, to \$54 from \$46 for a 90-day prescription.

By 2025, co-payments would be:

- \$14 for either a 30-day generic prescription at a network pharmacy or a 90-day generic prescription by mail.
- \$46 for a 30-day prescription of a brand-name drug at a retail pharmacy or a 90-day prescription.
- \$92 for a 90-day prescription of medication not listed in TRICARE’s formulary.

The House version of the defense bill does not include a similar fee hike. Instead, it proposes that the Defense Department establish a pilot program of preferred retail pharmacy networks to see whether such a program, currently available in Medicare, would reduce government costs.

Other health-related items included in the Senate’s draft bill:

- A stipulation that DoD publish the average wait times for patient appointments at military hospitals and clinics as well as public data on patient safety, quality of care and health outcomes at military hospitals and clinics.
- A requirement that members of the Selected Reserve be allowed to enroll in TRICARE for up to 18 months after discharge under other-than-adverse conditions.

- A provision that DoD develop a system by which mental health specialists could apply for and be designated as able to understand and treat, behavioral health conditions related to military service and a requirement that the department maintain a list of these providers.
- A provision that TRICARE allow beneficiaries up to four urgent care visits a year without prior authorization.
- A requirement that DoD ensure TRICARE beneficiaries can transfer between regions without experiencing any delays in health care related to the moves.

## MILITARY HEALTH CARE NEWS

- **On May 22, 2015, the Department of Defense (DoD) announced that Maj. Gen. Camille M. Nichols will assume duties as director of the DoD Sexual Assault Prevention and Response Office effective June 8.**

The current director, Maj. Gen. Jeffrey J. Snow, was selected as commander, U.S. Army Recruiting Command at Ft. Knox, Kentucky.

During his 17-month tenure as SAPRO director, Snow oversaw improvements to the department's capability to support victims of the crime, as well as the implementation of the DoD Sexual Assault Prevention Strategy which provides a framework to institutionalize sexual assault prevention practices. He led the development and ongoing implementation of more than 50 initiatives designed to strengthen the SAPR program, increase accountability, and improve victim advocacy and support. Additionally, he worked with the Joint Chiefs and department experts to develop accountability metrics for the SAPR program.

Nichols comes to the position with a distinguished career of service, most recently as director of business operations in the secretary of the Army's office of business transformation. Prior to that assignment she was the deputy commanding general of the Army's Installation Management Command. Additionally, she has more than twenty years of Department of Defense acquisition experience and served in Iraq, Afghanistan, and the Gulf War.

Nichols enlisted in the Army in 1975 in her home town of Niagara Falls, New York. In 1981, she was commissioned as an engineer officer upon graduation from the U.S. Military Academy at West Point.

- **The Military Health System is hosting a Men's Health Twitter Chat Tuesday June 9, 2015, from 12 p.m.-1 p.m. EDT.**

According to the Centers for Disease Control and Prevention, the leading causes of death among men ages 18 and over in the United States are heart disease and cancer. This means nearly half the male population in the United States is dying from diseases that are largely preventable.

To join the conversation, make sure to follow [Military Health](#) on Twitter and use the #MHSMensHealth hashtag. Defense Department organizations and campaigns already committed to participate in the chat include TRICARE, Operation Live Well and Quit Tobacco.

For one hour, MHS will ask questions focusing on what men can do to improve or sustain their overall health; like what kinds of lifestyle choices keep them healthy, resilient and performing at their best.

The Military Health System highlights men's health every June to inspire men to focus on their health. The [Operation Live Well](#) campaign has several resources to help men stay healthy, including nutrition and fitness tips, mental wellness resources and support services to help them live tobacco-free.

TRICARE offers preventive care benefits including annual health screenings and patient education counseling for dietary assessments and nutrition. For information, go to the [Preventive Services](#) page of the TRICARE website.

## VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) announced a new nationwide initiative designed to build upon its existing partnerships to grow the number of individuals and organizations serving veterans in their communities.**

The Department is renewing its commitment to Veterans and embarking upon a "Summer of Service" that seeks the help of citizens across the country to honor that commitment.

In the coming weeks, VA will be working closely with Congressional partners, Veterans Service Organizations, Mayors and local communities, private sector and non-profit organizations, and VA employees to identify new and innovative ways to support VA's commitment to care for those who "have borne the battle" and their families.

As part of VA's Summer of Service, the Department has committed to holding an open house in VA facilities the week of June 28 to spur increased local engagement and welcome members of the community interested in supporting the needs of veterans. VA has also established the following goals to achieve by Labor Day:

- Increasing Volunteers: Committed to engaging with 100,000 volunteers to support care and benefits programs and local events.
- Increasing Community Partners: Committed to expanding current agreements to provide services and support reaching more than 15,000 Veterans and family.
- Recruiting Medical Professionals: Hiring clinicians and clinical support staff to further expand access to care and homelessness.
- Congress: Host Congressional Members and Staffs at VA facilities across the country.

The Department has an outstanding volunteer program, which will be highlighted throughout the country this summer. VA will build upon the ongoing work of its more than 350,000 employees and 76,000 volunteers around the nation. While the central focus of the campaign will be increasing volunteerism and partnerships, it will also provide individuals and communities an opportunity to support other important priorities. Despite a hiring effort that brought more than 11,000 net new employees onboard over the past year, VA still needs more health care providers, claims specialists, medical support assistants, and cemetery directors to continue to expand needed services. VA's partners can help by getting the word out this summer.

Volunteers can help to serve veterans by visiting <http://www.volunteer.va.gov/> to find out the needs of your local VA facility. For more information, go to: <http://www.va.gov/vasummerofservice/>

## GENERAL HEALTH CARE NEWS

- **Health and Human Services Secretary Sylvia M. Burwell announced awards of \$112 million to regional cooperatives to work with about 5,000 primary care professionals in 12**

**states to improve the heart health of their nearly 8 million patients.**

Heart disease is the leading cause of death for men and women in the United States. *EvidenceNOW: Advancing Heart Health in Primary Care*, will help primary care practices in both urban and rural communities use the latest evidence to encourage Better Care, Smarter Spending, and Healthier People. Today's awards are aligned with the Department's Million Hearts® national initiative to prevent heart attacks and stroke.

The *EvidenceNOW* initiative establishes seven regional cooperatives composed of multidisciplinary teams of experts that will each provide quality improvement services to up to 300 small primary care practices. These services include onsite coaching, consultation from experts in health care delivery improvement, sharing best practices, and electronic health record support.

This initiative will help small primary care practices incorporate the most recent evidence on how best to deliver the ABCS of cardiovascular prevention into their patients' care - Aspirin use by high risk individuals, Blood pressure control, Cholesterol management, and Smoking cessation.

In addition, an eighth awardee will receive a grant to conduct an independent external evaluation of the overall *EvidenceNOW* initiative. The evaluation team will study the impact of the *EvidenceNOW* interventions on practice improvement and the delivery of cardiovascular care. The evaluation team will also study which practice supports and quality improvement strategies are most effective in improving the implementation of new evidence. The seven implementation grants will run for three years, and the evaluation grant for four years.

Together, these grants represent one of the largest research investments to date by the Agency for Healthcare Research and Quality. Funding for this initiative comes from the Patient-Centered Outcomes Research Trust Fund created by the Affordable Care Act.

For more information about AHRQ's EvidenceNOW initiative, including details on each of the grantees and cooperatives, visit: <http://www.ahrq.gov/evidencenow.html>.

For more information about Million Hearts, visit <http://millionhearts.hhs.gov/index.html>.

▪ **The Centers for Medicare & Medicaid Services (CMS) proposed to modernize Medicaid and Children's Health Insurance Program (CHIP) managed care regulations to update the programs' rules and strengthen the delivery of quality care for beneficiaries.**

This proposed rule is the first major update to Medicaid and CHIP managed care regulations in more than a decade. It would improve beneficiary communications and access, provide new program integrity tools, support state efforts to deliver higher quality care in a cost-effective way, and better align Medicaid and CHIP managed care rules and practices with other sources of health insurance coverage. Overall, this proposed rule supports the agency's mission of better care, smarter spending, and healthier people.

Since CMS last issued managed care regulations in 2002 and 2003, the health care delivery landscape has changed and grown substantially. States have expanded managed care to several new populations including seniors and persons with disabilities. The growth of managed care in the Marketplace and Medicare Advantage further highlights the importance of policy alignment when appropriate across programs in order to ease the transition for consumers whose circumstances change during the year.

CMS proposes to modernize Medicaid managed care regulations in the following ways:

- Supporting states' efforts to encourage delivery system reform initiatives within managed care programs that aim to improve health care outcomes and beneficiary experience while controlling costs; and
- Strengthening the quality of care provided to beneficiaries by strengthening transparency

and measurement, establishing a quality rating system, and broadening state quality strategies and consumer and stakeholder engagement;

- Improving consumer experience in the areas of enrollment, communications, care coordination, and the availability and accessibility of covered services;
- Implementing best practices identified in existing managed long term services and supports programs;
- Aligning Medicaid managed care policies to a much greater extent with those of Medicare Advantage and the private market;
- Strengthening the fiscal and programmatic integrity of Medicaid managed care programs and rate setting;
- Aligning the CHIP managed care regulations with many of the proposed revisions to the Medicaid managed care rules strengthen quality and access in CHIP managed care programs.

The proposed rule is available at <https://www.federalregister.gov/public-inspection> and can be viewed at <https://www.federalregister.gov> starting June 1. The deadline to submit comments is July 27, 2015.

## REPORTS/POLICIES

- **The GAO published “Medicare: Results from the First Two Years of the Pioneer Accountable Care Organization Model,” (GAO-15-401) on May 22, 2015.** In this report, the GAO reviewed the results of the Pioneer ACO Model and CMS’s oversight of the ACOs. <http://www.gao.gov/assets/670/669782.pdf>

## HILL HEARINGS

- The House Veterans Affairs Subcommittee on Oversight and Investigations will hold a hearing on **June 1, 2015**, to examine the circumvention of contracts in the provision of non-VA health care.
- The House Veterans Affairs Subcommittee on Health will hold a hearing on **June 3, 2015**, to assess VA’s ability to promptly pay non-VA providers
- The Senate Veterans Affairs Committee will hold a hearing on **June 3, 2015**, to examine pending health care legislation.

## LEGISLATION

- There was no legislation was proposed this week.

## MEETINGS

- The 2015 AHRQ Research Conference, “Producing Evidence and Engaging Partners to Improve Health Care”, will be held **Oct. 4–6, 2015**, in Crystal City, Va. <http://www.ahrq.gov/news/events/conference/index.html>
- The AUSA 2015 Annual Meeting & Exposition will be held **Oct. 12-14, 2015**, in Washington

DC. <http://ausameetings.org/2015annualmeeting/>

- 2015 AMSUS Annual Continuing Education Meeting - The Society of Federal Health Professionals will be held on **Dec. 1-4, 2015**, in San Antonio, Texas.  
<http://amsusmeetings.org/annual-meeting/>

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