Executive and Congressional News

- **On Oct. 22, 2015, President Obama vetoed the 2016 National Defense Authorization bill.**

  "As president and commander in chief, my first and most important responsibility is keeping the American people safe," Obama told reporters at an unusual veto ceremony at the White House. "And that means that we make sure that our military is properly funded. ... Unfortunately, this bill falls woefully short in key areas."

  At issue is the $612 billion bill's inclusion of authorizing language for roughly $38 billion in extra overseas contingency funds. Republicans are using the temporary war accounts to get around mandatory defense spending caps for 2016, without lifting caps for non-defense accounts.

  Democrats have decried that practice as an unfair and irresponsible budgeting gimmick, and stalled every congressional appropriations measure in the Senate in response.

  But a sizable number of House and Senate Democrats broke ranks with that strategy on the authorization bill, which Republicans have said is mostly policy measures and does not directly order the problematic appropriations.

  House Armed Services Committee Chairman Mac Thornberry, R-Texas, noted the measure includes authorization flexibility if a broader budget deal is reached, making the president’s veto all the more unnecessary.
The Military Times reports that some TRICARE beneficiaries are having trouble filling their prescriptions through the home delivery program due to drug shortages.

All TFL beneficiaries — and, as of Oct. 1, any TRICARE beneficiary taking a brand-name medication to manage a chronic illness are required to fill long-term prescriptions through TRICARE’s home delivery program or an on-base military pharmacy.

When the home delivery system is unable to fill the prescription, TFL beneficiaries can fill the prescription through a TRICARE network pharmacy, but unlike mail order, which provides 90-day generic prescriptions for no co-payment, the drug store dispenses 30-day prescriptions for a co-payment of $8.

TRICARE officials say the problem stems from drug shortages that are an "increasing problem across the industry."

And the shortages are exacerbated within the military system because by law, DoD is allowed to buy pharmaceuticals only from certain manufacturers, according to TRICARE pharmacy director Dr. George Jones.

"The Drug Information Service at the University of Utah found a dramatic increase in drug shortages over the last five years, peaking in 2014," Jones said.

Shortages have begun to decline amid concerted efforts by government, manufacturers and the pharmacy industry, he said, but remain "high compared to historic levels."

The shortages peaked at about the time DoD began requiring Medicare-eligible retirees and military family members to fill their long-term prescriptions by mail or at a military pharmacy.

The program is designed to save money; DoD pays 17 percent less for maintenance medications filled by mail than at retail stores.

Savings over the first year of the TFL pilot program totaled $123 million, according to a recent Government Accountability Office report.

TRICARE beneficiaries filled 25 million prescriptions by mail from February 2014 to February 2015, including 785,000 for TFL beneficiaries newly required by law to use the home delivery program.

During the first year of that TFL requirement, 5,069 patients — three percent of participants — received a total of 5,611 letters notifying them of shortages and authorizing them to fill their prescriptions at retail pharmacies, the GAO said.

That meant shortages "affected less than one percent of home delivery prescriptions ... comparable to the home delivery program at large," Jones said.

And according to a 2013 DoD Inspector General report, 96 percent of TRICARE beneficiaries "are satisfied with home delivery and it has a 99.997 percent dispensing accuracy rate."

TRICARE published a press release providing an overview specialty care referrals:

A beneficiary must get a referral from the regional or overseas contractor to authorize specialty care before making an appointment.

TRICARE rules require that if a beneficiary needs care that can obtained at a military hospital or clinic near you, and there is space available, they will be referred there first. Military hospitals and clinics have 90 minutes to accept urgent referrals and two business days to accept referrals for routine care. If the local military hospital or clinic does not accept the referral within that time,
the beneficiary will be referred to a network provider nearby.

A beneficiary’s regional contractor will send a letter with the name and location of a specialty provider. The letter will also explain what care is authorized, the length of time the beneficiary is authorized to receive that care, and the type and number of visits allowed before needing another referral.

Before making an appointment with the specialty care provider, a beneficiary is encouraged to call their regional contractor 3-5 days after the PCM enters the referral to check the status.

If overseas and referred to a host nation provider, a beneficiary should coordinate care through the overseas contractor.

**VETERANS AFFAIRS NEWS**

- **After VA officials failed to show for an Oct. 21 hearing, the House Veterans’ Affairs Committee voted unanimously to force five VA employees, including the department’s new acting undersecretary for benefits, to testify about the now-defunct relocation bonus program at an unusual evening hearing next month.**

  This was the fourth time in the past 18 months the committee has subpoenaed witnesses or information from the department, a sign of the increasingly adversarial relationship between the legislative branch and executive agency.

  In a letter to the committee before the hearing, VA Deputy Secretary Sloan Gibson had offered to testify on fixes made in the wake of the latest revelations, but also warned that forcing any department employees to testify about the program could jeopardize ongoing investigations.

  The VA inspector general’s office report that senior executives misused interoffice moves to bump up their pay while reducing their job responsibilities, at a significant cost to taxpayers. The Veterans Benefits Administration spent more than $1.5 million on 21 questionable senior executive reassignments over the past three fiscal years.

  The IG report cites two cases specifically. Philadelphia VA Regional Office Director Diana Rubens stands accused of getting more than $288,000 in moving expenses compensation to switch from a job in nearby Washington, D.C., and St. Paul, Minnesota. VA Regional Office Director Kimberly Graves received nearly $130,000 in a similar job switch scheme.

  VA leaders canceled the relocation bonuses program in recent days, after the report was released and the hearing was scheduled.

  Graves and Rubens are among those subpoenaed for the November hearing. The committee also invited to the event former Undersecretary for Benefits Allison Hickey, who resigned last week and was cited for potential management negligence in the IG report.

  Justice Department officials have not said if any criminal charges are imminent in connection to the report allegations.

**GENERAL HEALTH CARE NEWS**

- **HHS Secretary Sylvia M. Burwell announced six new members to serve on the Advisory Council on Alzheimer’s Research, Care, and Services.**

  The Council was established in 2011 and convenes quarterly to continue development and progress on the National Plan to Address Alzheimer’s Disease by HHS, Veterans Affairs, the Department of Defense, and the National Science Foundation to address the disease.
The new members will replace the members whose terms had expired and those that retired in September and will advise the secretary on federal programs that affect people with Alzheimer's disease and related dementias, and they will serve overlapping four-year terms.

The new members are as follows:

**Myriam Marquez (Patient Advocate)**
Marquez was diagnosed with young-onset Alzheimer’s in 2009 and has been a fierce advocate ever since. Prior to her diagnosis, she served as a public defender in Washington State.

**Sowande Tichawonna (Caregiver)**
Tichawonna is an award-winning independent filmmaker and actor from Washington, D.C. He was a caregiver for his mother, who suffered from dementia, and is currently caring for his son with Down Syndrome.

**Gary Epstein-Lubow (Health care Provider)**
Lubow is an assistant professor of Psychiatry and Human Behavior at the Warren Alpert Medical School at Brown University. He is a geriatric psychiatrist with research, teaching, policy, clinical, and administrative experience related to treating persons with dementia in collaborative shared decision-making models with family caregivers.

**Laura Gitlin (Researcher)**
Gitlin is a professor and the director of the Johns Hopkins Center for Innovative Care in Aging. She is nationally and internationally recognized in the areas of nonpharmacologic approaches in dementia care, family caregiving, functional disability and aging in place.

**Angela Taylor (Voluntary Health Association)**
Taylor serves as the director of Programs at the Lewy Body Dementia Association (LBDA), and has the responsibility to oversee LBDA’s national programs and services, including outreach, education, awareness programming, and research initiatives.

**Donna Walberg (State Public Health Department)**
Walberg provides Alzheimer’s disease expertise and project development and management for the Minnesota Board on Aging, where she worked to draft and pass the legislation to create Minnesota’s Alzheimer’s Plan and served on the state-wide workgroup to develop the plan.

The full Advisory Council also includes federal members and meets quarterly to continue development and progress on the National Plan to Address Alzheimer’s Disease by HHS, Veterans Affairs, the Department of Defense, and the National Science Foundation to address the disease.

Alzheimer’s disease currently affects 5.1 million Americans and is expected to affect more than 20 million by 2050. The National Alzheimer’s Project Act, pledges to help people and families across the country whose lives are touched by Alzheimer’s disease and related dementias. The Act continues to help strengthen dementia research, clinical care, and long-term care services and supports for affected individuals and their families.

The next meeting of the Advisory Committee will be Oct. 26, 2015. For more information on the Advisory Committee, please visit [http://aspe.hhs.gov/national-alzheimers-project-act](http://aspe.hhs.gov/national-alzheimers-project-act).

- **The U.S. Food and Drug Administration approved Onivyde (irinotecan liposome injection), in combination with fluorouracil and leucovorin, to treat patients with advanced (metastatic) pancreatic cancer who have been previously treated with gemcitabine-based chemotherapy.**

According to the National Cancer Institute, there will be 48,960 new cases of pancreatic cancer diagnosed in the U.S. in 2015, and nearly the same number of deaths caused by the disease (40,560). Pancreatic cancer can be difficult to diagnose early and treatment options are limited,
especially when the disease has spread to other parts of the body (metastatic disease) and surgery to remove the tumor is not possible.

The FDA granted Priority Review and orphan drug designations for Onivyde. **Priority review** status is granted to applications for drugs that, if approved, would be a significant improvement in safety or effectiveness in the treatment of a serious condition. **Orphan drug designation** provides incentives such as tax credits, user fee waivers, and eligibility for orphan drug exclusivity to assist and encourage the development of drugs for rare diseases.

In addition, patients receiving Onivyde plus fluorouracil/leucovorin had a delay in the amount of time to tumor growth compared to those who received fluorouracil/leucovorin. The average time for those receiving Onivyde plus fluorouracil/leucovorin was 3.1 months compared to 1.5 months for those receiving fluorouracil/leucovorin.

Onivyde is marketed by Merrimack Pharmaceuticals Inc. of Cambridge, Mass.

**REPORTS/POLICIES**

- The GAO published **“VA Primary Care: Improved Oversight Needed to Better Ensure Timely Access and Efficient Delivery of Care,” (GAO-16-83)** on Oct. 22, 2015. This report examines VA's panel size data across facilities and how VA uses these data to oversee primary care, and VA’s encounter and expenditure data across facilities and how VA uses these data to oversee primary care. [http://www.gao.gov/assets/680/672977.pdf](http://www.gao.gov/assets/680/672977.pdf)

**HILL HEARINGS**

- The House Veterans’ Affairs Subcommittee on Oversight & Investigations will hold a hearing on Oct. 27, 2015, to examine VA and DoD electronic health records interoperability.
- The Senate Veterans Affairs Committee will hold a hearing on Oct. 28, 2015, to examine the Department of Veterans Affairs mental health, focusing on ensuring access to care.
- The House Veterans Affairs Committee will hold a hearing on Nov. 3, 2015, to examine the VA’s plan to improve care in the community.

**LEGISLATION**

- **H.R.3780** (introduced Oct. 21, 2015): To amend title XVIII of the Social Security Act to sunset certain penalties relating to meaningful electronic health records use by Medicare eligible professionals and hospitals, and for other purposes was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce. Sponsor: Representative Steve King [IA-4]
- **S.2188** (introduced Oct. 21, 2015): A bill to amend the Federal Food, Drug, and Cosmetic Act with respect to the humanitarian device exemption was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Cory Gardner [CO]
MEETINGS

- The National Center for Disaster Medicine and Public Health (NCDMPH) will host a webinar: “Getting Published: From Peer Review to Print,” on Oct. 27, 2015, to review the benefits of scholarly publishing, and provide guidelines for the best way to prepare a paper for peer review, and ultimately, acceptance. [http://ncdmph.adobeconnect.com/r9t42f0r4jp/](http://ncdmph.adobeconnect.com/r9t42f0r4jp/)

- The 31st Annual Meeting of the International Society for Traumatic Stress Studies (ISTSS) will be held Nov. 5-7, 2015, in New Orleans, La. [http://www.istss.org/am15/home.aspx](http://www.istss.org/am15/home.aspx)


- 2015 AMSUS Annual Continuing Education Meeting will be held Dec. 1-4, 2015, in San Antonio, Texas [http://amsusmeetings.org](http://amsusmeetings.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.