Welcome to Federal Health Update. This newsletter is a compilation of the latest news in the federal health care sector.

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Happy Fourth of July!

EXECUTIVE AND CONGRESSIONAL NEWS


This legislation is designed to improve the scheduling system for VA health care appointments; allows for hiring and training health care staff; improve access to care for non-VA providers; improve veterans' access to telemedicine and other health care through the use of VA mobile vet centers; expands eligibility for counseling and treatment for sexual trauma to veterans who were on inactive duty training when they experienced sexual assault or harassment; authorizes the Secretary to carry out certain major medical facility leases at specified locations for up to specified amounts; and expands the Marine Gunnery Sergeant John David Fry Scholarship to include surviving spouses (currently, children) of service members who die in the line of duty on or after Sept.11, 2001.

The bill authorizes and appropriates such sums as may be necessary to carry out this Act for fiscal years 2014-2016. The funding would be treated as emergency funding and not subject to pay-as-you-go spending.

MILITARY HEALTH CARE NEWS

- Lt. Gen. Patricia Horoho, Army surgeon general and commanding general of the U.S.
Army Medical Command, hosted the first Army Medicine Virtual Town Hall on Facebook, July 9, 2014.

Horoho opened the Town Hall at 1:30 p.m., by welcoming participants to the Army Medicine Facebook page and sharing that she was looking forward to answering as many questions as possible during the one-hour window.

Horoho also used the opening post to share her priorities for Army Medicine:

- Combat casualty care
- Readiness and health of the force
- A ready and deployable medical force
- Health of families and retirees

Horoho's opening post also announced the release of the Performance Triad app, version 1.0. This app provides easy access on iPhones, iPads, Android devices, and Windows phones to the triad which emphasizes sleep, activity, and nutrition as the foundation to health and personal readiness.

In the one hour that the town hall was "live," a total of 133 comments were posted, asking questions ranging from medical innovation to budget-cut impacts, and various inquiries in between.

When asked about new military medical innovations, Horoho said, "the Biomarker Assessment for Neurotrauma Diagnosis and Improved Triage System (BANDITS) program is developing a blood test for brain cell damage, which may aid in clinical assessment of patients with traumatic brain injuries."

In addition to BANDITS, she said the Army developed and implemented the Behavioral Health Data Portal to track clinical outcomes, patient satisfaction, and risk factors.

When asked about the most significant challenges facing Army medicine, Horoho shared that "one of the biggest challenge[s] is getting the good news stories out that accurately describe the advances in technology, patient safety, quality of care and standardization of business practices."

Additionally, supporting a nation as well as multiple operations abroad efficiently with such a significant military downsizing poses a challenge, she said.

Lastly, Horoho mentioned the movement toward a culture of health and increasing health literacy continues to be not just a challenge, but also an opportunity to enlighten the general public about healthy practices.

Horoho closed out the session by articulating the highest priorities of Army Medicine.

"Our primary focus is patient safety and quality of care whether it is provided on the battlefield or in garrison. We are committed to providing timely access to care, quality care and safe care that is evidence-based to all of our beneficiaries in an environment of transparency and continuous improvement. This is at the forefront of everything we do and we are honored to do it."

- A Naval Hospital Bremerton’s Occupational Medicine and Population Health officer was selected as a recipient of the Military Medical Personnel Award for the inaugural Kitsap Sun Health Care Heroes Awards Program.

Dr. Dan Frederick was formally recognized at the Health Care Heroes Award reception held at the Kitsap Convention Center on June 19, as "honoring a military medical professional who has
demonstrated exemplary care and gone above and beyond their normal call of duty.”

Frederick’s write-up described him as having a huge heart, backed up with healthy-living-for-others motivation. Frederick actually wears three hats of responsibility for NHB. As the Occupational Medicine doctor, Frederick oversees 1,400 staff members, and as Population Health expert, he coordinates the needs for approximately 54,000 beneficiaries under the communicable disease radar. He also handles Public Health Emergency duties (think pandemic planning/response for example).

He is also noted by providing exceptional patient care and utilizing his extensive computer programming knowledge to help develop valuable information management-based tools to improve patient health and wellness such as patient tracking, scheduling and organizing during influenza inoculation season. These recognized best business practices have been emulated across Navy Medicine, and Department of Defense.

Frederick’s specialty as Population Health officer for NHB’s beneficiaries focuses on optimizing and supporting Force Health Protection and Readiness by providing epidemiologic – the branch of medicine that studies epidemics and epidemic diseases – services in support of the Navy’s disease and injury prevention programs. Frederick also engages in analyzing clinical data and providing feedback on quality and availability of care, as well as providing assistance to NHB’s Health Promotion and Wellness department programs and services to help proactively prevent illness, enhance readiness, and promote healthy behaviors and lifestyles.

Frederick also spearheads the coordination of epidemiology data analysis for public health surveillance for Navy and Marine Corps members and dependents by providing a variety of products and services in the following areas such as information management technology; occupational and environmental exposures; reportable medical events; and diseases, conditions and infections.

A judging panel comprised of local community and health care leaders reviewed numerous nominations from patients, peers and the general public and Frederick was one of over 40 selected as an exemplary member in the medical field.

Along with the Military Medical Personnel Excellence Award, the other categories included the Volunteer Excellence Award; Excellence in Emerging Medical Service Award; Quality of Care Lifetime Achievement Award; Non-physician Excellence in Health Care Award; Physician’s Excellence in Health Care Award; Dental Excellence in Health Care Award; and Administrative Excellence Award.

VETERANS AFFAIRS NEWS

- The Department of Veterans Affairs (VA) has reported that significant steps to improve veterans’ access to quality health care.

The Veterans Health Administration (VHA) has reached out to over 160,000 veterans to get them off wait lists and into clinics. VHA has also made over 543,000 referrals for Veterans to receive care in the private sector – 91,000 more than in the comparable period a year ago. Additionally, VA has reduced the New Enrollee Appointment Report (NEAR) from its peak of 46,000 on June 1, 2014 to 2,000 (as of July 1, 2014). As of July 1, 2014, there has been a reduction in over 17,000 veterans on the Electronic Waiting List since May 15, 2014. VA has added approximately 7,000 appointments provided to newly enrolled veterans who had requested an initial appointment at the time of enrollment. VA is continuing to address systemic challenges in accessing care, as quickly as possible and will provide the most immediate information on its progress to Veterans and the public via the VA website, www.va.gov.
In testimony before the Senate Committee on Veterans’ Affairs, Acting Secretary of Veterans Affairs Sloan D. Gibson outlined serious problems regarding access to healthcare and key actions the Department of Veterans Affairs (VA) has taken to get veterans off wait lists and into clinics.

Gibson discussed six key priorities to begin restoring trust:

- Get veterans off wait lists and into clinics;
- Fix systemic scheduling problems;
- Address cultural issues;
- Hold people accountable where willful misconduct or management negligence are documented;
- Establish regular and ongoing disclosures of information; and,
- Quantify the resources needed to consistently deliver timely, high-quality healthcare.

Gibson testified that VA needs approximately $17.6 billion in additional resources to meet current demand for the remainder of FY 2014 through FY 2017. This funding would address challenges such as clinical staff, space, information technology, and benefits processing necessary to provide timely, high-quality care and benefits.

Gibson also outlined actions that VA is taking now in order to address problems with access to VA healthcare, including:

- The Veterans Health Administration (VHA) has reached out to over 160,000 veterans to get them off wait lists and into clinics. VHA has also made over 543,000 referrals for Veterans to receive care in the private sector – 91,000 more than in the comparable period a year ago.
- VHA facilities are adding more clinic hours, aggressively recruiting to fill physician vacancies, deploying mobile medical units, using temporary staffing resources, and expanding the use of private sector care.
- VA is moving rapidly to augment and improve its existing scheduling system while simultaneously pursuing the purchase of a “commercial off-the-shelf” state-of-the-art system.
- Gibson has directed Medical Center and Network Directors to conduct monthly inspections, in person, of their clinics to assess the state of scheduling practices and to identify any related obstacles to timely care for veterans. To date, over 1,100 of these visits have been conducted.
- Gibson has directed a comprehensive external audit of scheduling practices across the entire VHA system.
- Gibson has personally visited 10 VA Medical Centers in the last six weeks to hear directly from the field on the actions being taken to get Veterans off wait lists and into clinics, and he will continue to make site visits.
- The inappropriate 14-day access measure has been removed from all individual employee performance plans to eliminate any motive for inappropriate scheduling practices. In the course of completing this task, over 13,000 performance plans were amended.
- Where willful misconduct or management negligence is documented, appropriate personnel actions will be taken, including cases of whistleblower retaliation.
- Gibson froze VHA Central Office and VISN Office headquarters hiring – as a first step to ensure all employees are working to support those delivering care directly to Veterans.
- VHA has dispatched teams to provide direct assistance to facilities requiring the most improvement, including a large team on the ground, right now, in Phoenix.
- All VHA senior executive performance awards for fiscal year 2014 have been suspended.
- VHA is expanding use of private-sector care to improve access.
- Gibson sent a message to all 341,000 VA employees that whistleblowers will be protected, and that he will not tolerate retaliation against whistleblowers.
- Gibson has conducted over a dozen meetings and calls with senior representatives of Veteran and Military Service Organizations (VSOs/MSOs) and other stakeholder groups to solicit their ideas for improving access and restoring trust.
- Gibson has made a number of personnel announcements in recent weeks, including: Dr. Carolyn Clancy as interim Under Secretary for Health; Dr. Jonathan Perlin, a former Under Secretary for Health, on temporary assignment as Senior Advisor to the Secretary; Dr. Gerard Cox as Interim Director of the Office of Medical Inspector (OMI); and Ms. Leigh Bradley as Special Counsel to the Secretary.
- As VA completes reviews, fact-finding, and other investigations, the department is beginning to initiate personnel actions to hold those accountable who committed wrongdoing or were negligent in discharging their management responsibilities.

The Department of Veterans Affairs (VA) announced several actions the Veterans Benefits Administration (VBA) is taking to ensure the integrity and accuracy of claims systems and processes.

VA has announced the following actions:

- Acting Secretary of Veterans Affairs Sloan Gibson has directed that an expert team be assembled to determine possible scenarios where an individual might find a way “around the system” and decide if further controls are needed.
- VA has directed a 100-percent facility and desk audit of mail and documentation at all 56 regional offices. The purpose of the review is to ensure records management compliance and proper control, storage, and maintenance of claim mail and other benefit-related documents.
- VBA’s quality program has been independently verified in the past, but in order to be responsive to concerns and further instill trust in the system that serves our Veterans, Under Secretary Hickey recently directed VBA to apply for ISO 9001 certification – considered the ultimate global benchmark for quality management, which would provide additional external validation and additional quality assurance of VBA’s data.
- When any individual is found to have worked around the standard claims process, the Acting Secretary will respond quickly to begin necessary actions. One of those actions is to immediately notify the Office of Inspector General, where VA proactively refers cases on an ongoing basis as was done with allegations in the Baltimore regional office.
- VA will also continue to provide publicly-available performance data on benefits through its Monday Morning Workload Reports every week at www.vba.va.gov/reports.

On Monday, VBA announced it had completed its one millionth disability claim in fiscal year 2014, and is on track to complete more than 1.3 million claims this year – ensuring that nearly 200,000 more veterans will receive decisions on their disability claims than fiscal year 2013, and marking the fifth year in a row VBA has completed over one million disability claims. VBA has
reduced the claims backlog by more than 55 percent from its peak of 611,000 in March 2013, and veterans with pending claims have been waiting, on average, 128 fewer days for a decision on their claim. At the same time, the accuracy of rating decisions continues to improve. VA’s national “claim-level” accuracy rate is currently 91 percent – an eight-percentage-point improvement since 2011.

Disability rating claim decisions in many cases open access to other VA benefits, such as dependency and burial claims benefits, and are managed in the non-rating work categories. In fiscal year 2013, VBA completed 2.5 million non-rating products – the highest production of claims in the non-rating category in 15 years.

Some of these efforts include hiring 200 temporary employees to process non-rating claims and the new Rules-Based Processing System (RBPS), which automates dependency claims submitted online and can pay Veterans in as little as one day for over 50% of claims filed. VBA is also utilizing contractor support to enter existing paper claims into RBPS to provide faster benefits to veterans.

- The Department of Veterans Affairs (VA) and the White House Rural Council announced the award of eight grants, totaling $815,051.50, which will improve access to health care for veterans living in highly rural areas.

The grants will assist over 11,000 veterans in seven states and 56 counties by providing up to $50,000 per highly rural area to fund transportation services for veterans to and from VA medical centers and other facilities that provide VA care. The grants are part of a program authorized by Congress to help state Veterans Service Agencies (SVSAs) and Veterans Service Organizations (VSOs) operate or contract for transportation services to transport veterans to VA medical centers and other facilities that provide VA care.

In July 2013, VA began accepting applications for grants to help state Veterans Service Agencies and VSOs operate or contract for transportation services to transport Veterans to VA medical centers and other facilities that provide VA care. A new regulation establishes the program that will administer these grants. Transportation will be provided at no cost to Veterans.

Organizations awarded the grants include:

- Virginia Department of Veteran Services ($8,825.00 for one county in VA.) approximately benefiting over 89 veterans;
- American Legion Post 20 ($49, 764.00 for one county in S.D.) approximately benefiting 1,507 veterans;
- Veterans of Foreign Wars Post 8988 ($80,000.00 for two counties in CA.) approximately benefiting 849 veterans;
- Nevada Department of Veteran Affairs ($46,850.00 for one county in Nevada) approximately benefiting 1,285 veterans;
- Veterans of Foreign Wars Post 7202 ($150,000.00 for 13 counties in far west Texas) approximately benefiting 1,579 veterans;
- Washington State Department of Veterans Affairs ($100,000.00 for two counties) approximately benefiting 1,756 veterans; and
- North Dakota Department of Veterans Affairs ($379, 612.50 for 36 counties in N.D.) approximately benefiting 5,477 veterans.
The Department of Veterans Affairs (VA) announced that the Veterans Benefits Administration (VBA) has completed its one millionth disability claim in fiscal year 2014, and is on track to complete more than 1.3 million claims this year.

In the past four fiscal years, VA surpassed one million completed claims by the end of each year. VBA has reduced the claims backlog by more than 55 percent from its peak of 611,000 in March 2013 – and veterans with pending claims have been waiting, on average, 128 fewer days for a decision on their claim. At the same time, the accuracy of rating decisions continues to improve. VA’s national “claim-level” accuracy rate is currently 91 percent – an eight-percentage-point improvement since 2011.

GENERAL HEALTH CARE NEWS

The Centers for Disease Control and Prevention (CDC) released a report on July 11, which reviews the early June incident that involved the unintentional exposure of personnel to potentially viable anthrax at the CDC’s Roybal Campus.

The report identifies factors found to have contributed to the incident; and highlights actions taken by the agency to address these factors and prevent future incidents. Based on a review of all aspects of the June incident, CDC concluded that while it is not impossible that staff members were exposed to viable \textit{B. anthracis}, it is extremely unlikely that this occurred. None of the staff who was potentially exposed has become ill with anthrax.

While finalizing this report, CDC leadership was made aware that earlier this year a culture of non-pathogenic avian influenza was unintentionally cross-contaminated at the CDC influenza laboratory with the highly pathogenic H5N1 strain of influenza and shipped to a BSL-3 select-agent laboratory operated by the United States Department of Agriculture (USDA). There were no exposures as a result of that incident. The CDC influenza laboratory is now closed and will not reopen until adequate procedures are put in place. Further investigation, review and action are underway.

As a result of these two incidents, CDC is issuing, effective immediately, a moratorium on the movement (i.e., transfer inside or outside the agency) of biological materials (i.e., infectious agents, active or inactivated specimens) from BSL3 or BSL-4 facilities. The moratorium will remain in place pending review by an advisory committee.

Based on an internal review called for by the CDC Director, the report released concludes that the scientists’ failure to follow an approved, written study plan that met all laboratory safety requirements led to dozens of employees being potentially exposed. The report also found that there was a lack of standard operating procedures to document when biological agents are properly inactivated in laboratories as well as a lack of adequate laboratory oversight of scientists performing work in these labs. The report concludes that the critical nature of CDC investigations to detect and respond to naturally occurring and man-made events with select agents while ensuring the safety of staff are paramount and should be guided by the highest standards.

To learn more, please visit: http://www.cdc.gov/media/releases/2014/p0711-lab-safety.html

REPORTS/POLICIES

In this report, GAO discusses initial observations from its ongoing review of VBA's quality assurance efforts, addressing the extent to which VBA effectively measures and reports the accuracy of its compensation claim decisions; and VBA's other quality assurance activities are complementary and coordinated. [http://www.gao.gov/assets/670/664761.pdf](http://www.gao.gov/assets/670/664761.pdf)

- **The Institute of Medicine published** “Improving Access to Essential Medicines for Mental, Neurological, and Substance Use Disorders in Sub-Saharan Africa - Workshop Summary,” on July 14, 2014. Approximately one-third of the developing world’s population does not have regular access to essential medicines—medicines defined by the World Health Organization as necessary for satisfying the primary health care needs of a population. For countries in sub-Saharan Africa (SSA), a particular challenge is improving access to essential medicines for mental, neurological, and substance use (MNS) disorders. This report examines opportunities for achieving long-term affordable access to medicines for MNS disorders and to consider frameworks and strategies that have been successful in other countries and for different diseases. [http://www.iom.edu/Reports/2014/Improving-Access-to-Essential-Medicines-for-Mental-Neurological-and-Substance-Use-Disorders-in-Sub-Saharan-Africa.aspx](http://www.iom.edu/Reports/2014/Improving-Access-to-Essential-Medicines-for-Mental-Neurological-and-Substance-Use-Disorders-in-Sub-Saharan-Africa.aspx)

**HILL HEARINGS**

- The House Veterans Affairs Committee will hold a hearing on **July 22, 2014**, to examine VA’s longstanding information security weaknesses and how this is impacting patient wait times and allowing extensive data manipulation.

- The Senate Veterans Affairs Committee will hold a hearing on **July 22, 2014**, to examine the nomination of Robert Alan McDonald, of Ohio, to be Secretary of Veterans Affairs.

**LEGISLATION**

- **H.R.5098** (introduced July 14, 2014): the Ensuring Medicaid and Medicare Access to Providers Act was referred to the House Committee on Ways and Means
  
  Sponsor: Representative Steve Daines [MT]

- **H.R.5102** (introduced July 14, 2014): To amend title XVIII of the Social Security Act to repeal the requirement for employer disclosure of information on health care coverage of employees who are Medicare beneficiaries, and for other purposes was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce.
  
  Sponsor: Representative John Lewis [GA-5]

- **H.R.5110** (introduced July 15, 2014): To amend title XVIII of the Social Security Act to repeal rebasing of payments for home health services, as required under the Patient Protection and Affordable Care Act, and to replace such rebasing with a Medicare home health value-based purchasing program, and for other purposes referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce.
  
  Sponsor: Representative Greg Walden [OR-2].

- **H.R.5124** (introduced July 16, 2014): To amend the Public Health Service Act to reauthorize a sickle cell disease prevention and treatment demonstration program and to provide for sickle cell disease research, surveillance, prevention, and treatment was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce.
Sponsor: Representative Danny K. Davis [IL-7]

- **S.2617** (introduced July 16, 2014): A bill to repeal the wage rate requirements commonly known as the Davis-Bacon Act was referred to the Committee on Health, Education, Labor, and Pensions.
  
  Sponsor: Senator Mike Lee [UT]

### MEETINGS/WEBINARS

- 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/](http://ncdmph.usuhs.edu/)


- 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](http://www.istss.org/MeetingsEvents.htm)


- AMSUS Annual Continuing Education Meeting will be held **Dec. 2-5, 2014**, in Washington, DC [http://amsusmeetings.org](http://amsusmeetings.org)


- 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](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/lh/fid=159](http://aameda.org/p/cm/lh/fid=159)

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