FEDERAL HEALTH UPDATE

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

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Executive and Congressional News

- **On March 2, 2011, President Obama signed into law: H.J. Res. 44, which provides FY 2011 appropriations through March 18, 2011, for continuing projects and activities of the federal government.**

- **On March 2, 2011, Senator Daniel K. Akaka announced that he would not seek re-election in 2012.**

  Akaka, a four-term Democrat from Hawaii, will finish the remaining two years of his current term and then return to Hawaii to spend more time with his family, mentor other politicians and begin work on documenting his career of more than 30 years in politics..

  Akaka's career spans nearly 22 years in the Senate and more than 13 years in the House of Representatives. He currently serves as chairman of the Senate Veteran Affairs Committees and serves on the Homeland Security and Governmental Affairs; Indian Affairs; Banking, Housing and Urban Affairs; and Senate Armed Services committees.

Military Health Care News

- **On Feb. 25, 2011, TRICARE Management Activity (TMA) announced its intent to award a contract to Humana Military Healthcare Services for health care support services in the TRICARE South Region.**

  As a result, a contract originally awarded in July 2009 to UnitedHealth Military & Veterans Services for the South Region will be terminated for convenience of the government.

  The decision follows a detailed evaluation of revised proposals in response to the Government Accountability Office (GAO) sustainment of a Humana protest of the award to UnitedHealth.

  The total potential contract value including an approximate 10-month transition period and five one-year option periods for health care delivery, plus a transition-out period, is $23.5 billion.

  Transition to new United States regional contracts, known as "T-3," has been on hold in the South Region due to the protest. In keeping with GAO recommendations on Humana's protest of the South Region award to UnitedHealth, TMA requested proposal updates related to network discounts that offerors were willing to guarantee. The new information, carefully considered by the TMA procurement team, resulted in a different "best value" selection.

  A decision regarding an agency-level protest on the West Region award to the current contractor, TriWest Healthcare Alliance Corp., is still pending. The existing TRICARE contracts will remain in place in the South and West regions until transition to T-3 is complete to ensure continuous care and services to all beneficiaries.

  TMA administers the health care plan for more than 9.6 million members of the uniformed services, retirees and their families worldwide. Regional health care support contractors provide health, medical and administrative support services. The T-3 contracts will ensure delivery of the best possible overall health care at the best value, improving clinical quality and disease management while incentivizing cost efficiencies and excellent performance by the contractors.

  Humana is the current contractor.

  For additional information and updates on the T-3 contracts go to www.tricare.mil/t3contracts

- **The Department of Defense (DoD) will survey employers nationwide in March and April to gain insight into the benefits and challenges of employing members of the Guard and Reserve.**

  The DoD National Survey of Employers is the department's largest study of its kind since the United States entered sustained military operations nearly 10 years ago in the aftermath of Sept. 11, 2001. DoD's goal is to identify best practices in supporting employers of Guard and Reserve members and evaluate the effectiveness of DoD employer support programs.

  Employer Support of the Guard and Reserve, a DoD agency, will send the survey to 80,000 employers this week. The employers who have all been randomly selected will receive a letter with instructions and have eight weeks to complete the survey.

  More information on the survey can be found at http://www.esgr.org/employersurvey.

- **TriWest Healthcare Alliance has a new disease management program for clinically diagnosed anxiety, which now joins the array of wellness and disease management programs offered to eligible TRICARE beneficiaries.**

  Anxiety is a normal reaction to stress and, in general, can help one cope. But when anxiety becomes an excessive, irrational dread of everyday situations, it develops into a disabling disorder. Anxiety disorders last at least six months and can grow worse if not treated. Eligible beneficiaries suffering from this level of anxiety can receive extra help through TriWest Healthcare Alliance, which manages the TRICARE military healthcare entitlement on behalf of the Department of Defense (DoD) for 21 western states.

  Significant anxiety disorders affect about 40 million U.S. adults 18 years and older in a given year, according to the National Institute of Mental Health.

  The Anxiety Disease Management program at TriWest has a number of services to help beneficiaries cope with their disorder, including a health coach who works with one's primary care manager to tailor an action plan. The health coach will then work with the beneficiary until the plan's goals are met. As needed, the beneficiary can also access smoking cessation, exercise, medication and nutrition help from his or her TriWest health coach.

  TriWest's disease management department also offers support to beneficiaries with diabetes, asthma, lung diseases (COPD), heart failure and major

depression. The anxiety program, launched by TriWest in March, is a no-cost entitlement for those who are eligible. Eligibility is determined by TRICARE and is based on claims history. Once a beneficiary is identified as eligible to participate in the program, the DoD refers the beneficiary to TriWest. A Disease Management health coach then contacts the beneficiary and invites him or her to participate in the program.

In addition to what it offers through its disease management programs, TriWest works alongside the Military Health System to offer behavioral health resources for those in need. One such resource is the TRICARE Assistance Program (TRIAP). With this program eligible beneficiaries, including services members and their families, can access private, confidential counseling sessions 24/7 with a licensed therapist via the Internet (Skype), chat or the phone. These sessions are non-clinical and intended for general life issues, such as stress management or relationship problems. For more information, visit www.triwest.com/onlinecare.

Veterans Health Care News

- **The Secretary of Veterans Affairs appointed eight new members to VA's Advisory Committee on Minority Veterans, an expert panel that advises him on issues involving minority veterans.**

  Chartered on January 30, 1995, the committee makes recommendations for administrative and legislative changes. The committee members are appointed to one, two, or three-year terms.

  Below is a list the members for the VA Advisory Committee on Minority Veterans:

  - Clara L. Adams-Ender, Brigadier General (Retired), USA, is president and chief executive officer of Caring about People with Enthusiasm (CAPE) Associates, Inc., a management consulting and inspirational speaking firm.
  - Allie Braswell Jr., USMC, serves as president and CEO of the Central Florida Urban League, and has held the position of senior manager of global strategies for diversity and inclusion at Walt Disney Parks and Resorts.
  - Amanda Heidenreiter, Captain (Ret.), USA, was deployed with 1st Brigade, 82nd Airborne Division out of Fort Bragg, N.C. She currently works a networking assistant in Paws for Purple Hearts.
  - Oscar B. Hilman, Brigadier General (Ret.), USA, served as commander of the 81st Brigade Combat Team in support of Iraqi Freedom II (2004-2005), where his brigade received two combat streamers.
  - Pedro Molina, USA, is the first in the nation assistant secretary for Native American Veterans in the California Department of Veterans Affairs. He was appointed by California Gov. Arnold Schwarzenegger.
  - Wayne Nickens, M.D., is founder and chief overseer of the Healing Community, consultant to Native Hawaiian Veterans, LLC in Hawaii, National Alaskan American Indian Nurses Association, the Comanche Nation, and the Cherokee elders.
  - Celia Renteria Szelwach, DBA, USA, provides project management and technical leadership of public health projects focused on rural, women, and minority Veterans as program manager for Atlas Research.
  - Joseph Wynn, USAF, executive director of the National Association for Black Veterans (NABVETS) National Capital Area, serves as their Legislative Liaison on Capitol Hill.

  There are approximately 4.1 million minority veterans in the United States, District of Columbia, Puerto Rico and territories. They comprise approximately nearly 15 percent of the total veteran population today.

- **The Department of Veterans (VA) is expanding support nationally to caregivers of veterans with Alzheimer's disease.**

  A pilot program of the REACH VA (Resources for Enhancing Alzheimer's Caregiver Health in VA) program showed great success in reducing stress on caregivers while improving care outcomes for the veterans.

  The REACH VA program provides the right resources, training and a renewed focus on personal health that can make a world of difference to those caregivers and their veterans. It involved 127 caregivers connected to 24 VA medical centers. The median age for the caregiver was 72 and the majority of the participants were spouses.

  Typical issues caregivers face when caring for veterans with Alzheimer's disease and dementia include memory problems, behavior problems and the need to provide basic attendance such as grooming assistance. Caregivers typically reported feeling overwhelmed, frustrated, cut off from family and friends, lonely, prone to bouts of crying and having worse physical health than the year before.

  For six months, the REACH VA caregivers were provided 12 individual in-home and telephone counseling sessions; five telephone support group sessions; a caregiver quick guide with 48 behavioral and stress topics; education on safety and patient behavior management; and training for their individual health and well being.

  Caregivers saw their burden reduced; drops in depressive symptoms and their related daily impacts; fewer frustrations, including those that have clinical potential for abuse; and decreases in dementia-related behaviors from the veterans they cared for. Caregivers also reported they were able to spend fewer hours per day devoted to care-giving duties.

  Dr. Linda Nichols, from the VA medical center in Memphis, Tenn., and co-author of a recent study on the program said the intervention provided time for caregivers and improved our caregivers' knowledge to manage care, made them feel more confident and competent as they formed bonds with the VA staff supporting them. It also decreased the inevitable feelings of isolation and loneliness that come from a selfless, but very sacrificial duty of care.

  VA will roll out REACH VA on a national basis through home-based primary care programs across the country. In addition, the program will be modified to assist caregivers of veterans with other diagnoses like spinal cord injury and traumatic brain injury.

  REACH VA is the first national clinical implementation of a proven behavioral intervention for stressed and burdened dementia caregivers.

  Local caregiver support coordinators are available to assist Veterans of all eras and their caregivers in understanding and applying for VA's many caregiver benefits. VA also features a website, www.caregiver.va.gov, with general information on REACH VA and other caregiver support programs available through VA and the community.

Health Care News

- **There has been a dramatic decline in bloodstream infections in intensive care unit patients with central lines, according to the Centers for Disease Control and Prevention (CDC).**

  From 2001 to 2009, the number of bloodstream infections in intensive care unit (ICU) patients with central lines fell by 58 percent, representing up to 27,000 lives saved and $1.8 billion in excess health care costs.

  However, the report also showed that an estimated 60,000 bloodstream infections in patients with central lines occurred in non-ICU settings, including kidney dialysis clinics (about 37,000 in 2008) and hospital wards (about 23,000 in 2009).

  A bloodstream infection can occur when germs enter the blood through a central line, which is a tube placed in a large vein of a patient's neck or chest. The cause of these infections is often a lack of proper procedures in the placement or maintenance of the central line.

  Bloodstream infections in patients with central lines are fatal in as many as 25 percent of cases, the report noted.

  The large decrease in bloodstream infections in ICU patients with central lines shows that preventing these infections is possible and that the same preventive practices must be adopted in other health care settings.

- **The National Institutes of Health (NIH) announced the creation of the first NIH mHealth, or mobile health, Summer Institute.**

Scheduled for the summer of 2011, the week-long workshop will bring together leaders in mobile health technologies, behavioral science researchers, federal health officials and members of the medical community to provide early career investigators with an opportunity to learn about mHealth research. The Office of Behavioral and Social Sciences Research (OBSSR), part of NIH, partnered with Qualcomm, a developer of wireless technologies, to cosponsor the course.

Mobile technologies have the potential to transform medical research and enable health care providers to more rapidly and accurately assess biological processes, behavior, attitudes, and the environment. These technologies also allow providers to help patients improve their health in real time-enabling them to personalize health care options and monitor progress.

Through the use of mobile applications and technology, mHealth solutions hold the promise of reducing costs and errors, removing geographical and economic disparities and personalizing health care. These technologies have helped to bring about a convergence of science, medicine, engineering and communications technologies to improve the quality and provision of health care, while striving to reduce costs and inefficiencies.

Wireless technologies allow patients with chronic diseases to monitor and manage their illnesses on a consistent basis. Remote monitoring allows health care providers to manage their patients' medications, potentially reducing the frequency of hospital visits, and improving patient care. Medical device software that operate on smart phones such as diagnostic radiology applications, ultrasound imaging displays, patient vital signs data, live cardiac rhythm information and other waveform data, are increasingly being relied upon by physicians. In developing countries, mobile technology provides doctors who collaborate long-distance with community health workers the ability to accurately and efficiently diagnosis patients in rural villages without leaving the clinic.

NIH's mHealth Summer Institute will provide an overview of the engineering, behavioral science and clinical aspects of wireless research and will facilitate interaction between participants and experts from across the mHealth spectrum. The institute will cover the current state of the science in mobile technology and engineering, behavior change theory and clinical applications, and will highlight the intersection of these areas for health-related research. Interdisciplinary teams of participants will develop potential mHealth research projects.

To register, please visit: http://obssr.od.nih.gov/training_and_education/mhealth/index.aspx.

- **Health and Human Services Secretary Kathleen Sebelius released a new report showing that the Early Retiree Reinsurance Program (ERRP) created by the Affordable Care Act is reducing health care costs for early retirees.**

  As of Dec.31, 2010, more than 5,000 employers had been accepted into ERRP, more than $535 million in health benefit costs have been reimbursed through the program, and those payments have helped benefit more than 4.5 million Americans.

  This funding provides financial assistance for health plan sponsors – including state and local governments, for-profit companies, schools and other educational institutions, unions, religious organizations and other non-profits – to help early retirees and their families maintain access to quality, affordable health coverage. The largest share of 2010 reimbursements went to governments, including state and local governments, school districts and other local agencies.

  A list of approved plan sponsors, updated on January 27, 2011, is available online at www.HealthCare.gov/law/provisions/retirement.

  ERRP reimburses participating plan sponsors for a portion of health coverage costs for early retirees and their spouses, surviving spouses, and dependents. In 2010, ERRP-issued reimbursements helped pay the high costs of care for nearly 61,000 people. Sponsors receiving the largest ERRP reimbursements – totaling approximately 58 percent of the funding disbursed in 2010 – reported that program payments will benefit, either directly or indirectly, more than 4.5 million retirees, spouses, dependents, and active workers.

  The program allows plan sponsors to either reduce costs of health care for plan participants or the costs to the plan sponsor to help them keep their coverage. For example, approximately 80 percent of plans that received reimbursements are using some or all of those dollars to lower the cost of health care for plan participants. The reimbursements helping to lower plan participant costs account for 97 percent of funds disbursed in 2010.

  To read the report, visit www.HealthCare.gov/center/reports/retirement03022011a.pdf.

- **The U.S. Department of Health and Human Services (HHS) awarded two contracts to help make vaccine available more quickly for seasonal flu outbreaks and pandemics.**

  The contracts for advanced development of new types of vaccine and new ways to make flu vaccine known as next-generation recombinant influenza vaccine total $215 million.

  HHS awarded one contract to Novavax, Inc., of Rockville, Md., for $97 million over the first three years, which can be extended for an additional two years, for a total contract value of $179.1 million. HHS awarded a separate contract to VaxInnate, Inc. of Cranbury, N.J., for $117.9 million over the first three years, which can be extended for two additional years, for a total contract value of $196.6 million.

  Under its contract, Novavax is to develop new technology to produce vaccines using insect cells to express influenza proteins and create virus-like particles that stimulate a strong immune response in humans.

  VaxInnate is developing a recombinant influenza vaccine technology based on combining influenza and bacteria proteins to stimulate strong immune response to protect against the flu.

  Through these contracts, both companies will conduct clinical safety and efficacy studies and optimize and validate their manufacturing processes, which are needed to obtain licensing from FDA in order to use the new technologies in manufacturing flu vaccine in the United States.

  The contracts are part of a national pandemic vaccine preparedness strategy, which includes the advanced development of new types influenza vaccines as well as expanding and diversifying domestic influenza vaccine production, and establishing and testing stockpiles of pre-pandemic vaccine. In addition, the recombinant flu vaccine may enhance pandemic vaccine manufacturing surge capacity in the United States.

Reserve/Guard

- As of March 1, 2011, the total number of Guard and Reserve currently on active duty has **decreased** by 215 to 89,044. The totals for each service are Army National Guard and Army Reserve 67,724; Navy Reserve, 5,931; Air National Guard and Air Force Reserve, 9,757; Marine Corps Reserve, 4,865, and the Coast Guard Reserve, 767. www.defenselink.mil

Reports/Policies

- **The GAO published *"Medicare: Private Sector Initiatives to Bundle Hospital and Physician Payments for an Episode of Care,"* (GAO-11-126R) on March 2, 2011.** This report examined types of services for which private payers have bundled payments for an episode of care; how private payers administer bundled payments; and the views of national payers, physician specialty societies, and experts on the feasibility of more extensive use of bundled payments in Medicare. http://www.gao.gov/new.items/d11126r.pdf

- **The GAO published *"***
- ***Medicare: Program Remains at High Risk Because of Continuing Management Challenges,"* (GAO-11-430T) on March 2, 2011.** This report focuses on the nature of the risk in the program, progress made, and specific actions needed. It is based on GAO work developed by using a variety of methodologies--including analyses of Medicare claims, review of policies, interviews, and site visits--and information from CMS on the status of actions to address GAO recommendations. http://www.gao.gov/new.items/d11430t.pdf

- **The GAO published *"Defense Health: Management Weaknesses at Defense Centers of Excellence for Psychological Health and Traumatic Brain***

***Injury Require Attention,"* (GAO-11-219) on Feb. 28, 2011.** In this report, GAO examined the challenges Defense Centers of Excellence for Psychological Health and Traumatic Brain Injury (DCOE) has faced in its development the extent to which DCOE's strategic plan aligns with key practices used by leading public-sector organizations; and the extent to which internal controls provide reasonable assurance that DCOE information on financial obligations is reliable for management decision making. http://www.gao.gov/new.items/d11219.pdf

Legislation

- **H.R.831** (introduced Feb. 28, 2011): To amend title XVIII of the Social Security Act to provide for treatment of clinical psychologists as physicians for purposes of furnishing clinical psychologist services under the Medicare Program was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means.
  Sponsor: Representative Janice D. Schakowsky [IL-9].
- **H.R.832** (introduced Feb. 28, 2011): The *Gulf Coast Health Monitoring and Research Program Act of 2011* was referred to the House Committee on Energy and Commerce
  Sponsor: Representative Lois Capps [CA-23] (introduced 2/28/2011)
- **H.R.835** (introduced Feb. 28, 2011): The *Puppy Uniform Protection and Safety Act* was referred to the House Committee on Agriculture
  Sponsor: Representative Jim Gerlach [PA-6]
- **H.R.837** (introduced Feb. 28, 2011): Meeting the *Inpatient Health Care Needs of Far South Texas Veterans Act of 2011* was referred to the House Committee on Veterans' Affairs
  Sponsor: Representative Ruben Hinojosa [TX-15]
- **H.R.857** (introduced March 1, 2011): The *Native Hawaiian Medicaid Coverage Act of 2011* was referred to the House Committee on Energy and Commerce
  Sponsor: Representative Mazie K. Hirono [HI-2]
- **H.R.859** (introduced March 1, 2011): The *Shingles Prevention Act* was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means
  Sponsor: Representative Mazie K. Hirono [HI-2]
- **H.R.866** (introduced March 1, 2011): The *National All Schedules Prescription Electronic Reporting Reauthorization Act of 2011* was referred to the House Committee on Energy and Commerce
  Sponsor: Representative Ed Whitfield [KY-1]
- **H.R.880** (introduced March 2, 2011): To amend the Internal Revenue Code of 1986 to make permanent the deduction for health insurance costs in computing self-employment taxes was referred to the House Committee on Ways and Means.
  Sponsor: Representative Wally Herger [CA-2]
- **S.425** (introduced March 1, 2011): National Neurological Diseases Surveillance System Act of 2011 was referred to the Committee on Health, Education, Labor, and Pensions.
  Sponsor: Senator Mark Udall [CO]
- **S.438** (introduced March 2, 2011): A bill to amend the Public Health Service Act to improve women's health by prevention, diagnosis, and treatment of heart disease, stroke, and other cardiovascular diseases in women was referred to the Committee on Health, Education, Labor, and Pensions.
  Sponsor: Senator Debbie Stabenow [MI]
- **S.458** (introduced March 2, 2011): A bill to amend the Federal Food, Drug, and Cosmetic Act to establish and enforce a maximum somatic cell count requirement for fluid milk was referred to the Committee on Health, Education, Labor, and Pensions.
  Sponsor: Senator Kirsten E. Gillibrand [NY]

Hill Hearings

- The Senate Armed Services Committee will hold a hearing on **March 8, 2011**, to examine the Department of the Navy in review of the Defense Authorization request for fiscal year 2012.
- The House and Senate Veterans Affairs Committees will hold a joint hearing on **March 8, 2011,** to hear the legislative presentation from the Veterans of Foreign Wars of the United States.
- The House and Senate Veterans Affairs Committees will hold a joint hearing on **March 16, 2011,** to hear the legislative presentation from AMVETS, Jewish War Veterans, Military Officers Association of America, Gold Star Wives, Blinded Veterans Association, Non Commissioned Officers Association, Iraq and Afghanistan Veterans of America, Fleet Reserve Association.
- The House and Senate Veterans Affairs Committees will hold a joint hearing on **March 30, 2011,** to hear the legislative presentation from Paralyzed Veterans of America, Air Force Sergeants Association, Military Order of the Purple Heart, National Association of State Directors of Veterans Affairs, Wounded Warrior Project, Vietnam Veterans of America, The Retired Enlisted Association, American Ex-Prisoners of War.

Meetings / Conferences

- AHIP's 2011 National Policy Forum will be held on **March 8-9, 2011**, in Washington D.C. http://www.ahip.org/
- The 3rd annual DoD/VA Suicide Prevention Conference will be **March 14-17, 2011**, in Boston, Mass. http://www.dcoe.health.mil/training/upcomingconferences.aspx.
- The 28th Annual Behavioral Risk Factor Surveillance System (BRFSS) Conference will be held **March 19-23, 2011**, in Atlanta, Georgia. http://www.cdc.gov/brfss/about.htm
- The Armed Forces Public Health Conference will be held on **March 18-25, 2011**, in Hampton Va. https://usaphcapps.amedd.army.mil/afphc/
- The Armed Forces Public Health Conference will be held on **March 21-25, 2011**, in Hampton Va. http://phc.amedd.army.mil/fhpc/
- The 15th Battlefield Healthcare Series: *VA/DoD Continuum of Care* will be held on **March 21-23, 2011,** in Washington D.C. http://www.battlefieldhealthcare.com/Event.aspx?id=428934
- The 2011 National Immunization Conference (NIC) will be held **March 28-31, 2011**, in Washington, DC. http://www.cdc.gov/vaccines/events/nic
- The mHealth Networking Conference will be held **March 30-31, 2011**, in Chicago, Ill. www.mobih.org
- The Military Health Management 2011 Conference will be held on **April 1, 2011**. www.MilitaryHealthManagement.com
- 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/
- The World Vaccine Congress will be held on **April 11-14, 2011**, in Washington, DC. http://www.terrapinn.com/conference/world-vaccine-congress-washington/
- ISID-Neglected Tropical Diseases Meeting (ISID-NTD) will be held on **July 8-10, 2011**, in Boston, Mass. http://ntd.isid.org/
- National Veterans Small Business Conference and Exposition will be held on **August 15-18, 2011**, in New Orleans.
- CFHA's 13th Annual Conference: Accelerating Adoption of Collaborative Care: Reaching the Tipping Point will be held on **Oct. 27-29, 2011**, in Philadelphia, Pa. http://www.cfha.net//pages/Conference/
- The 15th International Congress on Infectious Diseases (ICID) will be held on **June 13-16, 2012**, in Bangkok, Thailand. http://www.isid.org/15th_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 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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5185 MacArthur Blvd. NW, Suite 103-656, Washington, DC 20016
(202)271-5814 postmaster@fedhealthinst.org