

Federal Health Update

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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

- **President Obama has nominated William S. Greenberg as a judge to the United States Court of Appeals for Veterans Claims.**

William S. Greenberg is currently a partner at McCarter & English, LLP, a position he has held since 1993. He served in the Reserve Components of the United States Army for 27 years, rising to the rank of brigadier general. From 2011 to 2012, Mr. Greenberg served as chairman of the Judicial and Prosecutorial Appointments Committee of the New Jersey State Bar Association (NJSBA). From 2009 to 2011, he was the chairman of the Reserve Forces Policy Board at the Department of Defense. In 2006, he founded the NJSBA Military Legal Assistance Program, which provides legal assistance to recent veterans.

Mr. Greenberg received the Secretary of Defense Medal for Outstanding Public Service in 2011 and was named New Jersey Lawyer of the Year in 2009 by the New Jersey Law Journal. He is also an Adjunct Professor of Military Law at Seton Hall University School of Law. Mr. Greenberg received his B.A. from Johns Hopkins University and a J.D. from Rutgers University School of Law

- **For the second time in a week, the Obama administration gave states more time to decide whether to build online insurance marketplaces that will help millions of people buy health coverage starting next fall.**

Health and Human Services Secretary Kathleen Sebelius wrote a letter to the Republican Governors Association announcing that states may submit both a letter of intent and an application to operate their own exchanges by Dec. 14. The original deadline had been Friday, Nov. 16.

A week ago, Sebelius said states could submit only their letters of intent by Friday but push back sending their detailed plans until Dec. 14. She also gave them until Feb. 15 to elect to partner with the federal government to operate an exchange.

The decision came a day after the Republican Governors Association asked the administration to extend the deadline until after HHS publishes rules about how the exchanges would work.

Just seven states have yet to decide whether to build and run state-based exchanges — Tennessee, Pennsylvania, Idaho, New Jersey, Oklahoma, Arizona and Wisconsin.

Seventeen states and the District of Columbia have committed to running their own exchanges — far fewer than envisioned by the Obama administration when the law was passed in 2010. The rest have not yet responded, or indicated they planned to partner with the federal government or to allow the federal government to run the exchanges.

MILITARY HEALTH CARE NEWS

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

During October, among active-duty soldiers, there were 20 potential suicides: five have been confirmed as suicides, and 15 remain under investigation. For September, the Army reported 15 potential suicides among active-duty soldiers: four have been confirmed as suicides, and 11 remain under investigation. For 2012, there have been 166 potential active-duty suicides: 105 have been confirmed as suicides, and 61 remain under investigation. Active-duty suicide number for 2011: 165 confirmed as suicides, and no cases under investigation.

During October, among reserve component soldiers who were not on active duty, there were 13 potential suicides (nine Army National Guard and four Army Reserve): three have been confirmed as suicides, and 10 remain under investigation. For September, among that same group, the Army reported 16 potential suicides.

Since the release of that report one case was added for a total of 17 cases (13 Army National Guard and 4 Army Reserve); five have been confirmed as suicides, and 12 remain under investigation. For 2012, there have been 114 potential not on active-duty suicides (75 Army National Guard and 39 Army Reserve): 83 have been confirmed as suicides, and 31 remain under investigation. Not on active-duty suicide numbers for 2011: 118 (82 Army National Guard and 36 Army Reserve) confirmed as suicides, and no cases under investigation.

Soldiers and families in need of crisis assistance can contact the National Suicide Prevention Lifeline. Trained consultants are available 24 hours a day, seven days a week, 365 days a year and can be contacted by dialing 1-800-273-TALK (8255) or by visiting their website at <http://www.suicidepreventionlifeline.org>.

- **Secretary of Defense Leon Panetta has directed General Dempsey to work with the other members of the Joint Chiefs of Staff to review how to better foster a culture of stewardship among our most senior military officers.**

Their initial findings are due to the Secretary within the next few weeks.

This process is intended to reinforce and strengthen the standards that keep us a well led and disciplined military. Input to the Secretary will form the basis of a report to the President on the Department's progress in this area by Dec. 1, 2012.

- **The National Center for Telehealth & Technology (T2) has released mobile applications to help post-traumatic stress disorder sufferers manage their health and maintain a positive outlook.**

- The [LifeArmor](#) app gives patients tools and guidance on how to best measure and track symptoms related to post-traumatic stress.
- The award-winning [PTSD Coach](#) app, provides users with a tool to track and manage symptoms, as well as resources for professional support services.
- T2's [PE Coach](#) is the first mobile app designed to support the tasks assigned to

PTSD sufferers. The app helps encourage patient recall and therapy session attendance.

Apps may also be used to help manage stress.

- The [Tactical Breather](#) app encourages repetitive practice, concentration and other psychological responses to help the body cope in stressful moments.
- [T2 Mood Tracker](#), allows users to keep track of emotional experiences and feelings over a period of days, weeks or months. The results from the tracking may be shared with a therapist to better assess the patients' emotional states.

The National Center for Telehealth & Technology is a component center of the Defense Centers of Excellence for Psychological Health and Traumatic Brain Injury.

▪ **The TRICARE Retail Pharmacy Vaccination Program announced it administered its one millionth vaccine on Oct. 28, 2012.**

TRICARE expanded its pharmacy coverage in August 2011 to include a full spectrum of preventive vaccines. Up until that time, administration of most vaccines to beneficiaries was limited to physicians' offices and military treatment facilities.

Vaccines are among the most cost-effective way to prevent disease. TRICARE covers all Centers for Disease Control and Prevention-recommended vaccinations at no cost if they're administered by a pharmacist at a participating TRICARE pharmacy.

To find a participating pharmacy and see a list of covered immunizations, go to www.tricare.mil/vaccines. Since availability of some vaccines varies, and all states do not have the same regulations, beneficiaries should call ahead before going to their local pharmacy.

▪ **The US Family Health Plan, a Department of Defense (DoD) healthcare option for military family members in six areas of the country, has achieved a 2012 overall member satisfaction rating of 92.6 percent, far exceeding the satisfaction rates of other managed care plans for 18 consecutive years.**

Compared to the 202 plans documented in the National Committee for Quality Assurance (NCQA) 2012 Quality Compass Report, the US Family Health Plan rating is at the 99th percentile for overall satisfaction. Ratings for customer service, access to care, claims processing, how well physicians communicate, and satisfaction with personal doctors and specialists are also at the top of industry standards.

The independent assessment of 4,083 US Family Health Plan members was conducted by The Myers Group (of Duluth, Ga.), an NCQA-certified survey vendor. The assessment utilized the most widely used set of metrics in the managed care industry, the Consumer Assessment of Healthcare Providers and Systems (CAHPS®) 4.0H Survey, to measure performance on key dimensions of care and service. The 2012 Public Report benchmark for member satisfaction with their health plan, derived by The Myers Group from the Quality Compass Report, was 66.1 percent compared to the US Family Health Plan's 92.6 percent aggregate rating.

The US Family Health Plan has served military families as a TRICARE Prime option for more than 30 years, a testament to its viability throughout an ever-changing healthcare landscape. For more information, visit www.usfhp.com.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs awarded \$36 million contract to HP Enterprise Services to move 600,000 users to Microsoft cloud email and calendaring services.**

The five-year, \$36 million contract will allow 15,000 VA employees move to Microsoft's government community cloud collaboration offering, Office 365 for Government, with the rest of the agency's 600,000 users to follow over the remainder of the contract period. Office 365 includes email, calendaring, instant messaging, web and video conferences, Office collaboration tools and SharePoint, though VA will stick to just the email and calendaring features for now.

HP Enterprise Services will act as the systems integrator and provide disaster recovery services. However, VA has a long history as a big Microsoft shop.

Microsoft has characterized the agency as having "one of the largest technology systems in the United States." The agency has 6,300 IT employees, 400,000 PCs and more than 100,000 mobile devices, and is the second largest federal agency, trailing only the Department of Defense. The agency's users and IT systems are spread out across 163 hospitals, 135 nursing homes, 800 clinics and the agency's headquarters, among other locations.

Cost-cutting and the potential for improved service drove VA's decision to move to cloud email. The move is part of a larger initiative, the VA Transformation Twenty-One Total Technology (T4) IT modernization program.

GENERAL HEALTH CARE NEWS

- **According to the National Survey of Employer-Sponsored Health Plans, conducted annually by Mercer, growth in the average total health benefit cost per employee slowed from 6.1 percent last year to just 4.1 percent in 2012 – the lowest average annual cost increase since 1997.**

Cost averaged \$10,558 per employee in 2012. Large employers – those with 500 or more employees – experienced both a higher increase (5.4%) and higher average cost

Employers expect another relatively low increase of five percent for 2013. However, this increase reflects changes they plan to make to reduce cost; if they made no changes, cost would rise by an average of 7.4 percent.

Mercer's nationally projectable annual survey includes public and private organizations with 10 or more employees; 2,809 employers responded in 2012.

Success in controlling cost growth in recent years may be contributing to employers' commitment to providing health coverage. Few believe it is likely that they will terminate their employee health plans within the next five years, even though state-based health insurance exchanges will provide another source of health coverage for individuals beginning in 2014. Just seven percent of large employers and 22 percent of small employers (those with 10-499 employees) believe it is likely or very likely that they will do so.

In fact, there was a slight uptick in the percentage of employers offering coverage in 2012: it rose from 55 percent to 59 percent, after falling in each of the previous two years. Most of the increase was among the smallest employers – those with 10-49 employees, which are the least likely to offer coverage and the quickest to drop it when cost goes up.

With a growing number of employers now positioning a high-deductible, account-based consumer-directed health plan as their primary plan – or even their only plan – employee enrollment jumped from 13 percent to 16 percent of all covered employees in 2012. Many employers see these plans as central to their response to health care reform provisions that will raise enrollment. Over the past two years, offerings of CDHPs have risen from 17 percent to 22 percent of all employers. Fifty-nine percent of very large organizations (20,000 or more employees), which typically offer employees a choice of medical plans, now offer a CDHP.

To read full report on the Mercer survey, visit www.mercer.com/ushealthplansurvey or call Tara Lewis at 212-345-2451.

- **Thirty of America's 50 largest cities are now covered by laws that prohibit smoking in all indoor areas of private workplaces, restaurants, and bars, according to a study from the Centers for Disease Control and Prevention.**

By late 2000, only one of the 50 largest U.S. cities—San Jose, Calif.—was covered by such a law. As of Oct. 5, 2012, 16 of the 50 largest cities were covered by local comprehensive smoke-free laws, and 14 more were covered by state comprehensive smoke-free laws.

Today, almost half of Americans are protected by state or local laws of this kind, compared to less than three percent in 2000. Scientific studies have found that smoke-free laws reduce exposure to secondhand smoke, reduce smoking, and improve health, including reducing heart attacks. While new local comprehensive smoke-free laws continue to be adopted in a number of cities and counties, last week North Dakota voters approved the first statewide comprehensive smoke-free law adopted since 2010.

The study, "*Comprehensive Smoke-Free Laws—50 Largest U.S. Cities, 2000 and 2012*," reported that 10 of the 20 cities without comprehensive smoke-free laws are located in the south. Additionally, 10 of the 20 cities without such laws are located in states that prohibit local smoking restrictions from being stronger than or different from state law.

- **To provide better service in alerting American consumers to unsafe, hazardous or defective products including notices related to food and medicine, federal agencies have joined together to form recalls.gov – a virtual one-stop-shop for U.S. government recalls.**

The Consumer Product Safety Commission, National Highway Traffic Safety Administration, Food and Drug Administration and Department of Agriculture monitor the safety of thousands of products and issue hundreds of recall announcements each year of millions of products. Recall information is both available online and also on-the-go, with a [mobile app](#) that provides easy access to vital safety information.

With the [mobile app](#), consumers can type a product's name and learn immediately whether that product has been recalled because of a safety concern. Recalls.gov provides photos of recalled products along with guidance on how to dispose of unsafe products.

- **Health and Human Services (HHS) Secretary Kathleen Sebelius announced the first class of the HHS External Innovation Fellows.**

Selected from an applicant pool of more than 100 innovators, the six External Fellows will

spend the next six to 12 months working on projects focused on solving critical health care problems. The External Fellows announced today have backgrounds ranging from business and technology executives to lifelong entrepreneurs.

Organizations represented include: Microsoft Corporation, Intel, the Louisiana Department of Health and the U.S. Postal Service. The External Fellows were selected based on their expertise and demonstrated ability to innovate. The External Fellows are paired up with HHS internal innovators or “Host Fellows” to establish innovation as a key process and core capability at HHS.

The projects and External Fellows are:

- The Office of the National Coordinator for Health Information Technology, in partnership with the Centers for Medicare & Medicaid Services (CMS), would like to develop new clinical quality measures that incorporate information available in electronic health records to monitor the impact of the implementation of the Health Information Technology for Economic and Clinical Health (HITECH) Act and the Affordable Care Act.
Mindy Hangsleben, Innovator in the Lean Methodology, Portland, Ore.
- CMS would like to develop an electronic infrastructure that states can integrate to implement the Modified Adjusted Gross Income method for determining eligibility for Medicaid and the CHIP eligibility that is required under the Affordable Care Act.
Zachery Jiwa, Healthcare Technology Executive, Baton Rouge, La.
Chris Lunt, Entrepreneur, San Francisco, Calif.
- The Assistant Secretary for Preparedness and Response of HHS and the Federal Emergency Management Agency in the Department of Homeland Security would like to develop innovative solutions that will allow individuals with access and functional needs to continue to use their durable medical equipment (DME) during prolonged power outages. DME includes medical devices powered by electricity, such as oxygen concentrators, ventilators, and intravenous infusion pumps.
Frank Sanborn, eCommerce Technologist, Seattle, Wash.
- The Health Resources and Services Administration would like to revise the existing organ transplantation system to improve identification, labeling, packaging, and transport of the nation’s organs for transplantation, and include electronic components for identifying organs and tracking their movement, to minimize the potential for misdirection or other delays in organ transportation and reduce the chance of incorrect transplantation.
David Cartier, IT Supply Chain Guru, Roswell, Ga.
Clive Hohberger, Applied Physicist and Barcode and RFID Expert, Chicago, Ill.

Each of the four projects was previously selected in May 2012 from a pool of 22 submissions from HHS employees. For more information, visit www.hhs.gov/open/initiatives/innovationfellows.

REPORTS/POLICIES

- **The GAO published “*Medicare Fraud Prevention: CMS Has Implemented a Predictive Analytics System, but Needs to Define Measures to Determine Its Effectiveness,*” (GAO-13-104) on Nov. 15, 2012.** This study determines the status of the implementation and use of FPS; describes how the agency uses FPS to identify and investigate potentially fraudulent payments, assesses how the agency's use of FPS compares to private insurers' and Medicaid programs' practices; and determines the

extent to which CMS has defined and measured benefits and performance goals for the system. <http://www.gao.gov/assets/650/649537.pdf>

- **The GAO published “DoD and VA Health Care: Medication Needs during Transitions May Not Be Managed for All Service Members” (GAO-13-26) on Nov. 14, 2012.** This study examines the extent to which service members transitioned out of the DoD health care system with psychiatric or pain medications and subsequently received care from VA and efforts DoD and VA have in place to help ensure service members' psychiatric and pain medication needs are met during transitions of care. <http://www.gao.gov/assets/650/649537.pdf>
- **The GAO published “Medicare: High-Expenditure Part B Drugs” (GAO-13-46R) on Nov. 13, 2012.** This report examines the Part B drugs for which Medicare expenditures were highest in 2010 and the utilization and spending trends for these high-expenditure Part B drugs from 2008 to 2010; and nationwide spending levels for the total U.S. population for these high-expenditure Part B drugs in 2010 and Medicare's percentage of total U.S. spending. <http://www.gao.gov/assets/650/649459.pdf>

HILL HEARINGS

- There are no hearings are scheduled this week.

LEGISLATION

- **S.3628** (introduced Nov. 11 2012): A bill to amend the Public Health Service Act to raise awareness of, and to educate breast cancer patients anticipating surgery regarding, the availability and coverage of breast reconstruction, prostheses, and other options was referred to the Committee on Health, Education, Labor, and Pensions.
Sponsor: Senator Roy Blunt [MO]

MEETINGS

- The Radiological Society of North America (RSNA) 2012: Patients First will be held on **Nov. 25-30, 2012**, in Chicago, Ill. http://www.rsna.org/Annual_Meeting.aspx
- The 2012 Special Operations Medical Association (SOMA) Conference will be held on **Dec. 15-18, 2012**, in Tampa, Fla. <http://www.specialoperationsmedicine.org/>
- The International Meeting of Simulation in Healthcare (IMSH) 2013 will be held on **Jan. 26-30, 2013**, in Orlando, Fla. <http://ssih.org/events/imsh-2013-central>
- The 2013 Military Health System Conference will be held **Feb. 11-14, 2013**, in National Harbor, Md.
- Digital Health Communication Extravaganza will be held on **Feb. 20-22, 2013**, in Orlando, Fla. <http://dhcx.hhp.ufl.edu/>.
- Annual HIMSS Conference & Exhibition will be held **March 3-7, 2013**, in New Orleans,

La. <http://www.himssconference.org/>

- The International Conference on Emerging Infectious Diseases 2013 (ICEID) will be held on **Feb. 15-18, 2013**, in Vienna, Austria. www.imed.isid.org/downloads/IMED2013_FirstAnn.pdf
- 10th Annual World Healthcare Congress will be held **April 8-10, 2013**, in Washington DC <http://www.worldcongress.com/events/HR13000/>

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.