

FEDERAL HEALTH UPDATE

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

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“Improving medication use and advancing patient care is a personal aspiration. It’s the motto of the American Pharmacists Association and I think it sums up how I approach my work everyday.” National Naval Medical Center’s Dr. Amy Lugo, winner of the Navy’s 2006 Civilian Pharmacist of the Year Award. [NNMC Journal](#)

Congressional Schedule

- On Nov. 16, 2006, the Senate Committee on Health, Education, Labor, and Pensions held a hearing to examine proposals to improve drug safety and innovation. In particular, the hearing focused on S.3807 the "Enhancing Drug Safety and Innovation Act of 2006," which calls for improved drug safety and oversight. The bill outlines provisions that would require drug makers to engage in better drug safety planning before a drug is available to the public and proposes improving the FDA's response to risks identified once a drug is on the market. Dr. Steven E. Nissen, chairman of the Department of Cardiovascular Medicine at Cleveland Clinic and president of the American College of Cardiology, supported this legislation during

his testimony before the committee.

- On Nov. 13, 2006, the House unanimously passed (393-0) H.R.6314, which amends title 38, United States Code, to extend certain expiring provisions of law and to expand eligibility for the Survivors' and Dependents' Educational Assistance program. The bill extends the provision of health care services for veterans exposed to chemical and biological testing under Projects 112 and SHAD. It provides treatment and rehabilitation programs for homeless veterans and those with serious mental illnesses, as well as extends VA's Advisory Committee on Homeless Veterans until December 31, 2007.
- The Senate passed an amended H.R. 5385, the Military Construction/Veterans Affairs Appropriations Act on Nov. 14, 2006. The bill provides nearly \$78 billion for the Department of Veterans Affairs, which is \$8.88 billion above the amount VA received last year. The legislation must still be agreed to by the House before going to the President to become law.

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Military Health Care News

- TRICARE Management Activity (TMA) released an updated list of the TRICARE reimbursement rates is now available to beneficiaries on Nov. 14, 2006. The changes for fiscal year 2007 include updated rates for inpatient mental health, residential treatment centers, partial hospitalization, hospice, and inpatient cost-shares for civilian hospitals. TRICARE reimbursement rates are aligned with Medicare rates as set by Congress. However, TRICARE does have some dispensations that may not be available to Medicare to ensure that beneficiaries continue to have health care available. Medicare premiums also change annually and now the Medicare Part B premium is linked to income. In 2007, individual incomes will trigger premium increases at \$80,000, \$100,000, \$150,000 and \$200,000. For married couples the premium rises when the income is double those amounts. However, this change will have no effect on TRICARE costs or benefits for those who are also Medicare beneficiaries. The updated reimbursement rates may be viewed on the TRICARE web site at www.tricare.osd.mil/tricarecost.cfm.
<http://www.tricare.mil/pressroom/news.aspx?fid=243>
- The Department of Defense (DoD) announced that the Executive Information Decision Support (EIDS) TRICARE Encounter Data (TED) application has received a 2006 *Government Computer News* Agency Award for outstanding use of information technology in government. TED records processing helps make TRICARE a good business decision to existing and potential health providers due to an automated electronic process that quickly and easily validates purchased care claims. TED collects, verifies, and tracks billions of dollars every year in purchased care claims and encounter data for the Military Health System (MHS). www.tricare.mil/pressroom/news.aspx?fid=242.
- The Journal of the American Medical Association released [*“Effect of a Pharmacy Care Program on Medication Adherence and Persistence, Blood Pressure, and Low-Density Lipoprotein Cholesterol,”*](#) on Nov. 13, 2006. The study, conducted at the Walter Reed Army Medical Center, consisted of 200 community-based patients aged 65 years or older taking at least 4 chronic medications from June 2004 to

August 2006. The objective was to test the efficacy of a comprehensive pharmacy care program to improve medication adherence and its associated effects on blood pressure (BP) and low-density lipoprotein cholesterol (LDL-C). A pharmacy-based program intended to make sure elderly patients take their medications on schedule resulted in substantially improved blood pressure control, in a randomized trial released online by JAMA.

After a 2-month run-in phase, some 170 participants received a 6-month intervention including individualized hour-long medication education sessions, customized blister packs of pills and half-hour follow-ups with pharmacists every 2 months for refills, assessment, and continued education. They were then randomized to continue in the program or return to their usual care for another 6 months. At the end of this period, medication adherence was 96 percent and systolic blood pressure had fallen 6.9 mm Hg in the intervention group, compared with 69 percent adherence and a 1 mm Hg decrease in the comparison group. Researchers concluded that pharmacy care program led to increases in medication adherence, medication persistence, and clinically meaningful reductions in BP, whereas discontinuation of the program was associated with decreased medication adherence and persistence.

- The Department of Defense (DoD) Task Force on Mental Health is holding its third open meeting to hear concerns from San Francisco veterans, as well as local National Guard and Reserve members and families on Nov. 21, in Burlingame, California. The meeting is open to the public and provides an opportunity for all beneficiaries of DoD mental health care to share their experiences with Task Force members. The congressionally-mandated task force was created to examine matters relating to mental health and the Armed Forces; and submit a report in May 2007, containing an assessment of, and recommendations for improving, the efficacy of mental health services provided to members of the Armed Forces by the Department of Defense to the Secretary of Defense. <http://www.ha.osd.mil/afeb/mhtf/default.cfm>
- On Nov. 13, 2006, Gen. James T. Conway became the new commandant for the U.S. Marine Corps (USMC). He is replacing retiring Gen. Michael Hagee, who served as the 33rd USMC commandant since 2003.

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Veterans Health Care News

- On Nov. 13, 2006, the Department of Veterans Affairs (VA) awarded 47 grants nationwide to various community-based organizations to provide homeless veterans services such as job training and referrals, as well as mental health and substance abuse treatments. To view the individual grants, please visit <http://www1.va.gov/opa/pressrel/index.cfm>

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Health Care News

- On Nov. 14, 2006, HHS' Agency for Healthcare Research and Quality (AHRQ) awarded more than \$5 million for 19 new grants under its "Improving Patient Safety Through Simulation Research" request for

applications. The projects focus on assessing and evaluating the roles that simulation can play to improve the safe delivery of quality health care. The Institute of Medicine estimated that medical errors are the eighth leading cause of death among Americans. Medical simulation involves scenarios in which real-life medical situations are re-created so that health care providers can practice new procedures and techniques before performing them on patients and potentially placing them at risk. For a complete listing of the 19 projects, go to <http://www.ahrq.gov/qual/simulproj.htm>.
<http://www.ahrq.gov/news/press/pr2006/medsimpr.htm>

- The Department of Health and Human Services (HHS) Agency for Healthcare Research and Quality (AHRQ) released the results from a new study "*Tax Subsidies for Employment-Related Health Insurance: Simulation Results for 2006 from the Medical Expenditure Panel Survey*," in the November-December 2006 issue of *Health Affairs*. According to the report total federal and state tax subsidies for employer-sponsored health care coverage for active workers will exceed \$200 billion in 2006, an inflation-adjusted increase of more than 150 percent since 1987. In addition, the report estimates that the average tax subsidy for each worker who is covered by employer-sponsored health insurance, regardless of type of employer, will be \$2,778. The researchers based their projections on data from AHRQ's [Medical Expenditure Panel Survey](#) (MEPS), the Nation's most complete survey of how Americans use and pay for health care, including their health insurance coverage. The MEPS Insurance Component surveys employers annually to collect data on the number and types of private health insurance plans offered, benefits associated with these plans, premiums, contributions by employers and employees, eligibility requirements, and employer characteristics. <http://www.ahrq.gov/news/press/pr2006/taxsubpr.htm>
- During the 14th meeting of the US- México Border Health Commission, the United States and México signed an agreement to boost cooperation on pandemic influenza preparedness among the six Mexican states and four U.S. states that share the international boundary. The agreement strengthens the commitment of the two nations to coordinate preparedness efforts, domestic and international disease surveillance activities, and response planning in the event of an outbreak of pandemic influenza. The Commission was established in July 2000 to provide international leadership to enhance health and the quality of life among residents along both sides of the United States- México border. The commission's purpose is to raise awareness about public health issues in the region and the health and medical challenges faced by border populations; to help create the necessary venues and partnerships to mobilize the actions needed to improve the health status of those border-area residents; and to serve as a reliable information portal about border-health issues. For more information, please visit www.borderhealth.org.
<http://www.hhs.gov/news/press/2006pres/20061114.html>
- David R. Boyd, M.D., FACS, the Emergency Medical Services Coordinator with the Indian Health Service (IHS) was awarded the 2006 National Safety Council Surgeons' Award for Service to Safety by Drs. John J. Fildes and David V. Feliciano at the American College of Surgeons' 92nd Clinical Congress in Chicago. Dr. Boyd was recognized for his visionary national leadership in trauma systems development, trauma care, and his lifelong commitment to the care of trauma patients, prevention of injuries, and development of systems. Dr. Boyd is a general surgeon with 25 years experience in the federal government.

Prior to accepting a position as the IHS Emergency Medical Services (EMS) Coordinator in the IHS

Headquarters office in Rockville, Maryland, he served as a general surgeon and Clinical Director at the Blackfeet Community Hospital (BCH) in Browning, Montana. Through his initiative, the BCH was awarded a \$1.2 million AmeriCorps grant for the prevention of alcohol-related motor vehicle accidents (MVA) and injuries in the young. The program was highly effective in reducing MVA injuries and deaths on the Blackfeet Reservation. Dr. Boyd earned a bachelors of arts and science degree from Central Washington College of Education in Ellensburg, Washington, and a medical degree from McGill University in Montreal, PQ, Canada.

http://www.ihs.gov/misc/links_gateway/download.cfm?doc_id=10626&app_dir_id=4

- The America's Health Insurance Plans (AHIP) released a proposal on Nov. 13, 2006 to expand eligibility for public programs, enable all consumers to purchase health insurance with pre-tax dollars, provide financial assistance to help working families afford coverage, and encourage states to develop and implement access proposals. In addition, the plan is designed to expand access to health insurance coverage to all children within three years and 95 percent of adults within 10 years. AHIP estimates that full implementation of this proposal would cost the federal government approximately \$300 billion over a 10-year period. The AHIP plan calls for enactment of federal legislation that provides significant financial incentives to states and makes changes to federal tax policy to make health coverage more affordable. For more details on AHIP's proposal, please visit <http://www.ahipbelieves.com/Default.aspx?tabid=65>

- The open enrollment period for the 2007 Medicare prescription drug benefit runs from Nov. 15 to Dec. 31, 2006. During the open enrollment period, beneficiaries can switch plans or sign up for a plan for the first time. According to the *New York Times*, in every state but Alaska and Hawaii, more than 50 drug plans are available. The average monthly premium for the standard drug benefit for 2007 will be \$24, about the same as in 2006, although many plans provide additional benefits for an extra premium. The *Times* reports that the average monthly premium for stand-alone drug plans will increase 10 percent for 2007, while the average monthly premiums for drug coverage through Medicare managed care plans will decrease 35 percent. The majority of plans include a gap in coverage during the so-called "doughnut hole" coverage gap, although some cover generic drugs during the gap and a few also cover brand-name medications. The Medicare handbook, sent to all beneficiaries, says that a plan offered by Coventry Health Care will pay for generic and some brand-name drugs in the coverage gap. http://www.nytimes.com/2006/11/15/washington/15medicare.html?_r=2&oref=slogin&oref=slogin

- According to the Associated Press, former HHS Secretary Tommy Thompson has announced he will form a presidential exploratory committee in early 2007 to determine whether he might seek the 2008 Republican presidential nomination. While giving a speech in Iowa, Thompson predicted that health care and energy would become the top two issues in the presidential race and that he was most qualified to address the nation's health care issues. Thompson is presently a senior partner at [Akin Gump](#), a Washington, D.C., law firm, and is additionally a senior advisor at the consulting firm Deloitte and is the chairman of the Deloitte Center for Health Solutions.

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Reserve/Guard

- The total number of Guard and Reserve currently on active duty has **decreased** by 561 from the last report to 97,967. The totals for each service are Army National Guard and Army Reserve, 78,964; Navy Reserve, 5,288; Air National Guard and Air Force Reserve, 6,008; Marine Corps Reserve, 7,344; and the Coast Guard Reserve, 363.

www.defenselink.mil

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Contracts/Procurements

- The Office of the Federal Detention Trustee (OFDT) on behalf of the United States Marshals Service (USMS) Office Interagency Medical Services (OIMS) has a requirement to procure an integrated health care system to augment the services provided through State and local detention facilities. OIMS works to assure that the health care provided to the USMS prisoners housed within 95 USMS District Offices and approximately 200 District Sub-offices is consistent with established Prisoner Health Care Standards (PHCS) guidelines described in [USMS Publication Number 100](#). OIMS supports the USMS mission by arranging the most clinically appropriate and cost effective health care services with goals focusing on cost, quality, and accessibility to health care services provided outside of the detention facility.

On average, the USMS spends approximately \$52 million per year for medical services delivered to prisoners by community medical care providers outside the walls of detention facilities, of which \$22.5 million is subject to re-pricing of medical claims. Additionally, the USMS spends approximately \$9 million a year on prescriptions drugs. The OFDT intends to award a fixed-price type contract. The contract will have a potential term of 10 years consisting of one four-year base period and two three-year option periods. Contract performance will be governed by a performance-based statement of work. The OFDT anticipates issuing the solicitation on or about Nov. 14, 2006 with an estimated response date of Jan. 8, 2007. A pre-proposal conference is scheduled for Dec. 5, 2006. For more information, please visit <http://www.fbo.gov/spg/DOJ/15-2-0136/15-01-0004/Reference%2DNumber%2DODOT%2D6%2DR%2D0008/SynopsisP.html>

- The Department of Veterans Affairs (VA) Central Office; Acquisition Operations Service in Washington DC issued a Sources Sought notice to find contractors who can fulfill a requirement for coding, testing, and deployment services for the VA Patient Financial Services System (PFSS) project. This project uses GE Healthcare (GEHC) Flowcast software in VA healthcare facilities to meet Veterans Health Administration's (VHA) overall revenue improvement goals by testing the viability of an integrated, commercial healthcare patient billing and accounts receivable with the Flowcast software product to enhance first and third party billing processes. VA began configuring the Flowcast software to meet VA and commercial billing rules and to set up the patient management system in 2003. VA now requires continued use of the Flowcast software to complete project requirements of build, test, and implementation at the Cleveland VA Hospital pilot location. The VA anticipates a regional implementation by the end of fiscal year 2009 (FY09) and nationwide deployment by FY11. Interested parties are asked to submit their qualifications via e-mail to Dennis Maloney at D.Maloney@mail.va.gov, with a copy to Ken.Dougherty@va.gov, no later than Nov. 30, 2006.

Reports/Policies

- The Institute of Medicine (IOM) released “*Amyotrophic Lateral Sclerosis in Veterans: Review of the Scientific Literature*,” on Nov. 14, 2006. In the report, the GAO conducts an independent assessment of the potential relationship between military service and ALS through a review of the current studies and evidence available. <http://www.iom.edu/CMS/3793/38238/38234.aspx>

Legislation

- **H.R.6314** (introduced Nov. 13, 2006): To amend title 38, United States Code, to extend certain expiring provisions of law and to expand eligibility for the Survivors' and Dependents' Educational Assistance program was passed (393 – 0)..
Sponsor: Representative Steve Buyer [IN-4]
- **H.R.6319** (introduced Nov. 13, 2006): To require the Secretary of Veterans Affairs to establish centers to provide enhanced services to veterans with amputations and prosthetic devices, and for other purposes was referred to the House Committee on Veterans' Affairs...
Sponsor: Representative Stephen F. Lynch [MA-9]
- **S.AMDT.5127 to H.R.5385** (introduced Nov. 13, 2006): To require a report on actions taken by the Secretary of Veterans Affairs to test veterans for vestibular damage was agreed to by Unanimous Consent.
Sponsor: Senator Dianne Feinstein [CA]
- **S.AMDT.5128 to H.R.5385** (introduced Nov. 13, 2006): To provide, with an offset, an additional \$2,500,000 for the Department of Veteran Affairs for the Office of Inspector Genera was agreed to by Unanimous Consent.
Sponsor: Senator Daniel K. Akaka [HI]
- **S.AMDT.5129 to H.R.5385** (introduced Nov. 13, 2006): To increase to \$10,000,000 the threshold for major medical facility projects of the Department of Veterans Affairs was agreed to by Unanimous Consent.
Sponsor: Senator Larry E. Craig [ID]
- **S.AMDT.5130 to H.R.5385** (introduced Nov. 13, 2006): To require the business plan of the Veterans Integrated Service Network 23 for the implementation of a Community Based Outpatient Clinic in Wagner, South Dakota, to include an evaluation and an analysis of the prospect of co-locating such clinic with the

Wagner Indian Health Service unit in Wagner, South Dakota was agreed to by Unanimous Consent.
Sponsor: Senator John Thune [SD]

- **S.AMDT.5135** to **H.R.5385** (introduced Nov. 13, 2006): To authorize Department of Veterans Affairs to continue major medical facility projects and leases which have funds previously appropriated was agreed to by Unanimous Consent.

Sponsor: Senator Kay Bailey Hutchison [TX]

- **S.AMDT.5142** to **H.R.5385** (introduced Nov. 14, 2006): To make available \$18,000,000 for the provision of additional mental health services through Vet Centers to veterans who served in combat in Iraq or Afghanistan was agreed to by Voice Vote

Sponsor: Senator John F. Kerry [MA]

- **S.4054** (introduced Nov. 15, 2006): A bill to amend title 38, United States Code, to expand the number of individuals qualifying for retroactive benefits from traumatic injury protection coverage under Servicemembers' Group Life Insurance was referred to the Committee on Veterans' Affairs.

Sponsor: Senator Larry E. Craig [ID]

- **S.4056** (introduced Nov. 15, 2006): A bill to amend the Public Health Service Act to provide revised standards for quality assurance in screening and evaluation of gynecologic cytology preparations, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions.

Sponsor: Senator Johnny Isakson [GA]

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Hill Hearings

- The House Veterans Affairs Subcommittee on Economic Opportunity will hold a hearing on **Dec. 7, 2006**, to review Departments' actions regarding the recommendations of the 1999 Transition Commission Report.

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Meetings / Conferences

- The Food and Drug Administration (FDA) will hold a public workshop on issues related to the application process for seeking approval for marketed unapproved drugs on **Jan. 9, 2007** in Bethesda, Md. http://www.fda.gov/cder/drug/unapproved_drugs.

- 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 American College of Preventive Medicine (ACPM) will hold "Preventive Medicine 2007," on **Feb. 21-25, 2007**, in Miami, Florida.
- The 2007 HIMSS will be held **Feb. 25 to March 1, 2007**, in New Orleans, La. <http://www.himss07.org/>
- The Department of Defense Fifth Annual Suicide Prevention Conference will be held **March 5-8, 2007**, in Hollywood, Fla. <http://www.ha.osd.mil/2007mspc/>
- The 2007 International Symposium on Antimicrobial Agents and Resistance (ISAAR) will be held on **March 7-9, 2007**, in Singapore. http://www.isaar.org/sub01_invitation.asp

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