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

- House Speaker John Boehner (R-Ohio) wrote an op-ed piece in the Cincinnati Inquirer on Nov. 20, 2012, in which he said that Obamacare should be included in talks for a debt reduction deal. The White House rejected this proposal.

- According to The Hill, the Congressional Budget Office has estimated that if Congress delays the scheduled cut to physicians’ fees for another year, it will cost $25 billion.

  Doctors are scheduled to see a 26.5 percent drop in their Medicare payments at the end of the year unless Congress steps in to delay the cut (as it does every year).

  Delaying the cut and freezing doctors’ payments for one year would cost $25 billion, according to CBO’s latest estimates — up from $18.5 billion in its last projection.

  Because the “doc fix” is now wrapped up with the end-of-year “fiscal cliff,” there’s a chance Congress might stop short of fixing it for a full year, postponing the Medicare cut — along with other parts of the fiscal cliff, the $600 billion of tax increases and spending cuts set to hit in January — until March, and trying to work out a longer solution then.

  A two-year doc fix would cost $41.5 billion, CBO said, while freezing doctors’ payments for 10 years would cost nearly $244 billion.

### MILITARY HEALTH CARE NEWS

- The Military Health System announced that nominations for the third annual Military Health System Building Stronger Female Physician Leadership course are due by Wednesday, Nov. 28, 2012 to the MHS’s Chief Human Capital Office.

  The weekend seminar is scheduled to run Feb. 8-10, 2013 at the Gaylord National Resort and Convention Center in National Harbor, Md. There is no cost for the program and it is open to mid-career female physicians serving in the military including those serving in the Coast Guard and Public Health Service.

  As more and more women are attaining executive positions in the private sector, military leaders are seeking ways to increase the number of women among the senior commissioned ranks in military medicine. The course will help attendees develop mentoring relationships and valuable
management skills in preparation for future leadership assignments.

Doctors seeking to attend the course must be nominated by their military treatment facility commanders or equivalent level officer. The streamlined form is simple to complete and only requires attachment of the nominee’s curriculum vitae. MTF commanders can submit multiple names but there is a limit of up to 20 active duty DoD female physicians at the 04 select, 04 or junior 05 grade who will be funded for travel, hotel and per diem.

To obtain a nomination form, please visit:
http://www.health.mil/Libraries/MHS_2013_Female_Leadership_Course_Documents/Female_Leaders_Course_Nomination_FormFeb2013.docx

- TRICARE Management Activity published a reminder to its beneficiaries that screenings for type-2 diabetes, as well as testing supplies, medications and disease management training when necessary is available to eligible beneficiaries.

According to the Centers for Disease Control and Prevention (CDC), more than 26 million Americans live with diabetes. If current trends continue, one third of all Americans will have the disease by 2050.

Type-2 diabetes is the most common form in America. However, it can be delayed or, in some cases, prevented in adults who are considered at high risk. High risk factors include a person’s ethnic heritage, weight, high blood pressure or a family history of diabetes. Research from CDC’s Diabetes Prevention Program show that by losing a small amount of weight (5 to 7 percent of total body weight), being physically active and eating healthy, people at high risk can delay or prevent diabetes.

Patients who are diagnosed with type-2 diabetes should talk with their doctor about how to manage their disease. Controlling diabetes means following a sensible diet, exercising regularly, routinely visiting the doctor and monitoring blood sugar levels. Medicine may also be prescribed to help control blood sugar levels. Carefully monitoring sugar intake and blood sugar levels helps avoid complications from the disease, which in serious cases can result in limb amputation, coma or death.

Monitoring blood sugar levels requires a blood glucose monitor and testing strips. Diabetic testing supplies, including certain monitors, test strips and lancets are covered by the TRICARE pharmacy benefit. Testing supplies are available from military treatment facility pharmacies, TRICARE Pharmacy Home Delivery or at any TRICARE network pharmacy. Regular prescription copays apply at network pharmacies.

Diabetes self-management training (DSMT) is an outpatient program that educates beneficiaries on managing their diabetes. Beneficiaries are eligible if they have been newly diagnosed, are at high risk for complications based on poor glycemic control, or experience a change in their treatment regimen – for example, beginning medications or insulin. Beneficiaries can contact their regional contractor for more information about coverage and eligibility or go to www.tricare.mil/coveredservices.

For more information on how to prevent or manage diabetes, as well as healthy lifestyle tips, visit CDC’s online resource center at www.CDC.gov/diabetes.

To learn about TRICARE benefits or find a participating TRICARE network doctor visit, www.TRICARE.mil.

- Earlier this year, Virginia’s Fort Belvoir Community Hospital and Walter Reed National Military Medical Center in Bethesda, Md. introduced smart suite technology that gives
hospitalized patients wireless keyboard control of communications and comfort features and gives medical providers advanced abilities to efficiently monitor the status of patients.

The smart suite system allows patients and their families to become more knowledgeable and active in their care by providing features including; information about the facility and region, health education tools and videos, scheduled tests, a feedback tool, a virtual notepad for writing questions for the care team and information related to the care team.

Another feature is an electronic sign outside a patient’s room that displays patient information, minus personally identifiable data, for healthcare providers.

The rollout of smart suite technology began in 2012 and is expected to continue into 2013.

VETERANS AFFAIRS NEWS

- The Kansas City Star reports that 59 percent of U.S. veterans say they have little or no understanding of the benefits due them, despite efforts over recent years to match returning soldiers with the help and services they need.

The paper conducted an analysis of Department of Veterans Affairs’ survey data and found that younger veterans – those who served in the post-9/11 war period – are better versed in their benefits. But even among those veterans, 40 percent say they have little or no understanding of their benefits, a figure that climbs to two-thirds for those unfamiliar with life insurance benefits available.

A new law, effective this month, will require all departing service members go through a series of detailed benefits sessions is expected to alleviate some of this disconnect. Until now, participation in such sessions varied by service and was often optional. According to the paper, the VA had been reaching 150,000 service members per year; under the mandatory, beefed-up, sessions, that’s expected to rise to 307,000.

An analysis of the VA’s 2010 National Survey of Veterans, conducted about every 10 years to determine the state of America’s veterans, included are several questions about veterans’ health coverage as well as understanding of the VA benefits package.

When asked about the VA benefits, veterans’ responses are all over the map, depending on their age and the benefit in question.

Among older veterans, including those from Vietnam, Korea and World War II, 55 percent or more have little or no understanding of their benefits; among veterans from the period between Korea and Vietnam, lack of understanding was 65 percent. Among younger veterans, 40 percent had little or no understanding.

GENERAL HEALTH CARE NEWS

- U.S. Food and Drug Administration approved the first cell-based vaccine, Flucelvax, to protect against seasonal influenza.

This newly approved vaccine is as safe and effective as traditional egg-based vaccine and the technology used to manufacture it is more flexible and reliable than the traditional technology. In the event of an influenza pandemic, this cell-based technology could provide a more rapid start-up of the vaccine manufacturing process, potentially increasing our nation's health security.

Through public-private partnership, the Biomedical Advanced Research and Development Authority and Novartis, worked together to move this vaccine forward in the development process.
and both partners funded the studies needed to reach approval. In 2009, ASPR entered into a public-private partnership with Novartis to build the first facility in the United States capable of manufacturing cell-based influenza vaccine.

This year, ASPR expanded that partnership and established a Center for Innovation in Advanced Development and Manufacturing at this facility, with a future goal of manufacturing this new cell-based flu vaccine at this new facility. This will allow a substantial increase in the capacity to produce pandemic flu vaccine within the United States. Novartis will be working toward that in the coming months.

- **Average air pollution levels from secondhand smoke directly outside designated smoking areas in airports are five times higher than levels in smoke-free airports, according to a study by the Centers for Disease Control and Prevention.**

  The study conducted in five large hub U.S. airports also showed that air pollution levels inside designated smoking areas were 23 times higher than levels in smoke-free areas. In the study, designated smoking areas in airports included restaurants, bars and ventilated smoking rooms.

  Five of the 29 largest airports in the United States allow smoking in designated areas that are accessible to the public. The airports that allow smoking include Hartsfield-Jackson Atlanta International Airport, Washington Dulles International Airport, McCarran International Airport in Las Vegas, Denver International Airport, and Salt Lake City International Airport. More than 110 million passenger boardings — about 15 percent of all U.S. air travel — occurred at these five airports last year.

  A **2006 Surgeon General’s Report** concluded that there is no risk-free level of exposure to secondhand smoke. Although smoking was banned on all U.S. domestic and international commercial airline flights through a series of federal laws adopted from 1987 to 2000, no federal policy requires airports to be smoke-free.

  Secondhand smoke causes heart disease and lung cancer in nonsmoking adults and is a known cause of sudden infant death syndrome or SIDS, respiratory problems, ear infections, and asthma attacks in infants and children. Even brief exposure to secondhand smoke can trigger acute cardiac events such as heart attack. Cigarette use kills an estimated 443,000 Americans each year, including 46,000 heart disease deaths and 3,400 lung cancer deaths among nonsmokers from exposure to secondhand smoke.

- **The Centers for Medicare & Medicaid Services (CMS) announced the first three participants in a program designed to help consumers get more information regarding their local doctors, hospitals and other health care providers.**

  The **Medicare Data Sharing for Performance Measurement** program makes Medicare claims data available, under strict privacy requirements, to groups that HHS certifies as qualified to handle this data and protect patient privacy. These groups will combine Medicare and private insurance data to create comprehensive, useful reports on provider performance.

  The three organizations announced are:

  - Health Improvement Collaborative of Greater Cincinnati
  - Kansas City Quality Improvement Consortium (serving the Greater Kansas City area in Missouri and Kansas)
  - Oregon Health Care Quality Corporation

  To receive certain Medicare claims data, organizations participating in the program must show that they can manage and process consumer-focused data and can prevent breaches of protected health information. The organizations must also show that they are working with private insurers to access other payer data in order to produce comprehensive reports on
provider performance.

The program takes important steps to protect the privacy of patients. Information that could identify specific patients will not be publicly released and strong penalties will be in place for misuse of the Medicare data.

With access to provider performance reports, employers and consumer organizations can identify and reward high quality health care providers in their local areas and develop online tools to help consumers and their families make health care choices informed by this useful data.

For more information on CMS’ Qualified Entity Program, visit: http://www.cms.gov/QEMedicareData/.

- **The United States will need about 52,000 new primary-care doctors as the population grows and ages, according to a new study by the Annals of Family Medicine.**

  Researchers project the United States will need 52,000 additional primary care physicians by 2025 – a 25 percent increase in the current workforce – to address the expected increases in demand due to population growth, aging, and insurance expansion following passage of the Affordable Care Act.

  Researchers predicted that the U.S. population will increase 15.2 percent by 2025, necessitating about 33,000 more physicians.

  Aging adults will create the need for an additional 10,000 physicians in that period, while the Affordable Care Act will require about 8,000 more.

- **The Department of Health and Human Services issued new rules that require insurance companies to cover people with preexisting medical conditions.**

  Regulations released on Nov. 20 will prohibit insurers from charging women a higher premium than men, and will require plans in every state to cover certain services.

  The regulations still leave key questions unanswered, including the structure of a federally run insurance exchange in the roughly 30 states that won’t set up their own. HHS officials said more information on the federal exchange will be coming soon.

  HHS also began putting in place new limits on how much insurers can vary their premiums — for example, allowing them to charge older patients only three times more than younger customers. The law prohibits insurers from varying premiums at all based on some factors, including gender.

  The regulations also bar insurers from charging sick customers a higher premium. Everyone who buys insurance through a newly created exchange, rather than getting it through an employer, will be combined into one large risk pool, meaning insurance companies can spread out their risks more broadly.

  HHS took steps in crafting the regulations to minimize the potential shock to customers’ premiums. For example, in the policy governing rate increases based on age, HHS said rates should increase slightly every year, rather than building in larger price jumps every five years.

**REPORTS/POLICIES**

- **The GAO published “ Recovering Service Members and Veterans: Sustained Leadership Attention and Systematic Oversight Needed to Resolve Persistent Problems Affecting Care and Benefits,” on Nov. 16, 2012.** This report examines the extent to which the
Departments of Defense (DoD) and Veterans Affairs (VA) have resolved persistent problems facing recovering service members and veterans as they navigate the recovery care continuum, and the reasons DoD and VA leadership have not been able to fully resolve any remaining problems. [http://www.gao.gov/assets/660/650149.pdf](http://www.gao.gov/assets/660/650149.pdf)

- The Institutes of Medicine published “The Role of Telehealth in an Evolving Health Care Environment - Workshop Summary” on Nov. 20, 2012. This report examines how the use of telehealth technology can fit into the U.S. health care system, focusing on the potential for health care to serve geographically isolated individuals and extend the reach of scarce resources while also emphasizing the quality and value in the delivery of health care services. [http://www.iom.edu/Reports/2012/The-Role-of-Telehealth-in-an-Evolving-Health-Care-Environment.aspx](http://www.iom.edu/Reports/2012/The-Role-of-Telehealth-in-an-Evolving-Health-Care-Environment.aspx)

**HILL HEARINGS**

- The House Veterans Affairs Committee will hold a hearing on Nov. 28, 2012, to examine VA conference spending accountability.

**LEGISLATION**

- **H.R.6598** (introduced Nov. 16, 2012): Electronic Health Records Improvement Act was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means. Sponsor: Representative Diane Black [TN-6]
- **H.R.6599** (introduced Nov. 16, 2012): Stop Subsidizing Childhood Obesity Act was referred to the House Committee on Ways and Means. Sponsor: Representative Dennis J. Kucinich [OH-10]

**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](http://www.rsna.org/Annual_Meeting.aspx)
- 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/](http://dhcx.hhp.ufl.edu/)
- Annual HIMSS Conference & Exhibition will be held March 3-7, 2013, in New Orleans, La. [http://www.himssconference.org/](http://www.himssconference.org/)

10th Annual World Healthcare Congress will be held **April 8-10, 2013**, in Washington DC [http://www.worldcongress.com/events/HR13000/](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.