

Federal Health Update

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ktheroux@federalhealthcarenews.com

Federal Health Update will not be published on Aug. 9 and 23, 2013.

EXECUTIVE AND CONGRESSIONAL NEWS

- **On July 24, 2013, the U.S. House approved the fiscal year 2014 Defense Appropriations bill (H.R. 2397) on a vote of 315 to 109.**

The legislation provides \$512.5 billion in non-war funding, a decrease of \$5.1 billion below the fiscal year 2013 enacted level and \$3.4 billion below the President's request. This is approximately \$28.1 billion above the current level caused by automatic sequestration spending cuts. The bill also includes \$85.8 billion in war funding for Overseas Contingency Operations (OCO).

For a list of approved amendments to H.R. 2397, please visit: http://appropriations.house.gov/UploadedFiles/07.24.13_FY14_Defense_Bill_-_Floor_Adopted_Amendments.pdf.

For the text of the bill, please visit: <http://www.gpo.gov/fdsys/pkg/BILLS-113hr2397rh/pdf/BILLS-113hr2397rh.pdf>.

- **The White House has threatened to veto the 2014 Defense Appropriations bill unless Congress increases TRICARE fees and lowers U.S. troops pay.**

“The administration strongly urges the Congress to support its proposed TRICARE fee increases,” the statement said.

Congress has long opposed the fee increases and has gone out of its way to restore savings that would lower costs for those enrolled in the healthcare program.

According to the statement a failure to increase TRICARE fees and co-payments, as well as to cut other military programs, “could result in hundreds of thousands of low-income children losing access to Head Start programs, tens of thousands of children with disabilities losing Federal funding for their special education teachers and aides.”

The White House is also pressuring lawmakers to nix a proposed \$580 million pay raise for the troops that it says goes above and beyond its initial request. The White House statement criticized Congress for not adhering to its strict guidelines regarding troop pay raises.

The White House proposes “1.0 percent increase to basic pay, a 4.2 percent increase in the basic allowance for housing, and a 3.4 percent increase in basic allowance for subsistence.”

Currently the Defense Department has endured \$1 trillion in cuts under sequestration. Another \$52 billion could be slashed from the defense budget come October if lawmakers fail to agree on a budget compromise.

To read the White House statement, please visit:

http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/113/saphr2397r_20130722.pdf

MILITARY HEALTH CARE NEWS

- **TRICARE will delay the implementation of any change in practice on compounded prescriptions for 180 days, which was supposed to go into effect on July 24, 2013.**

The agency is evaluating its policies regarding these prescriptions, to ensure the safe care of its beneficiaries.

Compounded medications are created for individuals by pharmacists, combining an active medication with other ingredients to tweak a dosage, change delivery (from a pill to a liquid or liquid to a patch, for example) or eliminate an allergen.

Many compounded prescriptions use inert ingredients such as bulk chemicals and powders that are not subject to FDA approval. Tricare had said it would no longer cover these types of prescriptions because they included substances that were not FDA approved.

This also might include some medications such as vitamins and nutrition supplements, which are regulated by different FDA guidelines than conventional drugs.

In 2012, TRICARE beneficiaries filed 500,000 claims for compounded medications worth \$330 million.

- **Effective Oct. 1, 2013, all TRICARE Retiree Dental Program (TRDP) beneficiaries will be required to pay their monthly premiums by an Electronic Funds Transfer (EFT) or through military retired pay allotment.**

The ability to pay premiums by check or through an online bill pay system will end in September.

Most TRDP enrollees will need to take no action; however, Delta Dental sent letters to all TRDP participants on July 19 with information on where to submit EFT authorization forms and how to

submit an EFT authorization online at www.trdp.org.

Delta Dental of California will continue managing the TRICARE Retiree Dental Program through 2018. As a result of this continued relationship, TRDP enhanced program and overseas participants can look forward to several changes effective Jan. 1, 2014.

- An increase in the annual maximum amount for each person enrolled, to \$1,300
- Coverage year will run from Jan. 1 through Dec. 31
- Maximums and deductibles will restart every Jan. 1
- An increase in the annual maximum amount for dental accident coverage for each person enrolled, to \$1,200
- An increase in the lifetime orthodontic maximum amount for each person enrolled, to \$1,750
- A third cleaning allowed for children and adults with documented Type 1 or Type 2 diabetes
- A decrease in monthly premiums
- TDRP basic participants can also look forward to a lower premium.

Another new change involves dental enrollment cards. Current dental enrollment cards will remain valid under the new contract; however, verification of TRDP eligibility and enrollment will be managed by Defense Eligibility Enrollment System (DEERS). Since TRDP premiums are based on residential ZIP code and the number of family members enrolled, it important to make sure personal information is current and correct to avoid claim processing delays.

TRICARE Retiree Dental Program is a voluntary, premium based coverage. To get more information about this benefit, visit www.tricare.mil/trdp.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs, representing 152 VA medical centers, was recently named to the [2013 “Most Wired” hospitals list](#).**

The list, which is released by *Hospitals & Health Networks*, in partnership with McKesson, the College of Healthcare Information Management Executives (CHIME) and the American Hospital Association (AHA), is the result of a national survey aimed at ranking hospitals that are leveraging health information technology (HIT) in new and innovative ways.

Over the past year, VA has provided veterans and VA health care teams with 21st century health care through the use of new and innovative technology. Some examples are:

- Telehealth being used in Veterans homes as an adjunct to traditional face-to-face care;
- Recent VA Blue Button enhancements that allow improved access to critical patient medical information;
- Deployment of asset tracking devices; and
- Use of technology to better link specialty care providers to primary care physicians in rural areas.

The survey, which was conducted between Jan. 15, 2013 and March 15, 2013, polled 1,713 hospitals and health systems nationwide to answer questions regarding their information technology (IT) initiatives. Overall, roughly 30 percent of all U.S. hospitals were surveyed.

With this designation, for the first time, all VA medical centers nationwide were named to the 2013 “Most Wired” list. The full list of 2013’s “Most Wired” hospitals and the entire report can be

found in the July H&HN cover story detailing results, available at www.hhnmag.com.

GENERAL HEALTH CARE NEWS

- **Health and Human Services (HHS) Secretary Kathleen Sebelius announced \$12 million in Affordable Care Act funding to support primary care residency programs in 32 Teaching Health Centers across the nation.**

Funding will help train more than 300 residents during the 2013-2014 academic year, doubling the number of residents trained in the previous academic year.

Administered by the Health Resources and Services Administration (HRSA), the Teaching Health Center Graduate Medical Education Payment Program, expands residency training in community-based settings. Residents will be trained in family and internal medicine, pediatrics, obstetrics and gynecology, psychiatry, and general and pediatric dentistry.

These awards expand the number of states with Teaching Health Centers to 21, from 14 in 2012. Teaching Health Centers are located in a variety of settings, including urban, rural, and Tribal communities, and serve populations such as veterans and their families, minority communities, older adults, children and adolescents.

A list of awards can be found at: <http://www.hhs.gov/news/press/2013pres/07/20130719a.html>.

- **The National Institutes of Health will fund up to \$24 million per year for four years to establish six to eight investigator-initiated Big Data to Knowledge Centers of Excellence.**

The centers will improve the ability of the research community to use increasingly large and complex datasets through the development and distribution of innovative approaches, methods, software, and tools for data sharing, integration, analysis and management. The centers will also provide training for students and researchers to use and develop data science methods.

Biomedical research is increasingly data-intensive, with researchers routinely generating and using large, diverse datasets. Yet the ability to manage, integrate and analyze such data, and to locate and use data generated by others, is often limited due to a lack of tools, accessibility, and training.

In response, NIH launched the Big Data to Knowledge (BD2K) initiative in December. This initiative supports research, implementation, and training in data science that will enable biomedical scientists to capitalize on the transformative opportunities that large datasets provide. The investigator-initiated BD2K Center of Excellence funding opportunity is the first of several BD2K funding opportunities to be announced in coming months.

By encouraging the formation of interdisciplinary teams in a collaborative environment the BD2K Centers of Excellence also seek to increase the involvement of investigators outside of traditional biomedical areas who are experienced with data science.

Applicants responding to the BD2K Center of Excellence funding opportunity announcement should identify a research topic and propose research in data science. The products from this research and development will be shared and distributed broadly to the research community. The centers are expected to interact as a consortium that cooperatively builds on individual research efforts.

More details about BD2K initiative can be found at <http://bd2k.nih.gov>.

- **The U.S. Food and Drug Administration is taking action to remove from the market illegal products, including some labeled as dietary supplements, that claim to mitigate, treat, cure or prevent diabetes and related complications.**

The agency recently issued letters warning 15 companies that the sale of their illegally marketed diabetes products violates federal law. The letters were sent to foreign and domestic companies whose products were sold online and in retail stores.

The FDA is advising consumers not to use these or similar products because they may contain harmful ingredients or may be otherwise unsafe, or may improperly be marketed as over-the-counter products when they should be marketed as prescription products. Using these products could cause consumers to delay seeking proper medical treatment for their diabetes. FDA-approved diabetes treatments, prescribed by a licensed health care professional and shown to be safe and effective, are readily available for people with diabetes.

Many of the illegally sold products that are the subject to this action include claims such as “prevents and treats diabetes,” and “can replace medicine in the treatment of diabetes.” In addition, some of the products may cause harm because the products contain undeclared active drug ingredients or may not have been manufactured and handled according to FDA quality standards.

These illegally sold products include:

- Products sold as “natural” treatments for diabetes, but containing undeclared active pharmaceutical ingredients in unknown quantities that could cause harm or complicate medical conditions;
- Dietary supplements and ayurvedic products (medicine of the healing arts that originated in India) with claims to treat, cure, and/or prevent diabetes;
- Unapproved drugs sold over-the-counter, including some homeopathic products, intended to treat complications associated with diabetes, which include relieving symptoms caused by nerve damage in the arms and legs (also called peripheral neuropathy); and
- Prescription drugs for diabetes sold by online pharmacies without a prescription.

Nearly 26 million Americans have diabetes, a disease in which blood glucose or blood sugar levels are high, resulting from the body’s inability to produce sufficient amounts of insulin or to effectively utilize its own insulin. There is a greater risk for serious health complications, such as heart disease, blindness, kidney failure, and lower-extremity amputations, if diabetes is not managed appropriately.

REPORTS/POLICIES

- **The GAO published “*Private Health Insurance: The Range of Base Premiums in the Individual Market by State in January 2013*,” (GAO-13-712R) on July 23, 2013.** In this report, GAO documents the range of premiums offered to consumers in the individual market in the month of January 2013, examining the range of premiums for the individual market that were displayed on the HealthCare.gov Plan Finder, which reflected insurers’ base premiums prior to underwriting.

HILL HEARINGS

- The House Veterans Affairs Committee will hold a hearing on **Aug. 1, 2013**, to mark-up pending legislation.

- The Senate Appropriations Subcommittee on Defense will hold a hearing on **July 30, 2013**, to markup proposed legislation making appropriations for fiscal year 2014 for the Department of Defense.
- The Senate Veterans Committee will hold a hearing on **July 31, 2013**, to examine preserving the rights of service members, veterans, and their families in the financial marketplace.

LEGISLATION

- **H.R.2752** (introduction July 19, 2013): To amend the Internal Revenue Code of 1986 to exclude seasonal workers from the applicable large employer determination for purposes of employer shared responsibility regarding health coverage was referred to the House Committee on Ways and Means.
Sponsor: Representative Rodney Alexander [LA-5]
- **H.R.2789** (introduction July 23, 2013): To delay enrollment in qualified health plans in state- or federally-facilitated Exchanges until one year after final rules are published establishing the verification and other procedures to be used to implement section 1411 of the Patient Protection and Affordable Care Act and carrying out sections 6055 and 6056 of the Internal Revenue Code of 1986 was referred to the House Committee on Energy and Commerce.
Sponsor: Representative Renee L. Ellmers [NC-2]
- **H.AMDT.347 to H.R.2397** (introduced July 23, 2013): An amendment numbered 4 printed in House Report 113-170 to increase the Defense Health Program Account by \$10 million to specifically target finding a cure for Gulf War Illness was agreed by voice vote.
Sponsor: Representative Alan Grayson [FL-9]
- **H.AMDT.348 to H.R.2397** (introduced July 23, 2013): An amendment numbered 5 printed in House Report 113-170 to increase by \$10 million the Defense Human Resources Activity account for the purpose of enhancing Department of Defense efforts in mental health research, treatment, education, and outreach and reduce the Office of the Secretary of Defense account by the same amount was agreed to by voice vote.
Sponsor: Representative Steve Israel [NY-3]
- **H.AMDT.351 to H.R.2397** (introduced July 23, 2013): An amendment numbered 9 printed in House Report 113-170 to increase funding for the Defense Health Program account (intended for PTSD) by \$500,000 offset by a similar reduction in the Environment Restoration, Army account was agreed to by voice vote.
- **H.AMDT.354 to H.R.2397** (introduced July 23, 2013): An amendment numbered 13 printed in House Report 113-170 to increase the Defense Health Program's Research and Development account by \$10 million and reduces the Defense Procurement-Wide account by the same amount was a agreed to voice vote.
Sponsor: Representative Sheila Jackson Lee [TX-18]

MEETINGS

- The 2013 Military Health System Research Symposium will be held on **Aug. 12-16, 2013**, Fort Lauderdale, Fla. <https://www.mhsrs.org/>
- The Learning in Disaster Health: A Continuing Education Workshop will be held on **Sept. 17-18, 2013**, in Washington DC. <http://hjf.cvent.com/events/learning-in-disaster-health-a-continuing-education-workshop/event-summary-8688867233a844d3b5a3afeccebbf288.aspx>
- The AMSUS Annual Continuing Education Meeting will be held **Nov. 3-8, 2013**, in Seattle

Wash. AMSUSMeeting.org

- The 29th Annual Meeting of the International Society for Traumatic Stress Studies (ISTSS) will be held **Nov.7-9, 2013**, in Philadelphia, Pa. <http://www.istss.org/Home.htm>
- The AMIA 2013 Annual Symposium will be held on **Nov. 16-20, 2013**, in Washington DC. <http://www.amia.org/amia2013>
- The Radiological Society of North America (RSNA) 2013: **Dec. 1-3, 2013**, in Chicago, Ill. http://www.rsna.org/Annual_Meeting.aspx
- The 2013 Special Operations Medical Association (SOMA) Conference will be held on **Dec. 14-17, 2012**, in Tampa, Fla. <http://www.specialoperationsmedicine.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.