Executive and Congressional News

- On July 13, 2010, First Lady Michelle Obama, Dr. Jill Biden, and HHS Secretary Kathleen Sebelius announced new preventive health care coverage made available under the Affordable Care Act.

A variety of preventive services, from immunizations to colonoscopies, is slated to be covered without cost to consumers under new insurance plans as part of the health care reform bill.

Under the new rules, for someone enrolling in a new health plan on or after Sept. 23, 2010, the plan must provide recommended preventive care services without cost-sharing such as co-pays or deductibles.

Depending on the health plan type and such factors as one’s age, preventive care is expected to include such services as:

- Blood pressure, diabetes, and cholesterol tests
- Cancer screenings
- Counseling on smoking cessation, weight loss, healthy eating, depression treatments, and reduction of alcohol use
- Vaccines for measles, polio, meningitis, and HPV (human papilloma virus)
- Shots for flu and pneumonia prevention
- Screening, vaccines, and counseling for healthy pregnancies
- Well-baby and well-child visits up to the age of 21, as well as vision and hearing, developmental assessments, and body mass index (BMI) screenings for obesity
- Mammograms for women over age 40
- Pap smears for cervical cancer prevention
- Colon cancer screening tests for adults over age 50

For more information, please visit: www.healthcare.gov.

Military Health Care News

- TRICARE Management Activity published a final notice in the July 8 Federal Register, extending a demonstration project in Alaska for individual provider payment rates through Dec. 31, 2012.

Under the demonstration, which initially began on Jan. 1, 2007, payment rates for physicians and other non-institutional individual professional providers in Alaska have been set at a rate higher than the Medicare rate.

- More than 3,000 personnel from Health Affairs/TRICARE Management Activity (HA/TMA) and the service medical headquarters currently scattered throughout the National Capital Region (NCR) will join forces at a single campus at 7700 Arlington Boulevard, Falls Church, Va.

The move is one of many changes mandated under 2005 Base Realignment and Closure (BRAC) Commission recommendations approved by the President and Congress.

The new site will co-locate HA/TMA and service branch medical headquarters into a single campus that meets Department of Defense anti-terrorism force protection standards by Sept. 15, 2011. Once the property is prepared and outfitted, staff will begin moving in the summer of 2011. A few hundred additional, non-BRAC, personnel also are slated to move by the fall of 2012.

Included in the move are offices under TMA in Falls Church, Va., and selected NCR personnel of the Navy Bureau of Medicine and Surgery, Office of the Surgeon General of the Air Force, the Air Force Medical Support Agency, Office of the Assistant Secretary of Defense (Health Affairs), and the Office of the Surgeon General and U.S. Army Medical Command. Offices and personnel located at the Pentagon are not affected.

Information about the co-location will be updated regularly at www.tricare.mil/brac.

- TRICARE Management Activity (TMA) outlined behavioral health options for military couples in a news release this week.

According to the release, marital, couples and family therapy (counseling) are all types of professional behavioral health interventions available to eligible married couples enrolled in TRICARE Prime, TRICARE Prime Remote and TRICARE Prime Overseas.

Marital therapy or counseling can be covered by TRICARE Prime when it’s based on a behavioral health diagnostic evaluation by a TRICARE provider.

TRICARE Prime-eligible spouses of active duty service members can seek marital therapy or counseling in the U.S. or overseas as part of the first eight outpatient behavioral health care visits allowed per fiscal year. This can be done without a referral from a primary care manager or prior authorization from their regional health care contractor. Active duty service members need a referral for all behavioral health care received in the TRICARE network.

Professionals in the TRICARE network authorized to provide marital therapy include psychiatrists, psychologists, certified psychiatric nurse specialists, clinical social workers and certified marriage and family therapists. TRICARE-authorized pastoral and mental health counselors can provide therapy or counseling services under a physician’s supervision.

After the first eight visits, non-active duty beneficiaries must get authorization from their regional health care contractor to continue treatment.

Active duty family members enrolled in TRICARE Prime or TRICARE Prime Remote can call their regional Behavioral Health Care Provider Locator and Appointment Assistance Line for help locating and making appointments with network behavioral health care providers in their area.


- A research program is underway at Wilford Hall Air Force Medical Center to test the effectiveness of an investigational drug to reduce preterm delivery in women.

The study will measure the ability of an investigational drug to reduce preterm delivery in women whose previous pregnancies have resulted in premature births and will assess the drug’s effect on improving the health of the newborn.

Lt. Col. (Dr.) Andrea Shields, 55th Materiel/Child Care Squadron, maternal-fetal medicine specialist, along with investigators from eight other Department of Defense sites, is part of the national research project, worldwide study enrolling approximately 1,700 women from the United States, Canada and other countries. Participation may last up to 20 weeks, depending on when the subject is enrolled.

- Integrated Nano-Technologies (INT) has developed a field-portable device called the Palladium that can easily and accurately identify targeted infectious diseases and other biological threats within minutes.

The Palladium employs nanotechnology to obtain DNA analysis results that until now were not possible without lengthy sample preparation and expensive equipment. Samples today generally have to be taken to a laboratory for this level of analysis.
many research on the project was run by the relevant research agency, and the prototype and engineering requirements have been funded by the U.S. Army Medical Research and Materiel Command's Telemedicine and Advanced Technology Research Center (TATRC). The device could be in the field in a year.

The new process is the first fully automated DNA sample preparation method to allow easy use in the field. The new device requires only one DNA molecule to create polymerase chain reaction (PCR).

With the handheld Palladium device, the user puts blood, tissue or another type of sample in a disposable test cartridge, locks the cartridge into the reader and presses the start button. The device releases the DNA from the cells or viruses in the sample by bombarding them with small glass beads that are vibrated ultrasonically. Paramagnetic nano-particles attach to the released DNA, which is drawn via electromagnets to a computer chip with sensors on its surface.

The analysis takes less than 10 minutes. Time, location and results can be reported wirelessly to a central site so disease outbreaks can be readily identified and monitored.

TATRC manages more than 700 research projects. For more on TATRC efforts related to bio-surgery and disaster preparedness, visit www.tatrc.org.

- Phyllis H. Barr, D.O., a medical director for Spectrum Healthcare Resources (Spectrum) and family practitioner at Naval Clinic Hawaii, was presented with the Continuum of Care Award for Outstanding Healthcare Provider/Non-Military.

The award was given by the Institute for Defense and Government Advancement (IDGA), an information-based organization dedicated to the promotion of innovative ideas in public service and defense, at the annual Military Healthcare Convention and Conference. The award is designed to recognize military and civilian healthcare providers throughout the military healthcare community, which have made a positive impact on military personnel and their families.

Veterans Health Care News

- The Department of Veterans Affairs published a final regulation in the July 13 Federal Register to help simplify the process for veterans to obtain health care and disability compensation for post-traumatic stress disorder (PTSD).

The final regulation reduces the evidence needed if the trauma claimed by a veteran is related to fear of hostile military or terrorist activity and is consistent with the places, types, and circumstances of the veteran’s service. Under the new rule, VA would not require corroboration of a stressor related to fear of hostile military or terrorist activity if a VA doctor confirms that the stressful experience recalled by a veteran adequately supports a diagnosis of PTSD and the veteran’s symptoms are related to the claimed stressor.

Previously, claims adjudicators were required to corroborate that a non-combat veteran actually experienced a stressor related to hostile military activity. This final rule simplifies the development that is required for these cases.

VA expects this rulemaking to decrease the time it takes VA to decide access to care and claims falling under the revised criteria. More than 400,000 veterans currently receiving compensation benefits are service-connected for PTSD.

For additional information, go to www.va.gov or call VA’s toll free benefits number at 1-800-827-1000.

- The Veterans Affairs Department terminated most of a $400 million project to modernize its financial management system due to resource constraints and the high risk of failure, according to Nextgov.com.

VA ended the integrated financial accounting system and data consolidation components of its Financial and Logistics Integrated Technology Enterprise program, Chief Information Officer Roger Baker said. FLITE was intended to manage physical assets and inventories.

The department still will move forward with the program’s strategic asset management system, which will replace multiple legacy applications and provide better control of the supply chain, according to Baker. Agency officials will announce in coming weeks smaller projects to improve the quality of data feeding into the existing financial system.

VA will focus a portion of the freed-up resources on the smaller projects that address weaknesses in the computer applications that feed data to the primary financial management system, to ensure accuracy of information and better tracking of money spent.

This is the second VA financial management program to fold. Officials canceled the first — the $472 million Core Financial and Logistics System — after it failed during an initial deployment at a VA hospital in Bay Pines, Fl.

Health Care News

- On July 13, 2010, Health and Human Services Secretary Kathleen Sebelius, White House Domestic Policy Council Director Melody Barnes, Office of National AIDS Policy Director Jeffrey Crowley, and HHS Assistant Secretary for Health Dr. Howard Koh unveiled the National HIV/AIDS Strategy (NHAS).

The NHAS is a comprehensive plan focused on: reducing the number of people who become infected with HIV; increasing access to care and optimizing health outcomes for people living with HIV, and reducing HIV-related health disparities.

In the United States, approximately 56,000 people become infected with HIV each year and more than 1.1 million Americans are living with HIV. To combat this growing epidemic, the White House released the National HIV/AIDS Strategy (NHAS) and accompanying NHAS Federal Implementation Plan.

Secretary Sebelius also announced that $30 million of the Affordable Care Act’s Prevention Fund will be dedicated to the implementation of the NHAS. This funding will support the development of combination prevention interventions. It will also support improved surveillance, expanded and targeted testing and other activities.

- On July 14, 2010, a U.S. advisory panel voted to keep Avandia, a diabetes medicine manufactured by GlaxoSmithKline, on the market.

Approved in 1999, Avandia helps control blood sugar levels in diabetics by making patients more sensitive to their own insulin. It is one of a class of three drugs, the first of which, Rezulin, was withdrawn because it caused liver damage. The other drug in the class, Actos, made by Takeda, has appeared safe.

Avandia, which was once the biggest-selling diabetes medicine in the world, saw its sales abruptly decline in 2007 after a study by Dr. Steven Nissen, a Cleveland Clinic cardiologist, found that it increased the risk of heart attacks. An advisory committee in 2007 decided that Avandia did increase heart risks but voted to keep it on the market.

Of the panel’s 33 members, 12 voted that Avandia should be withdrawn; 10 voted that its sales should be restricted and the warnings on its label enhanced; 7 voted only to support enhanced warnings on the drug’s label; 4 voted to keep the drug on the market; and 3 voted that the drug should continue to be sold with its present warnings unchanged. One member abstained, and no one voted for a final option, to weaken the label’s present heart warnings.

The panel provides its recommendations to the Food and Drug Administration, which will make the final decision on whether the diabetes drug will remain available in the United States.

- The National Institutes of Health announce that the Consortium of Food Allergy Research (CoFAR), established in 2005, will be funded with $29.9 million grant over the next five years.

CoFAR will continue to foster new approaches to prevent and treat food allergies and also expand in scope to include research on the genetic causes underlying food allergy and studies of food allergy-associated eosinophilic gastrointestinal diseases (EGIDs).

Funding for CoFAR is provided by the National Institute of Allergy and Infectious Diseases (NIAID) and the National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK), components of NIH. Food allergy occurs in an estimated 5 percent of children and 4 percent of adults in the United States. The hallmark of this disorder is production of immunoglobulin E (IgE) antibodies in response to a specific food.

EGIDs are a group of recently recognized allergic diseases that also are associated with production of IgE antibodies as well as other immune responses to food. The most common EGID is eosinophilic esophagitis (EoE), which is characterized by inflammation and accumulation of eosinophils, a subset of immune cells, in the esophagus. The primary symptoms of EoE in children include nausea, vomiting and abdominal pain after eating, while in adults, the primary symptom is difficulty swallowing.

The causes of food allergy and EGIDs are unknown. Although these diseases seem to have a genetic component, the genes responsible have yet to be identified. Additionally, some people outgrow their childhood allergies, whereas others develop new ones.

When NIAID established CoFAR in 2005 with five clinical sites, the goal was to help improve understanding of why food allergy develops and how it can be treated or prevented.

For more information about food allergy, visit the NIAID Food Allergy Web portal at http://www.niaid.nih.gov/topics/foodallergy/.

- Bavarian Nordic A/S announced that it has delivered 1 million doses of its smallpox vaccine IMVAMUNE® to the U.S. Strategic National Stockpile for use in the event of a smallpox bioterrorism attack on the U.S.
IMVAMUNE® is the first vaccine successfully developed under Project BioShield, a U.S. program created by Congress in 2004 to develop and purchase medicines and vaccines to protect the American public from bioterrorism attacks. Bioterrorism experts are concerned about the possibility of an attack on the US that exposes the population to the smallpox virus.

The vaccine was clinically developed and manufactured under contracts with the Biomedical Advanced Research and Development Authority (BARDA), a division of the U.S. Department of Health & Human Services (HHS), as well as the National Institutes of Health (NIH). Under the BARDA contract, Bavarian Nordic will deliver 20 million doses of IMVAMUNE® to the U.S. Strategic National Stockpile, with an option for 50 million more doses.

IMVAMUNE® is a non-replicating strain of vaccinia virus that, unlike conventional smallpox vaccines, does not have the ability to replicate in human cells, thereby eliminating risk of accidental infection. Currently stockpiled smallpox vaccines are based on a replicating form of the vaccinia virus, and are therefore considered inappropriate for up to 25 percent of the population who may be immunocompromised or have other medical conditions that contraindicate a replicating viral vaccine. It is likely that IMVAMUNE® is currently being stockpiled for emergency use specifically in people with compromised immune systems, e.g. HIV/AIDS patients.

- **Emergent BioSolutions Inc.** has been awarded a $107 million contract by the Office of the Biomedical Advanced Research and Development Authority (BARDA) of the Department of Health and Human Services (HHS) to develop and obtain regulatory approval for large-scale manufacturing of BioThrax® (Anthrax Vaccine Adsorbed).

This cost-plus, fixed-fee development contract has a total value of $107 million and consists of a two-year base period of performance valued at $54.6 million and three option years that, if exercised by BARDA, would increase the contract’s total value to $107 million. Under the contract, the company anticipates recognizing revenues of up to $10 million and pretax earnings of up to $5 million during the second half of 2010. A substantial majority of the value of the $107 million contract will be realized in the first three years of performance (July 2010 to July 2013), assuming exercise of the first option year.

The contract award is based on a technical proposal provided to BARDA that projects an annual large-scale manufacturing capacity of 26 million doses. This is a significant increase from the company’s current capacity of approximately 7.6 million doses per annum.

Emergent has developed a comprehensive plan to demonstrate feasibility to the Centers for Medicare & Medicaid Services (CMS), the Food and Drug Administration (FDA), the Department of Defense (DOD), and the U.S. Department of Homeland Security (DHS) in order to support BARDA and the U.S. government’s public health preparedness efforts.

For more information about Emergent’s BioThrax®, please visit Emergent’s website at www.emergencbio.com.

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For more information about Emergent’s BioThrax®, please visit Emergent’s website at www.emergencbio.com.

To date, Emergent has supplied over 42 million doses of BioThrax® to the U.S. government with additional deliveries scheduled throughout the third quarter of 2011 pursuant to the current procurement contract with HHS.

- **U.S. Department of Health and Human Services** Secretary Kathleen Sebelius announced final rules to help improve Americans’ health, increase safety and reduce health care costs through expanded use of electronic health records (EHR).

Under the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009, eligible health care professionals and hospitals can qualify for Medicare and Medicaid incentive payments when they adopt certified EHR technology and use it to achieve specified objectives. One of the two regulations announced defines the “meaningful use” objectives that providers must meet to qualify for the bonus payments, and the other regulation identifies the technical capabilities required for certified EHR technology.

With “meaningful use” definitions in place, EHR system vendors can ensure that their systems deliver the required capabilities, providers can be assured that the system they acquire will support achievement of “meaningful use” objectives, and a concentrated five-year national initiative to adopt and use electronic records in health care can begin.

Two companion final rules were also announced. One regulation, issued by the Centers for Medicare & Medicaid Services (CMS), defines the minimum requirements that providers must meet through their use of certified EHR technology in order to qualify for the payments. The other rule, issued by the Office of the National Coordinator for Health Information Technology (ONC), identifies the standards and certification criteria for the certification of EHR technology, so eligible professionals and hospitals may be assured that the systems they adopt are capable of performing the required functions.

A CMS/ONC fact sheet on the rules is available at http://www.cms.gov/EHRIncentivePrograms/

Technical fact sheets on CMS’s final rule are available at http://www.cms.gov/EHRIncentivePrograms/

A technical fact sheet on ONC’s standards and certification criteria final rule is available at http://healthit.hhs.gov/standardsandcertification/

- **Nobel Prize winner and former NIH director Harold E. Varmus, M.D.,** took the oath of office to become the National Cancer Institute’s (NCI) 14th director. Varmus was director of NIH from 1993 until the end of 1999 and was co-recipient of the Nobel Prize in Physiology or Medicine in 1989 for studies of the genetic basis of cancer. He most recently served as president of the Memorial Sloan-Kettering Cancer Center in New York City, which is an NCI-designated cancer center.

Varmus spent 23 years as a faculty member at the University of California, San Francisco, medical school, where he worked on the replication cycles of retroviruses and hepatitis B viruses, the functions of genes implicated in cancer, and the development of mouse models of human cancer.

During his tenure at NIH, Varmus helped to initiate a five-year doubling of the NIH budget. More recently, President Barack Obama appointed him co-chair of the President’s Council of Advisors on Science and Technology. He has been a member of the U.S. National Academy of Sciences since 1984 and of the Institute of Medicine since 1991, and has received the National Medal of Science, the Vannevar Bush Award, and several honorary degrees and other prizes, in addition to the Nobel Prize.

**Reserve/Guard**

- **As of July 13, 2010, the total number of Guard and Reserve currently on active duty has decreased by 1,818 to 118,659.** The totals for each service are Army National Guard and Army Reserve 90,144; Navy Reserve, 6,354; Air National Guard and Air Force Reserve, 16,457; Marine Corps Reserve, 4,917; and the Coast Guard Reserve, 787. [www.defenselink.mil](http://www.defenselink.mil)

**Reports/Policies**

- **The GAO published “Health Care Quality Measurement: The National Quality Forum Has Begun a 4-Year Contract with HHS,” (GAO-10-737) on July 14, 2010.** In this report, the GAO examines how successful NQF was in its efforts to make recommendations on a national strategy and priorities; endorse quality measures, which involves a process for determining which ones should be recognized as national standards; maintain—that is, update or retire—endorsed quality measures; promote electronic health records; and report annually to Congress and the Secretary of HHS. [http://www.gao.gov/new.items/d10737.pdf](http://www.gao.gov/new.items/d10737.pdf)


- **The GAO published “Veterans Affairs: Opportunities Exist to Improve Potential Recipients’ Awareness of the Temporary Residence Adaptation Grant,” (GAO-10-786) on July 15, 2010.** In this report, GAO offers recommendations for the VA evaluate current methods of communicating information about TRA grants to eligible individuals and take appropriate measures to improve awareness of the program among such individuals. VA agreed with GAO’s recommendations and described actions to address them. [http://www.gao.gov/new.items/d10786.pdf](http://www.gao.gov/new.items/d10786.pdf)


**Legislation**


- **H.R.5719** (introduced July 13, 2010): Veterans’ Information Act was referred to the Committee on Armed Services, and in addition to the Committee on Veterans’ Affairs, 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 Dennis A. Cardoza [CA-18]

- **H.R.5731** (introduced July 14, 2010): Veterans Mental Health Professionals Oversight Act of 2010 was referred to the House Committee on Veterans’ Affairs.
Sponsor: Representative Ann Kirkpatrick [AZ-1]


Sponsor: Senator Richard Durbin [IL]

Hill Hearings

- The House Veterans Affairs Committee will hold a roundtable on July 21, 2010, to on innovative treatments for TBI and PTSD.
- The House Veterans Affairs Committee will hold a hearing on July 27, 2010, to examine Gulf War Illness: and the future for unsatisfied veterans.
- The Senate Veterans Affairs Committee will hold a business meeting on Aug. 5, 2010, to consider pending calendar business.
- The Senate Veterans Affairs Committee will hold a hearing on Sept. 22, 2010, to examine a legislative presentation focusing on the American Legion.
- The Senate Veterans Affairs Committee will hold an oversight hearing on Sept. 23, 2010, to examine Veterans’ Affairs disability compensation, focusing on presumptive disability decision-making.

Meetings / Conferences

- The 2nd Annual Mobile Health (mHealth) Summit will be July 29-30, 2010, in Boston, Mass. [website]
- 2010 National Medical Association Annual Convention & Scientific Assembly will be held on July 31 – Aug. 4, 2010, in Orlando, Fla. [website]
- Association for Healthcare Resource and Materials Management’s Annual Conference will be held on Aug. 1-4, 2010, in Denver, Colo. [website]
- The 8th Annual Health Care Quality Congress (HCQ 2009) will be held on Aug. 2-4, 2010, in Boston Mass. [website]
- The 9th international Rotavirus Symposium will be held on Aug. 2-3, 2010, in Johannesburg, South Africa. [website]
- The 2010 National Medical Association Annual Convention & Scientific Assembly will be held on July 31 – Aug. 4, 2010, in Orlando, Fla. [website]
- The 2010 Advanced Technology Applications for Combat Casualty Care (ATACCC) Conference will be held on Aug. 16-19, 2010, in St. Pete Beach, Fla. [website]
- APHSA 2010 Annual Meeting and Exposition will be held on Aug. 22-26, 2010, in National Harbor, Md. [website]
- 13th Battlefield Healthcare event: Pre and Post Deployment Combatant Care will be held on Sept. 20-22, 2010, in San Diego, Calif. [website]
- The 5th Annual Obesity Congress will be held on Sept. 28-30, 2010, in Washington D.C. [website]
- The 6th Annual World Healthcare Innovation and Technology Congress (WHIT v.6.0) will be held on Nov. 8-10, 2010, in Washington D.C. [website]

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 [website]. To unsubscribe, please send an email to newsletter@fedhealthinst.org with UNSUBSCRIBE as the subject.

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