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 July 6, 2016.

MILITARY HEALTH CARE NEWS

- On June 22, 2016, the Department of Defense has released a department-wide policy on the Phased Retirement Program.

As more employees become eligible for retirement, this program will assist DoD components and agencies with the transfer of knowledge and provide continuity of operations on a short-term basis.

The DoD Phased Retirement Program is allows retirement eligible full-time employees to request to work on a part-time basis while receiving a portion of their retirement annuity. It offers eligible employees the opportunity to transition into retirement while providing mentorship and development for the next generation of emerging subject matter experts.

Participation in the DoD Phased Retirement Program is voluntary and requires the approval of an authorized DoD component official based on written criteria that comply with the Office of Personnel Management regulations. DoD components may opt to develop implementation guidance specific to their organizational structures and establish timeframes for accepting...
phased retirement applications.

For more information, please view the Department-wide policy at http://www.dtic.mil/whs/directives/corres/dir3.html.

- The Naval Health Research Center (NHRC) launched a clinical trial at Recruit Training Command to evaluate the effectiveness of the first norovirus vaccine in reducing outbreaks of acute gastroenteritis.

Currently, there is no vaccine to prevent norovirus, a highly contagious disease which causes vomiting and diarrhea and can infect anyone who comes into contact with the pathogen. The virus can be spread by infected people, contaminated food or water, or contact with contaminated surfaces – making populations living in close proximity, like military recruits, more susceptible to outbreaks.

Extensive safety testing for this vaccine has been performed in civilian populations, but because the recruit training population regularly experiences large outbreaks of norovirus, it is a perfect place to test the effectiveness of the vaccine for the military.

According to Navy Lt. Cmdr. Lori Perry, preventive medicine physician and study co-investigator at NHRC, recruits entering basic training at RTC will be contacted during in-processing and researchers will explain the study. Interested recruits will be asked to volunteer and they can choose to stop participating at any time.

Once informed consent has been obtained and study volunteers are vaccinated, they will have three brief follow-up visits during basic training to have blood collected and evaluated to determine how their immune system is responding to the norovirus vaccine, as well as other vaccines received during in-processing.

The vaccine trial will last up to one year, with results contributing to the assessment of vaccine effectiveness to support approval by the U.S. Food and Drug Administration for widespread use among other U.S. military populations and civilians.

NHRC has led safety and efficacy studies for other vaccines, including one for adenovirus, a contagious respiratory illness, at U.S. military recruit training centers.

- United Concordia will be the next TRICARE Dental contractor for active-duty families, National Guard and Reserve members and their families beginning May 1, 2017.

The contract is worth $2.9 billion and will last for five years.

Under the new contract, the annual maximum benefit for users will expand from $1,300 to $1,500, according to contract documents. Sealants, which currently carry a 20 percent cost share, will be completely covered at zero out-of-pocket cost. Beneficiaries, who must pay monthly premiums to use TRICARE’s dental program, will continue to receive two free cleanings a year, while pregnant users will be able to receive three.

Some beneficiaries may have to find a new dentist after the change, since individual dental practices determine which programs they accept. Details regarding in-network dentist options are likely to be released before the contract start date next year.

About 1.8 million beneficiaries are enrolled in the dental program.
According to a Government Accountability Office report published on June 22, 2016, the Department of Veterans’ Affairs healthcare system is due for some modernization in its IT department.

In February 2015, the Government Accountability Office designated the VA healthcare system as a "high-risk area" because it was unable to ensure safe and quality healthcare to veterans.

One of the reasons for this designation was the VA's inability to modernize its IT system.

The outpatient appointment scheduling system proved to be outdated, there were no signs of development for a system that would electronically sort information on surgical implants, and the system was not able to easily exchange information with the Department of Defense.

These failures contribute to the "timeliness, quality, and safety" of VA medical care.

In addition, there have been recent increases in utilization of VA care, according to the watchdog report, which has made it difficult for the VA to process claims quickly. The VA has no plans to modernize this process either.

Even though the VA has shown significant failures in its IT system, it has still spent billions of dollars on its modernization. The GAO, consequently, calls into question the VA's use of funds.

The GAO states the necessity of modernization in the VA IT department so veterans are served in a timely and effective manner.

GENERAL HEALTH CARE NEWS

On June 23, 2016, U.S. Department of Health and Human Services (HHS) Secretary Sylvia M. Burwell named eight new members of the Health Information Technology Standards Committee (HITSC) and one new member to the Health Information Technology Policy Committee (HITPC).

The HITSC is charged with recommending standards, implementation specifications, and certification criteria for the electronic exchange and use of health information. The HITPC is charged with recommending policies for the development and adoption of a nationwide health information technology (health IT) infrastructure, including standards for the exchange and use of health information.

The two federal advisory committees were created through the Health Information Technology for Economic and Clinical Health (HITECH) Act in accordance with the Federal Advisory Committee Act (FACA). The committees provide the opportunity for both stakeholders and the public to provide direct input to HHS regarding the implementation and use of health IT. Both committees are supported by the Office of the National Coordinator for Health Information Technology (ONC).

Three members of the HITPC are appointed by the HHS Secretary, four members are appointed by Congress, 13 members are appointed by the Comptroller General of the United States and other federal members are appointed by the President. Members of the HITSC are appointed by the HHS Secretary, with input from the National Coordinator.

HITPC Member:
- Aaron Miri, chief information officer and vice president of government relations, Imprivata; Privacy and Security Representative

HITSC Members:
On June 22, 2016, the CDC’s Advisory Committee on Immunization Practices (ACIP) voted that live attenuated influenza vaccine (LAIV), also known as the “nasal spray” flu vaccine, should not be used during the 2016-2017 flu season.

ACIP continues to recommend annual flu vaccination, with either the inactivated influenza vaccine (IIV) or recombinant influenza vaccine (RIV), for everyone 6 months and older.

ACIP is a panel of immunization experts that advises the Centers for Disease Control and Prevention (CDC). This ACIP vote is based on data showing poor or relatively lower effectiveness of LAIV from 2013 through 2016.

In late May, preliminary data on the effectiveness of LAIV among children 2 years through 17 years during 2015-2016 season became available from the U.S. Influenza Vaccine Effectiveness Network. That data showed the estimate for LAIV VE among study participants in that age group against any flu virus was 3 percent (with a 95 percent Confidence Interval (CI) of -49 percent to 37 percent). This 3 percent estimate means no protective benefit could be measured. In comparison, IIV (flu shots) had a VE estimate of 63 percent (with a 95 percent CI of 52 percent to 72 percent) against any flu virus among children 2 years through 17 years. Other (non-CDC) studies support the conclusion that LAIV worked less well than IIV this season. The data from 2015-2016 follows two previous seasons (2013-2014 and 2014-2015) showing poor and/or lower than expected vaccine effectiveness (VE) for LAIV.

How well the flu vaccine works (or its ability to prevent flu illness) can range widely from season to season and can be affected by a number of factors, including characteristics of the person being vaccinated, the similarity between vaccine viruses and circulating viruses, and even which vaccine is used. LAIV contains live, weakened influenza viruses. Vaccines containing live viruses can cause a stronger immune response than vaccines with inactivated virus. LAIV VE data before and soon after licensure suggested it was either comparable to, or better than, IIV. The reason for the recent poor performance of LAIV is not known.

Vaccine manufacturers had projected that as many as 171 million to 176 million doses of flu vaccine, in all forms, would be available for the United States during the 2016-2017 season. The makers of LAIV had projected a supply of as many as 14 million doses of LAIV/nasal spray flu vaccine, or about 8 percent of the total projected supply. LAIV is sold as FluMist Quadrivalent and it is produced by MedImmune, a subsidiary of AstraZeneca. LAIV was initially licensed in 2003 as a trivalent (three-component) vaccine. LAIV is currently the only non-injection-based flu
Today’s ACIP vote could have implications for vaccine providers who have already placed vaccine orders. The ACIP recommendation may particularly affect pediatricians and other vaccine providers for children since data from recent seasons suggests nasal spray flu vaccine accounts for about one-third of all flu vaccines given to children. CDC will be working with manufacturers throughout the summer to ensure there is enough vaccine supply to meet the demand.

CDC conducts vaccine effectiveness (VE) studies each season to estimate flu vaccine effectiveness. The ACIP recommendation must be reviewed and approved by CDC’s director before it becomes CDC policy. The final annual recommendations on the prevention and control of influenza with vaccines will be published in a CDC Morbidity and Mortality Weekly Report (MMWR), Recommendations and Reports in late summer or early fall.

**REPORTS/POLICIES**

- The GAO published “Defense Health Care: Availability and Quality Measurement of Women’s Health Care Services in U.S. Military Hospitals,” (GAO-16-596) on June 23, 2016. This report describes: the extent to which women’s health care services are available to service members and other beneficiaries at domestic military hospitals; how the MHS selects quality measures for women’s health care services provided at military hospitals; and the quality measures that the MHS has selected for women’s health care services and how they are used to improve the quality of care. [http://www.gao.gov/assets/680/678002.pdf](http://www.gao.gov/assets/680/678002.pdf)

- The GAO published “Veterans Affairs: Sustained Management Attention Needed to Address Numerous IT Challenges,” (GAO-16-762T) on June 22, 2016. This report summarizes results from key GAO reports issued between 2010 and 2014 highlighting IT challenges that have contributed to GAO’s designation of VA health care as a high risk area. [http://www.gao.gov/assets/680/677947.pdf](http://www.gao.gov/assets/680/677947.pdf)

**HILL HEARINGS**

- The Senate Appropriations Subcommittee on Military Construction and Veterans Affairs, and Related Agencies will hold a hearing on **July 13, 2016**, to examine a review of the Department of Veterans Affairs’ electronic health record (VistA), progress toward interoperability with the Department of Defense's electronic health record, and plans for the future.

**LEGISLATION**

- **H.R.5542** (introduced June 21, 2016): To amend titles XI and XIX of the Social Security Act to establish a comprehensive and nationwide system to evaluate the quality of care provided to beneficiaries of Medicaid and the Children's Health Insurance Program and to provide incentives for voluntary quality improvement was referred to the House Committee on Energy and Commerce. Sponsor: Representative Diana DeGette [CO-1]

- **H.R.5543** (introduced June 21, 2016): To prioritize educating and training for existing and new
environmental health professionals was referred to the Committee on Energy and Commerce, and in addition to the Committee on Education and the Workforce. 
Sponsor: Representative Brenda L. Lawrence, Brenda L. [MI-14]

MEETINGS

- The Disaster Health Education Symposium: Innovations for Tomorrow will be held on **Sept. 8, 2016**, at the Uniformed Services University in Bethesda, Md. [https://ncdmph.usuhs.edu](https://ncdmph.usuhs.edu).
- 2016 AMSUS Annual Continuing Education Meeting will be held on **Nov. 29- Dec. 2, 2016**, at the Gaylord National Harbor, Md. [http://www.amsusmeetings.org/](http://www.amsusmeetings.org/)

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).