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

- On June 7, 2012, the House passed H.R. 436, the Protect Medical Innovation Act of 2012. This legislation amends the Internal Revenue Code to repeal the excise tax on medical devices.

MILITARY HEALTH CARE NEWS

- The Department of Defense announced that Maj. Gen. Gary S. Patton (bio) will become the new director of the DoD Sexual Assault Prevention and Response Office (SAPRO) in July.

The current director, Maj. Gen. Mary Kay Hertog, will retire in June after 34 years of military service. During her tenure as SAPRO director, she implemented several initiatives, ranging from expanded legal assistance and longer document retention standards for sexual assault victims, to offering victims an expedited transfer out of their unit or installation, to starting a program to certify and credential victim advocates and sexual assault response coordinators.

Additionally, she oversaw the expansion of DoD policy to allow adult military dependents to file restricted reports, and for DoD civilian employees and their adult dependents stationed outside the continental United States and DoD U.S.-citizen contractors in combat areas to receive emergency care and sexual assault response coordinator
services during emergency treatment.

Patton has 33 years of service with multiple combat tours in Iraq and Afghanistan, and he is currently the principal director, the Office of Military Personnel and Policy. Patton was competitively selected for this position after reviewing several applications.

Additional information regarding the department’s Sexual Assault and Response Office can be found at http://www.sapr.mil/.

- The Department of Defense has announced that Air Force Maj. Gen. Thomas W. Travis has been nominated for appointment to the rank of lieutenant general and for assignment as surgeon general of the Air Force. Travis is currently serving as deputy surgeon general, Office of the Surgeon General, Headquarters U.S. Air Force, Pentagon, Washington, D.C.

- The next Uniform Formulary Beneficiary Advisory Panel (BAP) will be held on June 21, 2012 in Washington DC. The agenda includes reviews of smoking cessation agents, newer sedative hypnotics and non-opioid pain syndromes—Gabapentin enacarbil (Horizant) and Gabapentin (Gralise). For more information, visit: http://www.tricare.mil/pharmacy/BAP/default.htm

**VETERANS AFFAIRS NEWS**

- The Department of Veterans Affairs has selected University Corporate Park of Palm Beach Gardens, Fla., to build a new mental health clinic for veterans in Tampa, Fla.

  The facility, located in Building E., will be completed in the summer of 2013. The contract calls for a 22,300-square-foot, one-story building, with 154 parking spaces. VA will pay an annual rent of nearly $600,000 under the 10-year contract. Mental health services are now provided at another leased facility adjacent to the James A. Haley VA Hospital. The clinic will provide services for nearly 148,000 veterans in Hernando, Hillsborough, Pasco, and Polk counties.

- Department of Veterans Affairs clinicians offer a comprehensive review of the health concerns of Iraq and Afghanistan veterans and practical management guidelines for primary care providers in an article entitled Post Deployment Care for Returning Combat Veterans published in the Journal of General Internal Medicine.

  Since September 11, 2001, approximately 2.4 million military personnel have deployed to Iraq and Afghanistan. The health care needs of this particular patient population are complex, and require a well-integrated interdisciplinary approach to care.

  The article reviews how combat deployments can affect the physical, psychological and social health of veterans and describes their unique health care needs. The research suggests that assessment and management of injuries associated with blast exposures (including mild traumatic brain injury) as well as mental health conditions such as
posttraumatic stress disorder, depression, and substance abuse are essential. The article summarizes evidence which supports elevated frequencies of physiological and behavioral cardiovascular risk factors, including hypertension and tobacco use, raising concerns about future health implications for these veterans. In light of relationships between physical, psychological and psychosocial concerns in this population, the VA authors recommend an interdisciplinary approach to care directed toward mitigating the long-term health impacts of combat.

To read the article, please visit: http://www.springerlink.com/content/507463m555185p7l/fulltext.html

- The Department of Veterans Affairs highlighted findings from two studies that may help develop new diagnostics, therapeutics and rehabilitation strategies for treating blast-related traumatic brain injury and chronic traumatic encephalopathy (CTE).

Research indicates the use of an investigational brain-computer interface system provided two individuals with paralyzed limbs the power of mind over body. Separate VA research is providing further evidence that exposure to a single bomb blast may cause a progressive degenerative disease of the brain linked to repetitive brain trauma.

In a study published in May in *Nature*, VA researchers described how two individuals without functional use of their limbs were able to reach and grasp objects in three-dimensional space using robotic arms controlled solely by brain activity. Specifically, BrainGate*, an investigational brain-computer interface system being studied under a Food and Drug Administration Investigational Device Exemption, led to this landmark discovery.

This is the first peer-reviewed demonstration of three-dimensional control of robotic arms by a person with tetraplegia using neural activity.

In another study reported in *Science Translational Medicine*, VA researchers confirmed the first cases of CTE in brain tissue from blast-exposed military service personnel.

CTE affects the brain and is linked to repeated head trauma resulting in large accumulations of tau proteins. These proteins kill cells in regions responsible for mood, emotions, and executive functioning.

Laboratory experiments showed that exposure to a single blast – equivalent to a typical improvised explosive device – results in CTE and the long-term brain impairments that accompany the disease.

VA, which has the largest integrated health care system in the country, also has one of the largest medical research programs. This year, approximately 3,400 researchers will work on more than 2,300 projects with nearly $1.9 billion in funding.

- The Veterans Health Administration (VHA) announced an aggressive national recruitment program hire additional mental health professionals.

This program is in response to a recent announcement that the Department of Veterans Affairs (VA) would add approximately 1,600 mental health clinicians as well as nearly 300 support staff to its existing workforce to help meet the increased demand for mental health services.

The national recruitment program provides VHA with an in-house team of highly skilled professional recruiters employing private sector best practices to fill the agency’s most mission critical clinical and executive positions. The recruitment team consists of 21 national, dedicated health care recruiters targeting physician and specialty health care
occupations. These recruiters also understand the needs of veterans because each member is a veteran.

VHA has also established a hiring and tracking task force to provide oversight for this initiative to move the process forward expeditiously in a focused manner to ensure challenges, issues, or concerns are addressed and resolved. This task force is accountable for reporting progress in hiring of mental health professionals in these occupations: psychiatrists, psychologists, mental health nurses, social workers, mental health technicians, marriage and family therapists and licensed professional counselors.

VHA anticipates the majority of hires will be selected within approximately six months and the most “hard-to-fill” positions filled by the end of the second quarter of FY 2013. VA has an existing workforce of 20,590 mental health staff that includes nurses, psychiatrists, psychologists, and social workers.

Interested mental health care providers can find additional information about VA careers and apply for jobs online at www.vacareers.va.gov.

- The Department of Veterans Affairs has selected Westar Development Company of Aurora, Ohio, to build a health care center in Butler, Pa.

The contract calls for a 168,000-square-foot, three-story building with 1,347 parking spaces. VA will pay an annual rent of $6.2 million under a 20-year contract. The new facility will include primary care, specialty care, dental, diagnostic, laboratory, mental health, pathology, radiology and ancillary services.

VA Butler serves over 30,000 veterans in Armstrong, Butler, Clarion, Lawrence, and Mercer counties in western Pennsylvania. The new clinic will be located adjacent to VA’s existing health care facility campus in Butler.

This initiative is part of the department’s program for infrastructure improvements for the veterans’ health care system. It includes approximately $11 billion in major construction projects and a similar amount of facility acquisitions through lease agreements.

GENERAL HEALTH CARE NEWS

- The Centers for Medicare & Medicaid Services (CMS) announced 14.3 million Medicare beneficiaries received at least one preventive service at no cost to them during the first five months of 2012.

This includes 1.1 million who have taken advantage of the Annual Wellness Visit provided by the Affordable Care Act. In 2011, 32.5 million people in Medicare received one or more preventive benefits free of charge.

One of the major goals of the Affordable Care Act is to help people stay healthy by giving them the tools they need to take charge of their own health and prevent health problems before they happen.

Prior to 2011, people with Medicare faced cost-sharing for many preventive benefits such as cancer screenings. Under the Affordable Care Act, preventive benefits are offered free of charge to beneficiaries, with no deductible or co-pay, so that cost is no longer a barrier for seniors who want to stay healthy and treat problems early. The law also added an important new service for people with Medicare — an Annual Wellness Visit with the doctor of their choice— at no cost to beneficiaries.

For more information on Medicare-covered preventive services, please visit:
Surgeon General Regina M. Benjamin announced the release of the National Prevention Council Action Plan, which aims to increase the number of Americans who are healthy at every stage of life.

The Action Plan is the next step in the federal implementation of the National Prevention Strategy, a comprehensive plan to tackle such issues as obesity, tobacco use, health disparities and chronic disease. The Action Plan complements prevention and wellness efforts already underway by the federal government, states, tribal and local governments, health care systems, businesses, communities, nonprofit organizations, and others.

The National Prevention Strategy was released last year by the National Prevention Council, an organization of 17 federal departments and agencies that was established by the Affordable Care Act. The council’s mission under the health care law is to help move the nation’s health care focus from one based on sickness and disease to one based on prevention and wellness. The action plan is being released together with the council’s annual status update to Congress.

The action plan includes, for the first time, commitments from all 17 federal departments and agencies on the council to increase tobacco free environments and access to healthy, affordable foods and to identify additional opportunities to consider prevention and health by their agencies. Additionally, the action plan highlights more than 200 specific prevention and wellness actions that federal agencies are already taking or plan to take to implement the National Prevention Strategy.


More information on the National Prevention Strategy and the National Prevention Council can be found at: http://www.healthcare.gov/prevention/nphpphc.

About half of U.S. adults received selected preventive services such as screenings, consultations and prescriptions from a health care professional before 2010, according to a study by the Centers for Disease Control and Prevention.

The study, "Use of Selected Clinical Preventive Services Among Adults – United States, 2007-2010," offers a comprehensive look at adult clinical preventive services in the United States. These services, identified by CDC as public health priorities, were evaluated prior to the Affordable Care Act, the health care law of 2010.

The report provides baseline data on the use of selected adult preventive services, including aspirin or other blood-thinning therapy, controlling blood pressure, screening for and controlling high cholesterol, and ending tobacco use. The report found:

- Of patients with heart disease primarily affecting the blood vessels, only 47 percent were prescribed the recommended daily use of aspirin during visits to their doctors.

- The U.S. Preventive Services Task Force guidelines for the prevention of high blood pressure state that adults 18 years old and older with high blood pressure should receive a clinical treatment plan that might include medications and monthly follow-up visits until healthy blood pressure is achieved, yet less than half (44 percent) of people with high blood pressure had it under control.

- Similarly, despite strong evidence that screening and treating for high cholesterol reduces sickness and death due to heart disease, about 33.4 percent of men and
25.6 percent of women were not screened during the preceding 5 years. Of those adults identified with high levels of LDL (bad) cholesterol, only about 32 percent of men and 32 percent of women had it under control.

- According to data from the National Ambulatory Medical Care Survey and the National Health Interview Summary, fewer than 1 in 13 tobacco users were prescribed medications to help them end their tobacco use when they saw their doctor.

The data could change in the future because of certain provisions of the Affordable Care Act (ACA). These include a requirement for new private health insurance plans to cover recommended preventive services with no cost-sharing. The health care law also requires coverage for a new annual wellness visit under Medicare and eliminates cost sharing for recommended preventive services provided to Medicare beneficiaries.

In 2011, the Affordable Care Act provided approximately 54 million Americans with at least one new free preventive service through their private health insurance plans. An estimated 32.5 million people with Medicare received at least one free preventive benefit in 2011, including the new Annual Wellness Visit.

The report also provides baseline data on diabetes management, colon and breast cancer screening, HIV testing, and influenza vaccination.

For more information about the report, visit CDC’s website at www.cdc.gov/mmwr.

- **Five additional pharmaceutical companies have joined a National Institutes of Health-led effort to help research promising new treatments for patients.**

  This NIH-industry collaboration will match researchers with 58 compounds to test ideas for new therapeutic uses. Since the launch of the program last month, the total number of compounds the companies are making available has more than doubled.

  Abbott, Bristol-Myers Squibb Company, GlaxoSmithKline, Janssen Pharmaceutical Research & Development, L.L.C., and Sanofi have joined Pfizer, AstraZeneca, and Eli Lilly and Company in this innovative approach to research.

  The NIH's new National Center for Advancing Translational Sciences (NCATS) created the Therapeutics Discovery program to help re-engineer the research pipeline. By crowdsourcing compounds that already have cleared several key steps in the development process, including safety testing in humans, scientists nationwide have the opportunity to contribute their expertise to advancing these resources for new disease therapies.

  The eight participating companies will provide their compounds and related data, which were determined by the NIH to meet specific eligibility criteria.


- **Health and Human Services (HHS) Secretary Kathleen Sebelius announced a $5.5 million funding opportunity for states and tribes to test ways to prevent elder abuse, neglect and exploitation.**

  This initiative helps to implement the Elder Justice Act, which was enacted as part of the Affordable Care Act.

  Elder abuse is more common than generally believed, yet it often goes undiagnosed and
unaddressed. Each year, millions of elderly Americans are assaulted, demeaned, intimidated, left without adequate food or care, or robbed of their life savings. It often results in a wide range of negative health impacts, including increased likelihood of injury and chronic health conditions.

The initiatives funded through this announcement will test approaches designed to prevent elder abuse, neglect or exploitation, and build knowledge of risk factors related to these events. The funding can be used to support multidisciplinary pilot programs involving individuals and institutions that can play a role in combating abuse, such as health professionals, law enforcement and legal services agencies, social workers, clergy, and community organizations.

Secretary Sebelius also announced that she will convene the first Elder Justice Coordinating Council meeting, as called for in the Elder Justice Act. The council, comprised of federal agencies that have responsibilities or programs related to elder abuse, neglect, and exploitation, will work to address the cross-agency coordination of activities relating to elder abuse, neglect and exploitation.

Elder Abuse Prevention Interventions Program applications are available through www.grants.gov and will be due July 31, 2012. The final awards will be made no later than Sept. 30, 2012.

The U.S. Food and Drug Administration approved Perjeta (pertuzumab), a new anti-HER2 therapy, to treat patients with HER2-positive late-stage (metastatic) breast cancer.

Intended for patients who have not received prior treatment for metastatic breast cancer with an anti-HER2 therapy or chemotherapy, Perjeta is combined with trastuzumab, another anti-HER2 therapy, and docetaxel, a type of chemotherapy.

HER2 is a protein involved in normal cell growth. It is found in increased amounts on some types of cancer cells (HER2-positive), including some breast cancers. In these HER2-positive breast cancers, the increased amount of the HER2 protein contributes to cancer cell growth and survival.

Perjeta, manufactured through biotechnology methods, is administered intravenously and is believed to work by targeting a different part of the HER-protein than trastuzumab, resulting in further reduction in growth and survival of HER2-positive breast cancer cells.

Because there are production issues that potentially could affect the long-term supply of the drug, FDA limited its approval to drug product that has not been affected by those issues. Genentech, the manufacturer of Perjeta, has committed to take steps designed to resolve these production issues in a timely manner.

Breast cancer is the second leading cause of cancer-related death among women. This year an estimated 226,870 women will be diagnosed with breast cancer, and 39,510 will die from the disease. About 20 percent of breast cancers have increased amounts of the HER2 protein.

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 “Patient Protection and Affordable Care Act: IRS Managing Implementation Risks, but Its Approach Could Be Refined,” (GAO-12-690) on June 13, 2012. In this report, GAO describes IRS's progress in addressing GAO recommendations from June 2011 on PPACA implementation; assesses IRS's revised risk management plan; and assesses how IRS applies its plan in practice. 

- The GAO published “Medicare: Trends in Beneficiaries Served and Hospital Resources Used in Implantable Medical Device Procedures,” (GAO-12-583R) on June 13, 2012. In this report, GAO examined three trends for Medicare beneficiaries who received orthopedic or cardiac IMDs: hospital admission rates, by age and health status; hospital lengths of stay, by health status; and discharge disposition following admission for these procedures, by health status.

- The GAO published “Veterans' Health Care Budget: Transparency and Reliability of Some Estimates Supporting President’s Request Could Be Improved,” (GAO-12-689) on June 11, 2012. This report examines key changes to the fiscal year 2013 budget request compared to the 2013 advance appropriations request, and certain aspects of the fiscal year 2014 advance appropriation request and supporting estimates; and whether the issues GAO identified regarding NRM and operational improvements continue in the estimates for the most recent request.

- The Rand Corporation published “Improving Medical and Dental Readiness in the Reserve Components,” on June 6, 2012. This report describes options for Department of Defense policy that would help the reserve components of the U.S. military achieve higher levels of individual medical readiness, including dental readiness.
  http://www.rand.org/pubs/research_briefs/RB9670/index1.html

HILL HEARINGS

- The House Veterans Affairs Committee will hold a hearing on June 19, 2012, to examine VBA claims transformation plan.
- The Senate Veterans’ Affairs Committee will hold a hearing on June 27, 2012, to examine health and benefits legislation.

LEGISLATION

H.R.5948 (introduced June 8, 2012): the Veterans Fiduciary Reform Act of 2012 was referred to the House Committee on Veterans' Affairs

Sponsor: Representative Bill Johnson [OH-6]

MEETINGS

- 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](http://www.aameda.org/Conference/ACOA/ACOAMain.html)
- 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)
- The 118th AMSUS Annual Continuing Education Meeting will be held **Nov. 11-15, 2012**, in Phoenix, Ariz. [http://amsusmeeting.org](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](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.