

Federal Health Update

OCT. 4, 2013

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EXECUTIVE AND CONGRESSIONAL NEWS

- **The federal government has been shut down due to the inability of Congress to pass a continuing resolution bill.**

MILITARY HEALTH CARE NEWS

- **Officials with the Defense Health Agency (formerly TRICARE Management Activity) issued the following statement Oct. 1, 2013:**

"We know that those who rely on the Military Health System are concerned about how the government shutdown might impact their health care.

While we can't predict the exact consequences of a shutdown on every part of our MHS, we will likely see some impact on the delivery of health care services within our military hospitals and clinics. Inpatient, acute and emergency outpatient care in our medical and dental facilities will continue, as will private sector care under TRICARE. Local hospital and clinic commanders will need to implement the required adjustments to available medical services while ensuring that the quality of care and safety of patients remain intact. Patients should contact their hospital or clinic to confirm previously scheduled routine appointments. Patients needing to schedule new routine appointments might experience delays.

For TRICARE beneficiaries using providers in the private sector, little or no effect is anticipated at this time.

The MHS leadership -- composed of the assistant secretary of defense for Health Affairs, the director of the Defense Health Agency and the surgeons general of the military departments -- are closely monitoring the situation regarding a possible government shutdown on the health services provided to our 9.6 million beneficiaries."

Please also be aware that during the government shutdown, TRICARE will not be able to process or pay TRICARE travel claims for the TRICARE Prime or the Combat-Related Specialty Care travel benefits. You may still file your travel claim. TRICARE will review claims for eligibility and process them once the government shutdown ends."

- **The Army released suicide data for the month of August 2013.**

During August, among active-duty Soldiers, there were 12 potential suicides: Two have been confirmed as suicides and 10 remain under investigation. For July 2013, the Army reported 19 potential suicides among active-duty Soldiers: three have been confirmed as suicides and 16 are under investigation. For CY 2013, there have been 106 potential active-duty suicides: 51 have been confirmed as suicides and 55 remain under investigation. Updated active-duty suicide numbers for CY 2012: 185 (171 have been confirmed as suicides and 14 remain under investigation).

During August 2013, among reserve component Soldiers who were not on active duty, there were eight potential suicides (five Army National Guard and three Army Reserve): One has been confirmed as a suicide and seven remain under investigation. For July 2013, among that same group, the Army reported eight potential suicides; however, subsequent to the report, two more cases were added bringing July's total to 10 (eight Army National Guard and two Army Reserve): Three have been confirmed as suicides and seven cases remain under investigation. For CY 2013, there have been 102 potential not on active duty suicides (66 Army National Guard and 36 Army Reserve): 70 have been confirmed as suicides and 32 remain under investigation.

The Army also released updated not-on-active-duty suicide numbers for 2012: 140 (93 Army National Guard and 47 Army Reserve): 138 have been confirmed as suicides and two remain under investigation.

The Army's comprehensive list of Suicide Prevention Program information is located at <http://www.preventsuicide.army.mil>.

- **The U.S. Department of Defense (DoD) will conduct an assessment of potential costs and benefits of alternative structures for its TRICARE pharmacy services contract, according to LAW360.**

In a [report](#) released on Sept. 30, the GAO found that the Pentagon hadn't re-evaluated the effectiveness of the current structure in the past decade and recommended that DoD should incorporate an evaluation of alternative contract structures into the acquisition planning for its upcoming pharmacy services contract, which will begin Nov. 1 and has an estimated cost of \$4.4 billion.

Under the current "carve-out" structure, the DoD contracts with managed care support contractors to provide medical services, and contracts separately with pharmacy benefit manager Express Scripts to provide services including TRICARE's mail-order pharmacy. GAO suggested that in order to determine whether the carve-out structure is the most cost-effective, the DoD should thoroughly explore the costs and benefits of other options.

The DoD concurred with the report's recommendations but said in a letter that it was confident

— based on its past experience with various alternatives — that the current carve-out structure will prove to be the most cost-effective and beneficial.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs announced that veterans' health care would be unaffected by the government shutdown but there are other services that will be impacted.**

All VA medical facilities and clinics will remain fully operational during the federal shutdown, including VA hospitals. In 2009, Congress passed a law to fund the VA one year in advance. This allows the VA health care system to plan ahead and ensures that VA health care is funded for an additional year beyond the government shutdown. VA medical appointments, prescription drug phone lines, and veterans' crisis lines will be fully operational

Among the VA services that are affected under the shutdown:

- Call centers and hotlines related to education and consumer affairs are suspended as well as the Inspector General Hotline
- No decisions on claims appeals or motions will be issued by the Board of Veterans Appeals.
- Veterans Benefits Administration will not be able to continue overtime for claims processors.

VA said it has enough money to process veterans' claims for pensions, compensation, education and vocational rehabilitation programs through late October, but a prolonged shutdown would suspend those programs once the money runs out.

GENERAL HEALTH CARE NEWS

- **On Oct. 1, 2013, the Health Insurance Marketplace opened, allowing uninsured consumers to purchase health insurance.**

Coverage will begin as early as Jan. 1, 2014 for people enrolling by Dec. 15, 2013.

Coverage offered through the Marketplace includes a range of options so consumers can pick a plan that best meets their needs, the needs of their family, and their budget. With one Marketplace application, a consumer will be able to see if they qualify for lower costs on health insurance based on income or free or low-cost coverage available through Medicaid or the Children's Health Insurance Program. No matter what state a consumer lives in, he or she will be able to use the Marketplace to apply for coverage, compare options, and enroll.

A number of different resources are available to help consumers find Marketplace coverage. They can get more information through HealthCare.gov or CuidadoDeSalud.gov.

Consumers can participate in online web chats or speak with trained customer service representatives, with translation services available in 150 languages. Community health centers, Navigators and other assisters are available in local communities to provide in-person help with coverage choices.

Data released by HHS last week shows consumers will be able to choose from an average of 53 health plans in the federally-facilitated Marketplace, and the vast majority will have a choice of at least two different health insurance companies - usually more. Premiums nationwide will also be around 16 percent lower than originally expected – with about 95 percent of eligible uninsured living in states with lower than expected premiums – before taking into account financial assistance. Nearly 6 in 10 uninsured Americans could get insurance for \$100 or less,

with financial assistance and expanded access to Medicaid.

The Marketplace includes a Small Business Health Option Program (SHOP), designed for small employers with 50 or fewer full-time equivalent employees. The SHOP will allow small employers a choice of a quality health insurance plans and let them make side-by-side comparisons to choose a plan that's right for their business and employees.

Employers buying health insurance through the SHOP may also qualify for a Small Business Health Care Tax Credit to help defray their premium costs. Hundreds of thousands of small businesses with fewer than 25 employees have already received a tax credit of up to 35 percent of their health insurance costs. And beginning in 2014, this tax credit will be worth as much as 50 percent of the employer's contribution to premiums.

For information on many of the outreach and enrollment events taking place across the country, please visit: <http://marketplace.cms.gov/getofficialresources/other-partner-resources/events-calendar-for-ffm-and-spms-.pdf>

- **The U.S. Department of Health and Human Services established a fill and finish manufacturing network to boost the nation's ability to manufacture influenza vaccine quickly in a pandemic.**

The new network will cover the final steps in the vaccine manufacturing process. Led by HHS, the network supplements the capacity that influenza vaccine manufacturers currently have, potentially increasing national capacity to produce influenza vaccine by 20 percent.

The Biomedical Advanced Research and Development Authority (BARDA) awarded contracts to four U.S. companies that will make up the network. The contracts, totaling approximately \$39.8 million, are awarded to Cook Pharmica of Bloomington, Ind., JHP Pharmaceuticals of Parsippany, N.J., DSM Pharmaceuticals, Inc. of Greenville, N.C., and Nanotherapeutics of Alachua, Fla.

The new network responds to a recommendation proposed by the Public Health Medical Countermeasure Enterprise Review (2010) to create a network of existing, pre-qualified facilities that could fill and finish vaccine for manufacturers in a public health emergency.

As a network, these companies will collaborate with the three HHS Centers for Innovation in Advanced Development and Manufacturing, established in 2012, and with domestic influenza vaccine manufacturers. In addition the network will provide its services to HHS for production of clinical investigational lots of medical countermeasures that are in development.

Visit www.flu.gov for the latest on influenza including pandemic flu. To learn more about preparedness, response and recovery from the health impacts of disasters, visit the HHS public health and medical emergency website, www.phe.gov and for information on medical countermeasures, visit www.medicalcountermeasures.gov.

REPORTS/POLICIES

- **The GAO published “Defense Health Care: Evaluation of TRICARE Pharmacy Services Contract Structure Is Warranted,” (GAO-13-808) Sept. 30, 2013.** This report examines how DoD identified changes needed, if any, to requirements for its upcoming pharmacy services contract; and what, if any, assessment DoD has done of the appropriateness of its current contract structure. <http://www.gao.gov/assets/660/658332.pdf>

HILL HEARINGS

- There are no hearings scheduled this week.

LEGISLATION

- There was no legislation proposed this week.

MEETINGS

- The MGMA 2013 Annual Conference will be held on **Oct. 6-9, 2013**, in San Diego, Calif. <http://www.mgma.com/mgma-conference/>
 - 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, 2013**, in Tampa, Fla. <http://www.specialoperationsmedicine.org/>
 - The **AAMA 2014 Conference** will be held on Feb. 25-28, 2014, in Las Vegas Nev. <http://aameda.org/p/cm/ld/fid=98>
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