Executive and Congressional News

- On April 26, 2010, President Obama signed into law H.R. 4887, the TRICARE Affirmation Act. This legislation amends the Internal Revenue Code to provide that health care coverage provided by the TRICARE program and the non-appropriated fund health benefits program of the Department of Defense (DoD) shall constitute minimal essential health care coverage as required by the Patient Protection and Affordable Care Act.

- The House Appropriations Defense Subcommittee held its annual oversight hearing on the on the Defense Health Program (DHP), and the President's budget request for fiscal year 2011, on April 22, 2010. Charles L. Rice, MD, president, Uniformed Services University of the Health Sciences (USUHS), and performing the duties of the Assistant Secretary of Defense for Health Affairs, and the Service surgeons general testified.

Military Health Care News

- USA Today reports that military health care spending is rising twice as fast as the nation's overall health care costs.

  Pentagon spending on health care has increased from $19 billion in 2001 to a projected $50.7 billion in 2011, a 167 percent increase. Total U.S. spending on health care has climbed from nearly $1.5 trillion in 2001 to an estimated $2.7 trillion next year, an 84 percent increase.

  The surging costs are compelling the Pentagon and Congress to consider the first hike in out-of-pocket fees for military retirees and some active-duty families in 15 years.

  The rapid rise has been driven by a surge in mental health and physical problems for troops who have deployed to war multiple times and by a flood of career military retirees fleeing less-generous civilian health programs.

  As a share of overall defense spending, health care costs have risen from 6 percent to 9 percent and will keep growing, according to Navy Lt. Cmdr. Kathleen Kester, a Pentagon spokeswoman.

  In addition to mental issues, multiple combat tours have created more strains on joints, backs and legs, Pentagon statistics show. Medical visits for such problems have risen from 2.8 million in 2005 to 3.7 million in 2009.

  Behavioral-health counseling sessions for troops and family members rose 65 percent since 2004. The Pentagon paid for 7.3 million visits last year — treatment of 140,000 patients each week, according to TRICARE numbers.

  Other factors driving up costs:

  - Many new patients are children suffering anxiety or depression because of a parent away at war. Children had 42 percent more counseling sessions last year than in 2005, TRICARE numbers show.
  - The number of TRICARE beneficiaries has grown by 370,000 in the past two years to 9.6 million troops, family members and military retirees.
  - Nearly 200,000 prescriptions were filled each day at civilian pharmacies last year.
  - Active-duty troops and their families receive free health care except for out-of-pocket co-payments of $3 or $9 per prescription at civilian pharmacies.

  Retirees receive the same benefits by paying $230 a person or $460 a family each year, along with small co-payments for various types of care. The fees have not gone up since 1995. By contrast, private insurance plans try to limit expenses with frequent increases in premiums and copayments.

- Health Net Federal Services, managed care support contractor for the TRICARE North Region, launched its Facebook page to connect with its military service members, families and customers it serves in a new way.

  On its Facebook page, Health Net Federal Services will highlight TRICARE news, benefit changes, healthy living tips and stories that interest its military families. Specifically, this month, Health Net Federal Services will highlight Month of the Military Child, alcohol awareness and tips to keep military families sailing smoothly through a Permanent Change of Station. Throughout May, posts will focus on Emergent and Urgent Care, Behavioral Health, Mother's Day, Military Family Appreciation Month, Armed Forces Day and Asthma.

- To become a Fan of Health Net Federal Services, visit: www.facebook.com/healthnetfederalservices

- On April 29, 2010, Nancy Grace honored Cpl. Joshua Scott Harmon on her new program on HLN as part of her ongoing effort to use a portion of her news program to honor those who have lost their lives in Iraq and Afghanistan.

  Harmon was a combat medic assigned to the 2nd Battalion, 35th Infantry Regiment, 3rd Infantry Brigade Combat Team, 25th Infantry Division. He died Aug. 22, 2007, when his Uh-60 Black Hawk helicopter crashed at Mulkala near Kirkuk, Iraq.

  Harmon earned an Army Commendation Medal after his first deployment to Iraq, when he saved the life of a buddy who suffered a head wound from sniper fire. During his second tour in Iraq, he earned the Combat Medical Badge and the Army Commendation Medal with Valor. Posthumously, he was awarded the Bronze Star and the Army Good Conduct Medal.

  In addition, Harmon was honored by the men and women he worked with in Iraq. They formally named their aid station at Schofield Barracks The Corporal Joshua S. Harmon Aid Station. They also painted and dedicated a wall in his honor at the Air Force Hospital on Forward Operating Base Warrior.

- A program that started three years ago to help Navy and Marine Corps families cope with stress from multiple deployments and other types of pressure has proven so successful it has become a model for the Defense Department.

  Kirsten Woodward directs family programs at the Bureau of Navy Medicine and Surgery. She developed the multifaceted approach in partnership with the UCLA Health Services Research Center in 2007.

  The program Woodward created — called FOCUS, short for Families Overcoming Under Stress — aims to fill that gap. The licensed clinical social worker said the goal is to offer practical help in situations where symptoms may be mild, acute or anywhere in between, and it aims to remove the stigma from seeking assistance.

  FOCUS uses a color code to help families pinpoint current stress levels. Woodward explained the colors range from ‘green being ‘good to go’ and through the continuum to red being ‘hot’ or ‘not good to go.’

  That baseline guides the entry tier of service best suited for clients. The tiers range from education and guidance on stress prevention to skills-based peer learning groups geared to children, adolescents and adults.

  The “bull’s eye,” or most intense treatment, she said, is multi-session resilience training, which runs from eight to ten weeks.

  So far, about 97,000 people have tried it at 10 Marine Corps and eight Navy locations. The staff at each site includes psychologists, social workers, licensed marriage family therapists and resilience trainers.

  A year ago, the Pentagon’s military community and family policy office independently reviewed the program and cited it as a best-practice program. As a result, plans are under way to expand FOCUS to other branches of the military. So far, four Air Force and four Army locations are running pilot programs.
All members of the military community are eligible to tap into FOCUS services at any location where it’s offered, Woodward said, noting there’s no need to wait for stress to build to high levels before seeking help.

Veterans Health Care News

- **The Department of Veterans Affairs (VA) has used in-home monitoring and teleconferencing systems to cut hospital admissions by 19 percent and save tens of thousands of dollars in patient care.**

  VA saved tens of thousands of dollars a year by using the in-home monitoring system. The annual cost to check on veterans in their home was $1,600 per patient compared with $13,121 for home-based primary care services and $77,745 per patient per year for care in a nursing home.

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- **As a leader in clinical diabetes research, Dr. William Duckworth received the Barnwell Award on April 22, 2010.**

  The Barnwell Award recognizes leading VAH investigators who have achieved acclaim for clinical research accomplishments advancing the diagnosis and treatment of diseases in the veteran population. The award comes with a three-year, $50,000 stipend to the PVAHCS to fund future diabetes studies.

  Duckworth was instrumental in studying the use and value of implantable insulin pumps in type 2 diabetes patients.

- **The Department of Veterans Affairs (VA) has awarded Dr. Edward J. Weinman the William S. Middleton Award for outstanding scientific achievement in biomedical or behavior research.**

  Weinman, a VA Maryland Health Care System clinician and investigator for more than 7 years and a professor at the University of Maryland School of Medicine, has made influential contributions to the understanding of kidney function. The VA hosted award ceremony to honor Middleton on April 22, in Washington, D.C.

  Weinman's achievements include identifying and marking specific elements of a protein family that regulate kidney function and then isolating, cloning, and demonstrating their function. His discoveries have proven to be clinically relevant not only to the kidney, describing how kidney stones can be formed by certain kinds of chemical reactions within the body, but also how similar chemical reactions can impact other areas of the body, such as the gastrointestinal track and the neurological systems.

  In addition to 173 peer-reviewed publications, Dr. Weinman has contributed 27 invited reviews, several editorials, and various chapters to medical textbooks.

- **The Department of Veterans Affairs has awarded a three-year, $72 million contract to Harris Corp. to support the expansion of the VA's Consolidated Patient Account Center across the country.**

  The work is aimed at improving billing and collection across sixteen of the VA’s networks and 108 associated medical centers.

  The contract contains one base-year with two one-year options.

  The expansion of the Consolidated Patient Account Center (CPAC) is creating regional patient account centers that operate under centralized control and reflect industry best practices. One of the main goals, VA officials say, is to enhance billing and collection from third parties, a complex process that can involve many different healthcare and insurance providers.

  The pilot Mid-Atlantic CPAC (MACPAC) project, based in Asheville, N.C., was implemented on schedule and within budget in 2006 by a two-member team led by Patriot Technologies. The MACPAC has since achieved an 18 percent increase in collections — a new benchmark for revenue operations throughout the VA.

- **An average of 18 veterans kills themselves each day, according to new statistics from the Department of Veterans Affairs, revealing the serious problem the nation has with caring for those coming back from Afghanistan and Iraq.**

  Of the 18 who die each day, only five are estimated to be under care from the VA. This fact has given military officials hope that if they are able to expand mental health services, the overall suicide rate may go down.

- **Secretary of Veterans Affairs Eric K. Shinseki announced that military personnel insuring their families under the Servicemembers' Group Life Insurance (SGLI) program, will have reduced out-of-pocket expenses beginning July 1.**

  Family SGLI (FSGLI) monthly premium rates will be reduced for all age groups by an average of 8 percent. The new rates are based on revised estimates for the cost of the program. This is the third time that premiums have been reduced since the FSGLI program began in November 2001. Spousal premiums were previously reduced for all age groups in 2003 and 2006.

  FSGLI coverage provides life insurance protection to military personnel for their spouses and children. Children are automatically insured for $10,000, with no premiums charged.

  Based on the coverage of service members, spouses may be insured for up to $100,000. Military personnel pay age-based premiums for spousal coverage — the older the spouse, the higher the premium rate.

  The premium reduction ensures FSGLI remains highly competitive compared to commercial insurers. FSGLI coverage is available in increments of $10,000.

- **National Infertility Awareness Week (NIAW) was held April 24th through May 1st.** It is a public education campaign sponsored by RESOLVE: The National Infertility Association to raise awareness about the disease of infertility, which affects 7.3 million Americans.

  The Associated Press reports that a record 40 percent of Americans got ordinary flu vaccinations last year, and health officials said fear of swine flu played a role.

  The Centers for Disease Control and Prevention said the jump was most dramatic in children, but there was also a large jump in vaccinations of healthy younger adults.

  For all ages, the highest seasonal flu vaccination rate previously was 33 percent.
Experts say more people got shots because they were worried about swine flu, which appeared last spring and was unusually dangerous to children and young adults. Seasonal vaccine was also available earlier than normal last year. And for the first time, vaccinations were recommended for all children.

- The U.S. Food and Drug Administration approved Provenge (sipuleucel-T), a new therapy for certain men with advanced prostate cancer that uses their own immune system to fight the disease.

Provenge, manufactured by Seattle-based Dendreon Corp., is indicated for the treatment of asymptomatic or minimally symptomatic prostate cancer that has spread to other parts of the body and is resistant to standard hormone treatment.

Prostate cancer is the second most common type of cancer among men in the United States, behind skin cancer, and usually occurs in older men. In 2009, an estimated 192,000 new cases of prostate cancer were diagnosed and about 27,000 died from the disease, according to the National Cancer Institute.

Provenge is an autologous cellular immunotherapy, designed to stimulate a patient's own immune system to respond against the cancer. Each dose of Provenge is manufactured by obtaining a patient's immune cells from the blood, using a machine in a process known as leukapheresis. To enhance their response against the cancer, the immune cells are then exposed to a protein that is similar to most prostate cancers, linked to an immune stimulating substance. After this process, the patient's own cells are returned to the patient to treat the prostate cancer. Provenge is administered intravenously in a three-dose schedule given at about two-week intervals.

- There is no good evidence that Alzheimer's disease or the other forms of dementia affecting millions of Americans are preventable, an independent panel concluded for the National Institutes of Health.

The group warns that supplements, drugs, special diets and other products marketed for brain-healing or Alzheimer’s-preventing effects are largely a waste of money. That’s because no treatment has been shown to prevent mental decline that can ultimately lead to the disease.

“There is currently no evidence considered to be of even moderate scientific quality supporting the association of any modifiable factor (nutritional supplements, herbal preparations, dietary factors, prescription or nonprescription drugs, social or economic factors, medical conditions, toxins, environmental exposures) with reduced risk of Alzheimer’s disease,” concludes the report, issued by a National Institutes of Health consensus panel on Alzheimer’s prevention.

Up to five million people are thought to be living with Alzheimer’s disease, the most common form of dementia. The disease is has become more widespread as the population has aged. Experts say more people get dementia as they live longer, giving dementia more time to develop.

Experts acknowledged that the prospect of mental decline is terrifying to many aging people, making them seek out things that might prevent it.

Few studies have shown any limited evidence of slowing cognitive decline. Some studies have suggested omega-3 fatty acids, found in fish oils and some algae, may slow mental declines once they start. Experts also pointed to limited studies suggesting mental exercise programs like memory training, reasoning and “quick thinking” may have a small benefit over a five-year period.

Current smoking, never having been married, diets high in saturated fats, and diseases like diabetes and hypertension have been reported to have an association with Alzheimer’s disease. However, the evidence for association of all of these factors with Alzheimer’s disease was considered to be of low quality, the report states.

It also concludes that vitamins, fatty acids, blood pressure, obesity, and several other factors have all shown uncertain associations with the eventual development of Alzheimer’s disease.


- Nearly half of all American adults have high blood pressure, high cholesterol or diabetes, each a major risk factor for heart disease, stroke and other cardiovascular problems, according to a U.S. National Health and Nutrition Examination Survey (NHANES).

The latest report on the NHANES 1999-2006 shows that 45 percent of those questioned in the survey had at least one of the three risk factors: 30.5 percent with high blood pressure, 26 percent with high blood cholesterol levels and 9.9 percent with diabetes.

About one in eight adults — 13 percent — had two of the conditions and 3 percent had all three, the survey found. These rates were consistently higher among blacks.

What’s even more alarming is that “15 percent of the population is unaware that they have one or more of these conditions,” said survey author Cheryl D. Fryar, a health statistician with the U.S. Centers for Disease Control and Prevention.

This report is the latest in a nonstop pulse-taking effort by the CDC, which has adults answer a questionnaire about their health status and then performs physical examinations and blood tests.

Blacks had a particularly high incidence of hypertension, 42.5 percent, compared to 29.1 percent of non-Hispanic whites and 26.1 percent of Mexican-Americans. High blood pressure was more common among non-Hispanic whites (26.9 percent) than among blacks (21.5 percent) and Mexican-Americans (21.8 percent), while diabetes was more common among blacks (14.6 percent) and Mexican-Americans (15.3 percent) than among non-Hispanic whites (8.3 percent), according to the report.

The percentage of people who had one or more risk factors and were unaware of it was consistent across the three ethnic categories, the survey found.

- AstraZeneca LP and AstraZeneca Pharmaceuticals LP will pay $520 million to resolve allegations that AstraZeneca illegally marketed the anti-psychotic drug Seroquel for uses not approved as safe and effective by the Food and Drug Administration (FDA), the Departments of Justice and Health and Human Services' Health Care Fraud Enforcement Action Team (HEAT).

The Wilmington, Del.-based company signed a civil settlement to resolve allegations of marketing Seroquel for unapproved uses. Such unapproved uses are also known as “off-label” uses because they are not included in the drug’s FDA approved product label. The off-label marketing caused false claims for payment to be submitted to federal insurance programs including Medicaid, Medicare and TRICARE programs, and to the Department of Veterans Affairs, the Federal Employee Health Benefits Program and the Bureau of Prisons.

Under the terms of the settlement, the federal government will receive $301,907,007 from the civil settlement, and state Medicaid programs and the District of Columbia will share up to $218,092,993 of the civil settlement, depending on the number of states that participate in the settlement. The allegations were originally brought in a lawsuit under the qui tam or whistleblower provisions of the False Claims Act and various state False Claims Act statutes.

In addition to the civil settlement agreement, resolution of the matter includes a Corporate Integrity Agreement (CIA) between AstraZeneca and the Office of Inspector General of the Department of Health and Human Services.

The five-year CIA requires, among other things, that a board of directors committee annually review the company’s compliance program and certify its effectiveness; that certain managers annually certify that their departments or functional areas are compliant; that AstraZeneca send doctors a letter notifying them about the settlement; and that the company post on its website information about payments to doctors, such as honoraria, travel or lodging. AstraZeneca is subject to exclusion from federal health care programs, including Medicaid and Medicare, for a material breach of the CIA and subject to monetary penalties for less significant breaches.

- The Centers for Medicare and Medicaid Services (CMS) announced that Missouri, Washington State, New Mexico, Puerto Rico and Oregon will receive matching funds for electronic health records (EHR) incentives programs.

EHRs will improve the quality of health care for American citizens and make their care more efficient. The records make it easier for the many providers who may be treating a Medicaid patient to coordinate care. Additionally, EHRs make it easier for patients to access the information they need to make decisions about their health care.

The Recovery Act provides a 90 percent federal match for state planning activities to administer the incentive payments to Medicaid providers, to ensure their proper payments through audits and to participate in statewide efforts to promote interoperability and meaningful use of EHR technology statewide and, eventually, across the nation.

- USA Today reports that starting in 2014, the IRS will withhold refunds from taxpayers who ignore the new insurance mandate and decline to pay the penalty.
The IRS will be unable to impose liens or levies, seize property or seek jail time like they do to people who don't pay taxes.

According to several law professors, these restraints will make the IRS ineffective and compliance with the health reform law will be largely voluntary.

The federal government looked at the experience of Massachusetts has had since 2006 when it began to require residents to have health insurance. In 2008, 98 percent of state tax filers who were required to provide health insurance information with their state tax returns met that filing requirement, and 98 percent had coverage, according to a preliminary report issued in December by the Massachusetts Department of Revenue.

But Massachusetts' health care law gives the Department of Revenue the authority to use its regular tax-collection powers to enforce the insurance mandate. Through September 2009, the state had collected $12.9 million of the $16.4 million in penalties assessed in 2008.

The IRS has already started some of its administrative tasks. Last week, it began mailing postcards to more than 4 million small businesses and tax-exempt groups with information about a provision in the law that provides tax credits for small businesses. The tax credit, which takes effect this year, is designed to encourage small businesses to offer health insurance to their employees or keep the coverage they already have.

Starting in 2014, insurers will be required to send the IRS a document showing that the taxpayer has insurance coverage. The IRS will match taxpayers' returns with information it receives from insurers, and individuals who don't have insurance will receive a letter explaining how much they owe in penalties.

Those who ignore the letter could have the penalty withheld from their refunds — but that will only be effective if they're due a refund.

- The U.S. Food and Drug Administration announced a new initiative to address safety problems associated with external infusion pumps, which are devices that deliver fluids, including nutrition and medications, into a patient's body in a controlled manner.

As part of its initiative, FDA is moving to establish additional premarket requirements for infusion pumps, in part through issuance today of a new draft guidance and letter to infusion pump manufacturers. FDA is also announcing a May public workshop on infusion pump design, and launching a new Web page devoted to infusion pump safety.

Infusion pumps are widely used in hospitals, other clinical settings and the home. The devices allow a greater level of control, accuracy and precision in drug delivery, and help to reduce medication errors.

However, infusion pumps also have been the source of persistent safety problems. In the past five years, the FDA has received more than 56,000 reports of adverse events associated with the use of infusion pumps. Those events have included serious injuries and more than 500 deaths. Between 2005 and 2009, 87 infusion pump recalls were conducted to address identified safety concerns, according to FDA data.

Failures of infusion pumps have been observed across multiple manufacturers and pump types. The FDA says that many of the reported problems appear to be related to deficiencies in device design and engineering.

As part of its initiative, the FDA published draft guidance recommending that infusion pump manufacturers begin to provide additional design and engineering information to the agency during premarket review of the devices.

Also, the FDA issued a letter to infusion pump manufacturers, informing them that they may need to conduct additional risk assessments to support clearance of new or modified pumps.

For more information, please visit: http://www.fda.gov/medicalDevices/ProductsandMedicalProcedures/GeneralHospitalDevicesandSupplies/InfusionPumps/ucm205424.htm

- Dr. Howard Koh, assistant secretary for health, U.S. Department of Health and Human Services, announced an initiative to expand oral health services, education and research in America.

Through the initiative, the department is increasing support for and expanding its emphasis on access to oral health care and the effective delivery of services to underserved populations.

This joint effort will be led by Dr. Koh and Dr. Mary Wakefield, administrator of the Health Resources and Services Administration, with support from the U.S. Public Health Service Oral Health Coordinating Committee and the HHS Office of Minority Health.

The initiative will use a systems approach to create programs that emphasize health promotion and disease prevention, increase access to care, strengthen the oral health workforce, and eliminate oral health disparities. As part of the initiative, eight HHS agencies will emphasize a number of activities.

For details about the planned activities, please visit: http://www.hhs.gov/corp/news/20100426.html

- Reserve/Guard

  - As of April 27, 2010, the total number of Guard and Reserve currently on active duty has decreased by 473 to 132,476. The totals for each service are Army National Guard and Army Reserve 101,746; Navy Reserve, 6,247; Air National Guard and Air Force Reserve, 17,270; Marine Corps Reserve, 6,379; and the Coast Guard Reserve, 834. www.defenselink.mil

- Reports/Policies


  - The GAO published “Medicare Contracting Reform: Agency Has Made Progress with Implementation, but Contractors Have Not Met All Performance Standards,” (GAO-10-71) on April 26, 2010. In this report GAO examined how CMS has implemented Medicare contracting reform; how CMS assessed the performance of the MACs and what the results of its assessments have been; and what CMS’s costs and savings have been for Medicare contracting reform. http://www.gao.gov/new.items/d10671.pdf

- Legislation

  - H.R.5145 (introduced April 27, 2010): To amend title 38, United States Code, to improve the continuing professional education reimbursement provided to health professionals employed by the Department of Veterans Affairs was referred to the House Committee on Veterans' Affairs. Sponsor: Representative Jerry McNerney [CA-11]

  - S.3277 (introduced March 26, 2010): A bill to authorize the Department of Labor's voluntary protection program and to expand the program to include more small businesses was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Michael B. Enzi [WY]

  - S.3260 (introduced April 26, 2010): A bill to enhance and further research into the prevention and treatment of eating disorders, to improve access to treatment of eating disorders, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Tom Harkin [IA]

  - S.3277 (introduced April 28, 2010): A bill to amend the American Recovery and Reinvestment Act of 2009 to reserve funds under the programs for payments to the Bureau of Indian Education of the Department of the Interior for children who are required to attend the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Tom Udall [NM]

- Hill Hearings

  - The House Veterans Affairs Committee will hold a hearing on May 5, 2010, to examine health effects of the Vietnam War.

  - The Senate Veterans Affairs Committee will hold a hearing on May 5, 2010, to examine Veterans Affairs (VA) Disability Compensation, focusing on presumptive disability decision-making.

  - The Senate Veterans Affairs Committee will hold a hearing on May 19, 2010, to review pending legislation.

- Meetings / Conferences

  - The 81st Annual Scientific Meeting of the Aerospace Medical Association will be held on May 9-13, 2010, in Phoenix, Ariz. http://www.asma.org/meeting/


The Electronic Health Records Summit will be held on May 24-26, 2010, in Washington D.C. www.electronichealthrecordsummit.com


The CDC 7th International Conference on Emerging Infectious Diseases will be held on July 11-14, 2010, in Atlanta, Ga. http://www.cstitl.org/


The 2010 Advanced Technology Applications for Combat Casualty Care (ATACCC) Conference will be held Aug. 16-19, 2010, in St. Pete Beach, Fl. www.ataccc.org

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 katetheroux@fedhealthinst.org. To subscribe, please visit http://fedhealthinst.org/subscriber.cfm. To unsubscribe, please send an email to newsletter@fedhealthinst.org with UNSUBSCRIBE as the subject.

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