

# 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

- **Representative Eric Cantor (R-Va.) lost his primary election on June 10, 2014. He announced he would step down as Majorly Leader at the end of July.**
- **The House passed H.R. 4810, the *Veteran Access to Care Act of 2014*, on June 10, 2014.** This legislation directs the Secretary of Veterans Affairs (VA) to enter into contracts for the provision of hospital care and medical services at non-VA facilities for VA patients with extended waiting times for appointments at Department facilities and for other purposes.
- **On June 12, 2014, the Senate passed H.R. 3230, the *Pay Our Guard and Reserve Act*.** This legislation is designed to improve the access of veterans to medical services from the Department of Veterans Affairs, and for other purposes.
- **The Senate Appropriations Subcommittee on the Departments of Labor, Health and Human Services, and Education, and Related Agencies (Labor-HHS-Education) approved the fiscal year (FY) 2015 appropriations bill that provides \$156.8 billion in base discretionary budget authority, the same as the FY 2014 level.** In addition, the bill includes \$1.5 billion in cap adjustment funding, permitted under the law, a \$560 million increase, to prevent waste, fraud, abuse and improper payments in the Medicare, Medicaid and Social Security programs.

- **The House Appropriations Committee approved the fiscal year 2015 Defense Appropriations bill on June 10, 2014.**

In total, the bill provides \$491 billion in discretionary funding, an increase of \$4.1 billion above the fiscal year 2014 enacted level and \$200 million above the President's request. In addition, the bill includes \$79.4 billion in Overseas Contingency Operations (OCO) for the ongoing war efforts abroad.

The bill funds the Defense Health Program (DHP) at \$31.6 billion, \$360 million below the request. For text of the bill, please visit: <http://appropriations.house.gov/uploadedfiles/bills-113hr-sc-ap-fy2015-defense-subcommitteedraft.pdf>

## MILITARY HEALTH CARE NEWS

- **The Department of Defense announced Capt. David A. Lane, selected for the rank of rear admiral (lower half), will be assigned as medical officer of the Marine Corps; and director, Health Services, Headquarters Marine Corps, Arlington, Va.** Lane is currently serving as commanding officer, Naval Hospital Camp Lejeune, N.C.
- **Military Health System leaders recently welcomed Stephen Bree, the new British liaison officer for deployment health with Force Health Protection and Readiness.**

Bree, who is surgeon captain of British Royal Navy, said that "maintaining the synergy between the U.S. and United Kingdom is a top priority" on his agenda. He will be working on deployed medicine, with a focus on care for soldiers from point of injury, to retrieval from combat zones through the first surgery and back to full health. During his tour, he intends to keep an eye on developments in military medicine within the U.S. and U.K., and facilitate the bilateral exchange of information.

In addition, Bree plans to measure the success of rehabilitation as well as the reintegration of service members back into civilian society. The increased troop survival rates from advanced body armor, faster evacuation of casualties and new medical technology has formed a unique category of "unexpected survivors."

Surgeon Captain Bree is a consultant anesthetist in the Royal Navy, previously based at Derriford Hospital in England. His clinical interests include vascular and pediatric anesthesia, as well as developing rapidly deploying mobile surgical teams for the military. He's completed operational tours in Bosnia, Sierra Leone, Afghanistan and Iraq.

## VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) released the results from its Nationwide Access Audit, along with facility level patient access data, medical center quality and efficiency data, and mental health provider survey data, for all Veterans health facilities.**

The audit found that more than 57,000 veterans have been waiting 90 days or more for their first VA medical appointments, and an additional 64,000 were never scheduled appointments after enrolling. The audit also revealed that 13 percent of schedulers in the facility-by-facility report on

731 hospitals and outpatient clinics reported being told by supervisors to falsify appointment schedules to make patient waits appear shorter.

Acting VA Secretary Gibson announced a series of additional actions in response to the audit findings and data, including:

**Establishing New Patient Satisfaction Measurement Program-** Acting Secretary Gibson has directed VHA to immediately begin developing a new patient satisfaction measurement program to provide real-time, robust, location-by-location information on patient satisfaction, to include satisfaction data of those veterans attempting to access VA healthcare for the first time.

**Holding Senior Leaders Accountable-** Where audited sites identify concerns within the parent facility or its affiliated clinics, VA will trigger administrative procedures to ascertain the appropriate follow-on personnel actions for specific individuals.

**Ordering an Immediate VHA Central Office and VISN Office Hiring Freeze-** Acting Secretary Gibson has ordered an immediate hiring freeze at the Veterans Health Administration (VHA) central office in Washington D.C. and the 21 VHA Veterans Integrated Service Network (VISN) regional offices, except for critical positions to be approved by the Secretary on a case-by-case basis. This action will begin to remove bureaucratic obstacles and establish responsive, forward leaning leadership.

**Removing 14-Day Scheduling Goal VA is eliminating the 14-day scheduling goal from employee performance contracts-** This action will eliminate incentives to engage in inappropriate scheduling practices or behaviors.

**Increasing Transparency by Posting Data Twice-Monthly-** At the direction of the Acting Secretary, VHA will post regular updates to the access data released today at the middle and end of each month at VA.gov. Twice-monthly data updates will enhance transparency and provide the most immediate information to Veterans and the public on Veterans access to quality healthcare.

**Initiating an Independent, External Audit of Scheduling Practices-** Acting Secretary Gibson has also directed that an independent, external audit of system-wide VHA scheduling practices be performed.

**Sending Additional Frontline Team to Address Phoenix-** Following his trip to Phoenix VA Medical Center last week, Acting Secretary Gibson directed a VHA frontline team to travel to Phoenix to immediately address scheduling, access, and resource requirements needed to provide veterans the timely, quality healthcare they deserve.

**Utilizing High Performing Facilities to Help Those That Need Improvement-** VA will formalize a process in which high performing facilities provide direct assistance and share best practices with facilities that require improvement on particular medical center quality and efficiency, also known as SAIL, performance measures.

**Applying Immediate Access Reforms Announced in Phoenix to Most Challenged VA Facilities-** Last week, Acting Secretary Gibson announced a series of measures to address healthcare access problems in Phoenix. Today, Acting Secretary Gibson announced he'll apply the same reforms to facilities with the most access problems from the results of the audit, including:

**Hiring Additional Clinical and Patient Support Staff-** VA will deploy teams of dedicated human resource employees to accelerate the hiring of additional, needed staff.

**Employing New Staffing Measures-** VA's first goal is to get Veterans off wait lists and into clinics. VA is using temporary staffing measures, along with clinical and administrative support, to ensure these veterans receive the care they have earned through their service.

**Deploying Mobile Medical Units-** VA will send mobile medical units to facilities to immediately provide services to patients and veterans awaiting care.

**Providing More Care by Modifying Local Contract Operations-** VA will modify local contract operations to be able to offer more community-based care to veterans waiting to be seen by a doctor.

**Removing Senior Leadership-** Where appropriate, VA will initiate the process of removing senior leaders. Acting Secretary Gibson is committed to using all authority at VA's disposal to enforce accountability among senior leaders.

**Suspending Performance Awards-** VA has suspended all VHA senior executive performance awards for FY2014.

**Future Travel Over the course of the next several weeks-** Acting Secretary Gibson will travel to a series of VA facilities across the country. He will hear directly from veterans and employees about obstacles to providing timely, quality care and how VA can immediately address them.

To read the full report, please visit: <http://www.va.gov/health/access-audit.asp>

- **Acting Secretary of Veterans Affairs Sloan D. Gibson announced immediate actions to improve access to care for Veterans in Fayetteville, N.C. during his visit on June 12, 2014.**

The visit to the Fayetteville VA Medical Center (VAMC) follows the Department of Veterans Affairs' (VA) release of results from its Nationwide Access Audit, along with facility level patient access data.

In addition to the system-wide actions taken in response to the audit findings and data, Gibson outlined actions to accelerate access to care for veterans in Fayetteville:

- The Fayetteville VAMC is reaching out to all Veterans identified as waiting longer than 30 days for care to discuss individual medical needs and schedule appointments – more than 2,000 Veterans have been contacted.
- Gibson directed that the Fayetteville VAMC receive an additional \$7.4 million from within VA's budget specifically to accelerate access to care.
- Fayetteville VAMC has expanded hours – adding mornings, evenings and weekends – and deployed a mobile care unit to see patients.
- Gibson directed that the Fayetteville VAMC use temporary staffing measures, along with clinical and administrative support, to ensure these veterans receive the care they have earned through their service.
- Gibson directed that the Fayetteville VAMC increase the use of established contracts with community partners to schedule veterans waiting to be seen by a doctor.

- **The Department of Veterans Affairs (VA) met with private healthcare industry leaders to discuss best practices and policies for scheduling patients on June 10, 2014.**

Discussions will focus on improving veteran access to quality healthcare and innovating measurement approaches to gauge short- and long-term access to care. Topics will also include recommended strategies and tools to help managers and providers best serve veterans and provide a consistent patient experience. Executives from Kaiser Permanente, Gartner and Mayo Clinic were among the participants.

## GENERAL HEALTH CARE NEWS

- **U.S. cancer survivors face significant economic burdens due to growing medical costs, missed work, and reduced productivity, according to a study by the Centers for Disease Control and Prevention (CDC).**

Researchers analyzed data from the Agency for Healthcare Research and Quality's 2008-2011 Medical Expenditure Panel Survey to estimate annual medical costs and productivity losses among male and female cancer survivors. Lost productivity was estimated by reviewing employment disability (being unable to work because of illness or injury), health-related missed work days, and days spent in bed due to ill health.

From 2008-2011, male cancer survivors had annual medical costs of more than \$8,000 per person, and productivity losses of \$3,700 compared to males without a history of cancer at \$3,900 and \$2,300 respectively. During the same time, female cancer survivors had \$8,400 in annual medical costs per person and \$4,000 in productivity losses compared to females without a history of cancer at \$5,100 and \$2,700, respectively.

Study findings indicate:

- Cancer survivors were more likely to be female, non-Hispanic white, have multiple chronic conditions, or to be in fair or poor health.
- Employment disability accounted for about 75 percent of lost productivity among cancer survivors.
- Among survivors who were employed at the time of their diagnosis, cancer and its treatment interfered with physical tasks (25 percent) and mental tasks required by the job (14 percent); almost 25 percent of cancer survivors felt less productive at work.
- The report also found that about 10 percent of survivors aged 65 years and younger were uninsured and likely to have a larger financial burden compared to those with some source of payment for medical services.

The authors noted that nearly 32 percent of survivors experienced limitations in their usual daily activities outside of work because of cancer. Among those employed, more than 42 percent had to make changes to their work hours and duties. Comprehensive health and employment intervention programs may be needed to improve outcomes for cancer survivors and their families.

The full report "Medical Costs and Productivity Losses of Cancer Survivors - United States, 2008-2011" can be found at [www.cdc.gov/mmwr](http://www.cdc.gov/mmwr).

- **More than 29 million people in the United States have diabetes, up from the previous estimate of 26 million in 2010, according to a report by the Centers for Disease Control and Prevention.**

One in four people with diabetes doesn't know he or she has it.

Another 86 million adults – more than one in three U.S. adults – have pre-diabetes, where their blood sugar levels are higher than normal but not high enough to be classified as type-2 diabetes. Without weight loss and moderate physical activity, 15 percent to 30 percent of people with pre-diabetes will develop type 2-diabetes within five years.

Key findings from the National Diabetes Statistics Report, 2014 (based on health data from 2012), include:

- 29 million people in the United States (9.3 percent) have diabetes.
- 1.7 million people aged 20 years or older were newly diagnosed with diabetes in 2012.
- Non-Hispanic black, Hispanic, and American Indian/Alaska Native adults are about twice as likely to have diagnosed diabetes as non-Hispanic white adults.
- 208,000 people younger than 20 years have been diagnosed with diabetes (type 1 or type 2).
- 86 million adults aged 20 years and older have pre-diabetes.
- The percentage of U.S. adults with pre-diabetes is similar for non-Hispanic whites (35 percent), non-Hispanic blacks (39 percent), and Hispanics (38 percent).

Diabetes is a serious disease that can be managed through physical activity, diet, and appropriate use of insulin and oral medications to lower blood sugar levels. Another important part of diabetes management is reducing other cardiovascular disease risk factors, such as high blood pressure, high cholesterol and tobacco use.

People with diabetes are at increased risk of serious health complications including vision loss, heart disease, stroke, kidney failure, amputation of toes, feet or legs, and premature death.

In 2012, diabetes and its related complications accounted for \$245 billion in total medical costs and lost work and wages. This figure is up from \$174 billion in 2007.

## REPORTS/POLICIES

- **The GAO published “Health Care Access: Improved Oversight, Accountability, and Prioritization Can Improve Access for Native American Veterans,” (GAO-14-489) on June 10, 2014.** This report examines: the actions that VA and IHS have taken to implement the provisions in the 2010 MOU related to access to care for Native American veterans, and what is known about how access to care for Native American veterans has improved. <http://www.gao.gov/assets/670/664008.pdf>
- **The GAO published “VA Health Care: Ongoing and Past Work Identified Access, Oversight, and Data Problems That Hinder Veterans' Ability to Obtain Timely Outpatient Medical Care,” (GAO-14-679T) on June 9, 2014.** This report includes information on VHA's process for managing consults; oversight of consults; and progress made implementing GAO's December 2012 recommendations. <http://www.gao.gov/assets/670/663934.pdf>
- **The Institute of Medicine published “The Current State of Obesity Solutions in the United States - Workshop Summary,” on June 12, 2014.** This report describes interventions designed to prevent and treat obesity in different settings. <http://www.iom.edu/Reports/2014/The-Current-State-of-Obesity-Solutions-in-the-United-States.aspx>

## HILL HEARINGS

- The House Veterans Affairs Committee will hold a hearing on **June 18, 2014**, entitled: Non-VA care: An Integrated Solution for Veteran Access.
- On **June 19, 2014**, the Senate Armed Services Committee will hold a hearing to examine the following nominations:

- Laura Junor, of Virginia, to be a Principal Deputy Under Secretary for Personnel and Readiness,
  - Gordon O. Tanner, of Alabama, to be General Counsel of the Department of the Air Force,
  - Debra S. Wada, of Hawaii, to be Assistant Secretary of the Army for Manpower and Reserve Affairs
- The House Veterans Affairs (VA) Committee will hold a hearing on **June 20, 2014**, to review the criteria of awarding bonuses to senior executives at the VA.

## LEGISLATION

- **H.R.4810** (introduced June 9, 2014): the *Veteran Access to Care Act of 2014* was referred to the Committee on Veterans' Affairs  
Sponsor: Representative Jeff Miller [FL-1]
- **H.R.4816** (introduced June 9, 2014): Toxic Exposure Research and Military Family Support Act of 2014 was referred to the Committee on Veterans' Affairs, and in addition to the Committee on Armed Services  
Sponsor: Representative Michael M. Honda [CA-17]
- **H.R.4843** (introduced June 11, 2014): To amend title XVIII of the Social Security Act to provide for a limitation under the Medicare program on charges for contract health services provided to Indians by Medicare providers of services and suppliers was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Natural Resources.  
Sponsor: Representative Betty McCollum [MN-4]
- **S.2449** (introduced June 9, 2014): A bill to reauthorize certain provisions of the Public Health Service Act relating to autism, and for other purposes was and referred to the Committee on Health, Education, Labor, and Pensions.  
Sponsor: Senator Robert Menendez [NJ]
- **S.2461** (introduced June 11, 2014): A bill to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program was referred to the Committee on Finance.  
Sponsor: Senator John. D. Rockefeller, IV [WV]

## MEETINGS/WEBINARS

- The National Center for Disaster Medicine and Public Health is hosting a webinar, "Integrating Community Pediatric Practices into Disaster Preparedness: A Strategic Plan for Pennsylvania," on **June 19, 2014**. [https://ncdmph.adobeconnect.com/\\_a1137435577/pediatricpractices/](https://ncdmph.adobeconnect.com/_a1137435577/pediatricpractices/)
- 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/>
- The AUSA 2014 Annual Meeting & Exposition will be held **Oct. 13-15, 2014**, in Washington DC. <http://www.ausa.org/meetings/2014/Pages/AnnualMeeting.aspx>
- 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>
- The AMIA 2014 Annual Symposium will be held on **Nov. 15-19, 2014**, in Washington DC. <http://www.amia.org/amia2014>

- AMSUS Annual Continuing Education Meeting will be held **Dec. 2-5, 2014**, in Washington, DC <http://amsusmeetings.org>
- The 100<sup>th</sup> Annual Meeting of Radiological Society of North America (RSNA) 2014: **Dec. 5-9, 2014**, in Chicago, Ill. [http://www.rsna.org/Annual\\_Meeting.aspx](http://www.rsna.org/Annual_Meeting.aspx)
- 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>
- 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>

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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](mailto:katetheroux@federalhealthcarenews.com).**