

# FEDERAL HEALTH UPDATE

February 23, 2007

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

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*"The Army leadership is committed and dedicated to ensuring that (servicemembers') quality of life and the quality of their medical care is equal to their quality of service and sacrifice." --Army Vice Chief of Staff Gen. Richard Cody promising to fix the problems at Walter Reed Medical Center.*

## **Congressional Schedule**

- The House and Senate are in recess. They will reconvene on Feb. 26, 2007.

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## **Military Health Care News**

- On Feb. 22, 2007, the White House announced that the President intends to nominate S. Ward Casscells, of Texas, to be Assistant Secretary of Defense for Health Affairs. Dr. Casscells currently serves as a Professor of Medicine and Public Health at the University of Texas Health Science Center at

Houston. Prior to this, he served as the John Edward Tyson Distinguished Professor of Medicine and Chief of Cardiology at the University of Texas at Houston and Memorial Hermann Hospital. Earlier in his career, he served as Senior Investigator at the National Institutes of Health. Dr. Casscells received his bachelor's degree from Yale University and his MD from Harvard University. <http://www.whitehouse.gov/news/releases/2007/02/20070222-6.html>

- The Pharmacy Benefit Management Institute (PBMI) awarded one of its 2007 Rx Benefit Innovation Awards to the TRICARE Management Activity (TMA), for improving the delivery of benefits in a fiscally responsible way. TMA is being recognized for an online, real-time coordination of benefits program (COB) that significantly reduces the hassle factor for TRICARE beneficiaries who have drug benefit coverage from multiple sources, while also generating cost savings for the DoD Pharmacy Program.

The DoD's electronic, point-of-purchase COB program minimizes the need for millions of TRICARE beneficiaries to incur reimbursable out-of-pocket expense and then file paper claims for reimbursement. In the eight months following the COB launch, 350,000 TRICARE beneficiaries used the service. Nearly 95 percent were able to obtain their prescriptions with no out-of-pocket expense. The program is generating an estimated savings of \$1 million annually in reduced TRICARE claims processing fees. <http://www.genengnews.com/news/bnitem.aspx?name=13234399>

- On Feb. 20, 2007, TRICARE Management Activity (TMA) announced that the new human papillomavirus (HPV) vaccine is a TRICARE-covered benefit. TRICARE covers all immunizations the Centers for Disease Control and Prevention (CDC) Advisory Committee on Immunization Practices recommends and adopts.

The CDC reported that in 2006, approximately 9,700 cases of cervical cancer were diagnosed in the United States, and approximately 3,700 women died from the disease. Nearly all cervical cancer cases are associated with an HPV infection. The CDC recommends a three-dose schedule for the HPV vaccine with the second and third doses administered two and six months after the first dose. They recommend routine vaccination with HPV for girls 11 to 12 years old. Doctors may start the vaccination series in girls as young as nine years old, and can give a catch-up vaccination to 13 to 26 years olds who have not been vaccinated previously or who have not completed the full vaccine series. <http://www.tricare.mil/pressroom/news.aspx?fid=266>

- The *Washington Post* ran a two-part story on Feb. 18 and 19 exposing major problems in the outpatient care and management at Walter Reed Army Medical Center (WRAMC). In the articles, the *Post* reported that recovering soldiers were living in squalid conditions in Building 18, with some of the quarters plagued by mold, rot and vermin. The series also documented a larger issue of bureaucratic indifference that soldiers and family members said had demoralized them and impeded recovery. As a result of the series, the Department of Defense formed an independent review group to look into the problems. <http://www.washingtonpost.com/wp-dyn/content/article/2007/02/17/AR2007021701172.html> and <http://www.washingtonpost.com/wp-dyn/content/article/2007/02/18/AR2007021801335.html>

- On Feb. 20, 2007, the Department of Defense (DoD) announced that while the Secretaries of the Army and Navy review the medical care provided to wounded service members at Walter Reed Army Medical

Center and the National Naval Medical Center, the new independent review group will look into outpatient care and administrative processes at the two facilities. The group is directed to promptly conduct its work and report its findings and provide recommendations to the Secretaries of the Army and Navy and the Assistant Secretary of Defense for Health Affairs. It will have unrestricted access to all facilities and personnel and will be provided appropriate assistance and administrative support to conduct this review. There will be a special advisor appointed, not serving as a member of the group, who will provide special advice and expertise in the area of social work, rehabilitation, psychological counseling and family support issues. <http://www.defenselink.mil/Releases/Release.aspx?ReleaseID=10533>

- The Task Force on the Future of Military Health Care met on Feb. 20, 2007, to hear testimony from the Service Surgeons General. Lt. Gen. Kevin Kiley, surgeon general of the Army, and Commander, MEDCOM; Vice Adm. Donald Arthur, surgeon general of the Navy; and Maj. Gen. Charles Bruce Green, deputy surgeon general of the Air Force, testified and answered questions about the President's proposed budget and the issues facing the military medical system.

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## Veterans Health Care News

- Secretary of Veterans Affairs (VA) Jim Nicholson visited the VA's new Functional Outcomes Research and Evaluation Center in Miami, which has an eight-week program to assess the physical skills and movements of amputee patients. The Center hosted a symposium on the care of veterans who have lost limbs. The VA is a world-wide leader in amputee care and prosthetics development.

The new facility, part of the Miami VA Medical Center, has built a research and rehabilitation laboratory in partnership with its physical and occupational therapy department. Nationally, VA has developed not only a wide array of rehabilitation research and treatment programs, but nearly 60 prosthetic laboratories providing customized devices and artificial limbs prescribed by VA clinicians.

The number of veterans using VA for prosthetics, sensory aids and related services has increased more than 70 percent since 2000. As demand has increased, so has VA's budget for these services – from \$532 million in 2000 to \$1.3 billion in 2006. The President's budget for 2008 requests \$1.4 billion. Prosthetics research totals another \$411 million in 2008. <http://www1.va.gov/opa/pressrel/pressrelease.cfm?id=1298>

- In honor of the 20th anniversary of its first program targeted specifically at the needs and problems of homeless veterans, the Department of Veterans Affairs (VA) announced a \$24 million spending package -- the largest one-time designation in its history—for programs benefiting homeless veterans. The VA committed \$10 million to support about 1,000 new transitional housing beds nationwide; \$12 million for seriously mentally ill veterans, terminally ill veterans and similarly vulnerable groups; and \$2 million for other programs.

Twenty years ago, VA began its national effort to eradicate chronic homelessness by providing \$5 million for a pilot program to support contract residential care and to create domiciliary care for homeless veterans. VA supports more than 15,000 beds in transitional housing facilities or on VA residential

treatment programs. The Department has become the largest federal provider of direct assistance to the homeless, including outreach and case management, treatment, rehabilitation, transitional residential care, therapeutic work and assistance with permanent housing. VA supports special programs for the treatment and rehabilitation of those suffering from mental illness and addictive disorders. <http://www1.va.gov/opa/pressrel/pressrelease.cfm?id=1299>

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## Health Care News

- The Centers for Medicare and Medicaid Services (CMS) announced that the Delmarva Foundation for Medical Care (Delmarva), one of its quality improvement organizations, has entered into subcontracts with four regional collaboratives, as part of the Better Quality Information to Improve Care for Medicare Beneficiaries (BQI) Project.

These regional collaboratives will combine Medicare data with data from other insurers to produce information on the performance of health care providers for the benefit of Medicare beneficiaries. The following have signed subcontracts: Indiana Health Information Exchange (IHIE), Massachusetts Health Quality Partners (MHQP), Minnesota Community Measurement (MNCM), and Wisconsin Collaborative for Healthcare Quality (WCHQ).

The results of the BQI Project will be used for two primary purposes: first, to provide performance information to physicians that will assist them in improving the quality of care they are delivering to Medicare beneficiaries; and second, to give physician performance information to Medicare beneficiaries in order to help them with physician selection. [CMS NR 2-15-2007](#)

- According to a study conducted by the National Health Statistics Group of the U.S. Centers for Medicare and Medicaid (CMS), health care costs in the U.S. could almost double over the next 10 years touching a staggering \$4.1 trillion a year. The costs had been projected at \$2.1 trillion for 2006. The report, [“Health Spending Projections Through 2016: Modest Changes Obscure Part D's Impact,”](#) was published on Feb. 21, 2007, on the Health Affairs Web site. The study bases its findings on an average 6.9 per cent annual growth rate in healthcare spent.

The report examined the potential 2006 impact of a new prescription drug benefit for Medicare beneficiaries, called Part D, which is intended to cover a higher share of the costs of using prescription drugs from private health insurers, consumers and Medicaid.

Some of the highlights of the report are:

- With the introduction of Part D, total Medicare spending growth is expected to reach \$417.6 billion in 2006, up from \$342 billion the year before.
- By 2016, Medicare spending is expected to more than double, reaching \$862.7 billion.
- Prescription drug spending should reach \$497.5 billion by 2016, more than double the expected level for 2006.
- The cost of hospital care is expected to climb to more than \$1.2 trillion by 2016, against

\$651.8 billion expected for 2006.

- In 2006, consumers would be spending around \$250.6 billion in out-of-pocket health-care costs. In 2016, this will reach \$440.8 billion.
- The average spent on health care by an individual will go up to \$1,405.73 in 2016 against a projected \$846.50 in 2006.

- The U.S. Food and Drug Administration (FDA) directed the manufacturers of all drug products approved for the treatment of Attention Deficit Hyperactivity Disorder (ADHD) to develop Patient Medication Guides to alert patients to possible cardiovascular risks and risks of adverse psychiatric symptoms associated with the medicines, and to advise them of precautions that can be taken.

Patient Medication Guides are handouts given to patients, families and caregivers when a medicine is dispensed. The guides contain FDA-approved patient information that could help prevent serious adverse events. ADHD is a condition that affects approximately 3 percent to 7 percent of school-aged children and approximately 4 percent of adults. The three main symptoms are inattention, hyperactivity, and impulsivity. People with ADHD may have difficulty in school, troubled relationships with family and peers, and low self-esteem. An FDA review of reports of serious cardiovascular adverse events in patients taking usual doses of ADHD products revealed reports of sudden death in patients with underlying serious heart problems or defects, and reports of stroke and heart attack in adults with certain risk factors.

Another FDA review of ADHD medicines revealed a slight increased risk (about 1 per 1,000) for drug-related psychiatric adverse events, such as hearing voices, becoming suspicious for no reason, or becoming manic, even in patients who did not have previous psychiatric problems. FDA recommends that children, adolescents, or adults who are being considered for treatment with ADHD drug products work with their physician or other health care professional to develop a treatment plan that includes a careful health history and evaluation of current status, particularly for cardiovascular and psychiatric problems (including assessment for a family history of such problems). The list of the medicines affected draft Patient Medication Guides for each product can be found at <http://www.fda.gov/cder/drug/infopage/ADHD/default.htm>.

- The Influenza Genome Sequencing Project, funded by the National Institute of Allergy and Infectious Diseases (NIAID), one of the National Institutes of Health (NIH), announced today that it has achieved a major milestone. The entire genetic blueprints of more than 2,000 human and avian influenza viruses taken from samples around the world have been completed and the sequence data made available in a public database.

The Influenza Genome Sequencing Project, initiated in 2004, has been carried out at the NIAID-funded Microbial Sequencing Center managed by The Institute for Genomic Research (TIGR) of Rockville, Maryland. Recently, growing sequencing capacity has enabled the production rate to increase to more than 200 viral genomes per month. Eclipsing today's milestone of 2,000 genomes, the microbial sequencing center will continue to rapidly sequence more influenza strains and isolates and will make all the sequence data freely available to the scientific community and the public through GenBank, an Internet-accessible database of genetic sequences maintained by the National Center for Biotechnology Information (NCBI) at NIH's National Library of Medicine, another major contributor to the project.

Seasonal influenza is a major public health concern in the United States, accounting for approximately 36,000 deaths and 200,000 hospitalizations each year. Globally, influenza results in an estimated 250,000 to half a million deaths annually. Seasonal flu shots are updated every year to target the latest strains in circulation. Developing such vaccines is challenging, however, because the influenza virus is prone to high mutation rates when it replicates, and these mutations can alter the virus enough that vaccines against one strain may not protect against another strain. [www.niaid.nih.gov/dmid/genomes/mscs/influenza.htm](http://www.niaid.nih.gov/dmid/genomes/mscs/influenza.htm)

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## Reserve/Guard

- The total number of Guard and Reserve currently on active duty has **decreased** by 1,133 from the last report to 83,718. The totals for each service are Army National Guard and Army Reserve, 66,912; Navy Reserve, 5,673; Air National Guard and Air Force Reserve, 5,371; Marine Corps Reserve, 5,459; and the Coast Guard Reserve, 303. [www.defenselink.mil](http://www.defenselink.mil)

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## Reports/Policies

- The Congressional Budget Office (CBO) released “*Future Medical Spending by the Department of Veterans Affairs*,” on Feb. 15, 2007. This is the written testimony of Allison Percy, principal analyst for the CBO, to House Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies. <http://www.cbo.gov/showdoc.cfm?index=7811&sequence=0>

- The GAO issued “Biological Research Laboratories: Issues Associated with the Expansion of Laboratories Funded by the National Institute of Allergy and Infectious Diseases,” (GAO-07-333R) on Feb. 22, 2007.

<http://www.gao.gov/new.items/d07333r.pdf>

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## Legislation

- **H.R.1076** (introduced Feb. 15, 2007): To promote health care coverage parity for individuals participating in legal recreational activities or legal transportation activities was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Education and Labor, 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 Michael C. Burgess [TX-26]



- **H.R.1082** (introduced Feb. 15, 2007): To amend the Juvenile Justice and Delinquency Prevention Act of 1974 to improve the health and well-being of maltreated infants and toddlers through the creation of a National Court Teams Resource Center, to assist local Court Teams, and for other purposes was Referred to the House Committee on Education and Labor.  
Sponsor: Representative Rosa L. DeLauro [CT-3]
- **H.R.1108** (introduced Feb. 15, 2007): To protect the public health by providing the Food and Drug Administration with certain authority to regulate tobacco products was referred to the House Committee on Energy and Commerce.  
Sponsor: Representative Henry A. Waxman [CA-30]
- **H.R.1110** (introduced Feb. 16 2007): To amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums was Referred to the Committee on Ways and Means, and in addition to the Committees on Oversight and Government Reform, and Armed Services, 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 Tom Davis [VA-11]
- **H.R.1111** (introduced Feb. 16 2007): To amend titles XIX and XXI of the Social Security Act to ensure that every uninsured child in America has health insurance coverage, and for other purposes was Referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Education and Labor, 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 Henry A. Waxman [CA-30]
- **H.R.1128** (introduced Feb. 16 2007): To direct the Secretary of Defense to provide medical personnel of the Department of Veterans Affairs with access to information provided in the joint patient tracking application for the treatment of individuals at medical facilities of the Department of Veterans Affairs for injuries sustained while serving in Operation Iraqi Freedom or Operation Enduring Freedom was Referred to the House Committee on Armed Services.  
Sponsor: Representative Jim McDermott [WA-7]
- **H.R.1132** (introduced Feb. 16 2007): To amend the Public Health Service Act to provide waivers relating to grants for preventive health measures with respect to breast and cervical cancers was referred to the House Committee on Energy and Commerce.  
Sponsor: Representative Tammy Baldwin [WI-2]
- **H.R.1134** (introduced Feb. 16 2007): To amend the Public Health Service Act to provide for the participation of physical therapists in the National Health Service Corps Loan Repayment Program, and for other purposes was referred to the House Committee on Energy and Commerce.

Sponsor: Representative Marion Berry [AR-1]

- **H.R.1148** (introduced Feb. 16 2007): To establish the Food Safety Administration to protect the public health by preventing food-borne illness, ensuring the safety of food, improving research on contaminants leading to food-borne illness, and improving security of food from intentional contamination, and for other purposes was Referred to the Committee on Energy and Commerce, and in addition to the Committee on Agriculture, 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 Rosa L. DeLauro. [CT-3]

- **H.R.1157** (introduced Feb. 16 2007): To amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer was referred to the House Committee on Energy and Commerce.

Sponsor: Representative Nita M. Lowey [NY-18]

- **H.R.1174** (introduced Feb. 16 2007): To amend title XVIII of the Social Security Act to require public reporting of health care-associated infections data by hospitals and ambulatory surgical centers and to permit the Secretary of Health and Human Services to establish a pilot program to provide incentives to hospitals and ambulatory surgical centers to eliminate the rate of occurrence of such infections was Referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, 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 Murphy [PA-18]

- **S.604** (introduced Feb. 15, 2007): A bill to amend title 10, United States Code, to limit increases in the certain costs of health care services under the health care programs of the Department of Defense, and for other purposes was referred to the Committee on Armed Services.

Sponsor: Senator Frank R. Lautenberg [NJ]

- **S.612** (introduced Feb. 15, 2007): A bill to improve the health of women through the establishment of Offices of Women's Health within the Department of Health and Human Services was referred to the Committee on Health, Education, Labor, and Pensions.

Sponsor: Senator Olympia J. Snowe[ME]

- **S.623** (introduced Feb. 15, 2007): A bill to amend the Public Health Service Act to provide for the licensing of comparable and interchangeable biological products, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions.

Sponsor: Senator Charles E. Schumer [NY]

- **S.624** (introduced Feb. 15, 2007): A bill to amend the Public Health Service Act to provide waivers relating to grants for preventive health measures with respect to breast and cervical cancers was referred to



the Committee on Health, Education, Labor, and Pensions.

Sponsor: Senator Barbara A. Mikulski [MD]

- **S.625** (introduced Feb. 15, 2007): A bill to protect the public health by providing the Food and Drug Administration with certain authority to regulate tobacco products was referred to the Committee on Health, Education, Labor, and Pensions.

Sponsor: Senator Edward M. Kennedy [MA]

- **S.626** (introduced Feb. 15, 2007): A bill to amend the Public Health Service Act to provide for arthritis research and public health, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions.

Sponsor: Senator Edward M. Kennedy [MA]

- **S.627** (introduced Feb. 15, 2007): A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to improve the health and well-being of maltreated infants and toddlers through the creation of a National Court Teams Resource Center, to assist local Court Teams, and for other purposes was referred to the Committee on the Judiciary.

Sponsor: Senator Tom Harkin [IA]

- **S.628** (introduced Feb. 15, 2007): A bill to provide grants for rural health information technology development activities was referred to the Committee on Health, Education, Labor, and Pensions.

Sponsor: Senator Norm Coleman [MN]

- **S.631** (introduced Feb. 15, 2007): A bill to amend title XVIII of the Social Security Act to provide for coverage of remote patient management services for chronic health care conditions under the Medicare Program.

Sponsor: Senator Norm Coleman [MN] (introduced 2/15/2007)

- **S.634** (introduced Feb. 15, 2007): A bill to amend the Public Health Service Act to establish grant programs to provide for education and outreach on newborn screening and coordinated follow-up care once newborn screening has been conducted, to reauthorize programs under part A of title XI of such Act, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions.

Sponsor: Senator Christopher J. Dodd [CT]

- **S.654** (introduced Feb. 15, 2007): A bill to establish the Food Safety Administration to protect the public health by preventing food-borne illness, ensuring the safety of food, improving research on contaminants leading to food-borne illness, and improving security of food from intentional contamination, and for other purposes was referred to the Committee on Agriculture, Nutrition, and Forestry..

Sponsor: Senator Richard Durbin [IL]

- **S.657** (introduced Feb. 16 2007): A bill to amend the Public Health Service Act to add requirements regarding trauma care, and for other purposes was referred to the Committee on Health, Education, Labor,

and Pensions.

Sponsor: Senator Jack Reed [RI]

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## Hill Hearings

- The House Veterans Affairs Committee will hold a hearing on **Feb. 27, 2007**, to examine the VA's Fiscal Year budget.
- The Senate and House Veterans Affairs committees will hold joint hearings on **Feb. 27, 2007**, to hear the DAV legislative presentation.
- The Senate and House Veterans Affairs committees will hold joint hearings on **March 6, 2007**, to hear the VFW legislative presentation.
- The Senate and House Veterans Affairs committees will hold joint hearings on **March 8, 2007**, to hear legislative presentations from, PVA, JWV and BVA.
- The Senate and House Veterans Affairs committees will hold joint hearings on **March 29, 2007**, to hear legislative presentations from AMVETS, Ex-POWs, MOPH and Fleet Reserve Association.

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## Meetings / Conferences

- The 2007 HIMSS will be held **Feb. 25 to March 1, 2007**, in New Orleans, La. <http://www.himss07.org/>
- 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](http://www.isaar.org/sub01_invitation.asp)
- The 55th Annual Clinical Meeting of The American College of Obstetricians and Gynecologists will be held on **May 5-9, 2007** in San Diego, Calif. [www.acog.org/acm/](http://www.acog.org/acm/)
- The 2007 Advance Technology Applications for Combat Casualty Care (ATACCC) Conference will be held on Aug. 13-15, 2007 in St Petersburg Beach, Fla. <http://www.usaccc.org/ATACCC/index.htm>
- 46th Annual Research in Medical Education (RIME) Conference will be held **Nov. 2-7, 2007**, in conjunction with the AAMC Annual Meeting in Washington, D.C.

- The 13th International Congress on Infectious Diseases will be held June 19-22, 2008, in Kuala Lumpur, Malaysia. [http://www.isid.org/13th\\_icid/](http://www.isid.org/13th_icid/)

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