

FEDERAL HEALTH UPDATE

September 15, 2006

Produced by Kate Connelly Theroux in collaboration with the U.S. Medicine Institute for Health Studies

To subscribe, please visit <http://usminstitute.org/subscriber.cfm>.

Sponsored by



Additional sponsorship by



"The Fisher House is a way to make sure that all of us know-at any given time, no matter where we are [and] no matter who we are- we have a family and we have a home." -National Naval Medical Center Commander Rear Adm. Adam Robinson, Jr., at the celebration of the 15-year anniversary of the first Fisher House

Congressional Schedule

- The House passed H.R. 5815, the Department of Veterans Affairs Medical Facility Authorization Act of 2006 on Sept. 13, 2006. This bill authorizes the construction of multiple major medical facility projects, including new hospitals in Las Vegas, Nevada and Orlando, Florida as well as the expansion of the Spinal Cord Injury Center in Tampa, Florida.
- The House and Senate conference committee leaders worked toward reconciling the different versions of the 2007 Defense Authorization Bill.

[Back to Top](#)

Military Health Care News

- On Sept. 13, 2006, Health Net Federal Services announced the formation of the TRICARE Advisory Committee to support and refine its culture of operational excellence as a leading Department of Defense contractor. Members of the Advisory Committee include distinguished individuals from within the Department of Defense and the Military Health System community. They are retired Lt. Gen. Jim Peake, former Army surgeon general; retired Lt. Gen. Rusty Sloan, former Air Force surgeon general; and retired Rear Adm. Kathy Martin, former Navy deputy surgeon general. The Advisory Committee held its first meeting on Sept. 13 and will meet quarterly near the nation's capitol to provide HNFS with strategic guidance.
http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20060913005196&newsLang=en
- On Sept. 8, 2006, to commemorate those who have lost their lives during the Sept. 11 attack on the Pentagon, TriWest Healthcare Alliance donated \$250,000 gift to the Pentagon Memorial Fund. This is the second contribution that TriWest has made to the fund. The fund will build a simple, elegant memorial dedicated to the 59 victims aboard Flight 77 on September 11, 2001 and to the 125 people inside the Pentagon who lost their lives. The memorial will be built on the Pentagon's grounds near Flight 77's point of impact and will be a public place for contemplation, remembrance, reflection and renewal. TriWest is the managed care support contractor that administers the military health care program, TRICARE, for 2.8 million members of America's military family in the 21-state TRICARE West Region, which is comprised of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Minnesota,

Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming and western Texas. <http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/09-08-2006/0004429391&EDATE=>

[Back to Top](#)

Veterans Health Care News

- The Veterans' Disability Benefits Commission held its monthly meeting on Sept. 13-15, in Washington D.C. Among the topics discussed was the VA/DOD IT Interoperability Implementation Plan. Mr. Carl Hendricks, chief information officer for the Military Health System and director of Information Management, Technology and Reengineering Directorate, TRICARE Management Activity and Mr. Cliff Freeman, Director, VA/DOD Health Information Technology Sharing Program were scheduled to testify before the commission.
- The Department of Veterans Affairs announced the acquisition of 30 acres in Cape Coral, Fl. for construction of a new outpatient clinic. Nicholson said VA intends to construct a 200,000-square foot outpatient clinic on a site near Diplomat Parkway and Corbett Road. The site, purchased for \$9.9 million, replaces a facility in Ft. Myers. The timeline for construction has not been established. In Florida, VA spent more than \$5.2 billion last year to serve the state's 1.8 million veterans. VA operates six major medical centers in Florida, with 42 outpatient clinics, seven nursing homes and 10 Vet Centers. With 154 hospitals and more than 850 outpatient clinics, VA has the largest integrated health care system in the country. VA's health care budget of nearly \$30 billion this year will provide health care to about 5.4 million people during nearly 600,000 hospitalizations and 57 million outpatient visits.
<http://www1.va.gov/opa/pressrel/pressrelease.cfm?id=1173>

[Back to Top](#)

Health Care News

- According to New York Times, the Centers for Medicare and Medicaid Services (CMS) will increase the basic Medicare premium for Part B to \$93.50 a month in 2007. This is an increase of 5.6 percent or \$5. In addition CMS announced that more affluent

beneficiaries would have to pay a new surcharge, from \$12.50 to \$68.60 a month, depending on their incomes. The surcharge applies to 1.5 million people with annual incomes exceeding \$80,000 for individuals or \$160,000 for married couples filing joint tax returns. Medicare Part B is a voluntary program that covers doctors' services, diagnostic tests and outpatient hospital care for 40 million people who are 65 and older or disabled. This premium increase assumes a continuation of current law, under which Medicare payments to doctors will be cut five percent next year. If Congress decides to prevent that cut, beneficiaries may have to make up the difference by paying higher premiums in 2008. Congress established the surcharge under a little-noticed provision of the 2003 law that added a prescription drug benefit to Medicare. Federal health officials estimate that 9,000 people will drop out of Part B because of the surcharge in 2007, while 30,000 will drop out in 2009, when the surcharge becomes larger.

http://www.nytimes.com/2006/09/13/washington/13medicare.html?_r=1&oref=slogin&pagewanted=print

- On Sept. 8, 2006, the U.S. Food and Drug Administration (FDA) announced that the American Red Cross (ARC) is being fined \$4.2 million for failure to comply with requirements under Federal laws and FDA regulations relating to the collection of blood products. These fines were assessed under an amended 2003 consent decree that calls for significant financial penalties when ARC fails to comply with FDA regulations and consent decree provisions designed to ensure the safety of the nation's blood supply. The fines stem from a recently completed FDA review of recalls conducted by ARC between 2003 and 2005 that found these events were preventable by ARC. The violations include breaches of Good Manufacturing Practice (GMP) such as a failure to ask appropriate donor screening questions and failure to follow manufacturer test protocols. We have no evidence that these violations resulted in serious health consequences. <http://www.fda.gov/bbs/topics/NEWS/2006/NEW01447.html>

- The Centers for Medicare and Medicaid Services ((CMS) kicked off the "My Health. My Medicare" Fall campaign on Sept. 13, 2006. This initiative introduces new tools to assist beneficiaries in the new Part D enrollment period, which begins November 15. This fall, Medicare beneficiaries who wish to change prescription drug plans will have six weeks, between November 15 and December 31, to enroll in a new plan. But CMS urges beneficiaries to sign up before December 8. This will ensure they have their new prescription drug card in hand to fill prescriptions in early January. To assist beneficiaries in making decisions about their Medicare benefits, the fall campaign has been divided into monthly segments:

- September is the time for beneficiaries to compare their health needs to the coverage they have and prepare questions about their coverage.
- October is when they should evaluate benefits, using the one-page Medicare Checkup as a guide.

- November is the month to choose a new plan or change plans, if desired.
- December gives beneficiaries the opportunity to maximize their benefits, working with their doctor to develop a personalized plan for prevention.

<http://www.cms.hhs.gov/apps/media/press/release.asp?Counter=1959>

[Back to Top](#)

Reserve/Guard

- The total number of Guard and Reserve currently on active duty has increased by 1,148 from the Aug. 25 Update report to 110,120. The totals for each service are Army National Guard and Army Reserve, 88,323; Navy Reserve, 6,981; Air National Guard and Air Force Reserve, 7,136; Marine Corps Reserve, 7,363; and the Coast Guard Reserve, 317.

www.defenselink.mil

[Back to Top](#)

Contracts/Procurements

- The Department of Health & Human Services, Centers for Medicare and Medicaid Services (CMS) is issuing a Request for Information (RFI) to solicit feedback from industry related to Cycle Two Acquisitions of the A/B Medicare Administrative Contract (MAC) procurements. CMS provided a [cover letter](#) with specific questions to the Industry regarding their proposed model. Contractors are encouraged to provide any comments or feedback related to any aspect of the MAC procurements in any areas by Sept. 27, 2006.

<http://www.fbo.gov/spg/HHS/HCFA/AGG/Reference%2DNumber%2DAB%2DMAC%2DCycle%2DTwo%2DAcquisitions%2DRFI%2D1/Synopsis.html>

Reports/Policies

- The General Accounting Office (GAO) issued "Global Health: Spending Requirement Presents Challenges for Allocating Prevention Funding under the PThe GAO released "September 11: HHS Has Screened Additional Federal Responders for World Trade Center Health Effects, but Plans for Awarding Funds for Treatment Are Incomplete," (GAO-06-1092T) on Sept. 8, 2006. Responders to the World Trade Center (WTC) attack were exposed to numerous hazards, and concerns remain about the long-term effects on their physical and mental health. In February 2006, GAO testified that four of the five key federally funded programs that were monitoring health effects in responders had made progress but that the Department of Health and Human Services' (HHS) WTC Federal Responder Screening Program, implemented by the Office of Public Health Emergency Preparedness (OPHEP), lagged behind (GAO-06-481T). In this report, the GAO examined progress made by HHS's WTC federal responder program; and actions CDC has taken to award the \$75 million appropriated. GAO reviewed program documents and interviewed HHS officials and others involved in WTC monitoring and treatment programs. <http://www.gao.gov/new.items/d061092t.pdf>
- The Institute of Medicine (IOM) released "Gulf War and Health: Volume 4. Health Effects of Serving in the Gulf War," on Sept. 12, 2006. The report summarizes the current status of health effects in veterans deployed to the Persian Gulf irrespective of exposure information. The IOM committee reviewed, evaluated and summarized peer-reviewed scientific and medical literature addressing the health status of Gulf War veterans. The committee found that although veterans of the first Gulf War report significantly more symptoms of illness than soldiers of the same period who were not deployed, studies have found no cluster of symptoms that constitute a syndrome unique to Gulf War veterans. The committee did find evidence that suggests there may be an elevated rate of the rare disorder amyotrophic lateral sclerosis (ALS) among Gulf War veterans. However, there does not appear to be an increase in mortality and hospitalizations among Gulf War veterans. Evidence regarding rates of testicular cancer, brain cancer, and certain birth defects among Gulf War veterans is inconsistent and the committee recommended further surveillance for those health outcomes. <http://www.iom.edu/CMS/3793/24597/36955.aspx>
- The Institute of Medicine (IOM) released "Progress in Preventing Childhood Obesity: How Do We Measure Up?," on Sept. 13, 2006. The report examines the progress made by obesity prevention initiatives in the United States over the past two years. The report builds on the IOM's 2005 report "Preventing Childhood Obesity: Health in the Balance," which was a congressionally mandated study

that provided a blueprint to guide concerted actions for many stakeholders--including government, industry, media, communities, schools, and families--to collectively respond to the growing obesity epidemic in children and youth. The report emphasizes a call to action for key stakeholders and sectors to lead and commit to childhood obesity prevention, evaluate all policies and programs, monitor their progress, and widely disseminate promising practices. <http://www.iom.edu/CMS/3788/25044/36980.aspx>

[Back to Top](#)

Legislation

- **H.R.6053** (introduced Sept. 12, 2006): To amend title XIX of the Social Security Act to provide for increased price transparency of hospital information and to provide for additional research on consumer information on charges and out-of-pocket costs was referred to the House Committee on Energy and Commerce.
Sponsor: Representative Michael C. Burgess [TX-26]
- **H.R.6065** (introduced Sept. 13, 2006): To amend the Internal Revenue Code of 1986 to provide tax incentives for the payment of premiums for high deductible health plans, and for other purposes was referred to the House Committee on Ways and Means.
Sponsor: Representative Eric Cantor [VA-7]
- **H.R.6067** (introduced Sept. 13, 2006): To provide for programs that reduce the number of unplanned pregnancies, reduce the need for abortion, help women bear healthy children, and support new parents was referred to the Committee on Energy and Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
Sponsor: Representative Tim Ryan [OH-17]
- **S.AMDT. 4958 to H.R.4954** (introduced Sept. 12, 2006): To establish a grant program for individuals still suffering health effects as a result of the September 11, 2001, attacks in New York City was proposed on the Senate floor.
Sponsor: Senator Hillary Rodham Clinton [NY]

- **S.AMDT. 4962 to H.R.4954** (introduced Sept. 12, 2006): To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize the President to carry out a program for the protection of the health and safety of residents, workers, volunteers, and others in a disaster area was agreed to by Voice Vote.
Sponsor: Senator George V. Voinovich [OH]

[Back to Top](#)

Hill Hearings

- The Senate Armed Services Committee will hold a hearing on Sept. 19, 2006, to examine the nominations of Army Gen. Bantz J. Craddock, for reappointment to be general and to be Commander, U.S. European Command, Navy Vice Adm. James G. Stavridis, for appointment to be admiral and to be Commander, U.S. Southern Command, Nelson M. Ford, of Virginia, to be Assistant Secretary of the Army for Financial Management and Comptroller, and Ronald J. James, of Ohio, to be Assistant Secretary of the Army for Manpower and Reserve Affairs.
- The House Veterans Affairs Committee will hold oversight hearings on Sept. 20 and 21, 2006, to review the previous fiscal year and look ahead to the upcoming year.
- The Senate Veterans Affairs Committee will hold a hearing on Sept. 20, 2006, to examine the legislative presentation of the American Legion.

[Back to Top](#)

Meetings / Conferences

- The 2006 Fleet Reserve Association Annual Convention will be held Sept. 17 to Sept. 24, 2006, in Oconomowoc, Wis. www.fra.org

- The Air & Space Conference 2006 and Technology Exposition will be held Sept. 24-27, 2006 in Washington D.C. www.afa.org
- The U.S. Medicine Institute for Health Studies (USMI) now is accepting applications for its 2006 Executive Leadership Program (ELP). This three-day program, which will be held Oct. 3-5, 2006, provides the opportunity for learning through face-to-face dialogue with seasoned, successful leaders in government and the private sector. All sessions are held in downtown Washington, D.C. For more information, please visit www.usminstitute.org
- The 2006 AUSA Annual Meeting & Exposition will be held Oct. 9 -11, 2006, in Washington D.C. www.ausa.org
- The Combined Forces Pharmacy Seminar 2006 will be held in Atlanta Ga. on Oct. 23-26, 2006. www.cfpsinfo.org
- The AMSUS 112th Annual Meeting: "Health 2015: Actionable Strategies for Caring for Our Warriors, Veterans and Country" will be held Nov 5-10, 2006, in San Antonio, Texas. www.amsus.org
- The State of the MHS - The 2007 Annual TRICARE Conference will be held Jan. 29 to Feb. 1, 2007, in Washington D.C. <http://www.tricare.osd.mil/conferences.cfm>
- The 2007 HIMSS will be held Feb. 25 to March 1, 2007, in New Orleans, La. <http://www.himss07.org/>

[Back to Top](#)

If you need further information on any of the items in the Federal Health Update, please contact Kate Connelly Theroux at (703) 447-3257 or by e-mail at dhakat@aol.com. To subscribe, please visit <http://usminstitute.org/subscriber.cfm>.