

# Federal Health Update

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*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

- **Congress resumes on Sept. 8, 2014**

## MILITARY HEALTH CARE NEWS

- **The Department of Defense announced that it has issued supplemental guidance to Military Department Boards for Correction of Military/Naval Records (BCM/NR) when considering petitions regarding discharge upgrade requests by veterans claiming Post Traumatic Stress Disorder (PTSD).**

Recent attention has been focused upon the petitions of Vietnam veterans to BCM/NR for the purposes of upgrading their discharges based on claims of previously unrecognized PTSD. In these cases, PTSD was not recognized as a diagnosis at the time of service and, in many cases, diagnoses were not made until decades after service was completed.

This supplemental guidance was issued to help review boards ensure fair and consistent results across the military services and ease the application process for veterans who are seeking redress. It is not intended to interfere with, or impede the boards' statutory independence to correct errors or remove injustices through the correction of military records.

BCM/NRs fully and carefully consider each petition brought by every veteran. This includes a comprehensive review of all materials and evidence provided by the petitioner.

For more information, the department's supplemental guidance can be found at <http://www.defense.gov/news/OSD009883-14.pdf>.

- **TRICARE and Military OneSource are co-hosting a webinar to educate TRICARE beneficiaries about the TRICARE For Life health plan and how it works with Medicare.**

The webinar will feature Anne Breslin, senior health program analyst in the Defense Health Agency, who serves as the TRICARE For Life program manager and liaison to the Centers for Medicare and Medicaid Services.

The webinar will take place on Thursday, Sept. 11, 2014, from 1-2 p.m. ET. To sign up, go to <https://www2.gotomeeting.com/register/531703762>. Registration is on a first-come, first-served basis and is limited due to system capacity. Participants must avoid sharing personal health information when asking a question.

TRICARE For Life provides secondary coverage to Medicare for all TRICARE beneficiaries who have both Medicare Parts A and B. Both Parts A and B are required to be eligible for TRICARE For Life.

For more information about TRICARE For Life, visit [www.tricare.mil/TFL](http://www.tricare.mil/TFL).

## VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs' (VA) National Center for Posttraumatic Stress Disorder (NCPTSD) celebrates its 25<sup>th</sup> anniversary.**

VA created the Center in 1989 to address the needs of veterans and other trauma survivors with PTSD. Congress called for a center of excellence that would set the agenda for research and education on PTSD without direct responsibility for patient care. VA initially established the Center as a consortium of five divisions but now it consists of seven VA academic centers of excellence across the U.S.

Major accomplishments of the Center over its 25-year history also include:

**Applying the latest technology to disseminate information and education about PTSD.** In 1995 the Center launched its website, [www.ptsd.va.gov](http://www.ptsd.va.gov). Since then it has become the number one website on PTSD. The Center has become the technological leader in PTSD online continuing education for VA clinicians and in the creation of mobile apps (such as the award-winning PTSD Coach) for veterans with PTSD. The Center's AboutFace program, <http://www.ptsd.va.gov/apps/AboutFace>, an online video gallery of veterans talking about living with PTSD and how treatment turned their lives around, has improved access to care through Veterans encouraging fellow Veterans to get into treatment.

**Assessment and diagnosis.** The Center developed the leading assessment measures for PTSD in VA, DoD, and organizations around the world. These measures include the Clinician-Administered PTSD Scale (CAPS), the gold standard for assessing PTSD. They have advanced research on PTSD and the clinical care of veterans living with PTSD by ensuring accurate diagnoses and assessment.

**Neurobiological research.** The Center's investigators have been at the forefront of research demonstrating alterations in structural and brain function associated with PTSD, which has significantly enhanced the science and understanding of PTSD and led to improvements in the treatment of veterans and others with PTSD.

**Treatment research and training.** The Center has conducted some of the leading research on the treatment of PTSD, particularly the main evidence-based psychotherapies. The Center also developed training programs that have trained thousands of VA clinicians in these psychotherapies, allowing these clinicians to provide effective evidence-based treatments to

veterans with PTSD.

**Supporting evidence-based PTSD care.** In 2008 the Center helped create the VA Mentoring Program, which encourages implementation of evidence-based treatments for PTSD within PTSD-specialized programs. In 2011, the Center helped establish the VA PTSD Consultation Program, which advises VA clinicians on PTSD. Both programs contribute significantly to better care for veterans with PTSD.

- **The Department of Veterans Affairs (VA) announced selection of five organizations and state and local governments to participate in a new pilot program to assist veterans and their families who are transitioning from military service to civilian life in rural or underserved communities.**

The Rural Veterans Coordination Pilot (RVCP) is two-year program that awards up to \$2 million to the five participating governments and organizations. Grantees are expected to use the funds designed to aid in the adjustment to civilian life in one or more of the following areas:

- Increasing coordination of health care and benefits for veterans;
- Increasing availability of high quality medical and mental health services;
- Providing assistance to families of transitioning veterans, and;
- Outreach to veterans and families.

The five selectees are:

- Maine Department of Labor – State Entity;
- Westcare Washington, Inc. – (Washington State to include Oregon) - Non-Profit Organization;
- Volunteers of America North Louisiana (includes Arkansas and Texas) – Non-Profit Organization;
- New Mexico Department of Veterans' Services – State Entity; and
- Nebraska Association of Local Health Directors – Non-Profit Organization.

- **The Department of Veterans Affairs (VA) is taking multiple steps to expand capacity at VA facilities, to provide veterans the timely care.**

Some of these steps include:

- Collaborating on a new nursing academic partnership (VA Nursing Academic Partnerships or VANAP) focused on psychiatric and mental health care to build stronger, mutually beneficial relationships between nursing schools and VA facilities.
- Partnering with the Department of Defense Health Affairs, Army, Navy, and Air Force to improve recruitment of recently or soon to be discharged health care professionals. VHA is already taking advantage of known separations of military health care workers.
- Expanding of a pilot program to bring combat medics and corpsmen in to VA facilities as clinicians
- Improving the credentialing process for VA and DoD health care providers which will involve sharing credentials to speed up the process.
- Expanding of the loan repayment program, as included in the recently passed Veterans Access, Choice and Accountability Act
- Considering options to revise pay tables to offer more competitive salaries for VA

providers, in comparison to their academic and private practice colleagues.

- These actions build on existing recruitment tools, including partnerships between local facilities and academic institutions, loan repayment programs, and scholarship programs.

To learn more about how to work in VA health care, please visit: [www.vacareers.va.gov](http://www.vacareers.va.gov).

## GENERAL HEALTH CARE NEWS

- **On Sept. 4, 2014, Health and Human Services Secretary Sylvia M. Burwell promoted HHS Chief of Staff Andrea Palm to a senior counselor, in order to further strengthen the HHS management team and help the agency fulfill its mission to better serve the American people.**

Palm has been a key part of the HHS team since the beginning of the Obama Administration, and brings more than 15 years of experience working on health care, public health and human services issues to this new position. Andrea has served in a number of senior-level HHS positions, including acting assistant secretary for legislation and counselor to the Secretary for Public Health and Science, and has deep knowledge of the Department and its many partners.

At HHS, she has helped the Department tackle critical issues including responding to H1N1, modernizing our food safety system, implementing the Affordable Care Act, and ensuring a successful first open enrollment for the Health Insurance Marketplace. Throughout her time in the Administration, she has demonstrated her ability to find solutions to complex issues and deliver impact for the American people.

As senior counselor, Palm will work closely with the Department's senior staff and external partners on a wide range of cross-cutting issues, including key strategic initiatives, and creating health care and human service delivery systems that give Americans the building blocks they need to lead healthy and productive lives.

Palm has served as chief of staff since May of 2013. In addition to her time at HHS, she served on White House Domestic Policy Council. Prior to joining the Administration, Palm was the senior health policy advisor to former Senator Hillary Rodham Clinton, working on health IT and biosimilars legislation.

Palm will continue to report directly to the Secretary.

- **Health and Human Services Secretary Sylvia M. Burwell awarded \$65 million in grants to help 87 organizations in 33 states reduce high infant mortality rates and other health problems related to pregnancy and mothers' health.**

Healthy Start is targeted to the needs of vulnerable mothers and infants in areas of the country with disproportionately high rates of infant mortality. Twenty-two of these awardees serve rural communities, four will serve the United States-Mexico border, and three programs will serve a predominately Native American population. Also, 22 organizations will be using these funds to create Healthy Start programs for the first time.

The Healthy Start program, which is managed by HHS' Health Resources and Services Administration, began in 1991 but has been redesigned to use evidence-based strategies and to

improve program performance. Applicants for this grant cycle were required to design programs around five key strategies that have been found to reduce health disparities and adverse perinatal outcomes. All grantees are required to undertake specific activities under each strategy:

- Improve women’s health, with a focus on access to care
- Promote quality services
- Strengthen family resilience
- Achieve collective community impact
- Increase program accountability

For a list of awardees, visit: <http://www.hrsa.gov/about/news/2014tables/healthystart/>.

To learn more about HRSA’s Healthy Start Program, visit <http://mchb.hrsa.gov/programs/healthystart/index.html>.

- **The number of uninsured is expected to decline by nearly half from 45 million in 2012 to 23 million by 2023 as a result of the coverage expansions associated with the Affordable Care Act, according to a report from the Centers for Medicare & Medicaid Services (CMS) Office of the Actuary.**

Health spending growth for 2013 is projected to remain slow at 3.6 percent, which would mark the fifth consecutive year of spending growth under 4.0 percent. National health expenditures (NHE) are projected to grow at an average rate of 5.7 percent for 2013 through 2023, about 1.1 percentage points faster than the expected average annual growth rate for the Gross Domestic Product (GDP).

Average annual growth of 6.0 percent per year is projected for 2015 through 2023, largely as a result of the continued implementation of the Affordable Care Act coverage expansions, faster projected economic growth, and the aging of the population. While projected growth over the projection period is faster compared to recent experience, it is still slower than the growth observed over the last two decades. From 1990-2008, the average rate was 7.2 percent and health spending grew 2 percentage points faster than GDP.

The National Health Expenditure projections report, issued annually, contains estimates of spending for health care in the U.S. over the next decade by type of service and source of funding.

Other findings include:

- **2014 Spending Growth Expected to Accelerate.** For 2014, the health spending growth rate is expected to be 5.6 percent, as 9 million Americans are projected to gain health insurance coverage, predominantly through Medicaid or the Health Insurance Marketplaces. Out-of-pocket spending is projected to decline by 0.2 percent.
- **Government Health Expenditures Expected to Increase.** By 2023, health expenditures financed by federal, state, and local governments are projected to account for 48 percent of national health spending. In 2012, such expenditures constituted 44 percent of national health spending.

The [“National Health Expenditure Projections, 2013-23”](#) report was published in *Health Affairs*.

- **The Centers for Medicare & Medicaid Services announced that thousands of former**

**BadgerCare beneficiaries will have the opportunity to enroll in private health insurance through the Marketplace after Wisconsin changed its Medicaid eligibility earlier this year.**

Outside of major life changes, people generally enroll in Marketplace coverage during the annual open enrollment period. However, because of unique circumstances, CMS is clarifying that a special enrollment period applies to those individuals in Wisconsin who lost coverage because of the state's decision to change eligibility for its Medicaid program, BadgerCare on April 1, 2014.

Individuals eligible for this special enrollment period will be able to apply for Marketplace coverage immediately and will have 60 days to do so. Eligible individuals should contact our federal call center at 1-800-318-2596 to apply. Individuals wishing to apply for coverage need to act by Nov. 2, 2014.

- **On Sept. 4, 2014, the U.S. Food and Drug Administration granted accelerated approval to Keytruda (pembrolizumab) for treatment of patients with advanced or unresectable melanoma who are no longer responding to other drugs.**

Melanoma, which accounts for approximately five percent of all new cancers in the United States, occurs when cancer cells form in skin cells that make the pigment responsible for color in the skin. According to the National Cancer Institute, an estimated 76,100 Americans will be diagnosed with melanoma and 9,710 will die from the disease this year.

Keytruda is the first approved drug that blocks a cellular pathway known as PD-1, which restricts the body's immune system from attacking melanoma cells. Keytruda is intended for use following treatment with ipilimumab, a type of immunotherapy. For melanoma patients whose tumors express a gene mutation called BRAF V600, Keytruda is intended for use after treatment with ipilimumab and a BRAF inhibitor, a therapy that blocks activity of BRAF gene mutations.

The five prior FDA approvals for melanoma include: ipilimumab (2011), peginterferon alfa-2b (2011), vemurafenib (2011), dabrafenib (2013), and trametinib (2013).

The FDA granted Keytruda breakthrough therapy designation because the sponsor demonstrated through preliminary clinical evidence that the drug may offer a substantial improvement over available therapies. It also received priority review and orphan product designation. Priority review is granted to drugs that have the potential, to be a significant improvement in safety or effectiveness in the treatment of a serious condition. Orphan product designation is given to drugs intended to treat rare diseases.

Keytruda's efficacy was established in 173 clinical trial participants with advanced melanoma whose disease progressed after prior treatment. Keytruda is marketed by Merck & Co., based in Whitehouse Station, New Jersey.

## REPORTS/POLICIES

- **The GAO published “VA Dialysis Pilot: Documentation of Plans for Concluding the Pilot Needed to Improve Transparency and Accountability,” (GAO-14-646) on Sept. 2, 2014.** In this report, GAO continued its evaluation of the Dialysis Pilot, examining the extent to which VA documented plans for concluding the Dialysis Pilot and the status of data on the quality of care and treatment costs for the four pilot locations.  
<http://www.gao.gov/assets/670/665499.pdf>
- **The GAO published “Medicare Advantage: CMS Should Fully Develop Plans for Encounter Data and Assess Data Quality before Use,” (GAO-14-571) on Sept. 2, 2014.** This report examines how the scope of MA encounter data compare with CMS's current risk

adjustment data; the extent to which CMS has specified plans and time frames to use encounter data for risk adjustment and other purposes; and the extent to which CMS has taken appropriate steps to ensure MA encounter data's completeness and accuracy.

<http://www.gao.gov/assets/670/665142.pdf>

- **The Institute of Medicine published “*The Role and Potential of Communities in Improving Population Health*” on Sept.4, 2014.** The report discusses the findings from the workshop, examining important ingredients, effective strategies, and other lessons learned in three contexts: youth organizing, community organizing or other types of community participation, and partnerships between community and institutional actors (e.g., universities, public health agencies). <http://www.iom.edu/Reports/2014/The-Role-and-Potential-of-Communities-in-Improving-Population-Health.aspx>

## HILL HEARINGS

- The House Veterans Affairs Committee will hold a hearing on **Sept. 10, 2014**, to address pending legislation.
- The House Veterans Affairs Subcommittee on Oversight and Investigations will hold a hearing on **Sept. 10, 2014**, to examine metrics, measurements and mismanagement in the Board of Veterans' Appeals.
- The House Veterans Affairs Subcommittee on Economic Opportunity will hold a hearing on **Sept. 17, 2014**, to review the Transition Assistance Program (TAP).

## LEGISLATION

- There was no legislation proposed this week.

## MEETINGS

- 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://ncdmpm.usuhs.edu/>
- The AUSA 2014 Annual Meeting & Exposition will be held **Oct. 13-15, 2014**, in Washington DC. <http://www.ausa.org/meetings/2014/Pages/AnnualMeeting.aspx>
- 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>
- The AMIA 2014 Annual Symposium will be held on **Nov. 15-19, 2014**, in Washington DC. <http://www.amia.org/amia2014>
- AMSUS Annual Continuing Education Meeting will be held **Dec. 2-5, 2014**, in Washington, DC <http://amsusmeetings.org>
- The 100th Annual Meeting of Radiological Society of North America (RSNA) 2014 will be



held **Dec. 5-9, 2014**, in Chicago, Ill. [http://www.rsna.org/Annual\\_Meeting.aspx](http://www.rsna.org/Annual_Meeting.aspx)

- 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>
- 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/ld/fid=159>

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**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](mailto:katetheroux@federalhealthcarenews.com).**