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 mid-term elections.

MILITARY HEALTH CARE NEWS

- The Military Health System is hosting a vendor day on Oct. 24, 2018, focused on IT/Cybersecurity.

  The MHS is interested in platforms and services that will assist the services’ medical logistics agencies with strategic market analysis of products and technologies that may be applicable to the austere medical environments.

  Vendor Day is a cooperative venture by the military service medical logistics agencies located on Fort Detrick in Frederick, Md. The agencies involved are:
  - Defense Health Agency Medical Logistics Division (DHA MEDLOG)
  - U.S. Army Medical Materiel Agency (USAMMA)
  - Naval Medical Logistics Command (NMLC)
  - Air Force Medical Logistics Office (AFMLO)
U.S. Marine Corp Systems Command (MARCORSYSCOM)

The MHS supports medical units located on land and ships and in challenging environmental conditions. It should be remembered that products need to be suitable for use in an austere environment with extreme temperature ranges possible.

For details about the event and vendor eligibility, please visit: https://health.mil/Military-Health-Topics/Business-Support/Medical-Logistics/Vendor-Day/24-October-2018

VETERANS AFFAIRS NEWS

- The Department of Veterans Affairs (VA) announced that results from a recent VA job satisfaction survey showed a general trend of improving employee morale.

  VA issued the 2018 All Employee Survey (AES) in June to its workforce of more than 375,000 employees. According to the VA, 62 percent completed the assessment, surpassing the national response rate goal of 60 percent for this voluntary workplace survey.

  Results of the AES are available here. The survey indicated progress in a number of key areas: satisfaction with one’s job (+8.8 percent); satisfaction with VA (+11.1 percent); and willingness to recommend VA as a good place to work (+10.9 percent).

  Employees also reported seeing the results of employee surveys more often (+33.2 percent from 2014 to 2018), and employees reported improvements were being made based on survey results (+53.7 percent). Employees were also more likely to respond positively to items related to supervisor goal setting (+25.6 percent) and supervisor addressing employee concerns (+11.8 percent).

  This improved employee experience relates directly to employee retention. Recent data show that VA employee retention rates are better than comparable private-sector rates. Publicly reported employee-turnover rates in health care average between 20 to 30 percent. VA’s employee-turnover rates average 9 percent.

  While VA officials said they are excited about the positive shifts happening in the workplace, they also acknowledged that, based on employee feedback, there are still areas for continued improvement.

  When asked in this year’s survey what they care most about, VA employees listed the following areas as important ongoing focal areas for the department: having a civil and respectful work environment, having their concerns addressed by supervisors and having their talents used well in the workplace.

- On Oct. 12, 2018, the Department of Veterans Affairs announced it appointed Michael S. Heimall, a former director at Walter Reed National Military Medical Center in Bethesda, Maryland, to take on new duties as director of the Washington DC VA Medical Center (DCVAMC), effective Oct. 14.

  In that role, Heimall will oversee delivery of health care to more than 121,050 veterans and an operating budget of $610 million.

  A retired U.S. Army officer with 30 years of progressive experience in hospital and health system leadership, Heimall has seven years of experience as CEO in an academic medical center with graduate medical education programs and large research portfolios. From 2015 to 2017, he served as the director for Walter Reed, where he led a 240-bed facility employing 7,000 people.

  An operational and financial improvement leader, Heimall has demonstrated success building solid medical staff relations and community outreach programs. He also has an extensive
background in health plan development, health professions education and clinical research oversight.

Heimall holds a Master of Strategic Studies degree from the Army War College, as well as a Master of Health Administration degree from Baylor University. He earned a Bachelor of Arts degree in International Studies from Norwich University in Vermont, and has been a Fellow of the American College of Healthcare Executives since 2007.

GENERAL HEALTH CARE NEWS

- The Department of Health and Human Services (HHS) Health Resources and Services Administration (HRSA) announced $293 million in awards to primary health care clinicians and students through the National Health Service Corps (NHSC) and Nurse Corps programs.

The NHSC and Nurse Corps programs build healthy communities by providing scholarships and loan repayment to health care providers in exchange for working in areas of the U.S. with limited access to care.

Currently, an estimated 13 million patients receive care from more than 12,500 NHSC and Nurse Corps clinicians. Another 1,725 primary care students are either in school or in residency preparing for future service with the Corps programs.

More than 3,600 of these NHSC members are currently providing behavioral health care services, including medication-assisted treatment and other evidence-based substance use disorder care, in high-need areas. HRSA continues to invest in expanding access to substance use disorder treatment in rural and underserved areas.

HHS awards support the following programs:

- National Health Service Corps Scholarship Program ($47.1 million) provides 222 new awards and seven continuation awards to students pursuing primary care training leading to a degree in medicine, dentistry, or a degree as a nurse-midwife, physician assistant, or nurse practitioner in exchange for providing primary health care services in areas of greatest need.

- National Health Service Corps Loan Repayment Program ($142.1 million) provides 3,262 new awards and 2,384 one-year continuation awards to fully trained, licensed primary care clinicians in exchange for providing primary health care services in an area of greatest need.

- National Health Service Corps Students to Service Loan Repayment Program ($19.3 million) provides 162 new awards. This program provides loan repayment assistance to medical and dental students in their last year of school in return for their choosing primary care as a practice focus and working in rural and urban areas of greatest need.

- National Health Service Corps State Loan Repayment Program ($12.6 million) provides cost-sharing grants to 37 states and territories that operate their own loan repayment programs, funding 1,350 new and continuation awards.

- Nurse Corps Scholarship Program ($25.1 million) provides 215 new awards and four continuation awards to nursing students in exchange for a commitment to work at least two years in a facility with critical shortages.

- Nurse Corps Loan Repayment Program ($44.4 million) provides 544 new awards and 279 one-year continuation awards to nurses in exchange for a commitment to serve at a health care facility with a critical shortage of nurses or serve as nurse faculty at an accredited school of nursing.

- Faculty Loan Repayment Program ($1.1 million) provides 23 new awards to health
professions educators in exchange for serving as a faculty member in an accredited and eligible health professions school. The program also encourages participants to promote careers in their respective health care fields.

- **Native Hawaiian Health Scholarship Program** ($900,000) provides nine new awards and one continuation award to Native Hawaiian health professions students trained in those disciplines and specialties most needed to deliver quality, culturally competent, primary health services to Native Hawaiians in the State of Hawaii.

To learn more about the NHSC, please visit: [http://www.nhsc.hrsa.gov/](http://www.nhsc.hrsa.gov/).

**The Centers for Medicare & Medicaid Services (CMS) announced the 2019 premiums, deductibles, and coinsurance amounts for Medicare Parts A and B.**

**Medicare Part B Premiums/Deductibles**

Medicare Part B covers physician services, outpatient hospital services, certain home health services, durable medical equipment, and certain other medical and health services not covered by Medicare Part A.

The standard monthly premium for Medicare Part B enrollees will be $135.50 for 2019, a slight increase from $134 in 2018. An estimated 2 million Medicare beneficiaries (about 3.5 percent) will pay less than the full Part B standard monthly premium amount in 2019 due to the statutory hold harmless provision, which limits certain beneficiaries’ increase in their Part B premium to be no greater than the increase in their Social Security benefits.

CMS also announced that the annual deductible for Medicare Part B beneficiaries is $185 in 2019, an increase from $183 in 2018.

**Medicare Part A Premiums/Deductibles**

Medicare Part A covers inpatient hospital, skilled nursing facility, and some home health care services. About 99 percent of Medicare beneficiaries do not have a Part A premium since they have at least 40 quarters of Medicare-covered employment.

The Medicare Part A inpatient deductible that beneficiaries will pay when admitted to the hospital is $1,364 in 2019, an increase of $24 from $1,340 in 2018.

**Medicare Advantage Premiums**

Medicare beneficiaries can choose to enroll in fee-for-service Medicare (Parts A and B) or can select a private Medicare Advantage plan to receive their Medicare benefits. Premiums and deductibles for Medicare Advantage and Medicare Prescription Drug plans are already finalized and are unaffected by this announcement.

Last month, CMS released the benefit, premium, and cost sharing information for Medicare Advantage plans in 2019. On average, Medicare Advantage premiums will decline while plan choices and new benefits increase. On average, Medicare Advantage premiums in 2019 are estimated to decrease by six percent to $28, from an average of $29.81 in 2018.


The National Academies of Sciences and Engineering, Medicine, published “A Understanding the Economics of Microbial Threats,” on Oct. 15, 2018. This report assesses the current understanding of the interaction of infectious disease threats with economic activity and suggest new areas of research. [Http://nationalacademies.org/hmd/reports/2018/understanding-the-economics-of-microbial-threats.aspx]

HILL HEARINGS

- The Senate Committee on Health Education, Labor and Pension will hold a hearing on Nov. 28, 2018, to examine reducing health care costs, focusing on improving affordability through innovation.

LEGISLATION


MEETINGS

- 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/]
- HIMSS 2019 Annual Conference will be held on Feb. 11-15, 2018, in Orlando, Fla. [http://www.himssconference.org/]

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.