

# Federal Health Update

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*Welcome to Federal Health Update. This newsletter, produced by Kate Connelly Theroux in collaboration with the Institute of Federal Health Care, is a compilation of the latest news in the federal health care sector.*

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## EXECUTIVE AND CONGRESSIONAL NEWS

- **The House and Senate are in recess until May 7 and 8, 2012.**

## MILITARY HEALTH CARE NEWS

- **Effective May 1, 2012, Metropolitan Life Insurance Company, Inc. (MetLife) is the new TRICARE Dental Program (TDP) contractor, providing dental benefits for more than 2 million TRICARE beneficiaries worldwide.**

Beneficiaries purchasing TDP will see expanded dental benefits beginning May 1 and lower monthly premium rates than last year. More details about premiums costs can be found on the MetLife TDP website at <https://mybenefits.metlife.com/tricare>.

Some TDP enhancements include an increased annual benefit maximum of \$1,300, and a lifetime orthodontic maximum of \$1,750. New expanded coverage includes an additional annual maximum of \$1200 for dental accident coverage and no cost shares for deep cleaning for diabetic patients.

TDP information is available by calling 1-855-638-8371 in the U.S., 1-855-638-8372 outside the

United States or online through the MetLife TDP website, <https://mybenefits.metlife.com/tricare>. The website has more information about costs, coverage details and finding a provider. Beneficiaries can use the "Find a Dentist" feature to locate one of the 168,000 MetLife dental access points.

For more information about TRICARE's dental programs, go to [www.tricare.mil/dental](http://www.tricare.mil/dental).

- **Beginning this month, some National Guard and reserve members will need to pay dental premiums directly rather than through payroll deduction.**

A change to the TRICARE Dental Program means that payroll deduction for premiums is not currently available to about 8,000 reserve-component troops who are on orders to active duty for more than 30 days. Affected beneficiaries have been identified and will receive direct paper bills, and should make their premium payments by check, electronic funds transfer or credit card until the payroll deduction option becomes available.

Metropolitan Life Insurance Company, known as MetLife, became the new contractor for the TRICARE Dental Program. The program provides dental benefits for more than 2 million TRICARE beneficiaries worldwide. Defense finance officials, TRICARE Management Activity representatives and MetLife staffers are working out a long-term solution to the payroll deduction issue, and MetLife will keep affected beneficiaries informed.

Service members who think they may be affected should check their leave and earnings statements, and contact MetLife at 855-638-8371 if they do not see a premium payment.

- **Irving Burton Associates (IBA), a leading technology firm, announced the award of a four-year contract to deliver program management services to the Defense Health Services System (DHSS) Program Executive Office.**

As a premier component of the Department of Defense Military Health System (MHS), DHSS is the nation's largest health information technology (IT) acquisition program. DHSS is responsible for more than \$250 million in annual IT investments and for tracking billions of dollars yearly in MHS health care services.

IBA has been supporting DHSS and its predecessor organizations for twenty years. Under this new award, IBA will expand its project management capabilities to major DHSS systems, such as Defense Medical Human Resources System Internet (DMHRSi), TRICARE Online (TOL), and Theater Enterprise-Wide Logistics System (TEWLS).

The work on this contract is to be performed in Falls Church, Virginia, Frederick, Maryland, and San Antonio, Texas.

- **The Military Health System is offering a free monthly computer [desktop calendar to download](#).**

Each month highlights a different health awareness campaign, illustrated by photos from across the Department of Defense.

To download your desktop calendar, please visit:

[http://www.health.mil/News\\_And\\_Multimedia/MHScalendar.aspx](http://www.health.mil/News_And_Multimedia/MHScalendar.aspx).

- **MicroTech announced that it has been awarded a federal prime contract with the U.S. Department of Veterans Affairs (VA).**

The potential contract length is five years and \$500 million. MicroTech is partnering with Dell and Microsoft on this contract.

Under the enterprise agreement, this new contract is in support of the VA's overall operation, management, implementation and use of Microsoft Enterprise Services. MicroTech will provide dedicated technical support representatives and subject matter experts provided via Microsoft Enterprise Services to support and assist VA in overall operation, management, implementation and use of products included in this order.

- **Three Department of Veterans Affairs doctors received national recognition for their research helping veterans with post-traumatic stress disorder, amputations and type-2 diabetes.**

- Dr. Murray Raskind, a Puget Sound Health Care System psychiatrist, was honored for a series of studies that have documented the effectiveness of prazosin, a generic drug developed to treat high blood pressure, for helping to improve the sleep of veterans with PTSD. He received the VA's John Blair Barnwell Award for Outstanding Achievement in Clinical Research.
- Dr. Joseph Czerniecki, the interim director of the VA's Regional Amputation Center of Excellence, received the VA's Paul B. Magnuson Award for Outstanding Achievement for his work to improve care for veterans with limb loss. His research includes a study that examines social-support systems and other factors that can help predict an amputee's future mobility.
- Dr. Kristina Utzschneider was recognized for her research that helped better understand the factors that link insulin resistance and fat accumulations in the liver, and research that documented how a low-fat diet can reduce liver fat. Utzschneider received the Presidential Early Career Award for Scientists and Engineers.

Currently, the VA Puget Sound Health Care System has more than 600 active research projects, with 163 staff members who are principal investigators. Research and development receives some \$26 million in annual VA funding, and another \$19 million in other funding.

## GENERAL HEALTH CARE NEWS

- **Health and Human Services (HHS) Secretary Kathleen Sebelius and Attorney General Eric Holder announced that a nationwide takedown by Medicare Fraud Strike Force operations in seven cities has resulted in charges against 107 individuals, including doctors, nurses and other licensed medical professionals, for their alleged participation in Medicare fraud schemes involving approximately \$452 million in false billing.**

This coordinated takedown involved the highest amount of false Medicare billings in a single takedown in Strike Force history.

HHS also suspended or took other administrative action against 52 providers following a data-driven analysis and credible allegations of fraud. The new health care law, the Affordable Care Act, significantly increased HHS' ability to suspend payments until an investigation is complete.

The joint Department of Justice and HHS Medicare Fraud Strike Force is a multi-agency team of federal, state and local investigators designed to combat Medicare fraud through the use of Medicare data analysis techniques. More than 500 law enforcement agents from the FBI, HHS-

OIG, multiple Medicaid Fraud Control Units, and other state and local law enforcement agencies participated in the takedown. In addition to making arrests, agents also executed 20 search warrants in connection with ongoing Strike Force investigations.

The defendants charged are accused of various health care fraud-related crimes, including conspiracy to commit health care fraud, health care fraud, violations of the anti-kickback statutes and money laundering. The charges are based on a variety of alleged fraud schemes involving various medical treatments and services such as home health care, mental health services, psychotherapy, physical and occupational therapy, durable medical equipment (DME) and ambulance services.

According to court documents, the defendants allegedly participated in schemes to submit claims to Medicare for treatments that were medically unnecessary and oftentimes never provided. In many cases, court documents allege that patient recruiters, Medicare beneficiaries and other co-conspirators were paid cash kickbacks in return for supplying beneficiary information to providers, so that the providers could submit fraudulent billing to Medicare for services that were medically unnecessary or never provided. Collectively, the doctors, nurses, licensed medical professionals, health care company owners and others charged are accused of conspiring to submit a total of approximately \$452 million in fraudulent billing.

To learn more about HEAT, go to: [www.stopmedicarefraud.gov](http://www.stopmedicarefraud.gov).

- **The Centers for Medicare & Medicaid Services (CMS) announced it will now cover transcatheter aortic valve replacement (TAVR) for Medicare patients under certain conditions.**

Aortic valve replacements are used in patients whose aortic heart valves are damaged, causing the valve to narrow — a condition known as “aortic stenosis.” Once patients experience symptoms of aortic stenosis, treatment is critical to improve their chances of survival. Until recently, aortic stenosis has been treatable only through invasive surgery. In contrast, TAVR allows doctors to replace a patient’s aortic valve through a small opening in the leg. This less invasive procedure gives patients who cannot undergo open heart surgery a new way to repair their damaged heart valve.

This final national coverage decision is one of the first coverage decisions completed under a mutual memorandum of understanding between CMS and the FDA, a joint effort aimed at getting sometimes lifesaving, new technology to patients sooner.

Because this technology is still relatively new, it is important that these procedures are performed by highly trained professionals in optimally equipped facilities. Therefore, this decision uses “coverage with evidence development,” which, as a condition of coverage, will require certain provider, facility, and data collection criteria to be met. Such requirements are important to ensure beneficiaries receive the safest and most appropriate care.

The decision can be found at: [http://www.cms.gov/medicare-coverage-database/details/nca-details.aspx?NCAId=257&ver=4&NcaName=Transcatheter+Aortic+Valve+Replacement+\(TAVR\)&bc=ACAAAAAAAAAA&](http://www.cms.gov/medicare-coverage-database/details/nca-details.aspx?NCAId=257&ver=4&NcaName=Transcatheter+Aortic+Valve+Replacement+(TAVR)&bc=ACAAAAAAAAAA&).

- **Avastin and Lucentis, two widely used drugs to treat age-related macular degeneration (AMD), improve vision when administered monthly or on an as needed basis, according to researchers supported by the National Institutes of Health.**

Of the two drugs, Avastin is most frequently used to treat AMD. However, prior to the

Comparison of AMD Treatments Trials (CATT), a two-year clinical trial, the two drugs had never been compared head-to-head. Second year results were published in the [Ophthalmology](#).

Lucentis was approved by the U.S. Food and Drug Administration (FDA) in 2006 for the treatment of AMD. Avastin is very similar to Lucentis but is not approved by the FDA for this purpose. Avastin is approved for other indications. Most clinicians use these drugs on an as-needed basis when there is evidence of active disease, such as fluid leakage. However, in the original clinical trials for AMD, Lucentis was administered monthly. It was unknown if as-needed dosing would produce the same long-term visual improvements achieved with monthly administration.

Thus, CATT was designed to compare Avastin and Lucentis with monthly and as-needed treatment schedules.

- **The National Institutes of Health (NIH) unveiled a collaborative program that will match researchers with a selection of pharmaceutical industry compounds to help scientists explore new treatments for patients.**

NIH's new National Center for Advancing Translational Sciences (NCATS) has partnered initially with Pfizer, AstraZeneca, and Eli Lilly and Company which have agreed to make dozens of their compounds available for this initiative's pilot phase.

In recent years, researchers have succeeded in identifying the causes of more than 4,500 diseases. But it has proven difficult to turn such knowledge into new therapies; effective treatments exist for only about 250 of these conditions. NCATS was established last year to help address this gap. It supports rigorous scientific research designed to reengineer elements of the development pipeline to move basic research findings into new treatments for patients.

The initiative, *Discovering New Therapeutic Uses for Existing Molecules*, will direct researchers' attention to a part of the therapeutic pipeline that traditionally has been difficult for them to access: compounds that already have cleared several key steps in the development process, including safety testing in humans. These studies will test more than 20 compounds from industry partners for their effectiveness against a variety of diseases and conditions. The companies will provide the researchers with access to the compounds and related data.

The pilot program incorporates innovative template agreements designed to streamline the legal and administrative process for participation by multiple organizations. These template agreements reduce time, cost, and effort, as well as allow greater participation than traditional partnerships.

The templates also provide a roadmap for handling intellectual property used in or developed through the program. Participating industry partners will retain the ownership of their compounds, while academic research partners will own any intellectual property they discover through the research project with the right to publish the results of their work.

Additional companies may join the pilot program and contribute their compounds for further investigation.

For more details about this program, please see [Notices](#).

- **The U.S. government is the largest funder of global health research and development in the world, spending \$12.7 billion over the past 10 years.**

The report, released by the Global Health Technologies Coalition and Policy Cures, found each year the U.S. government provided around 45 percent of the total global investment and 70 percent of all government investment worldwide in global health research and development.

The U.S. funding helped lead to the development of more than half of the 45 new health products — including vaccines, drugs, diagnostics — in the past decade that have been used to save lives around the world.

In the past decade, the U.S. government more than doubled its yearly financial commitment to developing new global health products, from \$685 million in 2000 to \$1.4 billion in 2010. However, these investments represent just 0.01 percent of U.S. gross domestic product.

Federal agencies are working with partners in the non-profit, academic, private and philanthropic sectors to support development of 200 of the 365 products in the pipeline, many of which will become the next generation of lifesaving vaccines, drugs and other tools.

To read the report, please read [Saving lives and creating impact: Why investing in global health research works](#).

- **HBO has launched a public awareness campaign on how obesity affects the nation's health, including a documentary series called, *The Weight of the Nation*, which features National Institutes of Health (NIH) research.**

The network consulted with NIH and other major health organizations to develop four documentaries focused on obesity. The project also includes a three-part HBO Family series for kids, 12 short features, a social media campaign, and a nationwide community-based campaign to mobilize action to move the country to a healthier weight.

The films feature several NIH-funded clinical studies that have formed the basis of scientific evidence on the causes and consequences of being overweight or obese, including the Diabetes Prevention Program (DPP), Coronary Artery Risk Development in Young Adults (CARDIA) study, and Bogalusa Heart Study. The DPP found that even moderate weight loss can help prevent type-2 diabetes. The CARDIA study measures changes in coronary heart disease risk factors. The Bogalusa Heart Study examines how cardiovascular disease develops over time.

More than one-third of adults in the United States and nearly 17 percent of the nation's children are obese, which increases their chances of developing many health problems, including type-2 diabetes, heart disease, high blood pressure, stroke, fatty liver disease and some cancers. In 2008, the nation's obesity-related medical costs were an estimated \$147 billion.

In fiscal year 2011, NIH funding for obesity research totaled \$830 million. The 2011 Strategic Plan for NIH Obesity Research highlights the crucial role of research in efforts to reduce obesity, emphasizing moving science from laboratories to clinical trials to practical solutions. The plan is designed to help target efforts and resources in areas most likely to help people.

Community screenings of the four-part documentary series are taking place now. The series debuts on HBO on May 14 and 15, with two films airing back-to-back each night. On May 16, the first of three films in *The Weight of the Nation* for Kids airs on HBO Family. The films will stream free on [www.HBO.com](http://www.HBO.com), and may be provided for free by some television carriers.

## . GUARD/RESERVE

- As of May 1, 2012, the total number of Guard and Reserve currently on active duty has **decreased** by 84 to 70,231. The totals for each service are Army National Guard and Army Reserve 50,331; Navy Reserve, 4,557; Air National Guard and Air Force Reserve, 10,050; Marine Corps Reserve, 4,482, and the Coast Guard Reserve, 811. [www.defenselink.mil](http://www.defenselink.mil)

## REPORTS/POLICIES

- **The GAO published “Medicare: Implementation of Financial Incentive Programs under Federal Fraud and Abuse Laws,” (GAO-12-355) on April 30, 2012.** This report examines how federal fraud and abuse laws affect the implementation of financial incentive programs, stakeholders’ perspectives on their ability to implement these programs, and alternative approaches through which HHS has approved implementation of these programs. <http://www.gao.gov/assets/590/589793.pdf>
- **The GAO published “Prescription Drugs: FDA Has Met Most Performance Goals for Reviewing Applications,” (GAO-12-500) on April 30, 2012.** This report examines trends in FDA’s NDA and BLA review performance for fiscal years (FY) 2000 through 2010; examines trends in FDA’s efficacy supplement review performance for FYs 2000 through 2010; and describes issues stakeholders have raised about the drug and biologic review processes and steps FDA is taking that may address these issues. <http://www.gao.gov/assets/590/589762.pdf>
- **The Institute of Medicine (IOM) published “Ethical and Scientific Issues in Studying the Safety of Approved Drugs,” on May 1, 2012.** This study evaluates the scientific and ethical aspects of conducting safety studies for approved drugs to help determine when it is appropriate to require a post-marketing study, which types of studies to require, how to best protect the rights and interests of patients who participate in research, and how to use research in making regulatory decisions. <http://www.iom.edu/Reports/2012/Ethical-and-Scientific-Issues-in-Studying-the-Safety-of-Approved-Drugs.aspx>

## HILL HEARINGS

- The House Veterans Affairs Committee will hold a hearing on **May 8, 2012**, to examine VA Mental Health Care Staffing: Ensuring Quality and Quantity.

## LEGISLATION

- There was no legislation proposed this week.

## MEETINGS

- The Conference on Vaccine Research will be held on **May 7–9, 2012**, in Baltimore, Md. <http://immunize.us1.list-manage2.com/track/click?u=69948816469e0f4801f8647ee&id=20e0c08ef8&e=8a0b0385de>
- The Weight of the Nation, Moving Forward, Reversing the Trend Conference will be held on **May 7-9, 2012**, in Washington DC <http://www.cdc.gov/won/>
- Armed Forces Public Health Conference will be held **June 1-8, 2012**, in San Diego, Calif. <http://usaphcapps.amedd.army.mil/afphc/>

- Armed Forces Public Health Conference "Partners in Prevention" Core Conference will be held on **June 4-8, 2012**, in San Diego, Calif. <http://www.pdhealth.mil/education/afphc.asp>
- 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/](http://www.isid.org/15th_ICID/)
- The 2012 National Conference on Health Statistics will be held **August 6-8, 2012**, in Washington DC 2012 [http://service.govdelivery.com/service/view.html?code=USCDC\\_43](http://service.govdelivery.com/service/view.html?code=USCDC_43)
- The 28th Annual Meeting of the International Society for Traumatic Stress Studies (ISTSS) will be held **Nov.1-3, 2012**, in Los Angeles, Calif. <http://www.istss.org/Home.htm>

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If you need further information on any of the items in the Federal Health Update, please contact Kate Theroux at (703) 447-3257 or by e-mail at [dhakat@aol.com](mailto:dhakat@aol.com).