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

- The House and Senate are in recess until after the election.

- On Oct. 10, 2012, President Obama nominated General John Allen to be the next supreme allied commander Europe (SACEUR) and commander of U.S. European Command.
  
  For more than a year, General Allen has served with distinction as the commander of U.S. Forces and NATO International Security Assistance Forces (ISAF) in Afghanistan.
  
  President Obama also nominated General Joseph Dunford to be the new ISAF commander (COMISAF).
  
  General Dunford currently serves as the assistant commandant of the U.S. Marine Corps.
  
  If confirmed by the Senate, General Allen will replace Admiral Jim Stavridis as the SACEUR in the spring.

  
  This legislation authorizes, within specified amounts, appropriations for various major medical facility construction projects for the Department of Veterans Affairs in fiscal year 2013 and extends certain expiring authorities.
  
  President Obama also signed into law H.R. 6433, the “FDA User Fee Corrections Act of 2012,” which amends the Food and Drug Administration Safety and Innovation Act (Public Law 112-144) to make technical changes to both the generic drug user fee program and the medical device user fee program.

MILITARY HEALTH CARE NEWS

- TRICARE Management Activity awarded Kratos Defense & Security Solutions, Inc. a $14.9 million award in support of the TMA’s Defense Health Information
**Management System.**

The scope of work for the award includes oversight and maintenance services in support of the blood management blood bank transfusion service. The services include customer support, system maintenance and quality assurance for medical software as part of the Military Health System's enterprise-wide initiative.

Kratos Defense & Security Solutions, Inc. is a specialized national security technology business providing products and services for United States national security. Kratos' core capabilities are sophisticated engineering, manufacturing and system integration offerings for national security platforms and programs.

- **The U.S. Navy and Marine Corps Public Health Center launched its Health Promotion and Wellness campaign.**

  The campaign provides platforms to reach and educate sailors, marines and beneficiaries on priority health areas. It also offers resources, tools and programs to help obtain the information. These prevention strategies aim to increase the fitness and readiness of the Navy and Marine Corps forces.

  The campaign includes seven sub-campaigns or focus areas including healthy eating, active living, reproductive and sexual health, psychological and emotion well-being, tobacco free living, drug abuse and excessive alcohol use prevention as well as injury and violence free living.

  Within the Navy, the campaign complements the 21st Century Sailor and Marine Initiative, which provides a set of objectives and policies that maximize each sailor's and Marine's personal readiness.

  The campaign supports the DoD-wide Total Force Fitness, a framework for understanding, assessing and maintaining Service members' well-being and sustaining their ability to carry out missions.

  The campaign aligns with the National Prevention Strategy, published in June 2011, which presented a vision, goals, recommendations, and action items to reduce preventable death, disease, and disability in the U.S.

  To access and download campaign materials, visit the Healthy Living page on the Navy and Marine Corps Public Health Center website, [http://www.nmcphc.med.navy.mil/Healthy_Living/](http://www.nmcphc.med.navy.mil/Healthy_Living/).

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**VETERANS AFFAIRS NEWS**

- **Rep. Jeff Miller (R-Fla.), chairman of the House Veterans Affairs Committee, and Sen. Richard Burr (R-N.C.), the ranking member on the Senate committee, released a letter sent to VA Secretary Eric K. Shinseki asking for the removal of VA Chief of Staff John Gingrich.**

  The [VA Office of Inspector General’s report](#) focuses on two VA human resources conferences in Orlando last year. The events cost $762,000 to pay for unauthorized or wasteful spending and accepted gifts, including spa treatments, lodging, tickets for the Rockettes and a helicopter ride. The report criticized Gingrich for his oversight of the matter, saying the costs of the conference should have prompted Gingrich “to ask more questions.”

  According to a VA statement released last week, Shinseki told Gingrich that his review of the Orlando conferences was “inadequate and that more questions should have been
John Sepulveda, assistant secretary for human resources and administration, resigned before the IG report was released Oct. 1.

Gingrich served 30 years in the Army, retiring as a colonel in 2001, and was a top aide to Shinseki when the latter was chief of staff of the Army.

- **The Department of Veterans Affairs announced the implementation of a pilot version of the Diabetes Prevention Program (DPP).**

  The program, promoted nationally by the Centers for Disease Control and Prevention, aimed at reducing the number of veterans who develop diabetes.

  The DPP was a major multi-center clinical research study aimed at discovering whether modest weight loss through dietary change and increased physical activity or treatment with the oral diabetes drug metformin could prevent or delay the onset of type-2 diabetes.

  The study enrolled participants who were pre-diabetic — overweight and with blood glucose (blood sugar) levels higher than normal, but not high enough for a diagnosis of diabetes. Results showed those who lost a modest amount of weight through dietary changes and increased physical activity sharply reduced their chances of developing diabetes.

  Approximately 24 percent of veterans have type-2 diabetes. Through VA’s pilot DPP, which will be offered on a strictly voluntary basis, some veterans who are at risk for, but not diagnosed with, diabetes will attend a series of group sessions and will be given predetermined weight loss and physical activity goals.

  Research has shown that, while many veterans benefit by establishing their own health goals, others show positive improvement working towards goals determined by the program.

  Other veterans at risk for diabetes will receive weight management care through MOVE! - VA’s current weight management program. The program targets a broad range of patients who are obese or overweight with obesity-related conditions, whereas the DPP specifically targets those obese individuals who have laboratory evidence of pre-diabetes.


- **Nineteen Veterans Affairs (VA) medical facilities were recently recognized by The Joint Commission as top performers on key health care quality measures for 2011/2012.**

  While all 152 VA medical facilities are accredited by The Joint Commission, the list recognizes facilities that are the top performers based on The Joint Commission’s review of evidence-based care processes that are closely linked to positive patient outcomes. Three new accountability measure sets are included in the calculation for this year’s *Top Performers* program: stroke, venous thromboembolism and inpatient psychiatric services.

  This year’s program recognizes Joint Commission-accredited hospitals for a significant achievement in accountability measure performance. Eight VA facilities have received the *Top Performer* status for two consecutive years — a noteworthy distinction.

  The *Top Performers* on The Joint Commission Quality Measures for 2012 announced its
Dr. Thomas E. Starzl, a long-time VA researcher has received one of the world’s top awards for science from the Albert and Mary Lasker Foundation.

Starzl retired from the Department of Veterans Affairs in 1998 after nearly 50 years with VA and its predecessor organization.

He shares the Lasker-DeBakey Clinical Medical Research Award for 2012 with Roy Y. Calne of the University of Cambridge in England. Both men were recognized for their development of liver transplantation, which has restored life to thousands of patients with end-stage liver disease.

A World War II naval veteran, Starzl began his VA career in the 1950s as a resident surgeon in the Chicago VA Research Hospital, now part of the Jesse Brown VA Medical Center.

In 1962, after joining the University of Colorado and the Denver VA Medical Center, Starzl conducted the first long-term successful kidney transplant at VA’s Denver facility.

A year later, in 1963, Starzl attempted the first human liver transplant. Several subsequent operations proved that transplanted livers could remain viable. Starzl worked to improve the procedure and began transplanting livers again in 1967. Survival times began to exceed one year. Today, the world’s longest survivor has carried her transplanted liver for more than four decades.

The Lasker Awards are considered among the most respected science prizes in the world. The Lasker Foundation fosters the prevention and treatment of disease and disabilities by honoring excellence in basic and clinical science, by educating the public, and by advocating for support of medical research.

The awards carry an honorarium of $250,000 for each category and were presented at a ceremony on Sept. 21 in New York City. Starzl is VA’s seventh Lasker Award recipient and is a 2004 recipient of the National Medal of Science.

Starzl’s other honors include VA’s William S. Middleton award in 1968, given for major achievements in areas of prime importance to VA’s research mission, and VA’s Diamond Award in 2009 for his pioneering lifetime achievements in the field of transplantation medicine.

GENERAL HEALTH CARE NEWS

The Department of Health and Human Services announced that $229.4 million was invested in the National Health Service Corps in 2012 to support more doctors and nurses and increase access to primary care.

These investments included nearly 4,600 loan repayment and scholarship awards to clinicians and students, and grants to 32 states to support state loan repayment programs.

The National Health Service Corps, established in 1970, provides financial, professional and educational resources to medical, dental, and mental and behavioral health care providers who bring their skills to areas of the United States with limited access to health care.
With nearly 10,000 providers, the National Health Service Corps has nearly tripled since 2008. In addition to Corps clinicians currently providing care, nearly 1,000 students, residents, and health providers receive scholarships or participate in the Student to Service Loan Repayment program to prepare to practice.

Additional information on today’s announcement is available at: http://www.hrsa.gov/about/organization/bureaus/bcrs/nhscoverview.html.

- The Centers for Disease Control and Prevention announced that 13,000 people have been identified to be at risk of contracting meningitis from tainted steroid medication.

Fourteen patients have died from meningitis and 170 people have been infected.

The outbreak has developed into a major health scandal, with authorities scrambling to determine how vials of a steroid used mainly to treat back pain were contaminated, track down those affected and treat them. It has also raised questions about how the pharmaceuticals industry operates and is regulated.

The tainted steroids came from New England Compounding Company, or NECC. The U.S. Food and Drug Administration regulates only the ingredients and their suppliers, not the little-known corner of the drug world known as “compounding,” which is subject to a patchwork of state oversight. Compounding pharmacies such as NECC are permitted to make medications based on specific prescriptions for individual patients.

The number of cases has grown rapidly as health practitioners contacted about 13,000 people who received injections from a potentially tainted supply of steroid medication shipped to 23 states.

Meningitis cases have been confirmed in 11 states. In six states - Tennessee, Michigan, Maryland, Virginia, Florida and Indiana - the outbreak has claimed lives. The other states reporting cases are Ohio, Minnesota, New Jersey, North Carolina and Idaho. Thousands of people received the injections to relieve back pain and other complaints and are at risk of infection.

Meningitis is an infection of the membranes covering the brain and spinal cord. Symptoms include headache, fever and nausea. Fungal meningitis, unlike viral and bacterial meningitis, is not contagious.

REPORTS/POLICIES

- The GAO published “Health Care Fraud: Types of Providers Involved in Medicare, Medicaid, and the Children’s Health Insurance Program Cases,” (GAO-12-820) on Oct. 9, 2012. The report identifies provider types who were the subjects of fraud cases in Medicare, Medicaid, and CHIP that were handled by federal agencies, and changes in the types of providers in 2005 and 2010; and Medicaid and CHIP fraud cases that were handled by MFCUs. http://www.gao.gov/assets/650/647849.pdf

- The GAO published “Health Information Technology: CMS Took Steps to Improve Its Beneficiary Eligibility Verification System,” (GAO-12-973) on Oct. 5, 2012. This report identifies the operational status of HETS; identifies any steps CMS has taken to ensure users’ satisfaction and plans to take to ensure the system supports future
requirements; and describes CMS's policies, processes, and procedures for protecting the privacy of data provided by HETS. [http://www.gao.gov/assets/650/648201.pdf](http://www.gao.gov/assets/650/648201.pdf)


**HILL HEARINGS**

- There are no hearings scheduled.

**LEGISLATION**

- No legislation was proposed this week.

**MEETINGS**

- The International Society for Traumatic Stress Studies (ISTSS) 28th Annual Meeting will be held on **Nov. 1-3, 2012**, in Los Angeles, Calif. [http://www.istss.org/Home1.htm](http://www.istss.org/Home1.htm).
- The 118th AMSUS Annual Continuing Education Meeting will be held **Nov. 11-15, 2012**, in Phoenix, Ariz. [http://amsusmeeting.org](http://amsusmeeting.org).
- The International Meeting of Simulation in Healthcare (IMSH) 2013 will be held on **Jan.**
The 2013 Military Health System Conference will be held Feb. 11-14, 2013, in National Harbor, Md.

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.