

Federal Health Update

NOV. 30, 2012

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
www.spectrumhealth.com
800-325-3982

Additional Sponsorship Opportunities Available.

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

ktheroux@federalhealthcarenews.com

The Federal Health Update will not be published on Dec. 7 and 21, 2012

EXECUTIVE AND CONGRESSIONAL NEWS

- **On Nov. 27, 2012, the President signed into law H.R. 4114, the "Veterans' Compensation Cost-of-Living Adjustment Act of 2012."**

This legislation provides for a cost-of-living adjustment (COLA) for the beneficiaries of veterans' disability compensation and dependency and indemnity compensation equal to the Social Security COLA.

- **The Senate is debating the National Defense Authorization Act for fiscal year this week. In response to some of the amendments proposed, the White House issued a statement listing the Administration's objections to the bill, which includes the Senate's proposed changes to the President's proposal to raise TRICARE fees and co-pays.**

Below is an excerpt of the White House's statement:

"TRICARE Fees and Co-Payments: The Administration strongly encourages the Senate to adopt its requested TRICARE fee initiatives that seek to control the spiraling DOD health care costs while keeping retired beneficiaries' share of these costs well below the levels experienced when the 2

TRICARE program was implemented in the mid-1990s. The projected TRICARE savings of

\$1.8 billion in FY 2013 and \$12.9 billion through FY 2017 are essential for DOD to successfully address rising personnel costs. DOD needs these savings to balance and maintain investments for key defense priorities.”

The White House is threatening to veto the bill if the language is not changed.

To read the full statement: visit:

http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/112/saps1867s_20111117.pdf.

- **Senator Jack Reed (D-RI) has proposed an amendment to the Senate version of the 2013 defense authorization bill, which would increase co-pays for retail and mail-order prescriptions and cap any future increases in co-pays to no more than the annual cost-of-living adjustment in military retired pay.**

Reed's plan would yield less revenue than what the President's budget has proposed. To make up the difference, Reed's amendment would create a pilot program under which Tricare for Life beneficiaries would be required to fill long-term prescriptions by mail order, which is less costly to the Defense Department than retail pharmacy orders.

Under the Senate amendment:

- Co-pays for drugs purchased at retail pharmacies would be \$17 for brand names and \$44 for non-formulary medications. The Department of Defense (DoD) had proposed increasing co-pays to \$26 for brand-name drugs and restricting access to non-formulary medications at retail pharmacies.
- Co-pays for 90-day prescriptions to \$13 and non-formulary medications to \$44 through the mail order program, the amendment increases. DoD proposes to charge \$26 and \$51, respectively.
- Co-pays for generic drugs would remain at \$5 at a retail store and \$0 for a 90-day supply through the mail.
- Future co-pay increases would be limited to no more than the increase in the annual cost-of-living adjustment to military retired pay, which is usually no more than a few percentage points. DoD has proposed significantly higher annual co-pay increases through fiscal 2017.

Like the House version of the defense bill, Reed's plan would hinge on requiring Tricare for Life beneficiaries to buy their maintenance medications through the mail for at least a year. Waivers would be allowed under certain circumstances and beneficiaries could opt-out after a year.

The House proposes to run the pilot for five years; the amendment to the Senate version of the NDAA sets no time frame.

- **House Speaker John Boehner (R-Ohio) announced the 113th Congress' committee chairmen on Nov. 28, 2012.**

The list includes:

- Appropriations – Rep. Hal Rogers (R-KY)
- Armed Services – Rep. Howard 'Buck' McKeon (R-CA)
- Budget – Rep. Paul Ryan (R-WI)
- Veterans' Affairs – Rep. Jeff Miller (R-FL)
- Oversight and Government Reform – Rep. Darrell Issa (R-CA)

MILITARY HEALTH CARE NEWS

- **The Military Health System reports that the [Warrior Transition Units](#), recently launched by the Army, has been successfully helping veterans transition into civilian life or back into active duty.**

By including clinical social workers, nurse case managers, squad leaders and families, the WTU helps to help heal the whole person. More than 40,000 wounded and ill soldiers have transitioned through 29 WTUs worldwide.

WTUs provide personal support to wounded soldiers who require at least six months of rehabilitative care and complex medical management. WTUs are structured like a military line unit, to use integrated processes to build on the strength of unit cohesion and teamwork. As a result, wounded warriors can focus on healing and transition back to the military or to civilian status. Each wounded, ill and injured service member works with a Triad of Care — primary care manager (typically, a physician), nurse case manager and squad leader — who coordinate the care with other clinical and non-clinical professionals.

All service members develop a [Comprehensive Transition Plan](#) with personalized goals that assists them and family members to move forward toward life post-injury. Through innovative approaches to care, WTUs are succeeding in easing the healing and advancing the transition process for thousands of service members around the world.

- **The *Army Times* reports that the Department of Defense (DoD) has taken steps to cover intensive autism therapy for affected children of service members and retirees but is still fighting a judge's order that it pay for the treatment, known as applied behavior analysis.**

The Justice Department has appealed a July 26 ruling by Judge Reggie Walton of the U.S. District Court in Washington, D.C., that TRICARE cover ABA as a medical benefit for beneficiaries. TRICARE maintains that ABA is an educational intervention, and as such should not be a covered service.

While the TRICARE manual is being revised to comply with Walton's decision, DoD is conducting a "thorough literature review" to determine whether evidence supports ABA as a medical treatment, and separately has asked the judge to reconsider.

The ruling, which stemmed from a class-action lawsuit, cleared the way for the children of military retirees to receive ABA under TRICARE and also expanded ABA coverage for active-duty dependents as part of TRICARE's basic program.

Previously, TRICARE paid for ABA therapy only as part of its Extended Health Care Option program, available only to active-duty personnel. The benefit was capped at \$36,000 annually.

From 2005 to 2008, TRICARE registered 9,300 beneficiaries with autism under age 21 with autism: 6,025 active-duty dependents and 3,271 family members of active-duty and reserve component retirees, and survivors.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs has developed a new public service announcement (PSA) to let women veterans know they've come to "The Right Place" when seeking VA**

health care.

The number of women using VA health care has doubled in the past decade and that number is expected to double again soon. The 30-second video PSA, produced by VA's Women's Health Services office, addresses key themes defined by Secretary Shinseki.

Key messages in the PSA include: assuring women veterans that VA is ready to serve them; encouraging viewers to rethink assumptions that all veterans are male; and reminding Americans that women veterans are coming home, separating from service, or returning to Guard or Reserve status.

The PSA was developed for nationwide release along with a new employee awareness video created as part of VA's ongoing efforts to change its culture to be more understanding and accommodating of women veterans. It also promotes the recognition of women veterans around Veterans Day, honoring their service to our country.

Women serve in every branch of the military, representing 15 percent of today's active duty military and nearly 18 percent of National Guard and Reserve forces. By 2020, VA estimates women veterans will constitute 10 percent of the veteran population.

The PSA is available for viewing on YouTube: <http://www.youtube.com/watch?v=x5FGIZ2uYiU> and www.womenshealth.va.gov.

- **The Multiple Myeloma Research Foundation announced that it will collaborate with the Department of Veterans Affairs in a study of the molecular and genetic causes of multiple myeloma.**

Under a cooperative research and development agreement, MMRF will partner with the VA on the CoMMPass (Relating Clinical Outcomes in Multiple Myeloma to Personal Assessment of Genetic Profile) study, an effort to follow 1,000 newly diagnosed patients over five years. The five-year survival rate for multiple myeloma is around 38 percent, one of the lowest of all cancers, MMRF said.

The aim of the study is to conduct genetic analysis of patients and tissue samples and then identify how these patients' molecular profiles may affect their clinical progression and their individual responses to treatments. The hope is that these data can be used to develop clinical trials for personalized treatments.

The data from CoMMPass will be placed in an open-access research portal that will be available for other researchers to use in their own multiple myeloma studies.

Two VA centers, one in Washington, DC, and one in East Orange, NJ, have already joined the nationwide network of clinical centers that will provide samples for the project, which includes a total of 50 centers, and over 200 patients who have been screened so far.

GENERAL HEALTH CARE NEWS

- **A new study by the Centers for Disease Control and Prevention finds that young people between the ages of 13 and 24 represent more than a quarter of new HIV infections each year (26 percent) and most of these youth living with HIV (60 percent) are unaware they are infected.**

The study found that the most-affected young people are young gay and bisexual men and African-Americans.

Overall, an estimated 12,200 new HIV infections occurred in 2010 among young people aged

13-24, with young gay and bisexual men and African-Americans hit harder by HIV than their peers. In 2010, 72 percent of estimated new HIV infections in young people occurred in young men who have sex with men (MSM). By race/ethnicity, 57 percent of estimated new infections in this age group were in African-Americans.

According to CDC experts, a number of factors contribute to the high levels of HIV in young people and vary by population. HIV prevalence is higher in some communities than in others, which can increase the likelihood that a person will be exposed to infection with each sexual encounter. Previous research has also found that other factors can increase risk of infection, such as higher levels of unrecognized and untreated infection, as well as social and economic factors, such as poverty, lack of access to health care, stigma, and discrimination.

Despite recommendations from CDC and the American Academy of Pediatrics that call for routine HIV testing of youth in medical settings, the analysis shows that 35 percent of 18-24 year olds have been tested for HIV, while only 13 percent of high school students (and 22 percent of sexually experienced students) have ever been tested.

Partially as a result of lower testing levels, HIV-infected people under the age of 25 are significantly less likely than those who are older to get and stay in HIV care, and to have their virus controlled at a level that helps them stay healthy and reduce their risk of transmitting HIV to partners.

- **The Departments Health and Human Services and Veterans Affairs have signed firms to manage communications initiatives.**

HHS has hired Morgan Business Consulting to provide communications support and to develop an effective provider and stakeholder education and information effort for its privacy and security initiatives.

The contract has a potential budget of \$856,000 over a three-year period if all options are renewed, according to an award notice.

Mark Danis, a principal at the consulting firm, confirmed the contract but deferred other questions to HHS.

VA has hired firms for two of its units. DC-based Atlas Research won a \$997,843 contract to support the Veterans Health Administration communications office by conducting evidence-based strategic communications work.

The firm will provide an array of strategic communications products and services, such as the development of internal tools to improve collaboration among the more than 150 public affairs officers at VA medical facilities across the country. It is also helping with outreach for the Veterans Health Administration strategic plan.

A separate contract for work with the Veterans Health Administration's office of health information was awarded to Booz Allen Hamilton. The \$471,000 contract requires the firm to continue a previous contract in which it provided strategic outreach and communications support, according to an award notice.

- **The U.S. birth rate dipped in 2011 to the lowest ever recorded, led by a plunge in births to immigrant women since the onset of the Great Recession, accord to a new study by [Pew Research](#).**

The overall U.S. birth rate, which is the annual number of births per 1,000 women in the prime childbearing ages of 15 to 44, declined eight percent from 2007 to 2010. The birth rate for U.S.-

born women decreased six percent during these years, but the birth rate for foreign-born women plunged 14 percent — more than it had declined over the entire 1990-2007 period. The birth rate for Mexican immigrant women fell even more, by 23 percent.

According to preliminary data from the National Center for Health Statistics, the overall birth rate in 2011 was 63.2 per 1,000 women of childbearing age. That rate is the lowest since at least 1920, the earliest year for which there are reliable numbers. The overall U.S. birth rate peaked most recently in the Baby Boom years, reaching 122.7 in 1957, nearly double today's rate. The birth rate sagged through the mid-1970s but stabilized at 65-70 births per 1,000 women for most years after that before falling again after 2007, the beginning of the Great Recession.

In addition to the birth rate decline, the number of U.S. births, which had been rising since 2002, fell abruptly after 2007—a decrease also led by immigrant women. From 2007 to 2010, the overall number of births declined seven percent, pulled down by a 13 percent drop in births to immigrants and a relatively modest five percent decline in births to U.S.-born women.

Despite the recent decline, foreign-born mothers continue to give birth to a disproportionate share of the nation's newborns, as they have for at least the past two decades. The 23 percent share of all births to foreign-born mothers in 2010 was higher than the 13 percent immigrant share of the U.S. population, and higher than the 17 percent share of women ages 15-44 who are immigrants. The 2010 birth rate for foreign-born women (87.8) was nearly 50 percent higher than the rate for U.S.-born women (58.9).

Total U.S. births in 2010 were 4.0 million—roughly 3.1 million to U.S.-born women and 930,000 to immigrant women. In 2011, according to preliminary data, there were 3.95 million total births.

REPORTS/POLICIES

- **The GAO published “Health Care Fraud: Types of Providers Involved in Medicare Cases, and CMS Efforts to Reduce Fraud,” (GAO-13-213T) on Nov. 28, 2012.** The report focuses on the types of providers that have been investigated for fraud and the outcomes of those investigations, and strategies that could be used to combat Medicare fraud.
<http://www.gao.gov/assets/660/650341.pdf>
- **The Congressional Budget Office published a report examining the cost estimate of S. 3340, Mental Health Access to Continued Care and Enhancement of Support Services Act of 2012 on Nov. 26, 2012.** The bill extends mental health services offered by the Department of Veterans Affairs (VA) to family members of active-duty service members, enhance programs for homeless veterans, and make other changes to veterans' health care, compensation and burial benefits. The study, ordered reported by the Senate Committee on Veterans' Affairs on Sept. 12, 2012, estimates that implementing the bill would have a discretionary cost of \$310 million over the 2013-2017 period, assuming appropriation of the specified and estimated amounts.
<http://www.cbo.gov/sites/default/files/cbofiles/attachments/s3340.pdf>

HILL HEARINGS

- The Senate Veterans Affairs Committee will hold a hearing on **Dec. 14, 2012**, to examine the nomination of Keith Kelly, of Montana, to be Assistant Secretary of Labor for Veterans' Employment and Training.

LEGISLATION

- **H.R.6608** (introduced Nov. 27, 2012): the *Family Asthma Act* was referred to the House Committee on Energy and Commerce
Sponsor: Representative Carolyn McCarthy [NY-4]
- **S.3641** (introduced Nov. 27, 2012): A bill to amend the Public Health Service Act with regard to research on asthma, and for other purposes referred to the Committee on Health, Education, Labor, and Pensions.
Sponsor: Senator Frank R. Lautenberg [NJ]
- **S.AMDT.3099 to S.3254** (introduced Nov. 28, 2012): To improve mental health care programs and activities for members of the Armed Forces and veterans was agreed to in Senate by Voice Vote.
Sponsor: Senator Patty Murray [WA]

MEETINGS

- 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
- Learning in Disaster Health: A Continuing Education Workshop will be held on **April 2-3 2013**, in Washington D.C. <http://www.cvent.com/events/learning-in-disaster-health-a-continuing-education-workshop/event-summary-8688867233a844d3b5a3afeccebbf288.aspx>
- 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.