

## FEDERAL HEALTH UPDATE

Oct 15, 2010

Produced by Kate Connelly Theroux in collaboration with the Institute of Federal Health Care (IFHC)

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## Executive and Congressional News

- The House will stand adjourned until Nov. 15, 2010.
- The Senate will stand in recess until Nov. 12, 2010.
- **On October 8, 2010, President Obama signed into law, S. 3751, the "Stem Cell Therapeutic and Research Reauthorization Act of 2010."** This legislation reauthorizes and makes changes to the National Cord Blood Inventory Program and the C.W. Bill Young Transplantation Program.

## Military Health Care News

- **Researchers at U.S. Army Institute of Surgical Research (USAISR) and the University of Texas Medical Branch (UTMB), Galveston, have successfully developed a new system for providing providers with recommendations to better resuscitate burn casualties with large burns.**

Fluid resuscitation is one of the principal and most complex actions undertaken for casualties with large burns. Fluid resuscitation is initiated immediately soon after injury and must be appropriately adjusted, usually on an hourly basis. Administration of either too much fluid or too little fluid may be associated with less than optimal outcomes.

The Burn Resuscitation Decision Support System was designed to specifically assist acute care providers with recommendations for IV fluid rates during the initial 48 hours after the burn. The system has been used as a clinical decision support tool at the USAISR and the UTMB Burner burn centers since 2007 in the resuscitation of patients with large burns.

Preliminary analysis of the performance of the Burn Decision Support System suggests that it has improved burn resuscitation management in the USAISR burn center by reducing the volume of fluids given to patients while maintaining clinical goals.

Based on its successful use in the USAISR burn center, the U.S. Army Decision Gate Office has put the system into an accelerated acquisition track designed to develop a mobile version of the system that can be used by DoD providers deployed in support of overseas operations. This accelerated acquisition approach will allow the DoD to field mobile burn resuscitation units that provide decision support for burn resuscitation from the combat support hospitals in the field and throughout the evacuation chain across the different echelons of care.

For more information about the U.S. Army Institute of Surgical Research, visit <http://www.usaisr.amedd.army.mil>

- **TRICARE and the MHS observe Women's Health Month in October, recognizing that every female beneficiary should understand the resources available to her and the easy access to high-quality care.**

Women make up almost one-half of the Military Health System's (MHS) 9.6 million beneficiaries.

TRICARE female beneficiaries have a wide variety of preventive and routine services available to keep them healthy and help identify potential problems in future. However, there are limitations on the frequency of preventive care, and coverage varies depending on whether a beneficiary is using TRICARE Prime or Standard. Cost-shares and deductibles may also apply.

- **The U.S. Army Corps of Engineers has awarded defense contractor General Dynamics Information Technology, Fairfax, Va., an "indefinite delivery/indefinite quantity" contract with a total value of \$409 million.**

Under the contract, General Dynamics will provide design development, equipment needs assessment, relocation services, employee training, and equipment installation and maintenance for Army Medical Department construction projects worldwide over the next four years.

- **The Department of Defense (DoD) awarded CSC a \$95 million contract to support its Pharmacy Data Transaction Service (PDTs).**

The contract, which was awarded during CSC's fiscal 2011 second quarter, has a six month base and four option periods, for a total of 51 months, bringing the estimated total value to \$95 million.

Under the terms of the contract, the CSC team will continue to operate, maintain and enhance the PDTs. Since 1999, the CSC team has provided the design, development, maintenance, operation and defense information technology security certification and accreditation of the PDTs.

CSC is teaming with Emdeon Pharmacy Services, which provides and enhances the pharmacy transaction adjudication system that is the cornerstone of the PDTs service.

Since the CSC team first developed the service, PDTs has become a vital tool for the military health system, allowing the DoD to reduce fraud and abuse, create better management reporting, save money through the avoidance of adverse drug interactions and duplicate therapy, and increase patient safety.

With real-time functionality, PDTs conducts reviews on new and refill prescriptions to help ensure patient safety and proper usage. PDTs screens an eligible prescription against the patient's integrated drug profile and provides alerts and warnings for potential drug-related problems such as interactions, drug overlaps and drug dosage levels. This safety checking happens before medications are dispensed to the patient. PDTs also performs singular real-time edits designed to meet the unique requirements of the DoD pharmacy program.

- **The U.S. Department of Defense's TRICARE Management Activity is offering a second contract extension to Humana Military Healthcare Services Inc. as it reconsiders bids to manage health benefits for more than 3 million military members.**

Humana Military has been a contractor with the TRICARE program since 1996.

According to a U.S. Securities and Exchange Commission filing from Humana, the government agency informed it on Oct. 5 that TRICARE officials intend to negotiate an extension for another year. The contract potentially is worth millions to Humana. The TRICARE business accounted for \$3.4 billion in revenue and \$86.7 million in administrative-services fees in 2009.

The company previously said it expected to post charges of between 19 cents and 28 cents per common share in 2010 related to the expected loss of the TRICARE contract. That guidance no longer is valid for 2010, but those charges could be taken in later years if the company is not awarded the new contract, the filing said.

The previous contract extension, which covers active-duty soldiers and their dependents, retired service members and their families in 10 states in TRICARE's South region, is set to expire March 31, 2011.

Last year, the company lost a bid to continue providing services through the program to UnitedHealth Military & Veterans Services. The contract was valued at as much as \$21.8 billion for a five-year period.

Humana filed a protest of the contract award with the U.S. Government Accountability Office. That protest was upheld by the GAO, citing savings Humana likely could provide that were not fully considered when the contract was awarded.

In May, TRICARE announced that it would allow original bidders to submit revised proposals. TRICARE has not announced the outcome of that bidding

process.

TRICARE officials previously have said it would take at least 10 months to transition management of the health care contract to another company.

## Veterans Health Care News

- **The Department of Veterans Affairs (VA) is launching a new television advertisement encouraging veterans to take full advantage of the VA benefits and services they have earned.**

The ad is one step in a robust outreach effort aimed at welcoming returning service members and easing their transition from military to Veteran status.

The 30-second ad focuses on veterans returning from Iraq and Afghanistan and shows the path a veteran might follow from the battlefield to addressing possible health issues, going to college, finding employment and buying a home. The ad emphasizes the goal of a seamless transition between the Department of Defense and VA as military service members hang up their uniforms and enroll with VA.

VA has targeted six cities to broadcast the ad based on the number of veterans returning from service to those locations this fall. The cities are Norfolk, Va., Raleigh, N.C., Savannah, Ga., Seattle, Wash., Watertown, N.Y. and El Paso, Texas.

This is the first of a series of broadcast and cable television ads to be produced and aired over the next several months to inform returning veterans of the many benefits and services they have earned as a result of their military service.

Broadcast organizations interested in obtaining a broadcast quality copy of the 30-second spot to run as a Public Service Announcement may download a copy at <http://ftplac1.dgfastchannel.com/download/VAWLAO110-2H.mov>. The video can be viewed on YouTube at <http://www.youtube.com/watch?v=dJneXGf5GAc>.

## Health Care News

- **The Centers for Disease and Prevention (CDC) has awarded \$5.25 million to ten state and local health departments to meet the public health challenges of climate change over the next three years.**

As the nation's public health agency, CDC is using its prevention expertise to help state and city health departments investigate, prepare for, and respond to the health effects that climate change may have on people.

The world's climate is showing signs of a shift. The world is becoming warmer, with more precipitation and weather extremes. Potential effects of this climate change are likely to include more variable weather. Stronger and longer heat waves, more frequent extreme weather events such as flooding and tropical cyclones, rises in sea level, and increased air pollution will become more the rule than the exception.

CDC's Climate-Ready States and Cities initiative is helping 10 states and cities develop ways to anticipate related health effects by applying climate science, predicting health impacts and preparing flexible programs. CDC will help states and cities partner with local and national climate scientists to understand the potential climate changes in their areas and assist states and cities in developing and using models to predict health impacts, to monitor health effects and to identify the area's most vulnerable to these effects.

The state and city health departments receiving CDC's first climate change cooperative agreements are: Arizona, Maine, Massachusetts, Michigan, Minnesota, New York, New York City, North Carolina, Oregon and City of San Francisco.

- **HHS Secretary Kathleen Sebelius announced awards of \$727 million to 143 community health centers across the country to address pressing construction and renovation needs and expand access to quality health care.**

Community health centers serve nearly 19 million patients, about 40 percent of whom have no health insurance. Community health centers deliver preventive and primary care services at more than 7,900 service delivery sites around the country to patients regardless of their ability to pay; charges for services are set according to income.

The Capital Development (CD) program grants, administered by HHS' Health Resources and Services Administration (HRSA), will support major construction and renovation at 143 community health centers nationwide. A list of awards by state can be found at [http://www.hhs.gov/news/press/2010pres/10/chc\\_chart.html](http://www.hhs.gov/news/press/2010pres/10/chc_chart.html).

For more information on HRSA's community health center program, visit <http://bphc.hrsa.gov>. Information on the Affordable Care Act is available at [www.healthcare.gov](http://www.healthcare.gov).

- **The National Academy of Sciences announced that five leaders at the National Institutes of Health have been elected to the Institute of Medicine. Election to the IOM is one of the highest honors in the fields of medicine and health.**

The NIH officials elected are:

- Jeremy M. Berg, Ph.D., director of the National Institute of General Medical Sciences (NIGMS);
- Linda S. Birnbaum, Ph.D., director of the National Institute of Environmental Health Sciences (NIEHS);
- Ira H. Pastan, M.D., chief of the laboratory of cell biology, Center for Cancer Research at the National Cancer Institute;
- Thomas E. Wellems, M.D., Ph.D., chief of the laboratory of malaria and vector research at the National Institute of Allergy and Infectious Diseases; and
- Carl Wu, Ph.D., chief of the laboratory of biochemistry and molecular biology, Center for Cancer Research at the National Cancer Institute.

They are among 65 new members and five foreign associates of the IOM, which is a national resource for independently informed analysis and recommendations of issues related to human health.

For more information about the five new members, please visit: <http://www.nih.gov/news/health/oct2010/od-11.htm>.

- **The Center for Disease Control and Prevention's (CDC) National Center for Health Statistics has issued "United States Life Tables by Hispanic Origin," which provides life tables by Hispanic origin based on 2006 death rate data.**

Life expectancy at birth for the total population in 2006 was 77.7 years; 80.6 years for the Hispanic population, 78.1 years for the non-Hispanic white population, and 72.9 years for the non-Hispanic black population.

The Hispanic population has a life expectancy advantage at birth of 2.5 years over the non-Hispanic white population and 7.7 years over the non-Hispanic black population. The reasons behind the lower mortality are not known.

This is the first report on Hispanic Life Expectancy Released by CDC.

- **A new report by the National Committee for Quality Assurance (NCQA) has found that U.S. health plans that spend the most on care don't always deliver the best quality and vaccination rates have dropped for kids in private plans, while rates continue to rise for Medicaid children.**

The [State of Health Care Quality Report](#) is NCQA's annual analysis of the overall quality of American health care.

News that high-spending health plans don't always deliver the best care comes from findings on relative resource use (RRU) – documented for the first time in the report across five common, costly and chronic diseases.

RRU indicates how intensively health plans use health care resources (such as physician visits and hospital stays), compared with other plans in the same region, serving similar members. When used alongside quality measures, RRU makes it possible to talk about quality and cost simultaneously. Given the definition of value as the intersection of health plans' spending (resource use) and their results, RRU reveals the value that plans offer.

RRU analysis shows that many plans that deliver below-average quality use above-average levels of resources.

According to the report, childhood vaccination rates in 2009 declined by almost four percentage points in commercial plans.

A possible cause of this drop is commercial plan parents may refuse vaccines for their children based on the unproven, but increasingly popular, notion that vaccines cause autism. Celebrity activists are outspoken advocates of this view. Interestingly, vaccination rates in Medicaid continue to steadily improve.

The *State of Health Care Quality Report* examined quality data from over 1,000 health plans that collectively cover 118 million Americans.

- **The Institute of Medicine presented the 2010 Gustav O. Lienhard Award to Joseph A. Califano Jr., founder and chairman of the National Center on Addiction and Substance Abuse (CASA) at Columbia University and former U.S. secretary of health, education, and welfare.**

The award honors Califano for his leadership in catalyzing federal action to curb smoking and his broader efforts to reduce the toll of addiction and substance abuse, as well as for his contributions to improving public health in general.

As the secretary of the U.S. Department of Health, Education, and Welfare (HEW) — the forerunner of today's departments of Health and Human Services and Education and the Social Security Administration — Califano spearheaded a slew of major health initiatives during the Carter administration. Under his guidance, the agency launched a national campaign to promote childhood immunization, and it provided the first federal funding for hospice care through Medicare, which made this form of end-of-life care readily accessible to many more people.

Califano also worked with Surgeon General Julius Richmond to issue the first Healthy People report, which established the first set of national health goals for the American population.

Califano is best-known for spurring federal action to reduce and prevent tobacco use. While the links between smoking and disease had been laid out in a 1964 surgeon general's report, it was under his leadership in the late 1970s that HEW began to proactively implement policies and steps to curb smoking, including encouraging physicians to counsel their patients to quit smoking and to give up the habit themselves, and making HEW a smoke-free workplace.

His efforts to reduce the damage caused by addiction have continued with his leadership of [CASA](#), which he founded in 1992 to promote awareness, treatment, and prevention of substance abuse of all kinds.

Califano is the 25th recipient of the Lienhard Award, which includes a medal and \$40,000 prize. The annual award recognizes outstanding national achievement in improving personal health care services in the United States. Califano will donate the prize money to CASA. Additional information about the Lienhard Award can be found at [www.iom.edu/lienhard](http://www.iom.edu/lienhard).

- **The Centers for Disease Control and Prevention has named Science Applications International Corp. (SAIC), McLean, Va., as the prime contractor on a decade-long project to modernize its information management systems.**

The indefinite delivery/indefinite quantity contract has a base period of two years with the potential of adding eight years in two-year options.

SAIC is one of 11 companies eligible to compete for future task orders to provide a broad range of technical services, with a ceiling value of \$3 billion. Services that SAIC will provide under the contract include requirements analysis, systems design and development, database analysis and management, information security and user training to support the CDC's IT strategic plan.

- **The Centers for Medicare and Medicaid (CMS) awarded a \$26 million IT services contract to HP Enterprise Services. The company will help the CMS maintain its integrated data repository.**

The database of Medicare claims information and services also will use another database, the National Level Repository, "to make the Medicare incentive payment determinations for eligible healthcare professionals and hospitals under the EHR incentive programs" under the American Recovery and Reinvestment Act of 2009.

#### Reserve/Guard

- As of Oct. 12, 2010, the total number of Guard and Reserve currently on active duty has **decreased** by 2,329 to 98,434. The totals for each service are Army National Guard and Army Reserve 74,390; Navy Reserve, 6,748; Air National Guard and Air Force Reserve, 12,533; Marine Corps Reserve, 4,070; and the Coast Guard Reserve, 693. [www.defenselink.mil](http://www.defenselink.mil)

#### Reports/Policies

- **The Institute of Medicine (IOM) released "Examination of Front-of-Package Nutrition Rating Systems and Symbols: Phase 1 Report," on Oct. 13, 2010.** In this report, the IOM reviewed current systems and examined the strength and limitations of the nutrition criteria that underlie them. <http://www.iom.edu/Reports/2010/Examination-of-Front-of-Package-Nutrition-Rating-Systems-and-Symbols-Phase-1-Report.aspx>
- **The Institute of Medicine (IOM) released "Public Health Effectiveness of the FDA 510(k) Clearance Process: Balancing Patient Safety and Innovation - Workshop Report," on Oct. 14, 2010.** This report is a summary of a workshop held by IOM to assess whether the FDA's clearance process protects patients as well as it can without limiting improvements in medical devices. <http://www.iom.edu/Reports/2010/Public-Health-Effectiveness-of-the-FDA-510k-Clearance-Process-Balancing-Patient-Safety-and-Innovation.aspx>
- **The GAO published "Medicare Advantage: CMS Actions Regarding Plans' Health Reform Communications," (GAO-10-953R) on Oct. 13, 2010.** In this report, the GAO examined how CMS learned that Humana sent a mailing to beneficiaries on the impact of pending health reform legislation in 2009; the concerns CMS officials cited regarding the Humana material and the reasons they gave for suspending all MA plan communications about pending health reform legislation; how CMS learned whether any other MA organizations had communicated with enrolled beneficiaries about pending health reform legislation; what criteria CMS used to evaluate whether MA communications on pending health reform legislation violated any laws, regulations, or agency guidance; what CMS found in its investigation into MA communications on pending health reform legislation; what specific actions CMS took after it investigated MA communications; and the extent to which CMS's actions were in accordance with agency policies and procedures and consistent across MA organizations. <http://www.gao.gov/new.items/d10953r.pdf>
- **The GAO published "Global Health: Trends in U.S. Spending for Global HIV/AIDS and Other Health Assistance in Fiscal Years 2001-2008," (GAO-11-64) Oct. 8, 2010.** This report examines U.S. disbursements (referred to as spending) for global HIV/AIDS- and other health-related bilateral foreign assistance programs (including basic health and population and reproductive health programs) in fiscal years 2001-2008. It also provides information on models used to estimate HIV treatment costs. GAO analyzed U.S. foreign assistance data, reviewed HIV treatment costing models and reports, and interviewed U.S. and UNAIDS officials. <http://www.gao.gov/new.items/d1164.pdf>

#### Legislation

- There was no legislation proposed this week.

#### Hill Hearings

- There are no hearings scheduled.

#### Meetings / Conferences

- The 6th Modern Drug Discovery & Development Summit will be held on **Oct. 20-22, 2010**, in San Francisco, Calif. <http://www.qtcbio.com/conferenceDetails.aspx?id=158>
- The 39<sup>th</sup> World Congress on Military Medicine will be held **Oct. 23-28, 2011**, in Abuja, Nigeria. <http://39wcommabj2011.com/>
- IDGA's Electronic Health Records Summit will be held on **Oct. 27 - 29, 2010**, in Vienna, Va. <http://www.electronichealthrecordssummit.com/Event.aspx?id=338518>
- The annual Shots for Tots conference will be held on **Oct. 28-29, 2010**, in New Orleans. <http://www.shotsfortots.com/html/conference.html>
- The 116<sup>th</sup> Annual Meeting of AMSUS – "Federal Medicine: A Global Source for Health" will be held **Oct. 31 to Nov. 5, 2010**, in Phoenix, Ariz. [www.amsus.org](http://www.amsus.org)
- The 138th American Public Health Association Annual Meeting & Exposition will be held on **Nov. 6-10, 2010**, in Denver Colo. <http://www.apha.org/meetings/>
- The 5th Annual World Healthcare Innovation and Technology will be held on **Nov. 7 - 10, 2010**, in Alexandria Va. <http://www.worldcongress.com/events/HL10010/index.cfm?confCode=HL10010>
- The 6th Annual World Healthcare Innovation and Technology Congress (WHIT v.6.0) will be held **Nov. 8-10, 2010**, in Washington D.C. <http://www.worldcongress.com/events/HL10010/>
- The AHP Fall Forum 2009 will be held on **Nov. 8-10, 2010**, in Chicago, Ill. <http://www.ahp.org/links/fallforum2010/>
- AMIA 2009 Annual Symposium will be held on **Nov. 13-17, 2010**, in Washington D.C. <http://symposium2010.amia.org/>
- The 21<sup>st</sup> Annual National Forum on Quality Improvement in Health Care will be held on **Dec. 5-8, 2010**, in Orlando, Fla. <http://www.ihl.org/IHL/Programs/ConferencesAndSeminars/22ndAnnualNationalForumOnQualityImprovementInHealthCare.htm>
- Military Medicine's Next Gen in Training, Treatment, and Technology will be held on **Dec. 6 - 8, 2010**, in San Antonio, Texas. [www.BattlefieldHealthCare.com](http://www.BattlefieldHealthCare.com)
- The World Influenza Congress will be held **Dec. 7-9, 2010**, in Amsterdam. <http://www.terrapinn.com/2010/flu/conf.stm>
- The 2011 Military Health System (MHS) Conference will be held on **Jan. 24 - 27, 2011** in Washington D.C. [www.health.mil](http://www.health.mil)
- The International Meeting on Emerging Diseases and Surveillance will be held on **Feb. 4-7, 2011**, in Vienna Austria. <http://imed.isid.org/>
- The Armed Forces Public Health Conference will be held on **March 21-25, 2011**, in Hampton Va. <http://phc.amedd.army.mil/thpc/>
- The World Health Care Congress 8th Annual Health IT/ Interoperability Summit will be held on **April 4-6, 2011**, in Washington D.C. <http://www.worldcongress.com/events/HR11000/>

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@theconex@fedhealthinst.org](mailto:kate@theconex@fedhealthinst.org). To subscribe, please visit <http://fedhealthinst.org/subscriber.cfm>. To unsubscribe, please send an email to [newsletter@fedhealthinst.org](mailto:newsletter@fedhealthinst.org) with

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