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.

EXECUTIVE AND CONGRESSIONAL NEWS

- The House passed H.R. 5652, the Sequester Replacement Reconciliation Act of 2012. The legislation override steep cuts to the Pentagon’s budget mandated by last summer's debt deal and replace them with spending reductions to food stamps and other mandatory social programs.

- The House Veterans Affairs Committee held a hearing on May 8, 2012, to continue its oversight into the Department of Veterans Affairs’ (VA) provision of mental health care to veterans. Staffing standards and access to care were top issues discussed by the members.

- *Stars and Stripes* reports that House Armed Services Committee Chairman Buck McKeon released a plan that calls for $642 billion in spending -- $3.7 billion more than Obama requested -- for the fiscal year that begins Oct. 1.

  The plan rejects the administration's proposal to steadily increase the cost of TRICARE for working-age retirees and their families and would also reject the proposal to slightly increase prescription drug co-payments.
If approved, the House committee’s plan will also eliminate Obama’s request for a round of base closings in 2013 and another in 2015.

**MILITARY HEALTH CARE NEWS**

- **The Department of Defense has issued a new policy requiring every military installation to designate an individual to advocate for psychological health and serve as the principal consultant for the base.**

  Reporting and responding to psychological concerns of service members and families will be standardized and reporting metrics will be developed by the new DoD-wide Psychological Health Council, chaired by the deputy director of Force Health Protection and Readiness Programs.

  The intent of the policy is to “promote a culture and structure for psychological health, fitness, readiness, mission performance and prevention of psychological health problems and mental health illnesses.”

- **Children’s Mental Health Awareness Day was May 9 and the non-profit group Military Pathways is encouraging parents to take a brief online screening for adolescent depression to see if their child may be at risk.**

  Depression in adolescents looks different than it does in adults, medical experts say. While children and adults can both experience frequent sadness, crying or decreased interest in activities, depressed children will often “act out” and get in trouble at home or school. For this reason, doctors say depression in children and teens can often go undetected, even though research shows that depression treatment for children is as effective as it is in adults.

  To help those who may be struggling, the Department of Defense teamed up with the nonprofit organization, Screening for Mental Health, to launch Military Pathways. The program is available online, over the phone, and at special events held at installations worldwide. It provides free, anonymous mental health and alcohol self-assessments for family members and service personnel in all branches including the National Guard and Reserve.

- **Two programs developed by TriWest Healthcare Alliance were nominated to be 2012 URAC Best Practices Award finalists.**

  TriWest -- in partnership with TRICARE -- successfully implemented two programs aimed at helping civilian health care providers better understand military culture and embedding a mental health provider directly into a National Guard unit. These programs were named finalists for the 2012 URAC Awards for Best Practices in Health Care Consumer Empowerment and Protection.

  The Quality Summit Awards honor programs in two areas: consumer decision-making and consumer health improvement. TriWest's program finalists are:

  - Collaborative Continuing Education Delivery--Gives civilian providers evidence-based and best-practice information on deployment-related mental health issues and military culture to aid in their treatment of service members, veterans and their families.
California National Guard Embedded Provider Program—Embeds providers who are familiar with military culture with service members to better understand their challenges and obstacles in receiving mental health care.

URAC, one of the nation’s leading accreditation organizations, will honor the finalists Oct. 9-11 at the 2012 Quality Summit in San Francisco.

TriWest administers the military’s TRICARE health care plan for 2.9 million military families across 21 western states.

**VETERANS AFFAIRS NEWS**

- **The Department of Veterans Affairs (VA) has earned top accolades from the advertising industry for a recruitment video that paid tribute to the nation’s military.**

  The Web Marketing Association recognized the recruitment video, “A Tradition of Serving Those Who Serve,” with awards in three categories: “Best Employment Online Video,” “Best Government Online Video” and “Best Government Online Ad.” In addition, the 2012 Telly Awards recognized the video with the Bronze Telly for Recruitment.

  The Web Marketing Association’s Internet Advertising Competition Awards were established to recognize outstanding online advertising and public relations in its various forms. The Telly Award, founded in 1979, honors local, regional and cable TV commercials, programs, and segments, as well as online videos, programs and commercials.


- **The Department of Veterans Affairs (VA) eliminated the copayment associated with care received in their homes from VA health professionals using video conferencing, effective May 7, 2012.**

  This change will primarily benefit veterans with limited mobility, such as spinal cord injury patients. Whenever medically appropriate, VA will make the home the preferred place of care for veterans to ensure timely and convenient access to VA services.

  Data have shown that expanded use of technology in the home enables patients with chronic health conditions, such as diabetes, chronic heart failure and hypertension, to live independently, actively engage in managing their health, and prevents avoidable hospitalization of patients who otherwise may need long-term institutional care.

  Home telehealth does not replace the need for nursing home care or for traditional noninstitutional care programs. However, it enhances the ability for many veterans to better understand and manage chronic diseases. This partnership with their care team helps delay the need for institutionalization and enables them to maintain independence for an extended period of time, thus improving their overall quality of life.

  For more information about telehealth, visit: [http://www.telehealth.va.gov/](http://www.telehealth.va.gov/).

**GENERAL HEALTH CARE NEWS**
Secretary Kathleen Sebelius announced the availability of funding for the construction and renovation of school-based health centers on May 7, 2012.

These new investments, totaling up to $75 million, are part of the School-Based Health Center Capital (SBHCC) Program, which was created by the Affordable Care Act, the health care law of 2010.

School-based health centers are an important component of the nation’s health care safety net. The centers enable children with acute or chronic illnesses to attend school as well as help to improve the overall health and wellness of children and adolescents through health screenings, health promotion and disease prevention activities. By making the connection to health care easy, school-based health centers ensure that children have access to the services they need to lead healthy lives.

The Affordable Care Act appropriated $200 million for the SBHCC Program to address capital needs in school-based health centers. The funding opportunity announced today is the third in a series of awards that will be made available to school-based health centers through the Affordable Care Act.

Six organizations and one person are recipients of the Pioneering Innovation Award for their work in advancing policies and environmental strategies to prevent and control obesity.

The awards were given at the Centers for Disease Control and Prevention’s Weight of the Nation Conference in Washington, D.C. The award recipients were recognized in the categories of systems change, community mobilization, game changer, applied obesity research, and moving forward with technology. This is the second time the awards have been given.

CDC recognizes the need for a variety of approaches to reverse the high rates of obesity, particularly among certain racial and ethnic groups.

An awards panel of representatives from numerous public health organizations chose the winners from more than 90 applications.

For more information about the Weight of the Nation Conference, visit www.cdc.gov/won.

The Office of the National Coordinator for HIT has launched a new challenge for development of a specific health information technology application.

The Reporting Patient Safety Events Challenge seeks an application to facilitate reporting of safety incidents in hospital and ambulatory settings.

The application is also required to:

- Increase ease of reporting to the provider or parent organization;
- Enable importation, including screen shots, from EHRs, PHRs and other information systems;
- Capture useful demographic information and other relevant information such as diagnoses;
- Capture information about the type of organization submitting the report;
- Enable the option of submitting the report to non-PSO public health or health oversight organizations;
Be platform-agnostic; and

Leverage and extend standards and services of the Nationwide Health Information Network.

First prize is $50,000 with $15,000 for second and $5,000 for third. Awards may be subject to federal income taxes. The notice with additional information is available here.

The Department of Health and Human Services (HHS) announced significant steps to reduce unnecessary, obsolete or burdensome regulations on hospitals and health care providers.

The new rules, issued by the Centers for Medicare & Medicaid Services (CMS), revise the Medicare Conditions of Participation (CoPs) for hospitals and critical access hospitals (CAHs), and, eliminate duplicative, overlapping and outdated regulatory requirements for health care providers.

CMS estimates that nearly $1.1 billion across the health care system in the first year and more than $5 billion over five years.

Among other changes, the final rules will:

- Increase flexibility for hospitals by allowing one governing body to oversee multiple hospitals in a single health system;
- Let CAHs partner with other providers so they can be more efficient and ensure the safe and timely delivery of care to their patients;
- Require that all eligible candidates, including advanced practice registered nurses and physician assistants, be reviewed by medical staff for potential appointment to the hospital medical staff and then be granted all of the privileges, rights, and responsibilities accorded to appointed medical staff members; and
- Eliminate obsolete regulations, including outmoded infection control instructions for ambulatory surgical centers; outdated Medicaid qualification standards for physical and occupational therapists; and duplicative requirements for governing bodies of organ procurement organizations.

To view the final rules, please visit www.ofr.gov/inspection.aspx.

GUARD/RESERVE

As of May 8, 2012, the total number of Guard and Reserve currently on active duty has decreased by 451 to 69,780. The totals for each service are Army National Guard and Army Reserve 49,939; Navy Reserve, 4,483; Air National Guard and Air Force Reserve, 9,937; Marine Corps Reserve, 4,577, and the Coast Guard Reserve, 844. www.defenselink.mil

REPORTS/POLICIES

The Institute of Medicine (IOM) published “Accelerating Progress in Obesity Prevention: Solving the Weight of the Nation,” on May 8, 2012. In this report, IOM identifies catalysts that could speed progress in obesity prevention.
The GAO published “Department of Health and Human Services: Opportunities for Financial Savings and Program Improvements in Medicare and Medicaid Remain,” (GAO-12-719T) on May 9, 2012. This report includes recommendations related to the management of Medicare; and the need for additional oversight of Medicaid.

HILL HEARINGS

- The Senate Committee on Health, Education, Labor, and Pensions will hold a hearing on May 16, 2012, to examine identifying opportunities for health care delivery system reform, focusing on lessons from the front line.
- The House Veterans' Affairs Committee will hold a hearing on May 16, 2012, to examine optimizing care for veterans with prosthetics.
- The Senate Veterans' Affairs Committee will hold a hearing on May 16, 2012, to examine seamless transition, focusing on a review of the Integrated Disability Evaluation System.

LEGISLATION

- **H.R.5624** (introduced May 8, 2012): To amend title XVIII of the Social Security Act to protect and preserve access of Medicare beneficiaries in rural areas to health care providers under the Medicare program, to amend title III of the Public Health Service Act to extend discounts under the 340B program, and for other purposes was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means.
  
  Sponsor: Representative Cathy McMorris Rodgers [WA-5]

- **H.R.5647** (introduced May 8, 2012): To eliminate discrimination and promote women's health and economic security by ensuring reasonable workplace accommodations for workers whose ability to perform the functions of a job are limited by pregnancy, childbirth, or a related medical condition was referred to the Committee on Education and the Workforce, and the Committees on House Administration
  
  Sponsor: Representative Jerrold Nadler [NY-8] (introduced 5/8/2012)

- **H.R.5650** (introduced May 9, 2012): To amend title X of the Public Health Service Act to provide for no discrimination under the family planning program under such title on the basis of separate provision of abortion was referred to the House Committee on Energy and Commerce.
  
  Sponsor: Representative Robert J. Dold. [IL-10] (introduced 5/9/2012) Cosponsors (None)
  
  Committees: House Energy and Commerce
  
  Latest Major Action: 5/9/2012 Referred to House committee. Status: Referred to the House Committee on Energy and Commerce.

- **S.2516** (introduced May 7, 2012): An original bill to amend the Federal Food, Drug, and Cosmetic Act to revise and extend the user-fee programs for prescription drugs and
medical devices, to establish user-fee programs for generic drugs and biosimilars, and for other purposes was placed on the Senate Legislative Calendar.
Sponsor: Senator Tom Harkin, [IA]

- **S.2620** (introduced May 7, 2012): A bill to amend title XVIII of the Social Security Act to provide for an extension of the Medicare-dependent hospital (MDH) program and the increased payments under the Medicare low-volume hospital program was referred to the Committee on Finance.
  Sponsor: Senator Charles E. Schumer [NY]

### MEETINGS


- CFHA's 14th Annual Conference: will be held on **Oct. 4-6, 2012**, in Austin, Texas [http://www.cfha.net/?page=2012Austin](http://www.cfha.net/?page=2012Austin)

- 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](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.