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FEDERAL HEALTH UPDATE

Jun 23, 2011

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

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Executive and Congressional News

- On June 21, the Senate confirmed Leon Panetta to be the next Secretary of Defense.
- On June 16, 2011, the Senate Armed Services Committee approved its version of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2012. The bill authorizes \$682.5 billion for national defense programs. Some of the health-related highlights include:

 - No prohibition of pharmacy copayment changes.
 No prohibition of TRICARE Prime enrollment fee increases in fiscal year 2012, but limits annual increases in the fee to the amount equal to the percentage increase in retired pay beginning on Oct. 1, 2012.
 Requires that individuals newly enrolled in the Uniformed Services Family Health Plan after Sept. 30, 2011, transition to TRICARE for Life once they
 - become Medicare-eligible due to age.
- On June 22, 2011, President Obama nominated Meg Bartley to be a judge, United States Court of Appeals for Veterans Claims.

Bartley is currently senior staff attorney at the National Veterans Legal Services Program (NVLSP) and also director of Outreach and Education for the Veterans Consortium Pro Bono Program, where she has served since 2005. Additionally, Bartley is the editor of The Veterans Advocate, where she previously worked as assistant editor and contributing writer. Bartley has represented veterans and their dependents and survivors before the United States Court of Appeals for Veterans Claims (CAVC) and the Board of Veterans' Appeals since 1995. Following law school, Bartley served as a judicial law clerk for the Honorable Jonathan R. Steinberg, formerly of the CAVC.

Bartley holds a B.A. from Pennsylvania State University and a J.D. from American University Washington College of Law.

Military Health Care News

. On June 21, UnitedHealth Group Inc. filed a lawsuit against the Department of Defense over its decision to award the TRICARE South Region contract to Humana Military Healthcare Services.

The lawsuit, filed with the U.S. Court of Federal Claims, follows a ruling last week by the Government Accountability Office denying a formal protest by UnitedHealth of the Department of Defense's decision.

The TRICARE South Region contract involves providing health coverage for about 3 million active duty and retired military members and their families in several Southern states

The contract starts in 2012 and was initially awarded to UnitedHealth two years ago, but Humana successfully protested that decision. UnitedHealth fired back with its own protest, but it was rejected, so it turned to the courts.

Walgreens announced that contract renewal negotiations with pharmacy benefit manager Express Scripts, Inc. have been unsuccessful, and as a
result the company is planning not to be part of Express Scripts' pharmacy provider network as of Jan. 1, 2012.

Beginning next year, Express Scripts' network would no longer include Walgreens 7,700 pharmacies nationwide, including Walgreens more than 250 Duane Reade pharmacies in the New York City area.

Walgreens today operates the largest retail pharmacy network in the country, serving more than 40 million customers each week, with pharmacies within three miles of nearly two-thirds of all Americans, the most 24-hour and drive-thru pharmacies and a fully integrated online pharmacy to offer patients unmatched access to pharmacy care.

• The Agency for Toxic Substances & Disease Registry (ATSDR) begins this week a health survey regarding diseases that may be associated with chemical exposures related to water at Marine Corps Base Camp Lejeune in North Carolina.

The survey is to go to more than 300,000 people who lived or worked at Camp Lejeune or Camp Pendleton in California before 1986. Camp Pendleton was chosen for comparison purposes

The survey will ask people about where they lived and worked at the bases and about their health histories. Everyone who receives the survey will have detailed instructions on how to fill it out

The ATSDR action responds to a congressional mandate that called for ATSDR to develop a health survey that may lead to scientifically useful health information associated with a person's potential exposure to contaminated water at Camp Lejeune. To gather the most useful and comprehensive health information and provide context for the results, ATSDR is also asking former residents of Camp Pendleton to complete the survey.

The ATSDR Health Survey of Marine Corps Personnel and Civilians is the largest health survey ATSDR has ever conducted.

Eligible participants from Camp Lejeune include selected military personnel, civilians, and family members who were there before 1986. Surveys will also be mailed to those registered with the Marine Corps by June 15, 2011. Also included are former active duty Marines and sailors and civilian employees who lived or worked at Camp Pendleton before 1986. The survey and instructions for completing and returning it will be mailed to eligible participants during the summer and fall. A Web-based version will be available for those who prefer to answer online

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ATSDR expects to release findings in early 2014. Each survey participant will receive a summary of the final report. The survey findings also will be published in a peer-reviewed scientific journal and on the Internet. The data released will be in summary format only and will not identify any individuals.

• The Department of Defense has created a new <u>DoD Laboratory Network</u> to coordinate existing programs on the assessment of and response to the use of weapons of mass destruction.

The new network is intended to provide timely, high-quality, actionable results for early detection, confirmation, response, and effective consequence management of acts of terrorism or warfare involving CBRN [chemical, biological, radiological, and nuclear] agents; infectious disease outbreaks; and other all-hazards agent events requiring a DoD integrated incident response.

 The Naval Medical Logistics Command (NMLC) awarded a contract to Philips Healthcare for two mobile MRI systems to help diagnose and treat soldiers with traumatic brain injuries in Afghanistan.

The Navy has been working with the Army and Air Force to develop unprecedented MRI capabilities to help the deployed forces. The procurement of the MRI systems has been a joint initiative between NMLC's partners that includes the Bureau of Medicine and Surgery, Army Medical Material Agency, Chief of Mobility Command, the VA, and the Army's Rapid Equipping Force.

MRI systems going to Afghanistan have to be self-contained and must be designed to account for the unique and challenging working environments that will be encountered in combat theater. These factors can include vast temperature differences, fine blowing sand and power issues. In addition, the MRIs need to meet size and weight requirements to be capable of being airlifted into war zones.

NMLC provides logistics expertise, health care services strategies, medical equipment and logistics for Navy Medicine and designs and administers individualized state-of-the-art solutions to meet healthcare needs.

• Beginning in July, TRICARE Management Activity (TMA) and Express Scripts, Inc. (ESI) will mail out home delivery education "alert" letters to beneficiaries who get two or more maintenance prescriptions from a retail pharmacy to promote pharmacy home delivery.

The alerts focus on the convenience and lower cost of home delivery versus retail pharmacies, and include information on how to switch prescriptions over. They also seek to alleviate possible concerns about home delivery by highlighting safety measures and 24/7 access to a pharmacist.

The alerts are targeted to TRICARE beneficiaries who purchase two or more maintenance medications for chronic conditions at a retail pharmacy. These beneficiaries stand to benefit most from switching over to home delivery.

Switching from retail pharmacy to home delivery spares beneficiaries the inconvenience of picking their prescriptions up from the pharmacy and saves them 66 percent per prescription. Home delivery is also cheaper for TRICARE. Beneficiaries switching from retail to home delivery saved the Department of Defense \$30 million in 2010.

TRICARE and ESI are engaged in an aggressive campaign to promote home delivery with great success. Growth in retail pharmacy prescriptions covered by TRICARE is only 3.4 percent in 2011, down from the historical average of 5.2 percent. Home delivery prescriptions have grown 9.8 percent in 2011, almost double the historical 5.8 percent rate.

For more information about home delivery, visit www.tricare.mil/homedelivery

Veterans Health Care News

• The Department of Veterans Affairs (VA) Greater Los Angeles Healthcare System (GLA) posted its master plan for the West Los Angeles (WLA) campus, which includes plans to expand the homeless program by renovating buildings on the historic campus.

The WLA master plan, introduced for public comment in January 2011, outlines potential modernization projects that provide direct benefit for veterans through VA programs and services on the WLA campus. The plan calls for an expansion of GLA's homeless program through the renovation of Buildings 205, 208, and 209. This renovation will create additional opportunities for long-term therapeutic and supportive homeless programs at the WLA campus focusing on the most chronically homeless disabled Veterans.

Other projects under consideration as funds become available include: constructing a new inpatient tower (clinical expansion), centralizing research activities and locating them adjacent to the clinical area, expanding the Los Angeles National Cemetery onto the WLA campus and collocating the VA regional office onto WLA grounds, offering veterans comprehensive services in one location.

Under the plan, as each existing land use agreement expires, renewal will be determined based upon the priorities and guiding principles established in the master plan. This plan ensures that all future proposed land use will be evaluated based on three critical priorities: direct benefit to veterans, fulfillment of VA's mission, and compatibility with the community.

To view the Final Notice, please visit: www.federalregister.gov/learn/public-inspection-desk.

• Retired Army Col. Mike Prendergast has been approved to be Florida's new executive director of the Department of Veterans Affairs.

Prendergast has served in various leadership roles for the U.S. Army, including military police officer, foreign area officer and legislative liaison officer. Florida Gov. Rick Scott had appointed him chief of staff earlier this year.

 Combat veterans with post-traumatic stress disorder are more likely than veterans without PTSD to have dementia, cardiac problems and structural changes in the brain as they get older, according to new research.

The findings, which resulted from research at the San Francisco Veterans Affairs Medical Center, raise concerns about the overall health of aging veterans, but hold promise for the potential of helping to treat these diseases.

Of the 2 million Americans who have served in the current wars in Iraq and Afghanistan, at least 400,000 or as much as 20 percent, have developed or are at risk of developing PTSD, a psychological condition caused by exposure to severe trauma.

Some 23 million veterans, like many people, will later face more common illnesses, such as cancer, heart disease and Alzheimer's, as a function of aging. But a growing body of work shows these diseases may be exacerbated by traumatic stress, the researchers found.

For example, veterans with PTSD are two to three times more likely to develop heart disease than those who do not have the disorder.

Researchers have found that a section of the hippocampus — the part of the brain that is devoted to short-term memory and learning new things — is significantly smaller in veterans with PTSD. Researchers are trying to determine if this smaller section can grow over time with therapy and treatment for stress

Researchers also found that older veterans with PTSD are almost twice as likely as veterans without such trauma to develop dementia.

Health Care News

• The U.S. Food and Drug Administration unveiled a new strategy to meet the challenges posed by rapidly rising imports of FDA-regulated products and a complex global supply chain in a report called the "Pathway to Global Product Safety and Quality."

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The FDA report calls for the agency to transform the way it conducts business and to act globally in order to promote and protect the health of U.S. consumers. Highlights of the report include four key elements needed to make the change:

- 1. The FDA will partner with its counterparts worldwide to create global coalitions of regulators focused on ensuring and improving global product safety and quality
- The coalitions of regulators will develop international data information systems and networks and increase the regular and proactive sharing of data and regulatory resources across world markets.
- The FDA will build in additional information gathering and analysis capabilities with an increased focus on risk analytics and information technology
- The FDA increasingly will leverage the efforts of public and private third parties and industry and allocate FDA resources based on risk

The FDA is also broadening its food safety efforts under the FDA Food Safety Modernization Act (FSMA). This new law creates a new foods safety system, in which FDA has a legislative mandate to require comprehensive preventive controls across the food supply chain and has new tools to hold players in the supply chain responsible. There are also new inspection mandates, including a mandate leading to the inspection of more than 19,000 foreign food facilities in the year 2016. Under this law, FDA also will establish a program for qualified third parties to certify that foreign food facilities are in compliance with U.S. requirements and can require certification as a condition of entry into the United States.

For more information, visit: Pathway to Global Product Safety and Quality.

• Vaccination against rotavirus, a major cause of severe acute gastroenteritis in children, dramatically decreased hospitalization rates for the infection among infants in three U.S. counties, according to a new study published in Clinical Infectious Diseases.

From 2006 to 2009, researchers examined the impact of the vaccine among children hospitalized for diarrhea and/or vomiting in the Cincinnati, Ohio; Nashville, Tenn.; and Rochester, N.Y., areas. In 2008, rotavirus hospitalizations among vaccine-eligible children decreased 87 to 96 percent.

Routine rotavirus vaccination of U.S. infants began in 2006, and children between the ages of 6 months and 24 months are eligible for the vaccine. During the pre-rotavirus vaccine era, rotavirus gastroenteritis was responsible for 4 to 5 percent of all U.S. pediatric hospitalizations and accounted for about 50 percent of acute gastroenteritis hospitalizations during the winter months.

According to study author Daniel C. Payne, MSPH, PhD, of the Centers for Disease Control and Prevention in Atlanta, "Our data confirm that the introduction of rotavirus vaccination among U.S. children has dramatically decreased rotavirus hospitalization rates. The reductions observed in 2008 far exceeded what was expected on the basis of vaccine coverage and effectiveness."

Even children who were too old to have been immunized with rotavirus vaccine appeared to benefit. The hospitalization rate decreased 92 percent among these older, unvaccinated children and is believed to have been due to the indirect protective benefits conferred by reduced rotavirus transmission from younger, vaccinated children in the household and community.

• The U.S. Department of Health and Human Services (HHS) announced that up to \$500 million in Partnership for Patients funding will be available to help hospitals, health care provider organizations and others improve care and stop millions of preventable injuries and complications related to health care acquired conditions and unnecessary readmissions.

The funding will be awarded by the Centers for Medicare & Medicaid Services (CMS) Innovation Center through a solicitation and other procurements for

The Partnership for Patients is a new public-private partnership that will help improve the quality, safety and affordability of health care for all Americans. The Partnership's two goals are: reducing harm in hospital settings by 40 percent and reducing hospital readmissions by 20 percent over a three-year period. To achieve these goals, the Partnership is seeking to contract with large health care systems, associations, state organizations or other interested parties to support hospitals in the hard work of redesigning care processes to reduce harm. "Hospital Engagement Contractors" will be asked to conduct the following:

- o Design intensive programs to teach and support hospitals in making care safer;
- Conduct training for hospitals and care providers;
 Provide technical assistance for hospitals and care providers; and
- o Establish and implement a system to track and monitor hospital progress in meeting quality improvement goals.

In addition to the Hospital Engagement Contractors, CMS will also be working with other contractors to develop and share ideas and practices that improve patient safety. These efforts include work with patients and families to understand their thoughts on how to best improve patient safety and transitions between different health care settings — such as when a patient is discharged from a hospital to a nursing home.

Solicitations for proposals are available on the Federal Business Opportunities website at: www.fbo.gov.

• The U.S. Food and Drug Administration (FDA) unveiled the nine graphic health warnings required to appear on every pack of cigarettes sold in the United States and in every cigarette advertisement by September 2012.

This measure is designed to help prevent children from smoking, encourage adults who do to guit and ensure every American understands the dangers of

The warnings represent the most significant changes to cigarette labels in more than 25 years and will affect everything from packaging to advertisements and are required to be placed on all cigarette packs, cartons and ads no later than September 2012.

Tobacco use is the leading cause of premature and preventable death in the United States, responsible for 443,000 deaths each year, according to the Centers for Disease Control and Prevention, and costs the economy nearly \$200 billion every year in medical costs and lost productivity.

These warnings, which were proposed in November 2010, were required under the Family Smoking Prevention and Tobacco Control Act which was passed with broad bipartisan support in Congress and signed into law by president Obama on June 22, 2009.

Each warning is accompanied by a smoking cessation phone number, 1-800-QUIT-NOW, which will allow it to be seen at the time it is most relevant to smokers, increasing the likelihood that smokers who want to quit will be successful.

For more information on graphic warning labels and hi-resolution images visit www.fda.gov/cigarettewarnings

. New videos to help people make lifestyle changes and cope with the demands of diabetes were announced by National Diabetes Education Program (NDEP).

The series of three- to five-minute videos, which can be found at www.YourDiabetesInfo.org/HealthSense address topics such as setting goals to improve health, living with diabetes, finding needed support, as well as segments on diabetes prevention and physical activity.

The video series is the latest addition to NDEP's offerings in lifestyle change. The videos are being released to coincide with the redesign of NDEP's online library of behavior change resources, Diabetes HealthSense. Diabetes HealthSense provides users with a searchable database of research, tools and programs to address the wide array of psychosocial and lifestyle-change challenges associated with diabetes self-management.

. Despite lingering privacy concerns, the U.S. Office of Personnel Management (OPM) is planning o build a massive centralized database containing detailed health care claims information on millions of federal employees and their families

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On June 22, 2011, OPM released two formal notices in the <u>Federal Register</u> detailing plans for the new Health Claims Data Warehouse. One of the notices describes how the OPM will use the database; the other describes how the OPM Inspector General's office will use it.

According to OPM, the data warehouse is designed to help the agency better manage federal health claims programs. Under the effort, the agency will collect and analyze health services data from the Federal Employees Health Benefits Program (FEHBP).

As part of its plan, OPM will establish a direct data feed with the FEHBP to continuously collect, manage and analyze health services data. The information collected includes individuals' names, addresses, Social Security Numbers and dates of birth, plus the names of their spouses and other information about dependents, as well as information about their healthcare coverage, medical conditions, procedures and diagnoses.

The OPM will use identifiable data to create 'longitudinal' long-term health records for each individual in the database. However, OPM analysts, who access the data for analyses, will only have access to de-identified records.

Work on the database begins July 15

Reserve/Guard

 As of June 14, 2011, the total number of Guard and Reserve currently on active duty has decreased by 1,151 to 94,954. The totals for each service are Army National Guard and Army 72,680; Navy Reserve, 5,257; Air National Guard and Air Force Reserve, 10,121; Marine Corps Reserve, 6,096, and the Coast Guard Reserve, 800. www.defenselink.mil

Reports/Policies

- The GAO published "Medical Devices: FDA Should Enhance Its Oversight of Recalls," (GAO-11-468) on June 22, 2011. This report identifies the numbers and characteristics of medical device recalls and FDA's use of this information to aid its oversight; and the extent to which the process ensures the effective implementation and termination of the highest-risk recalls. http://www.gao.gov/new.items/d11468.pdf
- The GAO published "Medicare Secondary Payer: Process for Situations Involving Non-Group Health Plans," (GAO-11-726T) on June 22, 2011. http://www.gao.gov/new.items/d11726t.pdf
- The GAO published "National Preparedness: DHS and HHS Can Further Strengthen Coordination for Chemical, Biological, Radiological, and Nuclear Risk Assessments," (GAO-11-606) on June 21, 2011. The GAO examined how the Departments of Homeland Security (DHS) and Health and Human Services (HHS) coordinate on the development of CBRN risk assessments and the extent to which they have institutionalized such efforts. http://www.gao.gov/new.items/d11606.pdf
- The GAO published "Nutrition Assistance: Additional Efficiencies Could Improve Services to Older Adults," (GAO-11-782T) on June 21, 2011. In this testimony, GAO shared key findings related to the prevalence of food insecurity and the receipt of nutrition services among older adults; and the extent to which nutrition assistance programs show signs of inefficiency or overlap. http://www.gao.gov/new.items/d11782t.pdf
- . The Institute of Medicine (IOM) published "For the Public's Health: Revitalizing Law and Policy to Meet New Challenges," on June 21, 2011. In this report, IOM reviewed how statutes and regulations prevent injury and disease, save lives and improve the health of the population. http://www.iom.edu/Reports/2011/For-the-Publics-Health-Revitalizing-Law-and-Policy-to-Meet-New-Challenges.aspx

Legislation

- H.R.2205 (introduced June 16, 2011): Ending Defensive Medicine and Encouraging Innovative Reforms Act of 2011 was referred to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary Sponsor: Representative Charles W Dent [PA-15]
- H.R.2219 (introduced June 16, 2011): Department of Defense Appropriations Act, 2012 was placed on the Union Calendar Sponsor: Representative C. W Bill Young [FL-10]
 H.R.2229 (introduced June 16, 2011): Student-to-School Nurse Ratio Improvement Act of 2011was referred to the Committee on Education and the Workforce, and in addition to the Committee on Energy and Commerce

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- Sponsor: Representative Carolyn McCarthy [NY-4]

 H.R.2239 (introduced June 16, 2011): Functional Gastrointestinal and Motility Disorders Research Enhancement Act of 2011 was referred to the House
- Committee on Energy and Commerce
 Sponsor: Representative F. James Sensenbrenner, Jr. [WI-5]

 H.R.2248 (introduced June 21, 2011): To amend part D of title XVIII of the Social Security Act to require the Secretary of Health and Human Services to negotiate covered part D drug prices on behalf of Medicare beneficiaries was referred to the Committee on Energy and Commerce, and in addition to the
- Committee on Ways and Means. Sponsor: Representative Peter Welch [VT]

 H.R.2267 (introduced June 21, 2011): To amend title XVIII of the Social Security Act to ensure more timely access to home health services for Medicare
- beneficiaries under the Medicare program was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce. Sponsor: Representative Greg Walden [OR-2]
- S.1221 (introduced June 16, 2011): A bill to provide grants to better understand and reduce gestational diabetes, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Jeanne Shaheen [NH].

 • S.1227 (introduced June 16, 2011): A bill to improve Arctic health was referred to the Committee on Health, Education, Labor, and Pensions.
- Sponsor: Senator Mark Begich [AK]

Hill Hearings

- The House Veterans Affairs Committee will hold a legislative hearing on June 22, 2011, to examine pending legislation.
 The Senate Veterans Affairs Committee will hold a hearing on June 29, 2011, to examine pending calendar business.

Meetings / Conferences

- ISID-Neglected Tropical Diseases Meeting (ISID-NTD) will be held on July 8-10, 2011, in Boston, Mass. http://ntd.isid.org/
- The 9th annual BioDefense Vaccines & Therapeutics Conference will be held on July 20-22, 2011, in Washington D.C. http://www.infocastinc.com/
- 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/
 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/

- The 13th annual World Vaccine Congress will be held Oct. 10-13, 2011, in Lyon, France.

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- American Medical Informatics Association (AMIA) 2011 Annual Symposium will be held on Oct. 22-26, 2011, in Washington, DC.
- https://www.amia.org/amia2011

 CFHA's 13th Annual Conference: Accelerating Adoption of Collaborative Care: Reaching the Tipping Point on Oct. 27-29, 2011, in Philadelphia, Pa.
- The American Public Health Association Annual Meeting & Exposition will be held on Oct. 29-Nov. 2, 2011, in Washington D.C.
- http://www.apha.org/meetings/

 The CDC's 2011 Symposium on Identification, Screening and Surveillance of HCV Infections in the Era of Improved Therapy for Hepatitis C will be held on Dec. 1-2, 2011, in Alanta Ga. http://www.cdc.gov/hepatitis/hcvsymposium2011/.

 17th Annual Maternal and Child Health Epidemiology Conference will be held on Dec. 14-16, 2011, in New Orleans, La. http://www.cdc.gov/

- reproductivehealth/MCHEpi/Conference/AboutConference.htm

 mHealth Summit will held on **Dec. 5-7, 2011, in** Washington, D.C. http://www.mhealthsummit.org/
 The International Conference on Emerging Infectious Diseases 2012 (ICEID) will be held on **March 11-14, 2012**, in Atlanta, Ga. http://www.cdc.gov/eid/

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

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