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

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The Update will not be published on Aug 24 and 31, 2018.

EXECUTIVE AND CONGRESSIONAL NEWS

- The new chair of the Senate Armed Services Committee is Republican James Inhofe. He follows Senator John McCain, who died on Aug. 25, 2018. Senate Majority Leader Mitch McConnell announced Inhofe as the new chairman of the committee on Sept. 5, 2018.

MILITARY HEALTH CARE NEWS

- On Aug. 20, 2018, TRICARE updated its policy manual to reflect the new rule on transitional TRICARE coverage available to members of the Guard or Reserves after more than 30 days of activation.

  According to the new rule, Guard and Reserve service members now have 180 days of transitional TRICARE coverage, regardless of the reason they were activated.

  In the past, Guard troops and reservists and their families could only access that free 180 days of TRICARE coverage if they were activated for more than 30 days in support of a "contingency operation." Typically, "contingency operations" refer only to war or overseas efforts.

  The 2018 National Defense Authorization Act (NDAA) includes a change that expands
transitional TRICARE Prime or Select coverage to those who were activated for other reasons, including stateside disaster response.

**VETERANS AFFAIRS NEWS**

- **The U.S. Department of Veterans Affairs (VA) announced that its General Counsel, Jim Byrne, has been named acting deputy secretary of Veterans Affairs, effective Aug. 28.**

  Byrne was confirmed by the U.S. Senate on Aug. 9, 2017, as the general counsel for the department.

  Prior to joining VA, Byrne served in Lockheed Martin Corp.’s legal department as the Chief Privacy Officer and lead information technology, cyber security and counterintelligence attorney.

  He served as the deputy special counsel with the Office of the United States Special Counsel, a career Senior Executive Service position, as well as both General Counsel and Assistant Inspector General for Investigations with the Office of the Special Inspector General for Iraq Reconstruction.

  Byrne has over 20 years of experience in the public sector, also including service as a deployed U.S. Marine Corps infantry officer, and a U.S. Department of Justice (DOJ) international narcotics prosecutor.

  Before joining VA, Byrne volunteered for 10 years on the Executive Board of Give an Hour, a nonprofit organization that has developed national networks of volunteer professionals capable of providing complimentary and confidential mental health services to post-9/11 Veterans, service members and their families.

  Byrne is a distinguished graduate of the U.S. Naval Academy, where he received an engineering degree and ultimately held the top leadership position of brigade commander. He earned his juris doctor degree from Stetson University College of Law, St. Petersburg, Florida, and started his legal career as a judicial law clerk to the Honorable Malcolm J. Howard, on the U.S. District Court of the Eastern District of North Carolina.

- **The U.S. Department of Veterans Affairs’ (VA) Vocational Rehabilitation and Employment Program (VR&E) recently began the process of reducing the average counselor-to-caseload ratio, to one to 125 or below, through the hiring of 172 vocational rehabilitation counselors (VRCs).**

  The hiring effort, which began early this summer, will help improve service to Veterans with service-connected disabilities and employment barriers, as well as help provide them with expedited services to improve their ability to transition to the civilian workforce.

  VA is committed to ensuring its counselors have manageable caseloads and the resources needed to ensure Veterans are receiving thorough, quality services.

  Currently, 941 counselors are working across VA’s 56 regional offices, as well as in out-based and satellite locations.

  Once hiring is complete for the additional 172 counselors, a total of 1,113 VRCs will be deployed in the field to serve Veterans. This includes 905 VRCs at regional and out-based offices, 132 Integrated Disability Evaluation System counselors at 71 military installations and 76 Veteran Success on Campus counselors at 105 institutions of higher learning.

  Since 2014, over 56,000 veterans have either completed a rehabilitation plan, are employed or have achieved a greater independence in living through VR&E assistance. The VR&E program currently has more than 123,000 participants. For more information about VR&E, visit
GENERAL HEALTH CARE NEWS

- The U.S. Department of Health and Human Services (HHS) awarded nearly $60 million to 161 community health centers in six southern states and two U.S. territories that were impacted by hurricanes Harvey, Irma and Maria.

  Administered by the Health Resources and Services Administration (HRSA), Capital Assistance for Hurricane Response and Recovery Efforts (CARE) funding will help ensure continued access to primary health care services at community health centers in areas affected by the hurricanes.

  This funding was made available by the Bipartisan Budget Act, signed by President Trump in February. CARE offers capital assistance and support for minor alteration, renovation and equipment costs to assist impacted HRSA-funded health centers providing services in Alabama, Florida, Georgia, Louisiana, South Carolina and Texas as well as Puerto Rico and the U.S. Virgin Islands.

  For more than 50 years, health centers have delivered affordable, accessible, quality and cost-effective primary health care services to patients. Today, nearly 1,400 health centers operate more than 11,000 service delivery sites nationwide.

  For a list of CARE award recipients, visit: https://bphc.hrsa.gov/programopportunities/fundingopportunities/care/fy2018awards/index.html

  To learn more about HRSA’s Health Center Program, visit: http://bphc.hrsa.gov/about

  To locate a health center, visit: http://findahealthcenter.hrsa.gov

- Despite being largely preventable, heart attacks, strokes, heart failure and other related conditions caused 2.2 million hospitalizations in 2016, resulting in $32.7 billion in costs and 415,000 deaths, according to the latest CDC’s report.

  Many of these events were in adults ages 35-64, with over 775,000 hospitalizations and 75,000 deaths occurring within this group in 2016.

  o If every state reduced these life-changing events by six percent every year, one million cardiac events could be prevented by 2022.

  o This report provides new state-specific data on emergency department visits, hospitalizations and costs, and deaths due to heart disease and stroke. It gives states benchmark information to improve their residents’ health.

  The staggering number of cardiovascular deaths and hospitalizations arise from opportunities missed every day in finding and treating the common, controllable causes of cardiovascular diseases. This report shows that:

    o 9 million American adults are not yet taking aspirin as recommended.

    o 40 million adults with high blood pressure are not yet under safe control.

    o 39 million adults can benefit from managing their cholesterol.

    o 54 million adults are smokers – most of whom want to quit.

    o 71 million adults are not physically active.

  For more information about this report, go to www.cdc.gov/vitalsigns.
To learn more about heart disease and stroke, visit [http://www.cdc.gov/heartdisease](http://www.cdc.gov/heartdisease) and [http://www.cdc.gov/stroke](http://www.cdc.gov/stroke). To learn more about Million Hearts®, visit [https://millionhearts.hhs.gov/](https://millionhearts.hhs.gov/).

- **On Aug. 29, 2018, The Centers for Medicare & Medicaid Services (CMS) issued a memo to Medicare Part D plans, which cover prescription drugs that beneficiaries pick up at a pharmacy, offering plans new tools and flexibility to expand choices and lower drug prices for patients.**

  Currently, if a Part D plan includes a particular drug on its formulary, the plan must cover that drug for every FDA-approved indication, or patient condition, even if the plan would otherwise instead cover a different drug for a particular indication. The requirement to cover drugs in this manner can discourage Part D plans from including more drugs on their formularies and limit their power to negotiate discounts.

  The new memo explains that starting in 2020, plans will have new flexibility to tailor their formularies so that different drugs can be included for different indications. This policy, known as “indication-based formulary design,” is used in the private sector and will enable Part D plans to negotiate lower prices for patients. Targeted formulary coverage based on indication will also provide Part D beneficiaries with more drug choices and will empower beneficiaries to select a plan that is designed to meet their unique health needs.

  The new policy is expected to increase both the number of drugs available on a given plan’s formulary and the diversity of plan formularies available. Part D plan sponsors and prescription drug manufacturers begin negotiations in the fall of 2018 for formulary placement in Contract Year 2020, so CMS is making this announcement today to ensure that beneficiaries will see the benefits of this policy in 2020.

  The memo emphasizes that if a Part D plan limits formulary coverage of a drug to certain indications, the plan must ensure that there are other therapeutically similar drugs on formulary for the drug’s non-covered indications.

  To help ensure that Medicare enrollees understand their coverage, the agency will update the online tools that beneficiaries use when selecting a Part D plan, so that beneficiaries will see that a plan’s coverage for a drug varies by indication before they make a choice in 2019 for their 2020 plan.

  CMS will also require plans that implement this tool to explain what it will mean for beneficiaries in the plan’s Annual Notice of Change (ANOC) and Evidence of Coverage (EOC) documents. In addition, the agency will update the 2020 Medicare & You handbook to include information on this new flexibility. CMS looks forward to working with patients and other stakeholders to ensure the successful implementation of this policy.


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**REPORTS/POLICIES**

- **The GAO published:** “Nursing Home Quality: Continued Improvements Needed in CMS’s Data and Oversight,” (GAO-18-694T) on Sept. 6, 2018. The report describes trends in nursing home quality through 2014, and changes CMS had made to its oversight activities as of October...
2015. It also includes the status of GAO's recommendations associated with these findings. [https://www.gao.gov/assets/700/694324.pdf]


**HILL HEARINGS**

- There are no health-related hearings scheduled next week.

**LEGISLATION**

- **H.R.6712** (introduced Sept. 5, 2018): A bill to direct the Secretary of Defense to develop a strategy to recruit and retain mental health providers, to direct the Secretaries of the military departments to develop medication monitoring programs, and for other purposes was referred to the House Committee on Armed Services. Sponsor: Representative Lloyd Smucker [R-PA-16]

- **H.R.6698** (introduced Sept. 4, 2018): The Maternal CARE Act was referred to the House Committee on Energy and Commerce, Sponsor: Representative Alma S. Adams [D-NC-12]

**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/]

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