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

- On July 12, 2018, the Senate confirmed Paul C. Ney to be the next General Counsel of the Department of Defense.

  Ney most recently served as chief deputy attorney general in the Tennessee Attorney General’s Office, where he coordinated and supervised the substantive legal work of all divisions of the office. He previously served as acting general counsel of the Department of the Navy, as principal deputy general counsel of the Department of the Navy, and as deputy general counsel for legal counsel in the Department of Defense. He is a recipient of the Department of Defense Distinguished Public Service Medal and Department of the Navy Distinguished Public Service Award. Ney received his Juris Doctor and Masters in Business Administration from Vanderbilt University and his Bachelor’s Degree in Biology from Cornell University. He served as a judicial clerk to the Honorable Adrian Duplantier in the U.S. District Court for the Eastern District of Louisiana.

MILITARY HEALTH CARE NEWS

- The Defense Health Agency will host a webinar on July 26, to answer questions about TRICARE health care, pharmacy, and dental programs.

  The panelists include representatives from major TRICARE offices and programs, including: TRICARE Policy and Benefits, TRICARE For Life, TRICARE Reserve Select, TRICARE Retired Reserve, TRICARE Overseas Program, TRICARE Pharmacy Program, TRICARE Dental Plans.
One must be registered and in the webinar platform to submit a question electronically. To register, please visit: https://register.gotowebinar.com/register/6686396682011244545

VETERANS AFFAIRS NEWS

- The U.S. Department of Veterans Affairs (VA) and IBM Watson Health announced the extension of a public-private partnership to apply artificial intelligence (AI) to help interpret cancer data in the treatment of veteran patients.

  First announced two years ago as part of the National Cancer Moonshot Initiative, VA oncologists have now used IBM Watson for Genomics technology to support precision oncology care for more than 2,700 Veterans with cancer.

  Precision oncology is the practice of biologically directed cancer care. For example, the mutations in a cancer's genome (the cancer's DNA) can significantly affect the treatment options available to treat that cancer and the likely outcomes after treatment. By knowing the cancer genome, oncologists and patients are able to choose therapies that specifically target the patient's cancer.

  VA's precision oncology program primarily supports stage 4 cancer patients who have exhausted other treatment options. The partnership extension with IBM will enable VA oncologists to continue using Watson for Genomics through at least June 2019.

  VA treats 3.5 percent of the nation's cancer patients — the largest group of cancer patients within any one health-care group. In order to bring precision oncology advances to this large group of patients, with equal access available anywhere in the country, VA established a central “hub” in Durham, North Carolina.

  In this facility, a small group of oncologists and pathologists receive tumor samples from patients nationwide and sequence the tumor DNA. They then use AI — the ability of a computer program or a machine to think and learn — to help interpret the genomic data, identifying relevant mutations and potential therapeutic options that target those mutations.

  More than one-third of the patients who have benefited from VA’s precision oncology program are veterans from rural areas where it has traditionally been difficult to deliver cutting-edge medical breakthroughs.

  For more information about the VA’s precision oncology program, visit https://www.research.va.gov/pubs/varqu/spring2016/4.cfm.

- The U.S. Department of Veterans Affairs (VA) recently launched VEText, a text messaging appointment-reminder system, which to date has helped VA reduce no-show medical visits by more than 100,000.

  VA introduced VEText in March and 138 VA facilities are currently using the automated interactive text-message system, which reminds veterans of upcoming health-care appointments, allowing them easily to confirm or cancel the event.

  According to the Veterans Health Administration’s (VHA) Office of Veterans Access to Care, as of July 9, more than 3.24 million patients have received VEText messages and canceled 319,504 appointments, freeing up time slots for other veterans to use.

  Veterans who have previously used the VA health-care system — with a cell phone number listed in their electronic health records — are automatically enrolled in VEText. Veterans can update their phone numbers during the check-in or check-out process for an appointment, at any
kiosk.

VEText is integrated with VA’s electronic health-records system and does not require manual action by VA staff. Appointments are automatically scheduled and canceled via text message, freeing staff to provide more personalized care to veterans.

For more information about VEText, visit: https://www.va.gov/HEALTH/VEText.asp.

GENERAL HEALTH CARE NEWS

- On July 19, 2018, Health and Human Services Secretary Alex Azar asked FDA Commissioner Scott Gottlieb to establish a working group to examine how to safely import prescription drugs from other countries in the event of a dramatic price increase for a drug produced by one manufacturer and not protected by patents or exclusivities.

This working group will examine the potential to promote competition for drugs that are off-patent or off-exclusivity and produced by one manufacturer. This stands in contrast to proposals to import a broader range of drugs, which raise additional questions about how to protect American patients.

The working group will consider drugs unprotected by patents or exclusivities, which will allow other manufacturers to introduce new competition.

Because the drugs being considered for importation are off-patent and have no exclusivity remaining, the proposals contemplated by the working group would not dilute intellectual property rights or affect incentives for innovation. Rather, they would provide a new avenue for competition to drive down prices for American patients.

The Food and Drug Administration’s gold standard for safety and effectiveness is unimpeachable, and will guide the working group’s efforts. Importation will be limited to cases where drugs can be imported with adequate assurances of safety and effectiveness.

REPORTS/POLICIES

- The GAO published “Department of Veterans Affairs: Actions Needed to Address Employee Misconduct Process and Ensure Accountability,” (GAO-18-137) on June 19, 2018. This report reviews the extent to which VA collects reliable information associated with employee misconduct and disciplinary actions and adheres to documentation-retention procedures when adjudicating cases of employee misconduct. It also examines whether the VA ensures allegations of misconduct involving senior officials are reviewed according to VA investigative standards and these officials are held accountable, has procedures to investigate whistle-blower allegations of misconduct; and the extent to which data and whistle-blower testimony indicate whether retaliation for disclosing misconduct occurs at VA. https://www.gao.gov/assets/700/693268.pdf

- The GAO published “Drug Discount Program: Characteristics of Hospitals Participating and Not Participating in the 340B Program,” (GAO-18-521R) on July 18, 2018. This report compares certain characteristics of 340B and non-340B hospitals; and describes how, if at all,
the characteristics of these hospitals changed after states’ Medicaid coverage was expanded.  

HILL HEARINGS

- The House Health Subcommittee of the Committee on Energy and Commerce will hold a hearing on July 25, 2018, to receive updates from FDA and NIH on the 21st Century Cures Implementation.

LEGISLATION

- H.R.6372 (introduced July 13, 2018): A bill to require the Secretary of Health and Human Services issue regulations to ensure due process rights for physicians furnishing emergency medical services was referred to the House Committee on Energy and Commerce.  
  Sponsor: Representative Chris Collins [R-NY-27]
- H.R.6431 (introduced July 16, 2018): A bill to amend title XVIII of the Social Security Act to provide for certain reforms with respect to Medicare supplemental health insurance policies was referred to the Committee on Ways and Means.  
  Sponsor: Representative Sander M. Levin [D-MI-9]
  Sponsor: Representative Susan W. Brooks, Susan [R-IN-5]

MEETINGS

- The AUSA 2018 Annual Meeting & Exposition will be held Oct. 8-10, 2018, in Washington DC.  
  http://ausameetings.org/2018annualmeeting/
- The 2018 AMSUS Annual Continuing Education Meeting will be held on Nov. 26-30, 2018, at the Gaylord National Harbor, Md.  
  http://www.amsusmeetings.org/home-2/

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 katheroux@federalhealthcarenews.com.