“There are only 111 living recipients of the nation’s highest honor. Every state and community in which these men live should take time out this weekend to acknowledge their heroic actions.”—Senator Larry Craig, (R-Idaho) original co-sponsor of the legislation which established the creation of Medal of Honor Day, which occurs March 25, 2007.

**Congressional Schedule**

- The House Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies met on March 20, 2007, to examine the Base Realignment and Closure 2005 (BRAC) decision process. The two major issues discussed were the increasing costs involved in implementing the BRAC decision an estimated $30.8 billion, from just over $18 billion; and the long-term ramifications of reversing the BRAC decision on closing Walter Reed Army Medical Center.

- On March 21, 2007, the House passed H.R.1284, Veterans Compensation Cost of Living Adjustment Act. This legislation will increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled

• In addition, the House passed H.R.327, the Joshua Omvig Veterans Suicide Prevention Act and H.R.797, the Dr. James Allen Veteran Vision Equity Act. The first bill amends title 38, United States Code, to direct the Secretary of Veterans Affairs to develop and implement a comprehensive program designed to reduce the incidence of suicide among veterans. The second amends title 38, United States Code, to improve compensation benefits for veterans in certain cases of impairment of vision involving both eyes, to provide for the use of the National Directory of New Hires for income verification purposes, to extend the authority of the Secretary of Veterans Affairs to provide an educational assistance allowance for qualifying work study activities, and to authorize the provision of bronze representations of the letter "V" for the graves of eligible individuals buried in private cemeteries in lieu of Government-provided headstones or markers.

• The House Appropriations Committee approved the FY07 Emergency Wartime Supplemental on March 16, 2007. The bill includes $2.8 billion for Defense Health Care, which is $1.7 billion above the President’s request. These additional funds support new initiatives to enhance medical services for active duty forces, mobilized personnel, and their family members. The HAC also funded $1.7 billion towards veterans health care. For the full report, visit The Supporting Our Troops and Veterans’ Health Care Act.

• On March 22, 20207, the Senate Appropriations Committee approved by a voice vote a $122 billion measure financing wars in Iraq and Afghanistan that calls on President George W. Bush to pull US combat troops out of Iraq by March 31, 2008. To view the details, visit Fiscal 2007 Supplemental Legislation.

Military Health Care News

• BearingPoint Inc. won a five-year, $188 million contract to provide consulting services to the enterprise solutions center operated by the Army Communications-Electronics Command.

Under the contract, BearingPoint of McLean, Va., will furnish consulting services related to systems engineering, software development, enterprise resource planning and service-oriented architecture projects.

One of the company’s first tasks will be to support the program office for the joint medical information systems of the TRICARE Management Activity. TRICARE is the health care plan for those serving in the military, retirees and their families. The program office supports full lifecycle development of health care systems, including design, development, testing, evaluation and deployment. http://www.washingtontechnology.com/online/1_1/30299-1.html

• Dr. David S.C. Chu, under secretary of Defense for personnel and readiness, wrote an editorial that was published in USA Today on March 19, 2007. In the piece, Chu acknowledged the shortcomings in the care that wounded Servicemembers have experienced and promised that the Department of Defense was
dedicated to work to improve the quality of care for future recuperating Servicemembers. To read the full article, visit http://www.usatoday.com/news/opinion/2007-03-19-oppose_N.htm?csp=34

- TRICARE Management Activity published a notice in the Federal Register to announce a military health system (MHS) demonstration project entitled Disease Management Demonstration Project for TRICARE Standard Beneficiaries. Although there are many similarities between TRICARE Standard and TRICARE Prime as to the preventive health care services that may be provided in the current benefit, there are services that are expressly excluded under TRICARE Standard that may be offered under TRICARE Prime, which are the essence of a disease management (DM) program.

TRICARE currently requires the managed care support contractors (MCSCs) to provide disease management services under the current contracts, without specific guidance. Based upon the current legal statutes authorizing preventive health care services, TRICARE must conduct a demonstration under 10 U.S.C. 1092 in order to offer TRICARE Prime benefits to TRICARE Standard beneficiaries under the DM program already in existence. Under this demonstration, DM services will be provided to TRICARE Standard beneficiaries as part of the current MHS DM programs. The demonstration project will enable the MHS to provide uniform policies and practices on disease and chronic care management throughout the TRICARE network. Additionally, the demonstration will help determine the effectiveness of DM programs in improving the health status of beneficiaries with targeted chronic diseases or conditions, and any associated cost savings. The demonstrations project will begin April 1, 2007, and continue until March 31, 2009.

- TriWest Healthcare Alliance is sponsoring an exhibition of the Visions of Valor portrait collection to the Capitol as part of the first 'National Medal of Honor Day' celebration on March 25. Visions of Valor is the first and largest exhibit of its kind in American history to honor the commitment and character of recipients of the Medal of Honor, our nation's highest military award for valor under fire. This museum-quality exhibit of black-and-white photographs from famed portrait photographer Nick Del Calzo is intended to educate the public about the Medal of Honor and to perpetuate the patriotism, courage and honor of its recipients. The collection will be on display March 19-23, 2007, in the Russell Senate Office Building Rotunda, Constitution Avenue and C Street. Learn more about Visions of Valor by visiting http://www.triwest.com and clicking on the "Visions of Valor" icon. http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/03-20-2007/0004549751&EDATE

- The TRICARE Management Activity (TMA) announced that, in collaboration with the Defense Manpower Data Center (DMDC) and the Centers for Medicare and Medicaid Services (CMS), it has developed a customer-focused process for beneficiaries to resolve Medicare Part D and TRICARE coverage issues, and obtain their prescriptions quickly. Each month since the beginning of the Medicare Part D prescription drug program in January 2006, CMS has automatically enrolled individuals that become eligible for both Medicaid and Medicare benefits (so-called "dual eligibles") into Medicare prescription drug plans. These auto-enrollments generally include all dual eligibles who are not yet enrolled in a Medicare Part D plan, potentially including TRICARE beneficiaries.

Affected TRICARE beneficiaries who try to use their TRICARE prescription drug benefit may not realize this occurred or may determine that enrollment in Medicare Part D is not necessary. According to federal
law, the TRICARE pharmacy benefit is a secondary payer to a Medicare Part D prescription drug plan. Therefore, TRICARE has established payment rules with their claims processor to ensure compliance with federal law.

If a TRICARE beneficiary is denied prescription coverage due to Medicare Part D enrollment, and believes that he or she is not enrolled in Medicare Part D or disenrolled from Medicare Part D, the beneficiary should contact Express Scripts at 1-866-363-8779. The Express Scripts customer service representative will ask for the beneficiary’s permission to access Medicare Part D coverage information from CMS and determine whether the beneficiary is currently in a Medicare Part D plan. If CMS records show no Medicare Part D coverage, DMDC will update the beneficiary’s Defense Enrollment Eligibility Reporting System (DEERS) information, in one business day. Additionally, a representative from DMDC will contact the beneficiary to confirm the record correction.

If Express Scripts discovers that CMS shows the beneficiary as having Medicare Part D coverage, they will advise the beneficiary how to obtain confirmation of disenrollment or cancellation from Medicare Part D, and how to forward the disenrollment or cancellation information to DMDC to update the beneficiary’s DEERS record. Once DMDC receives this documentation, a customer service representative will update the DEERS records and telephone the beneficiary to confirm the correction. http://www.tricare.mil/pressroom/news.aspx?fid=271

Veterans Health Care News

• The Department of Veterans Affairs (VA) awarded a $24 million contract to Russell Construction Company of Davenport, Iowa, for the design and construction of an extended-care facility in Des Moines, Iowa. The new building will have three stories, a partial basement and a tunnel connecting it to an existing building. The new building will house 140 nursing care beds and clinic space for outpatient rehabilitation medicine. The 80,000-square-foot structure will provide the long-term care now offered at the Knoxville VA Medical Center, which will become an outpatient clinic when the new facility is completed. Construction is expected to be completed in 2009.

VA expects to spend nearly $700 million this year in Iowa to provide health care, disability compensation and other benefits for the state’s 255,000 veterans. VA operates major medical centers in Des Moines and Iowa City, seven outpatient clinics, plus Vet Centers, nursing homes, domiciliaries and a national cemetery in Keokuk. http://www1.va.gov/opa/pressrel/pressrelease.cfm?id=1313

• The Department of Veterans Affairs (VA) announced the results of the special review conducted on all 1400 facilities on March 21, 2007. The VA found that most deficiencies identified involve “normal wear and tear.” Secretary of Veterans Affairs Jim Nicholson ordered the review March 7 in the wake of reports about poor physical condition in some non-VA health care facilities housing wounded and injured service members.

Dr. Michael Kussman, VA’s acting under secretary for health said the Department’s $519 million maintenance budget for this year, coupled with $573 million proposed for next year, should take care of
any maintenance shortcomings. If further funds are needed, VA pledged to work with congressional committees to identify how to best address those needs.

VA operates the largest integrated health care system in the United States, with 155 hospitals, nearly 900 outpatient clinics and 135 nursing homes. VA treated more than 5.4 million patients last year, accounting for about 55 million outpatient visits and 600,000 hospitalizations.  

Health Care News

• The Food and Drug Administration (FDA) approved Soliris (eculizumab), the first product for the treatment of paroxysmal nocturnal hemoglobinuria (PNH), a rare type of blood disorder that can lead to disability and premature death. Soliris is classified as an Orphan Drug and is a new molecular entity containing an ingredient not previously marketed in the United States.

PNH, which usually develops in adults, is a disease characterized by red blood cells that develop abnormally. Once the abnormal cells are present in the bloodstream, naturally occurring proteins (called the complement system) designed to destroy bacteria and other infection-causing organisms break these cells down. This leads to abnormally darkened urine and, more importantly, causes anemia. Depending upon the severity of the disorder, patients with PNH may have pain, fatigue and debilitating weakness, the need for frequent blood transfusions, blood clots, and life-threatening or fatal strokes, heart attacks and intestinal disease.

Soliris does not cure PNH, but treats the breakdown of red blood cells, the most common characteristic of PNH. A special risk management plan for Soliris has been developed to address the risk of serious meningococcal infection. Orphan products are developed to treat rare diseases or conditions that affect fewer than 200,000 people in the United States. The Orphan Drug Act provides a seven-year period of exclusive marketing to the first manufacturer who obtains marketing approval for a designated orphan product. About one person out of a million people will be diagnosed with PNH. Soliris is manufactured by Alexion Pharmaceuticals, Inc.  

• The Centers for Medicare and Medicaid Services (CMS) announced Arizona State University’s Center for Health Information and Research (CHIR) will join the four other regional collaboratives around the country to be the newest participant in an effort to produce more accurate, comprehensive measures of the quality of services at the provider level.

Through the Better Quality Information to Improve Care for Medicare Beneficiaries (BQI) project, CHIR will combine their claims data or clinical information with that of Medicare to provide consistent measures of the quality of provider services.

Additional information on each regional collaborative as well as the Secretary’s Value-driven Health Care Initiative is available at www.hhs.gov/transparency, CMS NR 3-22-07
Reserve/Guard

• The total number of Guard and Reserve currently on active duty has decreased by 1,034 from the last report to 80,373. The totals for each service are Army National Guard and Army Reserve, 63,211; Navy Reserve, 6,188; Air National Guard and Air Force Reserve, 5,117; Marine Corps Reserve, 5,556; and the Coast Guard Reserve, 301. www.defenselink.mil

Reports/Policies

• The GAO issued “Military Personnel: Medical, Family Support, and Educational Services Are Available for Exceptional Family Members,” (GAO-07-317R) on March 16, 2007. The report describes the services provided by the military health and family support systems that are available to meet the needs of exceptional family members within the United States; and state and local services—including medical, family support, and educational services—available for the exceptional family members in select communities. http://www.gao.gov/new.items/d07317r.pdf

• The GAO issued “VA Health Care: VA Should Better Monitor Implementation and Impact of Capital Asset Alignment Decisions,” (GAO-07-408) on March 21, 2007. In this report, the GAO examined how Capital Asset Realignment for Enhanced Services (CARES) contributes to VHA's capital planning process; the extent to which the CARES process considered capital asset alignment alternatives; and the extent to which VA has implemented CARES decisions and how this implementation has helped VA carry out its mission. To address these issues, the GAO analyzed CARES documents, interviewed VA officials, and conducted six site visits, among other things. http://www.gao.gov/new.items/d07408.pdf

• The GAO issued “Pediatric Drug Research: Studies Conducted under Best Pharmaceuticals for Children Act (BPCA),” (GAO-07-557) on March 22, 2007. The report assessed the extent to which pediatric drug studies were being conducted under BPCA for on-patent drugs, including when drug sponsors declined to conduct the studies; evaluated the impact of BPCA on labeling drugs for pediatric use and the process by which the labeling was changed; and illustrated the range of diseases treated by the drugs studied under BPCA. GAO examined data about the drugs for which FDA requested studies under BPCA from 2002 through 2005. GAO also interviewed officials from relevant federal agencies, pharmaceutical industry representatives, and health advocates. http://www.gao.gov/new.items/d07557.pdf
Legislation

- **H.R.1560** (introduced March 19, 2007): To amend the Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention was referred to the House Committee on Energy and Commerce. 
  Sponsor: Representative Edward J. Markey [MA-7]

- **H.R.1561** (introduced March 19, 2007): To amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act to improve drug safety and oversight, and for other purposes was referred to the House Committee on Energy and Commerce. 
  Sponsor: Representative Henry A. Waxman [CA-30]

- **H.R.1563** (introduced March 19, 2007): To amend part C of title XVIII of the Social Security Act to provide for a minimum payment rate by Medicare Advantage organizations for services furnished by a critical access hospital and a rural health clinic under the Medicare Program 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 John Barrow [GA-12]

- **H.R.1585** (introduced March 20, 2007): To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2007, and for other purposes was referred to the House Committee on Armed Services. 
  Sponsor: Representative Ike Skelton [MO-4]

- **H.R.1588** (introduced March 19, 2007): To amend title XVIII of the Social Security Act to provide for the coverage of marriage and family therapist services and mental health counselor services under part B of the Medicare Program, and for other purposes was referred to the Committee on Energy and Commerce, and in addition to the Committee on 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 Barbara Cubin [WY]

- **H.R.1589** (introduced March 20, 2007): To amend title 10, United States Code, to repeal the offset from surviving spouse annuities under the military Survivor Benefit Plan for amounts paid by the Secretary of Veterans Affairs as dependency and indemnity compensation, to repeal the optional annuity authority for the dependent children of a member when there is an eligible surviving spouse, and for other purpose was referred to the House Committee on Armed Services. 
  Sponsor: Representative Henry E. Brown, Jr. [SC-1]

- **H.R.1591** (introduced March 20, 2007): Making emergency supplemental appropriations for the fiscal year ending September 30, 2007, and for other purposes was placed on the Union Calendar.
Sponsor: Representative David R. Obey [WI-7]

**H.R.1603** (introduced March 20, 2007): To amend title 5, United States Code, to establish a national health program administered by the Office of Personnel Management to offer Federal employee health benefits plans to certain individuals affected by an incident of national significance, and for other purposes was referred to the Committee on Oversight and Government Reform, and in addition to the Committee on 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 William J. Jefferson [LA-2]

**S.911** (introduced March 19, 2007): A bill to amend the Public Health Service Act to advance medical research and treatments into pediatric cancers, ensure patients and families have access to the current treatments and information regarding pediatric cancers, establish a population-based national childhood cancer database, and promote public awareness of pediatric cancers was referred to the Committee on Health, Education, Labor, and Pensions.
Sponsor: Senator Jack Reed [RI]

**S.921** (introduced March 20, 2007): A bill to amend title XVIII of the Social Security Act to provide for the coverage of marriage and family therapist services and mental health counselor services under part B of the Medicare program, and for other purposes was referred to the Committee on Finance.
Sponsor: Senator Craig Thomas [WY]

**S.937** (introduced March 20, 2007): A bill to improve support and services for individuals with autism and their families was referred to the Committee on Health, Education, Labor, and Pensions.
Sponsor: Senator Hillary Rodham Clinton [NY]

**S.941** (introduced March 20, 2007): A bill to increase Federal support for Community Health Centers and the National Health Service Corps in order to ensure access to health care for millions of Americans living in medically-underserved areas was referred to the Committee on Health, Education, Labor, and Pensions.
Sponsor: Senator Bernard Sanders [VT]

Hill Hearings

- The House Armed Services Subcommittee on Military Personnel will hold hearings on **March 27, 2007**, to receive testimony on the state of the military health care system.

- The Senate Veterans Affairs (VA) Committee on Health will hold an oversight hearing on **March 27, 2007**, to examine VA-DOD cooperation and collaboration on health care issues.
• The House Veterans Affairs (VA) Subcommittee on Health will hold a hearing on **March 28, 2007**, to examine the VA’s mental health services.

• 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.

• The Senate Veterans Affairs (VA) Committee on Health will hold an oversight hearing on **April 25, 2007**, to examine mental health issues at the VA.

**Meetings / Conferences**


• 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](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/)

*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 kate@usminstitute.org. To subscribe, please visit [http://usminstitute.org/subscriber.cfm](http://usminstitute.org/subscriber.cfm). To unsubscribe, please send an email to update@usminstitute.org with UNSUBSCRIBE as the subject.*