

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 passed H.R. 5854, the *Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2013 on May 31, 2012.*** This legislation makes available \$71.1 billion in discretionary funding, which is the same as the fiscal year 2012 level. The bill provides funds the military infrastructure needed to house, train, and equip military personnel, provides for the quality of life of our troops and their families, and maintains our strong military base structure. It also funds veterans' benefits and programs.

MILITARY HEALTH CARE NEWS

- **On May 30, 2012, the three Service surgeons general met with staff at Medical Education and Training Campus (METC).**

Lt. Gen. Charles Green, surgeon general of the Air Force; Vice Adm. Matthew Nathan, surgeon general of the Navy and chief, Bureau of Medicine and Surgery; and Lt. Gen. Patricia Horoho, surgeon general and commanding general, U.S. Army Medical Command and their senior enlisted leaders addressed the audience and answered questions.

The purpose of the visit was to ensure that METC continues on the path to joint success,

and to ask what they can do to help maintain efforts to integrate training among the services.

In addition to the meeting with the staff, the surgeons general held discussions with senior leaders from METC and the Army, Navy and Air Force component commands that support METC. They also toured METC's Basic Medical Technician Corpsman Program and Department of Combat Medic Training where they observed students engaged in the classroom, laboratory simulation and a live training exercise.

- **The Uniformed Services University of Health Sciences (USUHS) celebrated its first graduating class of Naval postgraduate dental students at the Walter Reed National Military Medical Center on June 1.**

The ceremony marked the first year that dental students at the school have received USUHS degrees, earning Masters of Science with majors in Oral Biology. The new opportunity for uniformed dentists represents the commitment of the Military Health System to educate and retain the best and brightest military medical personnel in the force. Students graduating from USUHS go forward to military installations worldwide to provide quality care for those who serve the nation and their families.

- **The Departments of Defense and Veterans Affairs have launched an electronic learning initiative.**

[The Federal Health Care Consortium](#) catalog includes 360 courses from 14 federal agencies, including many with credit and certificate opportunities.

Courses are free and range from highly technical medical specialties to modules aimed at a broad scope of workers who support clinicians, from security staff to surgeons. Several hundred more courses are expected to be added to the inventory over the next year to add value to the online collaboration.

In addition to federal workers, access to the courses is open to the public.

- **The board of directors of Highmark Inc. announced the appointment of William Winkenwerder, Jr., M.D., M.B.A. as the company's new president and chief executive officer.**

Winkenwerder served as assistant secretary of defense for health affairs from October 2001 through April 2007, where he led the Military Health System's 132,000 personnel and served as the principal medical advisor to Secretaries of Defense Donald Rumsfeld and Robert Gates.

Winkenwerder is a graduate of Davidson College, where he received his undergraduate degree in 1976, and the University of North Carolina School of Medicine in 1981. He also received a graduate degree in business administration from the University of Pennsylvania's Wharton School in 1986. He is board certified in internal medicine and practiced primary care for several years.

Winkenwerder will assume his new post in mid- to late July. He replaces former CEO Ken Melani.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) joined JBJ Soul Foundation Chairman, Jon Bon Jovi, to announce the five finalists of Project REACH (Real-time Electronic Access for Caregivers and the Homeless) during the Health Data Initiative Forum in Washington, D.C.**

The developer challenge, sponsored by the Department of Health and Human Services' (HHS), was launched last March by the VA, in collaboration with the Departments of Housing and Urban Development (HUD), HHS and the Jon Bon Jovi Soul Foundation, which operates the JBJ Soul Kitchen, the community restaurant in Monmouth County, N.J., where competing apps will now be tested. The Project REACH developer challenge called for an online and web application that would provide real-time info to connect service providers who aid the homeless.

Today's five finalists will receive a \$10,000 cash prize and will now pilot their mobile applications at JBJ Soul Kitchen (a community kitchen where diners cover the cost of their meals either through donation or volunteer service). These easy-to-use mobile/web applications have been judged on their ability to update information about housing and shelter near JBJ Soul Kitchen. Additionally, finalists have been able to display information about local VA services, employment support, crisis hotlines and local legal assistance resources.

Ultimately, the \$25,000 prize will be awarded to the developer whose app is determined to be scalable on a national level and enables health clinics, food kitchens, housing services and shelters to update the availability of key services automatically online. The winning app will collect, map and electronically distribute that information for communities across the nation. Throughout the challenge, requirements and performance criteria have been made available at www.challenge.gov.

Project REACH (Real-time Electronic Access for Caregivers and the Homeless) finalists can be found at: <http://www.va.gov/opa/pressrel/pressrelease.cfm?id=2323>.

- **The Department of Veterans Affairs cancelled 43 of the 78 bonuses awarded to senior executives for 2011. Only two of the remaining 35 have been approved for continuation, with the rest pending a final decision, according to the VA.**

The agency began reviewing bonus awards last year. The awards have come under increased scrutiny by Congress since testimony in April that some executives may have been "gaming the system" to make it appear more veterans seeking mental health counseling were getting appointments within a required time.

Last week Rep. Cliff Stearns, R-Fla., submitted a bill that would bar all bonuses to senior executive services employees at the VA.

The VA awarded more than \$400 million in bonuses in 2011, according to an agency breakdown obtained by *Military.com*. About \$3.4 million went to 231 senior executive service employees, a category that includes medical center directors. Forty-one percent of the performance awards went to workers between GS-5 and GS-7s. The amount depends on their salary "step" within each grade. About 13 percent of performance bonuses went to the top-level GS employees, GS-13 to -15.

In addition to performance bonuses, the VA is also reviewing its bonuses to recruit, retain and relocate employees for difficult-to-fill positions. Retention bonuses came to about \$105 million in 2011. Recruiting and relocation bonuses added another \$29 million and \$10 million, respectively, to the total. All retention incentives must be reviewed twice a year, and those that do not meet required criteria are ended. The VA also now requires

annual re-certification of retention incentives and terminates any whose re-certification is not completed.

Currently, VA is limiting facility directors to 15 percent of salary approval on all retention, relocation and recruitment incentives. Any more than 15 percent will require the approval of the regional authority – the Veterans Integrated Service Network – or VA headquarters.

GENERAL HEALTH CARE NEWS

- **The Department of Health and Human Services (HHS), the Institute of Medicine (IoM) and other members of the Health Data Consortium are co-hosting the third annual “Datapalooza” focusing on innovative applications and services that harness the power of open data from HHS and other sources to help improve health and health care.**

The Health Data Initiative Forum III is featuring more than 100 new or updated solutions, up from 45 solutions last year, that help serve the needs of consumers, health care providers, employers, public health leaders, and policy makers.

During the forum, HHS announced that [Insurance Options Finder](#) is now available, enabling the data to be machine readable and downloaded by third party developers. The Insurance Options Finder allows users to compare different plans, showing important information, such as the percentage of people who applied for coverage and were denied. [HealthCare.gov](#) collects and displays public options, private insurance plans for individuals and families as well as the small group markets.

- **The Centers for Medicare & Medicaid Services (CMS) launched an initiative to transform the agency’s approach to data and analytics.**

The initiative’s goal is to help guide the agency’s evolution from a fee-for-service based payer to a “value-based purchaser of care” that links payments to quality and efficiency of care, rather than sheer volume of services.

To lead the initiative, CMS created a new Office of Information Products and Data Analysis, which will strive to make development, management, use, and dissemination of data and information resources a core function of CMS. This effort also enhances data analytics and management strategies that are being widely promoted through programs by the White House Office of Science and Technology Policy.

Over time, the initiative is expected to modernize CMS’ intricate data systems and policies, and help the agency to achieve the greatest improvements in health care delivery. Data and information resources available under CMS’ initiative include:

- Medicare Geographic Variation Trend Data: A unique data set that leverages nearly 5 billion Medicare claims in an easy-to-use data format that provides key metrics at the state and hospital referral region levels.
- Medicare Enrollment Dashboard: An online dashboard that provides a single location with comprehensive statistics on Medicare enrollment (Parts A, B, and D and Medicare Advantage).
- Medicare & Medicaid Research Review: A peer-reviewed online journal on

current and future directions of the Medicare, Medicaid and Children's Health Insurance.

- CMS Data Navigator: A web-based search tool that rapidly connects researchers, policy makers, and the general public to the CMS data resources they need.

A CMS fact sheet may be viewed at http://www.cms.gov/apps/media/fact_sheets.asp.

▪ **The Office for the National Coordinator for Health IT, in collaboration with the Partnership for Patients, announced the winners of the “Discharge Follow-Up Appointment Challenge”:**

- First place: MyHealthDIRECT, a web-based solution that enables patients and caregivers to search for, book, and confirm appointments and includes reminder and transportation reservation functionality.
- Second place: HePak, a tool that integrates appointment-making and reminder functions into its hospital, provider, and patient portals.
- Third place: mHealthCoach, a tool that provides calendar syncing and incorporates educational content and HHS data feeds.

Also announced was the Blue Button Mash-Up Challenge (submission period ends Sept. 5, 2012), which builds on the VA's existing Blue Button feature to allow patients to download their health information and share it with health care providers, caregivers and others.

The challenge requires the development of a tool that will help individuals to use their health information, combined with other types of information, such as cost data or comparative health data, to better understand their own health status and make more informed decisions regarding their health care.

▪ **The Centers for Medicare & Medicaid Services (CMS) announced that 45 commercial, federal and state insurers in seven markets pledged to work with CMS to give more Americans access to quality health care at lower cost.**

Under the Comprehensive Primary Care initiative, CMS will pay primary care practices a care management fee, initially set at an average of \$20 per beneficiary per month, to support enhanced, coordinated services. Simultaneously, participating commercial, state and other federal insurance plans are also offering an enhanced payment to primary care practices that provide high-quality primary care.

Insurers in Arkansas, Colorado, New Jersey, Oregon, New York's Capital District-Hudson Valley Region, Ohio's and Kentucky's Cincinnati-Dayton Region, and greater Tulsa, Oklahoma signed agreements with CMS to participate in this initiative. The markets were selected based on a diverse pool of applicants from commercial health plans, state Medicaid agencies, and self-insured businesses who hoped to work alongside Medicare to support comprehensive primary care.

In order to receive the new care management fee from CMS and insurers, primary care practices must agree to provide enhanced services for their patients, including offering longer and more flexible hours, using electronic health records; delivering preventive care; coordinating care with patients' other health care providers; engaging patients and caregivers in managing their own care, and providing individualized, enhanced care for patients living with multiple chronic diseases and higher needs.

Approximately 75 primary care practices will be selected to participate in the initiative in each designated market. Interested primary care practices in each of the markets

should complete the application pre-screen tool online at the Innovation Center's website.

The Comprehensive Primary Care initiative is a four-year initiative administered by the Innovation Center. Applications will be accepted until July 20.

For more information, please visit:

<http://www.innovations.cms.gov/initiatives/Comprehensive-Primary-Care-Initiative/index.html>

. GUARD/RESERVE

- As of June 5, 2012, the total number of Guard and Reserve currently on active duty has **decreased** by 694 to 66,793,. The totals for each service are Army National Guard and Army Reserve , 47,366; Navy Reserve, 4,348; Air National Guard and Air Force Reserve, 9,865; Marine Corps Reserve, 4,385, and the Coast Guard Reserve, 829. www.defenselink.mil

REPORTS/POLICIES

- The GAO published "Program Integrity: Further Action Needed to Address Vulnerabilities in Medicaid and Medicare Programs," (GAO-12-803T) on June 7, 2012.** This report examines the progress made and important steps still to be taken that could help reduce improper Medicare and Medicaid payments. <http://www.gao.gov/assets/600/591425.pdf>
- The GAO published "Veterans' Pension Benefits: Improvements Needed to Ensure Only Qualified Veterans Receive Benefits," (GAO-12-784T) on June 6, 2012.** In this report, GAO identified vulnerabilities in VA's procedures for assessing financial eligibility. <http://www.gao.gov/assets/600/591412.pdf>
- The GAO published "Veterans' Pension Benefits: Improvements Needed to Ensure Only Qualified Veterans and Survivors Receive Benefits," (GAO-12-540) on June 6, 2012.** The report examines how the design and management of VA's pension program ensure that only those with financial need receive pension benefits, and what is known about organizations that are marketing financial products and services to enable veterans and survivors to qualify for VA pension benefits. <http://www.gao.gov/assets/600/590847.pdf>
- The Institute of Medicine (IOM) published "Building Public-Private Partnerships in Food and Nutrition - Workshop Summary," on June 5, 2012.** This report discusses the benefits and risks of pursuing cross-sector partnerships, foster communication between sectors, and explore opportunities of mutual interest in food and nutrition that are most conducive for partnerships. <http://www.iom.edu/Reports/2012/Building-Public-Private-Partnerships-in-Food-and-Nutrition.aspx>

HILL HEARINGS

- The Senate Veterans' Affairs Committee will hold a hearing on **June 13, 2012**, to examine economic opportunity and transition legislation.
- The Senate Veterans' Affairs Committee will hold a hearing on **June 27, 2012**, to examine health and benefits legislation.

LEGISLATION

- **H.R.5888** (introduced June 1, 2012): the *Physician Reentry Demonstration Program Act* was referred to the House Committee on Energy and Commerce
Sponsor: Representative John P. Sarbanes [MD-3]
- **S.3270** (introduced June 6, 2012): A bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to consider the resources of individuals applying for pension that were recently disposed of by the individuals for less than fair market value when determining the eligibility of such individuals for such pension, and for other purposes was referred to the Committee on Veterans' Affairs.
Sponsor: Senator Ron Wyden [OR]

MEETINGS

- 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/
- 2012 American College of Oncology Administrators (ACOA) Oncology Update will be held on **June 20 - 22, 2012**, in Chicago, Ill. <http://www.aameda.org/Conference/ACOA/ACOAMain.html>
- The Annual DoD/VA Suicide Prevention Conference will be held **June 20-22, 2012**, in Washington DC. <http://www.dcoe.health.mil/Training/SuicidePreventionConference.aspx>
- 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
- CFHA's 14th Annual Conference: will be held on **Oct. 4-6, 2012**, in Austin, Texas <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>
- The AMIA 2012 Annual Symposium will be held on **Nov. 7-11, 2012**, in Chicago Ill. <http://www.amia.org/amia2012>
- The 118th AMSUS Annual Continuing Education Meeting will be held **Nov. 11-15, 2012**, in Phoenix, Ariz. <http://amsusmeeting.org>
- 2012 American Academy of Medical Administrators (AAMA) Annual Conference will be held on **Nov. 13 - 16, 2012**, San Antonio, Texas <http://www.aameda.org/Conference/Annual/AnnualMain.html>

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.