

Federal Health Update

JUNE 30, 2017

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EXECUTIVE AND CONGRESSIONAL NEWS

- **Senate Majority Leader Mitch McConnell postponed the debate and vote on the GOP proposed legislation to replace the ACA until after the July Fourth recess.**
- **The Congressional Budget Office (CBO) released its analysis of H.R. 1628, Better Care Reconciliation Act of 2017 GOP health care legislation.** Based on its analysis, the CBO estimates that 22 million Americans would lose health care coverage by 2026, under the Senate's proposed bill. CBO and JCT estimate that enacting this legislation would reduce the cumulative federal deficit over the 2017-2026 period by \$321 billion. That amount is \$202 billion more than the estimated net savings for the version of H.R. 1628 that was passed by the House of Representatives. To read the full report, please visit: <https://www.cbo.gov/publication/52849>
- **On June 28, 2017, the House Armed Services Committee passed (60-1) H.R. 2810, the National Defense Authorization Act for Fiscal Year 2018.** This bill authorizes \$696.5 billion in defense spending for 2018, which exceeds the \$549 billion statutory budget cap for defense. The bill authorizes \$33.5 billion for the defense health program. To view the details of the bill, please visit: <http://docs.house.gov/meetings/AS/AS00/20170628/106123/BILLS-115HR2810ih.pdf>

- **The Senate Veterans Affairs Committee passed S. 1024, the *Veterans Appeals Improvement and Modernization Act of 2017*.**

The bipartisan legislation, introduced by Isakson and Senator Richard Blumenthal, D-Conn., seeks to overhaul the current process for veterans' appeals at the Department of Veterans Affairs (VA).

Under the new process, veterans dissatisfied with the initial decisions on their claims will be able to:

- Seek a higher-level review by a regional office on the same evidence presented to the original claims processors;
- File a supplemental claim with a regional office that would include the opportunity to submit additional evidence; or
- Appeal directly to the Board of Veterans' Appeals, resulting in a possible hearing and/or the opportunity to submit additional evidence.

To read a one-page summary of the legislation, please visit:

<http://www.veterans.senate.gov/download/06-26-17-veterans-appeals-improvement-and-modernization-act-of-2017>

- **On June 29, 2017, the House Appropriations Committee approved the fiscal year 2018 Defense Appropriations bill on a voice vote.**

The legislation provides a total of \$658.1 billion for the Department of Defense. This includes \$584.2 billion in discretionary funding – an increase of \$68.1 billion above the fiscal year 2017 enacted level and \$18.4 billion above the President's Defense budget request. The HAC bill appropriates close to \$34 billion for the defense health program.

For a bill summary, please visit:

<https://appropriations.house.gov/news/documentsingle.aspx?DocumentID=394930>

For the bill report, please visit: <https://appropriations.house.gov/uploadedfiles/hrpt-115-hr.pdf>

- **The Trump Administration intends to nominate Jerome M. Adams to be the Surgeon General of the Public Health Service and Medical Director in the Regular Corps of the Public Health Service for a term of four years.**

Currently, Adams is the Indiana state health commissioner. Previously, he served as a staff anesthesiologist and assistant professor of anesthesia at the Indiana University School of Medicine.

He holds a BS in Biochemistry; a BA in Biopsychology from the University of Maryland Baltimore County; a Masters in Public Health (MPH) from the University of California at Berkeley and an MD from the Indiana University School of Medicine, where he also completed his anesthesia residency.

MILITARY HEALTH CARE NEWS

- **Acting Secretary of the Navy Sean Stackley and Chief of Naval Operations Adm. John M. Richardson announced Rear Adm. Colin G. Chinn will be assigned as joint staff surgeon, Joint Staff, Washington, District of Columbia.** Chinn is currently serving as director, research

and development, Defense Health Agency, Falls Church, Virginia.

- **On June 26, 2017, the Army Chief of Staff announced the following assignments:**
 - Brig. Gen. Telita Crosland to deputy chief of staff for operations, U.S. Army Medical Command, Falls Church, Virginia. She most recently served as commander, Blanchfield Army Community Hospital; and director of health services, U.S. Army Medical Activity, Fort Campbell, Kentucky.
 - Brig. Gen. Lisa L. Doumont, U.S. Army Reserve, mobilization and reserve affairs (Individual Mobilization Augmentee), Office of the Surgeon General, Falls Church, Virginia; and deputy commander (Individual Mobilization Augmentee), Army Reserve Medical Command, Pinellas Park, Florida, to commanding general (Troop Program Unit), Medical Readiness and Training Command, San Antonio, Texas.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) released finalized plans that lay the framework for providing emergency mental health coverage to former service members with other-than-honorable (OTH) administrative discharges.**

This is the first time a VA Secretary has implemented an initiative specifically focused on this group of former service members who are in mental health distress.

Effective July 5, all Veterans Health Administration (VHA) medical centers will be prepared to offer emergency stabilization care for former service members who present at the facility with an emergent mental health need. Under this initiative, former service members with an OTH administrative discharge may receive care for their mental health emergency for an initial period of up to 90 days, which can include inpatient, residential or outpatient care.

During this time, VHA and the Veterans Benefits Administration will work together to determine if the mental health condition is a result of a service-related injury, making the service member eligible for ongoing coverage for that condition.

Veterans in crisis should call the Veterans Crisis Line at 800-273-8255 (press 1), or text 838255.

- **The Department of Veterans Affairs' (VA) Midwest Health Care Network and the Air Force Medical Operations Agency announced a collaborative Tele-ICU agreement that will allow Air Force patients at five military treatment facilities to use VA's Tele-ICU capabilities through its centralized support center in Minneapolis.**

The agreement extends to Air Force patients in Las Vegas; Hampton, Virginia; Biloxi, Mississippi; Dayton, Ohio; and Anchorage, Alaska.

The patients will be able to see VA's Tele-ICU licensed physicians — called Tele-Intensivists — and critical-care nurses through telecommunications or other electronic technologies, which include direct view of the patient through live audio and video feed; electronic monitoring; and chart review and consultations. The doctors are also able to prescribe medications, order tests or procedures, make diagnoses and discuss health care with patients and family members.

The collaborative effort is a result of a 2015 DoD-VA Health Care Sharing Incentive Fund, also known as the Joint Incentive Fund (JIF) project. JIF was authorized by Congress as part of the 2003 National Defense Authorization Act. The intent of JIF is to facilitate mutually beneficial exchanges of health-care resources between DoD and VA, with the goal of improving access to

high-quality and cost-effective health care.

GENERAL HEALTH CARE NEWS

- **The Department of Health and Human Services (HHS) announced the availability of \$195 million for community health centers to expand access to mental health and substance abuse services focusing on the treatment, prevention and awareness of opioid abuse in all U.S. states, territories and the District of Columbia.**

The awards are will be announced in September of this year.

Health centers will use the funds to increase the number of personnel dedicated to mental health and substance abuse services and to leverage health information technology and training to support the expansion of mental health and substance abuse services and their integration into primary care. .

HRSA's Health Center Program provides funding to community-based health care providers in underserved areas. Nearly 1,400 community health centers operate at more than 10,400 sites, providing care to over 24 million people across the nation, in every state, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and the Pacific Basin.

Today, health centers employ nearly 190,000 people. With this new funding opportunity, health centers will be able to increase personnel to help expand access to mental health services and substance abuse services.

Applications for the Access Increases for Mental Health and Substance Abuse Services (AIMS) award are due July 26, 2017.

Additionally, the Federal Office of Rural Health Policy (FORHP) is making \$3 million available to expand opioid-related healthcare services in rural communities. The grants will support up to 12 grantees for three years. Applications for the FORHP program are due July 21, 2017.

For more information about the AIMS award, visit: <https://bphc.hrsa.gov/programopportunities/fundingopportunities/supplement>

- **The Center for Disease Control and Prevention (CDC) released [Health, United States, 2016](#), the 40th annual report on the health of the nation from the Secretary of Health and Human Services (HHS) to the President and Congress.**

This year's report features a Chartbook on Long-Term Trends in health and health care delivery over the past 40 years. From declines in cigarette smoking and increases in prescription drug use to changes in expenditures for hospitals and home health care, the annual report also explores population changes that have affected patterns of disease, as well as health care access and utilization since 1975.

Among the highlights:

- Between 1975 and 2015, life expectancy increased for the total population and for males and females. However, between 2014 and 2015, life expectancy declined by 0.1 years for the total population, 0.2 for males, and 0.1 for females.
- The infant mortality rate decreased 63 percent, from 16.07 to 5.90 deaths per 1,000 live births between 1975 and 2015.
- Between 1975 and 2015, the age-adjusted heart disease death rate decreased 61 percent from 431.2 to 168.5 deaths per 100,000 population. The age-adjusted cancer death rate decreased 21 percent from 200.1 to 158.5 deaths per 100,000 population.

Heart disease and cancer remain the top two causes of death in the United States.

- Between 1974 and 2015, the age-adjusted prevalence of current cigarette smoking declined from 36.9 percent to 15.6 percent among persons aged 25 and over.
- The age-adjusted percentage of adults aged 20 and over with obesity increased steadily from 22.9 percent in 1988–1994 to 37.8 percent in 2013–2014.
- Prescription drug use increased for all age groups between 1988-94 and 2013-14. Among adults 65 and over, use of five or more prescription drugs in the past 30 days increased from 13.8 percent to 42.2 percent during the same period.
- The percentage of persons with an overnight hospital stay was lower in 2015 than in 1975 for males and females under age 75, and was not significantly different in 2015 than in 1975 for males and females aged 75 and over.
- Between 1975 and 2014, the number of community hospital beds per 1,000 resident population fell by almost one-half from 4.6 to 2.5. The average length-of-stay per hospital stay fell by almost one-third from 7.7 to 5.5 days, and occupancy rates declined almost 16 percent from 75.0 percent to 62.8 percent.

Between 1975 and 2015, the share of personal health care expenditures paid for:

- Hospital care decreased from 45.3 percent to 38.1 percent;
- Physician and clinical services remained the same at about one quarter (22.4 percent–23.4 percent);
- Nursing care facilities and continuing care retirement communities decreased from 7.1 percent to 5.8 percent;
- Home health care increased from 0.5 percent to 3.3 percent;
- Dental services decreased from 7.1 percent to 4.3 percent;
- Prescription drugs increased from 7.1 percent to 11.9 percent;
- Other types of care increased from 10.6 percent to 13.2 percent.

Between 1978 and September 2016 (preliminary data), the percentage of children under age 18 who were uninsured decreased from 12.0 percent to 5.0 percent; the percentage with Medicaid coverage increased from 11.3 percent to 39.2 percent; and the percentage with private coverage decreased from 75.1 percent to 53.5 percent.

These trends in health and health care have occurred alongside changes in the demographic characteristics of the U.S. population:

- The U.S. population grew older between 1975 and 2015 as the number of Americans 65 and over increased from 22.6 million to 47.8 million;
- The U.S. population became more diverse; in 1980, 20.1 percent of the population were racial or ethnic minorities; by 2015, 38.4 percent of the population identified as racial or ethnic minorities;
- During 1975-2015, the percent of children under age 18 living in poverty reached a high of 22.7 percent in 1993, declined to 16.2 percent in 2000, rose to 22.0 percent in 2010, and then declined to 19.7 percent in 2015;
- The rural (nonmetropolitan) share of the population declined between 1970 and 2015; the suburban share of the population increased.

The full report is available at <https://www.cdc.gov/nchs/hus/>.

REPORTS/POLICIES

- ***The GAO published Generic Drug User Fees: Application Review Times Declined, but FDA Should Develop a Plan for Administering Its Unobligated User Fees,” (GAO-17-452) on June 26, 2017.*** In this report, GAO examines how user fees supported the generic drug program; describes FDA's improvements to the generic drug application review process; and analyzes changes in generic drug application review times.
<http://www.gao.gov/assets/690/684950.pdf>

HILL HEARINGS

- The House Appropriations Subcommittee on Defense will hold a hearing on **June 26, 2017**, to mark up the National Defense Authorization Act for fiscal year 2018.
- The Senate Armed Services Subcommittee on Personnel will hold a hearing on **June 27, 2017**, to markup relevant provisions within the National Defense Authorization Act for fiscal year 2018.
- The Senate Armed Services Committee will hold a closed hearing on **June 28-29, 2017**, to markup the National Defense Authorization Act for fiscal year 2018.
- The Senate Veterans Affairs Committee will hold a hearing on **July 11, 2017**, to examine pending health care legislation.

LEGISLATION

- **S.1441** (introduced June 26, 2017): A bill to provide funding for Federally Qualified Health Centers, the National Health Service Corps, Teaching Health Centers, and the Nurse Practitioner Residency Training program was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Bernard Sanders [I-VT]
- **S.1452** (introduced June 26, 2017): A bill to amend title 38, United States Code, to establish within the Office of the Under Secretary for Health of the Department of Veterans Affairs the position of Chief Information Officer of the Veterans Health Administration, and for other purposes was referred to the Committee on Veterans' Affairs. Sponsor: Senator Ted Cruz [R-TX]
- **S.1453** (introduced June 28, 2017): A bill to allow the Secretary of Health and Human Services to designate certain substance use disorder treatment facilities as eligible for National Health Service Corps service was and referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Joe Donnelly [D-IN]:
- **H.R.3095** (introduced June 28, 2017): To prohibit or suspend certain health care providers from providing non-Department of Veterans Affairs health care services to veterans, and for other purposes was referred to the House Committee on Veterans' Affairs. Sponsor: Representative Seth Moulton [D-MA-6] (Introduced 06/28/2017) Cosponsors: (1) Committees: House - Veterans' Affairs Latest Action: 06/28/2017 Referred to the House Committee on Veterans' Affairs. ([All Actions](#))
- **S.1449** (introduced June 26, 2017): A bill to authorize payment by the Department of Veterans Affairs for the costs associated with training and supervision of medical residents and interns at certain facilities that are not Department facilities. It also requires the Secretary of Veterans Affairs to carry out a pilot program to establish or affiliate with residency programs at facilities

operated by Indian tribes, tribal organizations, and the Indian Health Service, and for other purposes was referred to the Committee on Veterans' Affairs. Sponsor: Senator Dan Sullivan [R-AK]

MEETINGS

- The AUSA 2017 Annual Meeting & Exposition will be held **Oct. 9-11, 2017**, in Washington DC. <http://ausameetings.org/2017annualmeeting/>
- The 2017 AMSUS Annual Continuing Education Meeting will be held on **Nov. 27- Dec. 1, 2017**, at the Gaylord National Harbor, Md. <http://www.amsus.org/annual-meeting/>

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.