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 Sept. 7, 2018, President Trump signed into law S.899, the Veterans Providing Healthcare Transition Improvement Act. This legislation clarifies the availability of medical leave for certain service-disabled veterans employed in VA healthcare positions.

- On Sept. 13, 2018, U.S. House passed four Medicare-related bills by voice votes:
  - H.R. 6561, the Comprehensive Care for Seniors Act of 2018: This bill makes it possible for for-profit companies to offer Program of All-Inclusive for Elderly (PACE) plans. A PACE plan can use federal Medicare funds and state Medicaid funds to provide care for older people who need the equivalent of nursing home care but can live safely in the community.
  - H.R. 6690, the Fighting Fraud to Protect Care for Seniors Act of 2018: This bill calls for Medicare program managers to test a Medicare smart care program to see if replacing traditional care could reduce Medicare fraud, waste and abuse.
  - H.R. 6662, the Empowering Seniors’ Enrollment Decision Act of 2018: This bill helps Medicare enrollees with the winding down of the Medicare cost plan program. These plans have been available since the 1970s but will be eliminated in counties in which consumers have access to two or more Medicare Advantage plans.
  - H.R. 3635, the Local Coverage Determination Clarification Act of 2018: This bill establishes standard procedures the regional Medicare administrative contractors must follow when making local coverage determinations (what medical services it will cover and when).
With the East Coast preparing for a potential hit by Hurricane Florence, the Defense Health Agency has published a list of things people can do to prepare for their health care needs during severe weather.

- Experts recommend making a list that includes your physician’s name and contact information, medications with dosage and frequency, and type and model number of medical devices.
- Those with chronic health conditions or issues with vision, hearing or mobility should get medical alert tags or bracelets, and identify how to get to safety.
- Gather immunization records, insurance paperwork and medical documents in a waterproof container that’s easy to carry.
- Put together a basic first-aid kit with enough medication to ride out a storm. TRICARE authorizes early prescription refills when emergency procedures are in place, as they currently are in North Carolina, South Carolina, Virginia, Maryland and Washington, D.C. because of Hurricane Florence.
- TRICARE beneficiaries not on active duty do not need a referral to receive care from urgent care providers. They can receive urgent care from any TRICARE-authorized urgent care center or provider. This allows beneficiaries to seek nonemergency care for illnesses or injuries if their primary care provider is unavailable because of weather disruptions.

For more information on preparing for hurricanes and disasters, go to [www.ready.gov/hurricanes](http://www.ready.gov/hurricanes) or [www.TRICARE.mil/disaster](http://www.TRICARE.mil/disaster)

- Naval Hospital Jacksonville, including its five branch health clinics in Florida and Georgia, will be the first Navy military medical treatment facility (MTF) to transition to the Defense Health Agency (DHA) on Oct. 1, 2018.

  The change in administration will be transparent to patients — service members, family members, and retirees — with little or no immediate effect on their experience of care. For patients, their facility, physicians, and coverage will all remain the same. They will continue to receive the same exceptional level of care and service.

  To achieve Congress’s requirements in the 2017 National Defense Authorization Act, the DHA will assume administration and management of all MTFs. This transition will increase efficiency by eliminating duplication, and enhancing standardization and consistency across the military services.

  Naval Hospital Jacksonville’s staff of more than 2,300 active duty, civilians, and contractors across six locations stands ready to make this a seamless transition for patients. Where and how patients access care will not change, and they will continue to have full access to care and convenience care options. All phone numbers will remain the same. Additionally, the facilities’ names will not change, and will maintain their Navy affiliation.

  Over time, these reforms will drive better integration and standardization of care across all MTFs, which means patients should have a consistent, high-quality health care experience, no matter where they are.

  While DHA will be responsible for health care delivery and business operations, Navy Medicine will retain principal responsibility for operational readiness of the medical force.
To complement Naval Hospital Jacksonville’s transition, Navy Medicine is establishing a co-located Navy Medicine Readiness and Training Command (NMRTC). Navy Medicine, through the NMRTC, retains command and control of the uniformed medical force, and maintains responsibility and authority for operational readiness. This includes the medical readiness of Sailors and Marines, as well as the clinical readiness of the medical force.

The Jacksonville NMRTC will improve the ability of Naval Hospital Jacksonville to meet the needs of operational commanders. Survivability of Navy and Marine Corps personnel in the future warfighting environment requires a medical force that’s ready to immediately deploy and save lives.

VETERANS AFFAIRS NEWS

- The Department of Veterans Affairs reports that 1.5 million veterans and more than 28,000 VA employees are being effected by Hurricane Florence (741,169 of whom are enrolled for VA health care).

  As a result of the hurricane, 22 community-based outpatient clinics and five Vet Centers have been closed or will be closed.

  All facilities supporting the intake of evacuated patients and remaining active during the storm have topped off their energy and oxygen supplies, and have enough food until September 29. VA continues to conduct assessment of high-risk outpatient outreach and needs and is coordinating transportation to shelters for special needs populations.

  These hotlines are managed by the VA Health Resource Center. The call center will connect veterans and employees in real-time with the resources they need in a disaster.

  - Veteran Hurricane Hotline Number: 1-800-507-4571
  - Employee Disaster Hotline Number: 1-866-233-0152
  - VBA Hotline Number: 1-800-827-1000
  - Pharmacy Customer Care 1-866-400-1243

  For updates on operations the following VA facilities and associated clinics, please visit the websites below, please visit: [https://www.va.gov/opa/alerts/florence.asp](https://www.va.gov/opa/alerts/florence.asp)

- The U.S. Department of Veterans Affairs (VA) recently updated regulations related to how it governs the oversight of beneficiaries, who, because of injury, disease, or age, are unable to manage their VA benefits, and the appointment and oversight of fiduciaries for these vulnerable beneficiaries.

  Managed by VA’s Veterans Benefits Administration (VBA), the new regulations, which took effect in August, update and reorganize fiduciary rules consistent with current law and VA policies, and clarify the rights of beneficiaries and the roles of VA and fiduciaries in the program.

  Among other things, the new regulations clarify beneficiaries’ rights, including the right to appeal fiduciary appointments and other fiduciary decisions, the 4 percent limit on fiduciary fees, and the procedures to remove a fiduciary, for instance, when a beneficiary demonstrates the ability to manage their own funds or when VA determines that the fiduciary misused VA benefits.

  This is the first full revision of the Fiduciary Activities regulations since they were first published in 1975.
The U.S. Department of Veterans Affairs (VA) announced it will fund a new center of excellence to expand the department’s capacity to deliver innovative, data-driven and integrated approaches to improve services for Veterans and their caregivers.

Managed by VA’s Office of Health Services Research & Development (HSR&D), the first-of-its-kind center will be named for Sen. Elizabeth Dole in recognition of her national leadership and advocacy on behalf of the nation’s 5.5 million military and veteran caregivers, and her support for the landmark RAND Corp. research on their challenges.

The Elizabeth Dole Center of Excellence for Veteran and Caregiver Research will serve as the model for excellence in peer-reviewed research on innovation, training, evaluation, implementation and the dissemination and adoption of best practices in supporting the caregivers of Veterans across VA, the federal government and private and nonprofit sectors.

The center of excellence consists of a multidisciplinary team that takes advantage of HSR&D’s virtual network of nationally recognized VA investigators and their university affiliates to ensure that their state-of-the-art research will have the greatest possible impact on veterans and the caregivers who support them. The team of VA investigators will be led by Dr. Luci Leykum of the South Texas Veterans Health Care System.

Additional collaborating sites (and leaders) include the following: the Miami VA Healthcare System (Dr. Stuti Dang); VA Salt Lake City Health Care System (Dr. Mary Jo Pugh,); and the VA Palo Alto Health Care System (Dr. Ranak Trivedi).

The creation of the center will allow VA to further all evidence-based research to inform the most appropriate and effective care for veterans based on their needs, most notably by: involving caregivers of Veterans in the design and implementation of innovative models of care; applying the best caregiver and Veteran-driven metrics for evaluation and feedback; using data science to inform matching of services to different veteran and caregiver groups; and applying implementation science to improve the deployment of best practices in home- and community-based care.

The resulting work will inform care delivery and improvement by empowering veterans, caregivers, VA and non-VA providers, and leadership in making informed choices regarding the best care for veterans and support for those who support them.

For more information on VA’s HSR&D’s program, visit https://www.hsrd.research.va.gov/.

GENERAL HEALTH CARE NEWS

The Department of Health and Human Services’ (HHS) Health Resources and Services Administration (HRSA) awarded $21 million to 46 community health centers to support their participation in the National Institutes of Health’s (NIH) All of Us Research Program.

All of Us is a national effort to gather data from one million or more U.S. residents to accelerate research and improve health by taking individuals’ differences in lifestyle, environment, biology and other factors into account. HRSA’s investment supports community health centers’ capabilities to enroll and retain participant partners in All of Us, which seeks to advance precision medicine.

The HRSA funding will also advance health centers’ interoperability functionality, preparedness to use and share patient data, and capacity to participate in future research opportunities.

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 serving more than 27 million people.

For a list of HRSA’s Advancing Precision Medicine grant award recipients, visit:
The Centers for Disease Control and Prevention released new data on self-reported adult obesity prevalence for all 50 states, the District of Columbia, Guam, and Puerto Rico.

The 2017 Adult Obesity Prevalence Maps show that adult obesity across the country remains high and differs by race, ethnicity, and education. The data come from the Behavioral Risk Factor Surveillance System, an ongoing, state-based, telephone interview survey conducted by CDC and state health departments. Height and weight data are self-reported.

In 2017, seven states reported an adult obesity prevalence at or above 35 percent: Alabama, Arkansas, Iowa, Louisiana, Mississippi, Oklahoma, and West Virginia. This is up from five states in 2016. Five years ago, in 2012, all states had obesity prevalence lower than 35 percent.

Obesity prevalence ranged from a low of 22.6 percent in Colorado to a high of 38.1 percent in West Virginia.

Disparities persist across race, ethnicity and education:

- Non-Hispanic Blacks had the highest prevalence of obesity (39.0 percent), followed by Hispanics (32.4 percent) and non-Hispanic Whites (29.3 percent).
- Adults without a high school degree had the highest prevalence of obesity at 35.6 percent, followed by high school graduates (32.9 percent), and adults with some college (31.9 percent). College graduates had the lowest prevalence of obesity (22.7 percent).
- Combined data for 2015-2017 also showed racial disparities:
  - 31 states and the District of Columbia had an obesity prevalence of 35 percent or higher among non-Hispanic Black adults.
  - 8 states had an obesity prevalence of 35 percent or higher among Hispanic adults.
  - 1 state had an obesity prevalence of 35 percent or higher among non-Hispanic White adults.

Adults with obesity are at an increased risk for many serious health conditions such as heart disease, stroke, type 2 diabetes, some cancers, poorer mental health, and more. Children with obesity are more likely to become adults with obesity. Obesity costs the United States health care system over $147 billion a year. In addition, research has shown that obesity affects work productivity and military readiness.

The 2017 obesity maps are online at https://www.cdc.gov/obesity/data/prevalence-maps.html. Maps showing obesity overall, as well as by race and ethnicity, also are available for 2011 through 2016.

- The U.S. Food and Drug Administration awarded five grants totaling up to $6 million per year over the next five years to Pediatric Device Consortia (PDC) across the country that will provide advice and support services to innovators of children’s medical devices.

The program aims to enhance the development, production and distribution of pediatric medical devices and has awarded $37 million to various consortia since 2009.

The PDC grant recipients and their principal investigators for 2018 are the following:
Specific areas of expertise provided by the consortia to medical device innovators include advising on issues related to: intellectual property, prototyping, engineering, laboratory and animal testing, grant-writing and clinical trial design to help foster and guide the advancement of medical devices specifically for children.

Of the estimated $6 million granted this year, approximately $1 million will be used for the Real World Evidence (RWE) Demonstration Project, in which three of the consortia will conduct RWE projects in the pediatric space that develop, verify and operationalize methods of evidence generation, data use and scalability across device types, manufacturers and the health care system. The FDA intends to use the information gathered through this initiative to further efforts to incorporate RWE into the agency’s work.

Legislation passed by Congress in 2007 established funding to be distributed as grants for nonprofit consortia to help stimulate projects to promote the development and availability of pediatric medical devices. This legislation was re-authorized as part of the FDA Safety and Innovation Act of 2012 and again in the FDA Reauthorization Act of 2017 to run through fiscal year 2022.

The PDC Grants Program was launched in 2009, and this is the fourth time the FDA has awarded grants. Each group’s grant runs for five consecutive years. Funding for fiscal year 2018 is approximately $1 million to $1.35 million per consortium. Support for the four additional years will be contingent upon annual appropriations, availability of funding and satisfactory awardee performance.

The consortia have assisted or advised more than 1,000 medical device projects since the program began. There are now 19 pediatric medical devices available to patients as a result of this grants program, including a needle-free blood collection device that attaches to peripheral IV systems for use as a direct blood draw device; a surgical vessel sealing system for use in open and laparoscopic general surgical procedures to seal blood vessels and vascular bundles and a rapid infusion device that delivers fluids to a patient’s vascular system.

**REPORTS/POLICIES**


- **The GAO published “Medicare Advantage: Benefits and Challenges of Payment**

**HILL HEARINGS**

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

**LEGISLATION**

- **S.3434** (introduced Sept. 12, 2018): A bill to amend the Public Health Service Act to provide for grants to enable States to carry out activities to reduce administrative costs and burdens in health care was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Tina Smith [D-MN]
- **H.R.6753** (introduced Sept. 7, 2018): A bill to amend title XI of the Social Security Act to direct the Secretary of Health and Human Services to establish a public-private partnership for purposes of identifying health care waste, fraud, and abuse was referred to the Committees on Energy and Commerce and Ways and Means. Sponsor: Representative Greg. Walden [R-OR-2]
- **H.R.6775** (introduced Sept. 12, 2018): A bill to effectively staff the public elementary schools and secondary schools of the United States with school-based mental health services providers was referred to the House Committee on Education and the Workforce. Sponsor: Representative Katherine M. Clark [D-MA-5]
- **H.R.6781** (introduced Sept. 12, 2018): A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare program of certain mental health telehealth services was referred to the Committees on Energy and Commerce, and Ways and Means. Sponsor: Representative Suzan K. DelBene [D-WA-1]
- **H.R.6778** (introduced Sept. 12, 2018): A bill to require the Secretary of Health and Human Services to provide guidance to states regarding federal reimbursement for furnishing services and treatment for substance use disorders under Medicaid using telehealth services was referred to the House Committee on Energy and Commerce. Sponsor: Representative Ben Ray Lujan [D-NM-3]

**MEETINGS**

- The AUSA 2018 Annual Meeting & Exposition will be held **Oct. 8-10, 2018**, in Washington DC; [http://ausameetings.org/2018annualmeeting/](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/](http://www.amsusmeetings.org/home-2/)

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