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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Congressional Schedule

• Congressman Vic Snyder (D-Ark.), stepped down as Chairman of the House Armed Services Subcommittee for Military Personnel to become the new Chairman of the Oversight and Investigations Subcommittee. Congresswoman Susan Davis (D-Calif.) will now chair the Military Personnel Subcommittee.

• On June 25, 2007, the House approved a package of bills that honors four Medal of Honor recipients by naming VA facilities after them:
  
  o H.R. 366 – to designate the Department of Veterans Affairs Outpatient Clinic in Tulsa, Oklahoma, as the ‘Ernest Childers Department of Veterans Outpatient Clinic.’
  o H.R. 2546 – to designate the Department of Veterans Affairs Medical Center in Asheville, North Carolina, as the ‘Charles George Department of Veterans Affairs Medical Center.’
  o H.R. 2602 – to name the Department of Veterans Affairs medical facility in Iron Mountain, Michigan, as the ‘Oscar G. Johnson Department of Veterans Affairs Medical Facility.’
  o S. 229 – to redesignate a Federal building in Albuquerque, New Mexico, as the ‘Raymond
For more information, please visit MOH recipients.

- The Senate Veterans' Affairs Committee approved five measures aimed at improving veterans' health on June 27, 2007. The bills, passed by voice vote, include: an omnibus benefits measure (S 1315), a cost-of-living adjustment for veterans' benefits (S 423), expanded vision benefits (S 1163), a traumatic brain injury and omnibus health care bill (S 1233), and a suicide-prevention bill (S 479).

- The House Armed Services Subcommittee for Military Personnel held a hearing on June 26, 2007, to hear testimony from the Independent Review Group (IRG) about the group’s findings on the status of the problems at Walter Reed Army Medical Center (WRAMC) that were identified earlier this year. The subcommittee wanted an update about what is being done with the IRG’s recommendations. IRG co-chairs John Marsh, former secretary of the Army, and Togo West, Jr., former secretary of Veterans Affairs and the Army, testified that many different branches—OMB, VA, DoD and OPM—have a share of the responsibility in the problems that arose at WRAMC. They recommended a single, streamlined process be established to avoid similar problems in the future. There was much of discussion regarding the shortage of medical personnel, particularly physicians and nurses. Amy Maj. Gen. Gale Pollock, acting surgeon general of the Army, testified that the Army’s medical department has not been at a level to fully support an Army at war for a long time. The IRG submitted its report to Secretary of Defense Robert M. Gates on April 11, 2007.

Military Health Care News

- The Uniformed Services University of the Health Sciences (USU) is featured in a documentary film "Fighting for Life." The documentary, by two-time Academy Award-winning filmmaker Terry Sanders, is a portrait of American military medicine. The film tells the story of USU, known as the "West Point of military medicine," and shows students at the University who are on their journeys towards becoming military physicians and nurses. The documentary uses compelling footage, including images from the current conflicts in Iraq and Afghanistan, to illustrate the ways in which U.S. military medical personnel around the world work tirelessly to care for those in harm's way.

The film, which premiered at a private screening at the Smithsonian Air and Space Museum in May, will enter broad release in the fall. For more information about the movie, visit www.fightingforlifethemovie.com. Biographies of USU personnel in or involved with the film are available at http://www.usuhs.mil/vpe/fightforlifeprofiles.html.

- TRICARE Management Activity announced it will implement coverage for anesthesia services and associated costs for dental treatment for beneficiaries with developmental, mental or physical disabilities,
and children age 5 or under, beginning July 1, 2007.

Additionally, beneficiaries who received these services between Oct. 17, 2006 and July 1, 2007 are eligible for reimbursement from their TRICARE regional contractor. The National Defense Authorization Act of 2007 legislated the change, and TRICARE revised the regional contracts to expand coverage for the services. The services require preauthorization through the regional TRICARE contractors.


- The Department of Defense announced that Rear Adm. (lower half) Michael H. Mittelman is being assigned as director, Medical Resources, Plans, and Policy Division, N931, Office of the Chief of Naval Operations/ Director of the Medical Service Corps, Washington, D.C. Mittelman is currently serving as Deputy Chief, Human Resources, M1, Bureau or Medicine and Surgery/Director of the Medical Service Corps, Washington, D.C.

- The Department of Defense announced that Rear Adm. (lower half) (selectee) Richard C. Vinci is being assigned as commander, Navy Medicine Support Command/Chief of the Dental Corps, Bethesda, Md. Vinci is currently serving as Medical Inspector General, Bureau of Medicine and Surgery, Bethesda, Md.

- According to Army officials, the Army’s three-month-old “Wounded Soldier and Family Hotline,” established March 19, has already fielded thousands of calls from soldiers and concerned family members. The hotline, managed and operated by U.S. Army Human Resources Command, was created by the Army’s senior leadership in the wake of a series of news reports in February that revealed shortcomings in patient care at Walter Reed Army Medical Center.

Fifty-two percent of almost 1,000 issues generated by nearly 3,500 calls received by the hotline since its inception have involved medical issues. The issues are broken down into medical, finance, legal, and other categories. The hotline’s purpose isn’t to circumvent the chain of command, said call center deputy director Army Col. Robert Clark. He notes that the hotline reflects the Army’s determination to address and resolve soldiers’ medical issues as rapidly as possible.


- Health Net Federal Services, a unit of managed-care company Health Net Inc., has hired Denny Miller Associates to lobby the federal government, according to a disclosure form. The firm will lobby on health and defense issues.

Health Net's government division provides health care programs for 2.9 million active and retired military personnel, including their families, through TRICARE, the military health insurance program, according to its Web site. Under a federal law enacted in 1995, lobbyists are required to disclose activities that could influence members of the executive and legislative branches. They must register with Congress within 45
days of being hired or engaging in lobbying.

- The White House announced that President Bush intends to designate Craig W. Duehring, of Minnesota, to be Acting Assistant Secretary of the Air Force (Manpower and Reserve Affairs).

Veterans Health Care News

- Veterans who have started their own businesses were among award winners when the Department of Veterans Affairs (VA) and other federal agencies and contractors participated in the 3rd Annual National Veterans Small Business Conference in Las Vegas on June 25-28.

VA’s Center for Veterans Enterprise (CVE) also recognized groups and individuals who have helped expand opportunities for veterans and service-disabled veterans. Deputy Secretary of Veterans Affairs Gordon H. Mansfield presented awards.

Under presidential and congressional mandates to contract with service-disabled veterans, VA’s CVE, the Army’s Office of Small Business and 11 other federal agencies are co-sponsored this annual gathering of veterans interested in business ownership.

More than 90 experts discussed issues facing veterans who seek business in the public sector. The veterans showcased their businesses and held face-to-face meetings with government purchasing specialists.

All federal agencies have a performance goal of spending at least three percent of their prime contract funds with businesses owned by veterans with service-related disabilities, but VA is the only cabinet-level agency that has met the goal. [http://www1.va.gov/opa/pressrel/pressrelease.cfm?id=1350](http://www1.va.gov/opa/pressrel/pressrelease.cfm?id=1350)

Health Care News

- The Centers for Medicare and Medicaid Services (CMS) has released 30-day mortality measures from all U.S. acute care hospitals for Medicare patients discharged with myocardial infarction or heart failure.

Hospitals are rated as better, worse, or no different than the national rate. For heart failure, 38 hospitals performed better than the national rate and 35 worse. The data were adjusted for hospitals' patient mix and based on claims data from July 2005 to June 2006. The ratings are available at [http://www.hospitalcompare.hhs.gov](http://www.hospitalcompare.hhs.gov)

- Michael Carleton has been named Health and Human Services’ (HHS’) chief information officer and deputy assistant secretary for information technology within the Office of the Assistant Secretary for
Carleton will oversee IT resources, program systems and infrastructure.

Carleton was hired by HHS in 1979, and served as deputy director of the Office of Information Resources Management and CIO for the Office of the Secretary. He has worked for the past seven years at the General Services Administration and served as the agency’s CIO. He replaces Charles Havekost, who resigned earlier this month to take a position with the International Atomic Energy Agency in Vienna, Austria.

• On June 27, 2007, the Centers for Disease Control and Prevention (CDC) announced that a secure, Web-based reporting network that lets facilities track infections associated with health care is now available to all health care facilities in the United States.

The National Healthcare Safety Network (NHSN) provides multiple options for data analysis and more flexibility for sharing information both within and outside a facility, including the general public, if the facility so chooses.

The new system improves upon CDC’s National Nosocomial Infection Surveillance (NNIS) system which, for more than 30 years, was the gold standard system for tracking health care-associated infections. CDC developed the NNIS system to help infection-control professionals and hospitals stay abreast of the rapidly expanding science and practice of infection prevention and control and better manage episodes of health care-associated infections. The NNIS system had about 300 participating facilities nationwide.

To date, NHSN has more than 600 participants and is utilized in 45 states. CDC is already partnering with dozens of health care facilities, including Department of Veterans Affairs (VA) hospitals, to use NHSN as a tool to track the prevention of a common infection caused by methicillin-resistant Staphylococcus aureus (MRSA). Opening the NHSN to all facilities nationwide will allow even more hospitals to focus on preventing this potentially deadly infection, as well as others.  


• The U.S. Food and Drug Administration published a final rule in the Federal Register establishing regulations to require current good manufacturing practices (cGMP) for dietary supplements. The rule ensures that dietary supplements are produced in a quality manner, do not contain contaminants or impurities, and are accurately labeled.

The regulations establish the cGMP needed to ensure quality throughout the manufacturing, packaging, labeling, and storing of dietary supplements. The final rule includes requirements for establishing quality control procedures, designing and constructing manufacturing plants, and testing ingredients and the finished product. It also includes requirements for recordkeeping and handling consumer product complaints.

Under the final rule, manufacturers are required to evaluate the identity, purity, strength, and composition of their dietary supplements. If dietary supplements contain contaminants or do not contain the dietary ingredient they are represented to contain, FDA would consider those products to be adulterated or misbranded.
The aim of the final rule is to prevent inclusion of the wrong ingredients, too much or too little of a dietary ingredient, contamination by substances such as natural toxins, bacteria, pesticides, glass, lead and other heavy metals, as well as improper packaging and labeling. This final review is effective August 24, 2007.

The final rule includes flexible requirements that can evolve with improvements in scientific methods used for verifying identity, purity strength, and composition of dietary supplements.  

CDC's National Center for Health Statistics issued a new report entitled "Early Release of Health Insurance Estimates Based on Data From the 2006 National Health Interview Survey." The study examines data collected from interviews in over 100,000 households nationwide. Some of the highlights include:

- In 2006, there were 43.6 million Americans of all ages who did not have health insurance (at the time of the interview), or 14.8 percent of the population.
- Among working-age Americans (those ages 18-64), there were 19.8 percent who did not have health insurance in 2006, a slight increase from 18.9 percent in 2005.
- Approximately 9.3 percent of children under the age of 18 did not have health insurance in 2006, a decrease from 13.9 percent in 1997.
- In 2006, the percentage uninsured at the time of interview among the 20 largest states ranged from 7.7 percent in Michigan to 23.8 percent in Texas.


The U.S. Food and Drug Administration has cleared for marketing the Binax NOW Malaria Test, the first authorized U.S. rapid test for malaria, a mosquito-borne disease caused by a parasite. The test is intended for laboratory use. Standard laboratory tests for malaria require identifying parasites in a blood sample under a microscope, a difficult task that requires training and experience.

The Binax NOW test is significantly faster and easier to use. Results are available in 15 minutes after a few drops of whole blood are placed on a dipstick. The test can also differentiate the most dangerous malaria parasite, Plasmodium falciparum, from less virulent malaria parasites. Results still need to be confirmed using standard microscopic evaluation. People infected with malarial parasites often experience a high fever, chills, and flu-like illness. Left untreated, they may develop severe complications and die. Although malaria has been eliminated from the United States since the 1950s, it can still affect U.S. residents who travel or who work in other countries. According to the Centers for Disease Control and Prevention, there were 1,528 newly-reported cases of malaria in the United States in 2005, including seven deaths. Nearly all deaths can be prevented if the infection is diagnosed and treated early.

The Binax NOW test was 95 percent accurate compared with standard microscopic diagnosis in a multi-center study outside the United States in areas where malaria is prevalent.  

The U.S. Food and Drug Administration has cleared for marketing the INRange Systems' Electronic
Medication Management Assistant (EMMA), a programmable device that stores and dispenses prescription medication for patients' use in the home.

EMMA was designed to be used under the supervision of a licensed health care provider. EMMA can reduce drug identification and dosing errors, and allow health care professionals to monitor patient adherence to medication regimens in an outpatient setting. It may be especially useful for aging patients, as well as those with complex medication regimens such as patients with HIV.

EMMA consists of a medication delivery unit and two-way communication software that allows a health care professional to remotely manage prescriptions stored and released by the patient-operated delivery unit. The delivery unit is about the size of a bread box and plugs into a standard power outlet.

EMMA stores prescription medications; emits an audible alert to the patient when the prescribed medications are scheduled to be taken; and releases them onto a delivery tray when activated by the patient at the appropriate time. It uses a Web-based application for a health care professional, such as a doctor or pharmacist, to remotely schedule or adjust a patient's prescribed medications, and provides the health care professional with a history of each time patients access their medications.


A new report, *A Broader Reach for Pharmacy Plan Design*, released by the nonprofit Integrated Benefits Institute (IBI) reveals that shifting costs to employees doesn’t save employers money and discourages treatment essential to employees’ health-related productivity and quality of life.

The study focused on the increased disability and absence-related lost productivity for rheumatoid arthritis (RA) that result when employers raise employee out-of-pocket expenses for prescription medicine. This research first examined how pharmacy design influences drug adherence and then separately analyzed the impact of drug adherence on non-occupational disability and productivity loss. The study relies on data provided by health information technology company Ingenix of more than 1 million covered lives for 17 employers from across the United States, including 5,483 employees with RA.

Institute researchers analyzed rheumatoid arthritis because there are clear evidence-based medical guidelines regarding prescribed medications and a strong connection between RA and work disability. Workers with RA often have three times the medical costs, two times the hospitalization rate and 10 times the work-disability rate of a similar population. The research examined adherence effects (that is, whether patients fill and maintain prescriptions) for two types of drugs used to treat RA: symptom-relieving drugs (e.g., anti-inflammatory and analgesics) and drugs that modify disease progression (disease-modifying anti-rheumatic agents/DMARDs).

Key findings of IBI’s report, include:

- Higher out-of-pocket expenses reduce medication adherence, with less than two-thirds of diagnosed individuals filling at least one symptom relieving prescription and only 45 percent filling at least one DMARD.
- Lower medication adherence is associated with higher short-term disability incidence and longer duration. Employers with a higher number of employees filling at least one DMARD prescription have consistently fewer short-term disability incidents.
- Higher short-term disability incidence and longer duration results in greater costs and lower
productivity. IBI modeled the lost productivity differences if those that filled no scripts had filled as many as those that had filled at least one. Compared to a baseline of $17 million in lost productivity, the savings difference amounts to $3.2 million from reduced incidence and an additional $1.2 million from shorter durations.

The research was funded by IBI and conducted in collaboration with academic and industry research partners. The full report is available to IBI members. An executive summary of the report is publicly available: Summary.

Reserve/Guard

• The total number of Guard and Reserve currently on active duty has increased by 1,254 from the last report to 93,716. The totals for each service are Army National Guard and Army Reserve, 76,518; Navy Reserve, 4,961; Air National Guard and Air Force Reserve, 5,893; Marine Corps Reserve, 5,986; and the Coast Guard Reserve, 358. www.defenselink.mil

Reports/Policies

• The GAO issued “Avian Influenza: USDA Has Taken Important Steps to Prepare for Outbreaks, but Better Planning Could Improve Response,” (GAO-07-652) on June 11 and published it on July 25, 2007. GAO reviewed response plans, statutes, and regulations; visited poultry operations; interviewed federal, state, and industry officials in five states that experienced outbreaks; and reviewed 19 state plans. The report describes the steps USDA is taking to prepare for highly pathogenic AI and identified key challenges. http://www.gao.gov/new.items/d07652.pdf

• The GAO issued “Medicare Part D Low-Income Subsidy: Additional Efforts Would Help Social Security Improve Outreach and Measure Program Effects,” (GAO-07-555) on May 31 and published it on June 22, 2007. In the report, the GAO reviewed Social Security Administration’s (SSA's) progress in identifying and soliciting applications from individuals potentially eligible for the subsidy; SSA's processes for making eligibility determinations, resolving appeals, and determining beneficiaries' eligibility; and how the subsidy has affected SSA's workload and operations. http://www.gao.gov/new.items/d07555.pdf


• The Institute of Medicine released “Green Healthcare Institutions; Health, Environment, and Economics,” on June 15, 2007. The report is a summary of the findings from the Institute of Medicine’s Roundtable on Environmental Health Sciences, Research, and Medicine’s workshop. The workshop
focused on the environmental and health impacts related to the design, construction, and operation of healthcare facilities, which are part of one of the largest service industries in the United States. [http://www.iom.edu/CMS/3793/4897/43689.aspx](http://www.iom.edu/CMS/3793/4897/43689.aspx)

• The GAO issued “Medicare Ultrasound Procedures: Consideration of Payment Reforms and Technician Qualifications Requirements,” (GAO-07-734) on June 28, 2007. This report addresses the ultrasound procedures commonly used to diagnose medical conditions of Medicare beneficiaries, particularly for beneficiaries in a skilled nursing facility (SNF); the financial impact of changing how Medicare pays for ultrasound exams and associated equipment and ambulance transportation for beneficiaries in a SNF; and the factors for the Centers for Medicare & Medicaid Services (CMS) to consider in determining whether to establish credentialing or other requirements for sonographers. [http://www.gao.gov/new.items/d07734.pdf](http://www.gao.gov/new.items/d07734.pdf)

Legislation

• **H.R.2832** (introduced June 22, 2007): To direct the Secretary of Health and Human Services to conduct or support a comprehensive study comparing total health outcomes, including risk of autism, in vaccinated populations in the United States with such outcomes in unvaccinated populations in the United States, and for other purposes was referred to the House Committee on Energy and Commerce.
  
  Sponsor: Representative Carolyn B. Maloney [NY-14]

• **H.R.2855** (introduced June 25, 2007): To provide for transitional emergency assistance to certain members of the Armed Forces and veterans who are severely injured while serving on active duty, to expand and improve programs for caregiver services for those members and veterans, to require improved screening and care for traumatic brain injury for returning service members and veterans, and for other purposes was referred to the Committee on Veterans' Affairs, and in addition to the Committees on Ways and Means, 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 Ciro D. Rodriguez [TX-23]

• **H.R.2860** (introduced June 26, 2007): To amend title XVIII of the Social Security Act to protect and preserve access of Medicare beneficiaries in rural areas to health care providers under 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 Earl Pomeroy [ND]

• **H.R.2870** (introduced June 26, 2007): To amend titles XIX and XXI of the Social Security Act to ensure payment under Medicaid and the State Children's Health Insurance Program (SCHIP) for covered items and services furnished by school-based health clinics was referred to the House Committee on Energy and Commerce.
Sponsor: Representative Edolphus Towns [NY-10]

- **S.1690** (introduced June 25, 2007): A bill to establish a 4-year pilot program to provide information and educational materials to small business concerns regarding health insurance options, including coverage options within the small group market was referred to the Committee on Small Business and Entrepreneurship.
  Sponsor: Senator Olympia J. Snowe [ME]

- **S.1693** (introduced June 26, 2007): A bill to enhance the adoption of a nationwide interoperable health information technology system and to improve the quality and reduce the costs of health care in the United States was referred to the Committee on Health, Education, Labor, and Pensions.
  Sponsor: Senator Edward M. Kennedy [MA]

### Hill Hearings

- The Senate Veterans Affairs Committee will hold an oversight hearing on **July 25, 2007**, to examine Department of Veterans Affairs health care funding.

- The Senate Veterans Affairs Committee will hold a hearing on **June 27, 2007**, to examine the nomination of Charles L. Hopkins, of Massachusetts, to be an Assistant Secretary of Veterans Affairs (Operations, Preparedness, Security and Law Enforcement).

- The Senate Veterans Affairs Committee will hold a hearing on **July 11, 2007**, to examine Veterans Affairs health care funding.

- The Veterans Affairs committees for the Senate and House will hold a joint hearing on **Sept. 20, 2007**, to hear the American Legion's legislative presentation.

### Meetings / Conferences

- The Society of Ghana Women's Medical and Dental Practitioners, the 27th International MWIA Congress is scheduled for **July 31 to Aug. 4, 2007** in Accra, Ghana. [www.mwiainghana.org](http://www.mwiainghana.org)

- The 21st Annual Madigan Army Medical Center Otolaryngology Seminar - "About Face: Updates in Facial Plastic & Reconstructive Surgery" will be held on Aug. 3-4, 2007, in Tacoma, Wash. [www.hjf.org/events](http://www.hjf.org/events)

• 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.usacc.org/ATACCC/index.htm](http://www.usacc.org/ATACCC/index.htm)

• The 13th Annual San Antonio Trauma Conference will be held on Aug. 20-22, 2007, in San Antonio, Texas. [www.hjf.org/events](http://www.hjf.org/events)

• The Defense and Veterans Brain Injury Center will hold a conference on Traumatic Brain Injury: Training for Military Health Care Providers on Sept. 9-20, 2007, in College Park, Md. [www.hjf.org/events](http://www.hjf.org/events)


• The 14th Annual Meeting of the ACP Navy Chapter will be held on Oct. 4-6, 2007, in Portsmouth, Va. [www.hjf.org/events](http://www.hjf.org/events)

• The 20th Annual Infectious Diseases in Children Symposium will be held on Oct. 20-21, 2007, in New York City, N.Y. [http://www.vindicomeded.com/meetings/idc/ny/default.htm](http://www.vindicomeded.com/meetings/idc/ny/default.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 27th AMEDD Neurology Meeting will be held on Nov. 14-16, 2007, in Washington, D.C. [www.hjf.org/events](http://www.hjf.org/events)

• The 2007 meeting of the Army and Air Force Chapters of the ACP will be held on Nov. 14-18, 2007, in San Antonio, Texas. [www.hjf.org/events](http://www.hjf.org/events)

• 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.