

Federal Health Update

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EXECUTIVE AND CONGRESSIONAL NEWS

- **The House and Senate are in recess until Sept. 5, 2016.**
- **Thirty-seven members of the U.S. House of Representatives have sent a letter to the chairmen and ranking members of the House and Senate Armed Services committees, calling on them to further a key TRICARE pilot program as part of the fiscal year 2017 National Defense Authorization Act (NDAA).**

Leading the effort for the letter are U.S. Reps. Dave Loebsack (D-IA), Earl L. "Buddy" Carter (R-GA), and Peter Welch (D-VT). The "*Pilot Program for Prescription Drug Acquisition Cost Parity in the TRICARE Pharmacy Benefits Program*," which is part of the House's version of the measure, would give military families and veterans a choice in how they get their medications and would reduce costs for the program.

National Association of Chain Drug Stores (NACDS) President and CEO Steven C. Anderson noted, "This pilot has the potential to preserve the choice of military families and veterans, to reduce Defense Department costs, and to boost patient health by maintaining access to the pharmacist-patient relationship."

In their letter, the House members wrote, "The pilot program ... is a sensible approach to maintaining beneficiary choice and access while at the same time lowering [Department of Defense] costs." Both houses of Congress must pass identical versions of the NDAA before it

can be sent to the president for consideration and for signing into law.

MILITARY HEALTH CARE NEWS

- **On July 21, 2016, the Department of Defense (DoD) announced it has awarded Humana Inc. the contract for the TRICARE East Region.**

TRICARE is the military health care program that provides benefits to military service members, retirees and their families. Under the terms of the award, Humana's service area would cover approximately 6 million beneficiaries in a 30-state region.

Currently, Humana holds the contract for the TRICARE South Region (Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, most of Texas and the Ft. Campbell-area in Kentucky). The new East Region is a combination of the current South and North regions.

As is customary, the TRICARE contract provides five, one-year options exercisable by the DoD. Final disposition of the contract award is, however, subject to the resolution of any protests that may be filed by unsuccessful bidders.

Humana was awarded its current TRICARE South contract in 2011. This newest contract is the seventh to be administered by Humana Government Business which has maintained a partnership with the DoD since 1996.

- **On July 1, 2016, TRICARE Regional Office (TRO) North and TRO South became TRO East. TRO West is continuing as before covering the western United States.**

The move was made in advance of the pending award of the TRICARE-2017 (T-2017).

Current TRO North staff in Falls Church, Virginia, and TRO South staff in San Antonio, are functioning under the new TRO East business model. Some staff rebalancing occurred to eliminate redundancies, but each office will continue to provide management and support services in their respective geographic areas covering 33 states.

Ken Canestrini, chief operating officer for TRO East, Canestrini said having two major regional offices hits the right balance of combining operations for efficiencies while making sure not all of the eggs are in one basket.

"With just one contractor for all stateside areas, if you had any issues with a contractor or service, it would likely affect all our beneficiaries," said Canestrini. "This way you'll continue to have two major sectors of terrain, while still capitalizing on best practices from the different regions."

TRO East will handle the lion's share of those enrolled in TRICARE, with about six million beneficiaries – about two-thirds of all TRICARE beneficiaries.

Under the future T-2017 Managed Care Support Contracts, one government business partner will manage the network of civilian medical providers for the entire East Region where previously, two business partners split that responsibility in eastern geographic regions designated as North and South.

The TRICARE Regional Offices provide essential government oversight and coordination for those civilian contractors.

Canestrini said this move is one of many initiatives in the Defense Health Agency to improve the Military Health System and ensure active-duty, retirees and family members receive the highest-quality health care services for years to come.

- **Secretary of Defense Ash Carter announced that President Obama has made the following nominations:**
 - Capt. Tina A. Davidson, selected for promotion to rear admiral (lower half), will be assigned as director, Medical Resources, Plans and Policy Division, N0931, Office of the Chief of Naval Operations, Washington, District of Columbia. Davidson is currently serving as deputy director, Medical Resources, Plans and Policy Division, N0931, Office of the Chief of Naval Operations, Washington, District of Columbia.
 - Capt. Gayle D. Shaffer, selected for promotion to rear admiral (lower half), will be assigned as liaison officer, Bureau of Medicine and Surgery, Defense Health Agency, Falls Church, Virginia. Shaffer is currently serving as assistant deputy chief, medical operations (M3), Bureau of Medicine and Surgery, Falls Church, Virginia.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) announced partnerships and collaboration with Bristol-Myers Squibb Foundation, IBM and Bombas.**

The three, distinct, relationships are a part of the MyVA Strategic Partnership Initiative, which aims to work together with external organizations to improve the delivery and access of care for Veterans. The announcement of the three new partnerships came on the heels of the [MyVA Advisory Committee](#) meeting held last week in Boston. [MyVA](#) is the largest transformation in the history of VA.

The **Bristol-Myers Squibb Foundation** will partner with VA to identify synergies and facilitate linkages between our respective programs. To date, BMSF has awarded 30 grants totaling over \$15 million to veterans service organizations and academic teaching hospital partners to develop, implement and evaluate innovative models of community-based care and support that improve the mental health and community reintegration outcomes of veterans and their families. Together, through this new partnership, the two organizations are committed to serving more veterans throughout the continuum of care from community to clinical settings.

On June 29, Vice President Biden hosted a Moonshot Cancer Summit in Washington DC to bring together private and public partners to encourage collaboration in treatment and cures for cancer. As a part of that initiative, VA teamed up with **IBM Watson Health** to increase access to precision medicine for 10,000 VA cancer patients over the next two years. VA provides care to 3.5 percent of the nation's cancer patients – the largest group of cancer patients in the country. Watson is expected to help VA clinicians give Veterans rapid access to precision medicine options, particularly for patients with advanced cancer.

VA also announced a collaboration with **Bombas**, an organization founded two years ago as a give-back sock company, after learning that socks are the #1 most-requested clothing item at homeless shelters. For every pair of socks purchased from the company, it donates a pair of socks, and to date has donated nearly 1 million pairs. To reach homeless veterans in New York, Bombas worked with VA medical centers donating 700 pairs of socks to the NY Harbor and Bronx VA Medical Centers. Bombas and VA plan to continue their work together throughout the rest of the year and in the future, to expand the reach of the program to other cities and states across the country.

Each of these relationships align with the strategic priorities of mental health, research and homelessness and reflect VA's commitment to teaming with external organizations and companies to better serve Veterans.

Since the launch of MyVA, the Department has entered into new relationships with a number of external organizations to combat issues of homelessness, suicide and Veteran unemployment.

More information about MyVA may be found at www.blogs.va.gov/VAntage/21806/myva-a-message-from-sec-bob-mcdonald.

- **As the Project ARCH pilot program comes to an end next month, Department of Veterans Affairs Secretary Robert A. McDonald today announced that veterans enrolled in the program will be able to continue receiving care closer to home.**

Taking advantage of options available under the [Veterans Choice Program](#), such as the “unusual or excessive burden provision” and Provider Agreements, Veterans receiving care under Project ARCH will continue care without interruption when the pilot program ends August 7.

Project ARCH operates in Maine, Virginia, Kansas, Montana and Arizona. In anticipation of the program’s end, Project ARCH providers have been contacted and invited to continue to provide health care to veterans under the Veterans Choice Program.

Veterans transitioning to the Veterans Choice Program are being contacted regarding their individual care.

GENERAL HEALTH CARE NEWS

- **Health and Human Services (HHS) Secretary Sylvia M. Burwell announced more than \$36 million in funding for 50 Health Center Controlled Networks (HCCNs) in 41 states and Puerto Rico.**

This increase in health information technology support will impact over 1,020 participating health center organizations in all 50 states and Puerto Rico.

HCCNs improve access to care, enhance quality of care and achieve cost efficiencies through the redesign of practices to integrate services, optimize patient outcomes, or negotiate managed care contracts on behalf of participating health centers. The networks support health center participation in the Federal Health Information Technology Strategic Plan to:

- Adopt and implement certified electronic health record technology;
- Enhance comprehensive, integrated data collection, analysis, and reporting;
- Meet the requirements of the Medicare and Medicaid Electronic Health Records (EHR) Incentive Programs; and
- Improve clinical and operational quality, reduce health disparities, and improve population health through health information technology.

The networks promote enhanced information sharing and support health centers in achieving the requirements of the Medicare and Medicaid EHR Incentive Programs using Office of the National Coordinator for Health Information Technology (ONC)-certified EHRs, adopting technology-enabled quality improvement strategies, and engaging in health information exchange.

Nearly 1,400 health centers operate about 9,800 service delivery sites in every U.S. state, the District of Columbia, Puerto Rico, the Virgin Islands and the Pacific Basin. These health centers employ more than 170,000 staff who provide care for nearly 23 million patients.

To view a list of the award recipients, visit:

<http://bphc.hrsa.gov/programopportunities/fundingopportunities/hccn/2016hccnawards/index.html>

- **The Centers for Disease Control and Prevention (CDC) will award nearly \$60 million to states, cities, and territories to support efforts to protect Americans from Zika virus disease and adverse health outcomes that can result from Zika infection, including the serious birth defect microcephaly.**

The funding, distributed through CDC's [Epidemiology and Laboratory Capacity for Infectious Diseases Cooperative Agreement](#) (ELC), will support activities to protect the health of the American public, especially pregnant women, including epidemiologic surveillance and investigation, improving mosquito control and monitoring, and strengthening laboratory capacity. It will also support participation in the U.S. Zika Pregnancy Registry to monitor pregnant women with Zika and their infants, as well as Zika-related activities in U.S.-Mexico border states.

This new funding will be available to jurisdictions August 1 and is in addition to \$25 million awarded on July 1 as part of CDC's preparedness and response funding to states, cities, and territories in areas at risk for outbreaks of Zika. On August 1, CDC also will award another \$10 million to states and territories to quickly identify cases of microcephaly and other birth defects linked to Zika and to refer affected families to services.

The Obama Administration has requested \$1.9 billion that public health experts identified as necessary to combat Zika and protect the homeland, but the budget has not been approved by Congress. While this ELC funding is an important tool to help communities prepare for and respond to infectious diseases like Zika virus, additional support will be needed to help further expand mosquito control capabilities and develop a Zika vaccine and diagnostics, among other priorities.

Zika virus spreads to people primarily through the bite of an infected *Aedes* species mosquito (*Aedes aegypti* and *Aedes albopictus*), although *Aedes aegypti* are more likely to spread Zika. Zika infection can also be spread by men and women to their sex partners. There is currently no vaccine or treatment for Zika. Zika infection is often asymptomatic; among those who have symptoms, the most common complaints are fever, rash, joint pain, and conjunctivitis (red eyes).

The illness is usually mild with symptoms lasting for several days to a week after being bitten by an infected mosquito. However, Zika infection during pregnancy may cause microcephaly and other severe brain defects in the developing fetus. Zika also has been linked to Guillain-Barré syndrome, an uncommon sickness of the nervous system in which a person's immune system damages nerve cells, causing muscle weakness and sometimes paralysis or death.

REPORTS/POLICIES

- There were no relevant reports published this week.

HILL HEARINGS

- There are no hearings next week.

LEGISLATION

- There was no legislation introduced this week.

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>.
- The AUSA 2016 Annual Meeting & Exposition will be held **Oct. 3-5, 2015**, in Washington DC. <http://ausameetings.org/2016annualmeeting/>
- 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/>

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.