Welcome to Federal Health Update. This newsletter is a compilation of the latest news in the federal health care sector.

Sponsored by:

SPECTRUM Healthcare Resources

Additional Sponsorship Opportunities Available.

Please contact Kate Theroux if you are interested in supporting this service.

ktheroux@federalhealthcarenews.com

EXECUTIVE AND CONGRESSIONAL NEWS

- The House and Senate are will resume work on Nov. 9, 2018.

MILITARY HEALTH CARE NEWS


  Vice Adm. Raquel Bono, director of the Defense Health Agency, thanked Luciano for his service and said she was grateful “he was willing to come and take on a new adventure. He brought people together to advance the mission of the DHA.”

  She also said she’s looking forward to working with Collins. “Taking care of our people is an important legacy,” she said. “Our strongest accomplishments in the Military Health System occur when we find ways to work together to create a system that our beneficiaries so richly deserve.”

  Luciano is retiring after serving in the military for more than 35 years. He said it has been an honor and a privilege to fill the role of senior enlisted advisor, and he hadn’t hesitated when Bono called him and asked him to take the position.

  Luciano played a key role in preparing for the centralized administration of military treatment facilities under the authority, direction, and control of the DHA. Several MTFs transitioned on Oct. 1, marking the beginning of Military Health System transformation.
Luciano said he’s confident Collins will be an effective leader for the “heavy lifting” required to complete the transformation.

Collins, the incoming advisor, began his 32-year military career as a Navy corpsman and then a pharmacy technician. He said his work with the other services as well as civilian teammates and partner nations have given him a unique perspective on how the Department of Defense operates as a whole.

“I am both impressed and humbled by the achievements and future of the organization,” Collins said. “The diligence, the perseverance, the attitude, and the optimism of what is happening here inspires me. Over the next three years, I will do my utmost to support your efforts, to be your strongest advocate, and to operate at the limits of my authorities to help you accomplish our mission.”

- **The U.S. Food and Drug Administration (FDA) and the Office of the Assistant Secretary of Defense for Health Affairs (HA) signed a memorandum of understanding to foster and prioritize the development of critical medical products.**

The signing of the memorandum formalizes the partnership between the FDA and the Department of Defense (DoD) that was authorized under a law enacted by Congress in 2017. Under this law, DoD is able to request help in speeding up development and review of products used to diagnose, treat or prevent serious or life-threatening diseases and conditions faced by service members. It also allows for emergency use of medical products for threats that pose a specific risk to service members, including biological, chemical, radiological or nuclear agents.

The FDA will continue to work with DoD to evaluate how to best access medical products that serve the military’s medical needs and rush review of priority DoD medical products. The FDA will also provide advice for the development and manufacturing of these products, and examine those that are already under development to determine which will streamline review.

The memorandum directs specific actions between the agencies, including semi-annual meetings at the senior-leader levels, quarterly meetings with FDA centers, and collaborations on emergency use of products.

Earlier this year, the FDA granted emergency use authorization for DoD’s use of freeze-dried plasma, a life-saving product designed for austere environments, which can now be used in a much more streamlined process under the authorization. In addition, the FDA approved a new malaria prophylactic drug, tafenoquine, in August.

- **The Military Update reports almost 15,000 military children with autism receive Applied Behavioral Analysis (ABA) services, under a TRICARE demonstration program.**

The services usually include 20 or more hours of therapy per week to help the children learn how to manage their condition and interact with others appropriately.

The ABA Demonstration Program was established in 2014 and extended this year through 2023, currently costs the Department of Defense $261 million annually. Although anecdotally parents believe the program has helped their children, there is no clinical proof demonstrating its effectiveness. As a result, the program has remained a demonstration.

There are efforts to better understand the program’s effectiveness. This year, Congress directed TRICARE to conduct a five-year, $7 million research study, to learn how many ABA sessions are most effective. The study will be run by the University of Rochester in New York and involve 130 military children.

In addition, TRICARE has expanded its autism program to include combinations of therapies, not solely ABA. Therapies such as occupational therapy and speech therapy are covered benefits that could help children with autism beyond what the ABA offers.
To learn more about these efforts, please visit: https://www.stripes.com/tricare-seeking-right-mix-of-therapies-for-kids-with-autism-1.555745

- **On Nov. 6, 2018, the Department of Defense announced annual cost of living adjustments that will benefit military retirees and survivors during calendar year 2019.**

  Most military retirees will receive a 2.8 percent increase to their retired pay beginning with the pay they receive on Jan. 1, 2019. Likewise, survivors of members who died on active or inactive duty, or survivors of military retirees who participate in the Survivor Benefit Plan, will, in most cases, see a 2.8 percent increase to their annuities beginning in January.

  Beginning in 2019, survivors who are eligible for the Special Survivor Indemnity Allowance (SSIA) will also receive an increase to their SSIA payments that reflects this 2.8 percent adjustment. The maximum amount of SSIA payable will be $318 beginning in January.

  These cost of living adjustments are calculated based on the Consumer Price Index for Urban Wage Earners and Clerical Workers for the four quarters ending with the third calendar quarter of 2018 (July, August, and September 2018), and generally go into effect for all pay received beginning in January 2019.

  Those military retirees who retired during calendar year 2018, and all military retirees who retired under the REDUX retirement system, receive a slightly different annual cost of living adjustment. The complete list of updates to military retired and retainer pay, and survivor annuities, allowances and premiums can be found at https://militarypay.defense.gov/Pay/Retirement/Cola.aspx.

---

**VETERANS AFFAIRS NEWS**

- **The Department of Veterans Affairs announced that it will be moving nearly 430 medical professionals from taxpayer-funded union work back to health care jobs serving veterans.**

  The move, which will improve VA’s ability to deliver health care to veteran patients, will take effect Nov. 15, when VA repudiates certain provisions of master collective bargaining agreements VA accepted during the Obama administration with the following unions: American Federation of Government Employees, National Federation of Federal Employees, National Association of Government Employees and National Nurses United.

  VA has a separate employment system under title 38 of the U.S. Code for medical employees. The repudiation will apply to all of VA’s nearly 104,000 title 38 employees, eliminating all forms of taxpayer-funded union work for the following professions:

  - Physician
  - Dentist
  - Podiatrist
  - Chiropractor
  - Optometrist
  - Registered Nurse
  - Physician assistant
  - Expanded-Duty Dental Auxiliary
Department-wide in fiscal year 2016, VA officials say employees spent more than a million hours doing taxpayer-funded union work at a total cost of more than $49 million.

VA is in the process of renegotiating several of VA’s national collective bargaining agreements to ensure official time allocations are putting Veterans first. The negotiations are guided by federal law that permits VA to set taxpayer-funded union work (also known as official time) amounts contractually that are reasonable, necessary and in the public interest.

- The Department of Veterans (VA) announced that it is prioritizing Veterans benefits appeals, effective Nov. 1, for victims in the Northern Mariana Islands who have been impacted by Super Typhoon Yutu.

VA’s Board of Veterans’ Appeals has determined that the significant effects of Super Typhoon Yutu were sufficient cause for the Board to advance the appeals for the Northern Mariana Islands municipalities determined to be disaster areas by the Federal Emergency Management Agency (FEMA).

By regulation, the Board may advance appeals on docket (AOD) by a motion of the chairman if sufficient cause is shown. All Veterans and other appellants with an appeal currently pending before the Board whose addresses of record are in one of the affected municipalities will have their appeal automatically advanced on the Board’s docket.

No action from veterans or appellants are needed if their addresses are current. The AOD for this storm is expected to last until April 30, 2019, and the Board will reassess the situation after that period has ended. For a comprehensive list of all affected AOD areas, visit: https://www.bva.va.gov/Natural_Disasters.asp.

In addition to Super Typhoon Yutu, VA also concluded that the significant effects of hurricanes Florence and Michael were sufficient cause for the Board to advance the appeals for counties in Florida, North Carolina, South Carolina and Georgia found to be disaster areas by FEMA.

The mission of VA’s Board of Veterans’ Appeals is to conduct hearings and decide disability benefits appeals for Veterans in a timely manner. For more information about the Board, visit www.bva.va.gov/.

GENERAL HEALTH CARE NEWS

- On Nov. 7, 2018, the Departments of Health and Human Services, Treasury, and Labor released two final rules to provide conscience protections for Americans who have a religious or moral objection to health insurance that covers contraception methods.

Under the Affordable Care Act, employer-provided health insurance plans are required to cover certain “preventative services” – which were defined through guidance by the Obama Administration as including all contraception methods approved by the Food and Drug Administration, including methods viewed by many as abortifacients, and sterilization procedures.

In October 2017, the Trump Administration issued two interim final rules providing an exemption for those who had sincerely held religious or moral objections to such coverage, while seeking public comment on the rules.

The first of the final rules provides an exemption from the contraceptive coverage mandate to entities that object to services covered by the mandate on the basis of sincerely held religious beliefs.
The second final rule provides protections to nonprofit organizations and small businesses that have non-religious moral convictions opposing services covered by the mandate. The religious and moral exemptions provided by these rules also apply to institutions of education, issuers and individuals. The Departments are not extending the moral exemption to publicly traded businesses, or either exemption to government entities.

The rules leave in place government programs that provide free or subsidized contraceptive coverage to low income women, such as through community health centers. These regulations do not ban any drugs or devices or prohibit any employer from covering contraceptives.

The Departments estimate the exemptions should affect no more than approximately 200 employers with religious or moral objections. The rules take effect 60 days after their publication in the Federal Register.


To read the final rule on exemptions for religious beliefs, visit: https://www.federalregister.gov/documents/2018/11/15/2018-24512/religious-exemptions-and-accommodations-for-coverage-of-certain-preventive-services-under-the


- Cigarette smoking has reached the lowest level ever recorded among U.S. adults, according to new data published by the Centers for Disease Control and Prevention (CDC), the Food and Drug Administration (FDA), and the National Institutes of Health’s National Cancer Institute (NCI).

Still, about 47 million (1 in 5) U.S. adults used a tobacco product in 2017, and they used a variety of smoked, smokeless and electronic tobacco products.

An estimated 14 percent of U.S. adults (34 million) were current (“every day” or “some day”) cigarette smokers in 2017—down from 15.5 in 2016—a 67 percent decline since 1965. A particularly notable decline occurred among young adults between 2016 and 2017: about 10 percent of young adults aged 18 to 24 years smoked cigarettes in 2017, down from 13 percent in 2016.

Data from the 2017 National Health Interview Survey (NHIS) describe the range and scale of tobacco-product use among U.S. adults. These products include cigarettes, cigars, e-cigarettes, hookah/water pipes/pipes, and smokeless tobacco. The survey has been used to assess current cigarette smoking among U.S. adults since 1965, but ongoing surveillance of other tobacco products began more recently.

The tobacco product landscape has changed in recent years to include newly developed products. In 2017, cigarettes were the most commonly used product (14 percent) among U.S. adults, followed by cigars, cigarillos, or filtered little cigars (3.8 percent); e-cigarettes (2.8 percent); smokeless tobacco (2.1 percent); and pipes, water pipes, or hookahs (1 percent). Of the 47 million adults who currently use any tobacco products, about 9 million (19 percent) reported use of two or more tobacco products. The most common tobacco product combinations were cigarettes and e-cigarettes.

By subgroups, use of any tobacco product was highest among:
  - People with a General Education Development (GED) certificate (42.6%).
o People who were uninsured (31.0%), insured by Medicaid (28.2%), or received some other public insurance (26.8%).

o Non-Hispanic American Indian/Alaska Native (29.8%), multiracial (27.4%), white (21.4%), or black adults (20.1%).

o Lesbian, gay, or bisexual adults (27.3%).

o People with an annual household income under $35,000 (26.0%).

o People living with a disability (25.0%).

o Adults living in the Midwest (23.5%) or the South (20.8%).

o People divorced, separated, or widowed (23.1%), or people who were single, never married, or not living with a partner (21.0%).

Among adults who reported serious psychological distress, about 2 in 5 adults (40.8 percent) used any tobacco product—one of the most marked disparities in tobacco use—compared with about 1 in 5 (18.5 percent) of those without serious psychological distress.

Cigarette smoking remains the leading preventable cause of death and disease in the United States, and is responsible for the overwhelming burden of death and disease from tobacco use. Cigarette smoking kills an estimated 480,000 Americans each year, and about 16 million Americans suffer from a smoking-related illness. However, no form of tobacco use is risk-free. For more information or for free help quitting, call 1-800-QUIT-NOW or go to https://smokefree.gov/.

REPORTS/POLICIES

- There were no health-related studies published this week.

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

- H.R.7116 (introduced Nov. 6, 2018): the Suicide Prevention Assistance Act was referred to the House Committee on Energy and Commerce. Sponsor: Representative Mark DeSaulnier [D-CA-11]

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.