

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

- **On July 11, 2012, the House passed H.R. 6079, a bill to repeal the Patient Protection and Affordable Care Act and health care-related provisions in the Health Care and Education Reconciliation Act 2010.** It is unlikely that the legislation will pass the Senate. President Obama has promised to veto if it gets to his desk.
- **On July 11, 2012 President Obama signed into law S. 3187, the “Food and Drug Administration Safety and Innovation Act.”**

This legislation will help speed safe and effective medical products to patients and maintain America’s role as a leader in biomedical innovation. This legislation is expected to drive timely review of new innovator drugs and medical devices, implement a program to accelerate approval of lower-cost generic drugs, and fund the new approval pathway for bio-similar biologics created by the Affordable Care Act. These new programs are important to increasing patient access to affordable medicines.

S. 3187 also enhances the tools available to the FDA to combat drug shortages by requiring manufacturers of certain drugs to notify the FDA when they experience circumstances that could lead to a potential drug shortage. This is consistent with the administration’s request to Congress to complement the actions directed by the 2011 Executive Order to address this significant public health issue.

Provisions in the legislation also will help enhance the safety of the drug supply chain in an increasingly globalized market, increase incentives for the development of new antibiotics, renew mechanisms to ensure that children’s medicines are appropriately

tested and labeled, and expedite the development and review of certain drugs for the treatment of serious or life-threatening diseases and conditions.

- **First Lady Michelle Obama today announced the winners of the *Let's Move! Communities on the Move* video challenge.**

The initiative invited faith and community leaders to share their stories about their efforts to promote wellness and solve the problem of childhood obesity in their communities. The First Lady encouraged participating organizations to create videos that showcased programs related to *Let's Move! Faith and Communities* that were creative, effective, sustainable, replicable and inspirational. Videos focused on at least one focus area, including efforts to promote physical activity, access to healthy, affordable food for children, and healthy eating using MyPlate, the federal government's new food icon.

Communities across the country responded enthusiastically to the challenge, submitting videos that represented a broad range of programs, strategies and age groups -- from toddlers to teenagers -- with submissions from 21 states. A panel of judges from **Let's Move!**, USDA and HHS chose one winner and several Honorable Mentions. The Popular Choice Award was given to the eligible video with the most votes online. All the winners will be invited to the White House and will meet First Lady Michelle Obama at a date to be announced.

To view the winners of the **Let's Move! Communities on the Move** video challenge, please visit: <http://www.whitehouse.gov/the-press-office/2012/07/11/first-lady-michelle-obama-announces-winners-let-s-move-video-challenge>.

MILITARY HEALTH CARE NEWS

- **Eight civil lawsuits stemming from a security breach that occurred when computer tapes were stolen from an employee of Science Applications International Corp. (SAIC) will be consolidated to the U.S. District Court for D.C.**

The decision, filed June 27 by the U.S. Judicial Panel on Multidistrict Litigation, centralizes five actions in D.C., one action each in the Northern District of California, Southern District of California, and the Western District of Texas. All eight actions arose from the September 2011 theft of computer tapes from an SAIC employee that contained private health information, including Social Security numbers, of about 4.9 million active duty and retired service members and their families.

Defendants include SAIC, the U.S. Department of Defense, defense Secretary Leon Panetta and TRICARE Management Activity. Among the claims made against SAIC is that the company failed to maintain reasonable procedures to prevent unauthorized access to Tricare beneficiaries' personal information, and violated state laws when it failed to notify the public of the theft until two weeks after the data was stolen.

SAIC sought to dismiss the original suit filed in a Texas court last October, which sought \$4.9 billion in damages, arguing that the claims had no merit.

- **Health Net Federal Services announced will host four symposiums in 2012 for primary care physicians and behavioral health professionals in the TRICARE North Region.**

The first symposium, *"Meeting the Needs of Returning Military Service Members,"* will cover topics including PTSD assessment tools and list factors that impact screening among military personnel; emerging technologies that support psychological health and brain injury recovery in the military community; mechanisms of injury and Department of Defense diagnostic criteria for mild, moderate, severe and penetrating TBI; clinical practice guidelines for the management of mild TBI in non-deployed settings; contrasting the components of a differential diagnosis of TBI and/or PTSD; and understanding challenges faced by returning service members and program benefits available to them.

The symposium is accredited by the Accreditation Council of Continuing Medical Education to provide continuing medical education for physicians and behavioral health professionals. This symposium has been designated for 6.75 continuing medical education (CME) hours.

The full-day symposium will be held July 14, 2012, in Arlington, Va. Interested health care professionals can register online, by fax or by mail. Registration details can be found at: www.pennstatehershey.org/ce.

The July 14th symposium and three additional symposiums scheduled in 2012 are the result of a partnership between Health Net and Penn State Milton S. Hershey Medical Center, Penn State College of Medicine and the American Red Cross.

- **First Lady Michelle Obama and the President's Council on Fitness, Sports & Nutrition have announced the new fitness initiative to support the families of deployed members of the National Guard and Reserve by helping them lead healthier, more active lifestyles.**

The program partners with trade associations representing fitness professionals and health clubs, which are providing free services such as personal training, fitness instruction and free 6-month health club memberships for certain family members of deployed Reservists and National Guard members. Clubs may also provide additional benefits such as childcare, children's programming, group classes, discounts for veterans, and discounts for active duty families.

Service members and their families can learn more online about this effort and [find participating fitness instruction](#). They can also find participating clubs [online](#).

For more information about [Joining Forces](#) and how military families can lead healthier and more active lifestyles, visit the [President's Council on Fitness, Sports & Nutrition](#).

- **The Military Health System announced it is accepting nominations for the 2013 "Building Stronger Female Physician Leaders in the Military Health System" awards program.**

Now in its fourth year, the awards program is a great way to raise the public profile of women in military medicine, to recognize individuals for their outstanding accomplishments and to identify role models who will inspire and lead the next generation of female physicians.

Nominations of female physicians from the Army, Navy, Air Force, Coast Guard and Public Health Services are due to the appropriate service branch [point of contact](#) by Sept. 7, 2012. After reviewing nomination candidate packages, each service may forward up to five junior and three senior packages to the MHS Chief Human Capital Office. One junior winner per service and one overall MHS-wide senior winner will be selected.

Learn more about the selection [criteria](#) and process; download the [nomination form](#).

- **The Congressional Budget Office (CBO) released a study, projecting that Department of Defense' future defense plans will cost more than DoD estimates.**

In most years, DoD provides Congress a five-year plan, called the Future Years Defense Program (FYDP), along with its budget request for the coming year. Because decisions made in the near term can have consequences for the defense budget well beyond that period, CBO regularly examines the programs and plans in DoD's FYDP and projects their budgetary impact over the long term.

Today's [study](#) analyzes the budgetary impact of the 2013 FYDP (which provides plans for fiscal years 2013 to 2017) through 2030. The FYDP describes the department's "base" budgetary plan for its normal activities, such as manning, training and equipping the military, and excludes overseas contingency operations, such as the war in Afghanistan.

CBO projects that DoD's plans will cost \$123 billion, or five percent, more to execute through 2017 than DoD estimates. CBO also projects that the cost of DoD's plans will exceed the limits established in the Budget Control Act. For most categories of DoD's budget, costs under CBO's projections are higher than under the department's estimates. Historically, the costs of providing health care, paying military and civilian personnel, and developing and buying weapons have been higher than DoD's planning estimates.

VETERANS AFFAIRS NEWS

- **The Department of Veterans Affairs (VA) is deploying a new model for processing compensation benefits claims at 16 VA regional offices.**

The new model is part of a comprehensive transformation plan designed to yield an estimated 150,000 to 200,000 additional compensation claim decisions annually, while ensuring veterans most in need receive priority attention.

The new organizational model involves special handling of claims from veterans who are facing the most serious injuries or illnesses or experiencing financial hardships or homelessness, and therefore need immediate attention. Through a new "intake processing center," claims are routed to one of three segmented lanes:

- Express: Claims that have only one or two medical conditions, or have all the supporting documentation, medical evidence and service records needed for an expeditious rating decision—referred to as "fully developed claims".
- Special Operations: Claims requiring special handling because of the unique circumstances of the veterans. These include financial hardship; homelessness; serious wounds, injuries or illnesses; Post Traumatic Stress Disorder associated with military sexual trauma; and former prisoner of war status.
- Core: Claims with more than two medical conditions, or those that will need additional evidence to make a compensation decision.

The segmented-lanes approach helps increase speed and accuracy because the claims specialists become familiar with processing claims of similar complexity.

Sixteen regional offices have received the new organizational and process model, including Huntington, W.Va.; Hartford, Conn.; Portland, Ore.; Houston, Texas; Cleveland, Ohio; Des Moines, Iowa; Boise, Idaho; Phoenix, Ariz.; New Orleans, La.; San Juan, Puerto Rico; Atlanta, Ga.; Indianapolis, Ind.; Wichita, Kan.; Milwaukee, Wis.; Newark, New Jersey and Fort Harrison, Mont. These offices will also receive new technology

systems and software upgrades over the next 3 months. All 56 VA regional offices will have fully implemented all of the people, process, and technology initiatives in VA's transformation plan by the end of 2013.

To learn more about how to file "fully developed claims" using VA's new Disability Benefits Questionnaires (DBQs), visit <http://benefits.va.gov/disabilityexams>.

- **The Department of Veterans Affairs (VA) has implemented a new initiative, Specialty Care Access Network-Extension for Community Healthcare Outcomes (SCAN-ECHO), to increase access to specialty care services for veterans in rural and medically under-served areas through the use of videoconferencing equipment.**

SCAN-ECHO is modeled after an outreach program developed by the University of New Mexico Health Sciences Center's Project ECHO. SCAN-ECHO enables specialty care teams in areas such as diabetes, pain management, and hepatitis C to use videoconferencing equipment to connect with veterans' local primary care providers (PCPs) and patient aligned care teams.

This year, the Veterans Health Administration (VHA), established a collaborative agreement with the Project ECHO program to educate and provide training materials to VHA staff. In addition, Project ECHO staff will be available for consultation as VHA's program continues to expand and new Centers are added.

Eleven VA medical facilities currently serve as SCAN-ECHO Centers: VA Connecticut Healthcare System, West Haven, Conn.; VA Pittsburgh Healthcare System, Penn.; Hunter Holmes McGuire VA Medical Center, Richmond, Va.; Salem VA Medical Center, Salem, Va.; Louis Stokes VA Medical Center, Cleveland, Ohio; VA Ann Arbor Healthcare System, Ann Arbor, Mich.; New Mexico VA Healthcare System, Albuquerque, N.M.; VA Eastern Colorado Healthcare System, Denver, Colo.; Portland VA Medical Center, Portland, Ore.; San Francisco VA Medical Center; and Veterans Integrated Service Network (VISN) 22 (services split between VA Greater Los Angeles Healthcare System and VA San Diego Healthcare System).

These centers are piloting the original model as developed by Project ECHO and adapting it to the VHA. The program is currently being evaluated to assure that veterans are experiencing improved access to care prior to a system wide expansion.

To date, 35 teams in 14 different specialties have been formed as of May, with 150 sessions held and a total of 690 consults completed.

- **A report released by the U.S. Department of Veterans Affairs reveals that new training initiatives for VA employees who process and evaluate veterans' disability claims are yielding faster, more accurate decisions for veterans.**

In the face of dramatically increasing workloads, VA is vigorously pursuing new and better ways to train its employees in the complex regulations governing VA's disability compensation program.

Designers of the revamped "Challenge" training model for new decision-makers overhauled the previous curriculum and more than doubled classroom instruction time to eight weeks. Extensive supervised and hands-on learning was added to enable employees to rapidly achieve critical skills and competencies.

Students of the new model completed 150 percent more claims per day, with a 30 percent increase in accuracy, when compared to student performance under the

previous program. To date, more than 1,300 employees have taken the training, which is now in place for all newly appointed or reassigned employees who handle disability claims.

VA has completed a record-breaking 1 million claims per year the last two fiscal years, and is on target to complete another 1 million claims in fiscal year 2012. However, many veterans continue to wait too long for their claims. That is why VA is aggressively building a strong foundation for a paperless, digital disability claims system – a lasting solution that will transform how VA operates and eliminate the backlog. This plan will help VA achieve Secretary Shinseki's goal: claim completion in less than 125 days with 98 percent accuracy in 2015 – delivering faster, better decisions for veterans.

VA has also developed a skills certification process to assess employees' job proficiency in comparison to national performance standards. Employees who process claims for disability benefits can now link their certification test results to individualized training plans and promotion criteria. This allows VA to target employee training to improve disability claims accuracy at both the individual and national level. “

To view the full report, please visit: <http://www.va.gov/opa/publications/docs/Evaluation-Report.pdf>.

GENERAL HEALTH CARE NEWS

- **The Department of Health and Human Services announced that more than 16 million people with original Medicare received at least one free preventive service during the first six months of 2012.**

Included in this estimate is 1.35 million Medicare beneficiaries 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.

Prior to 2011, people with Medicare faced cost-sharing for many preventive benefits such as cancer screenings. Through 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: <http://www.healthcare.gov/law/features/65-older/medicare-preventive-services/index.html>.

- **The U.S. Food and Drug Administration approved a risk evaluation and mitigation strategy (REMS) for extended-release (ER) and long-acting (LA) opioids, highly potent drugs approved for moderate to severe, persistent pain that requires treatment for an extended period.**

The REMS is part of a federal initiative to address the prescription drug abuse, misuse and overdose epidemic. The REMS introduces new safety measures designed to reduce risks and improve the safe use of ER/LA opioids, while ensuring access to needed medications for patients in pain.

The new ER/LA opioid REMS will affect more than 20 companies that manufacture opioid analgesics. Under the new REMS, companies will be required to make education

programs available to prescribers based on an FDA Blueprint. It is expected that companies will meet this obligation by providing educational grants to continuing education (CE) providers, who will develop and deliver the training.

The REMS also will require companies to make available FDA-approved patient education materials on the safe use of these drugs. The companies will be required to perform periodic assessments of the implementation of the REMS and the success of the program in meeting its goals. The FDA will review these assessments and may require additional elements to achieve the goals of the program.

ER/LA opioid analgesics are widely prescribed medicines with an estimated 22.9 million prescriptions dispensed in 2011, according to IMS Health, which provides services and information to the health care and pharmaceutical industries. It is estimated that more than 320,000 prescribers registered with the Drug Enforcement Administration (DEA) wrote at least one prescription for these drugs in 2011.

ER/LA opioid analgesics are associated with serious risks of overuse, abuse, misuse and death and the numbers continue to rise. According to the Centers for Disease Control and Prevention, 14,800 Americans died from overdoses involving opioids in 2008. In 2009, there were 15,597 deaths involving these medications – nearly four times as many deaths compared to 1999.

For details about the new program, please visit: [Opioid Drugs and Risk Evaluation and Mitigation Strategies](#).

- **Catherine Bushnell, Ph.D., an internationally recognized pain and neuroscience researcher, has been appointed scientific director of a new research program focusing on the role of the brain in perceiving, modifying, and managing pain.**

Based in the National Center for Complementary and Alternative Medicine (NCCAM), this collaborative effort will complement basic science and clinical research efforts of other ongoing intramural neuroscience, imaging, and mental and behavioral health research programs.

According to the Institute of Medicine, in the United States, more than 100 million people suffer from chronic pain conditions, and it is estimated to cost nearly \$635 billion annually for treatment and lost productivity. While tremendous progress has been made in drug treatment of acute pain, there are pressing needs for better understanding and treatments for chronic pain.

Research projects will include investigating the role of the brain in pain processing and control, and how factors such as emotion, attention, environment and genetics affect pain perception. The program will also explore how chronic pain produces changes in the brain that can modify how the brain reacts to pain medications like opioids.

Dr. Bushnell comes to NIH from McGill University in Montreal, where she was the Harold Griffith Professor of Anesthesia and professor in dentistry and neurology. Dr. Bushnell's research interests include brain mechanisms of pain processing, psychological modulation of pain, and brain changes in chronic pain patients. Recent research projects utilize brain imaging and psychophysical testing to study the neural basis of pain processing.

Dr. Bushnell just finished a term as president of the Canadian Pain Society and is treasurer of the International Association for the Study of Pain. She was director of the Alan Edwards Centre for Research on Pain at McGill from 2003 to 2009. In 2009, she was awarded a senior Canada Research Chair in Clinical Pain. Dr. Bushnell's scientific work has been recognized internationally, as demonstrated by her receipt of lifetime

achievement awards from both the American Pain Society and the Canadian Pain Society.

REPORTS/POLICIES

- **The Institute of Medicine (IOM) published “The Mental Health and Substance Use Workforce for Older Adults: In Whose Hands?” on July 10, 2012.** This report examines the geriatric mental health and substance use workforce, assessed the needs of this population and provides recommendations on how to address the significant shortages. <http://www.iom.edu/Reports/2012/The-Mental-Health-and-Substance-Use-Workforce-for-Older-Adults.aspx>

HILL HEARINGS

- The House Veterans Affairs Committee will hold a hearing on **July 18, 2012**, to examine the disability compensation benefits process for victims of military sexual trauma.
- The Senate Veterans Affairs Committee will hold a hearing on **July 18, 2012**, to examine the nomination of Thomas Skerik Sowers II, to be assistant secretary of veterans affairs for public and intergovernmental affairs.
- The House Veterans Affairs Committee will hold a hearing on **July 25, 2012**, to examine DoD and VA collaboration to assist service members returning to civilian life.

LEGISLATION

- **H.R.6079** (introduced July 11, 2012): Repeal of Obamacare Act was passed on July 11, 2012.
Sponsor: Representative Eric Cantor [VA-7]
- **H.R.6088** (introduced July 9, 2012): Total Repeal of the Unfair Taxes on Healthcare Act of 2012 was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce
Sponsor: Representative David Schweikert [AZ-5]
- **H.R.6092** (introduced July 10, 2012): Wildland Firefighters Health Protection Act was referred to the House Committee on Oversight and Government Reform
Sponsor: Representative Diana DeGette [CO-1]
- **H.R.6097** (introduced July 10, 2012): To exempt employers from any excise tax and certain suits and penalties in the case of a failure of a group health plan to provide coverage to which an employer objects on the basis of religious belief or moral conviction was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Education and the Workforce.
Sponsor: Representative F. James Sensenbrenner, Jr. [WI-5]
- **H.R.6103** (introduced July 11, 2012): To amend title XI of the Social Security Act to increase fines and penalties for Medicare fraud to augment Medicare fraud enforcement activities, such as the Health Care Fraud and Enforcement Action Team (HEAT) program was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce.
Sponsor: Representative Kathleen C. Hochul, Kathleen C. [NY-26]

- **S.3376** (introduced July 11, 2012): A bill to amend the Federal Food, Drug, and Cosmetic Act to prevent the abuse of dextromethorphan, and for other purposes was referred to the Committee on Health, Education, Labor, and Pensions. Sponsor: Senator Robert P. Casey, Jr. [PA]

MEETINGS

- 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
- The Military Health System Research Symposium (MHSRS) will be held on **Aug. 13-16, 2012**, in Ft. Lauderdale, Fla. <https://www.atacc.org/>
- The National Conference on Pain for Frontline Practitioners: PAINWeek will be held on **Sept. 5-8, 2012**, in Las Vegas. <http://www.painweek.org/>
- HJF Military Medicine Symposium: Clinical Manifestations of TBI and PTSD will be held on **Sept. 20, 2012**, in Rockville Md. <http://www.cvent.com/d/jcqqh7>
- CFHA's 14th Annual Conference: will be held on **Oct. 4-6, 2012**, in Austin, Texas <http://www.cfha.net/?page=2012Austin>
- The American Public Health Association (APHA) 140th Annual Meeting and Exposition will be held on **Oct. 27-31, 2012**, in San Francisco, Calif. <http://www.apha.org/meetings/AnnualMeeting/>
- The International Society for Traumatic Stress Studies (ISTSS) 28th Annual Meeting will be held on **Nov. 1-3, 2012**, in Los Angeles, Calif. <http://www.istss.org/Home1.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>
- The 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>
- The Radiological Society of North America (RSNA) 2012: Patients First will be held on **Nov. 25-30, 2012**, in Chicago, Ill. http://www.rsna.org/Annual_Meeting.aspx
- The 2012 Special Operations Medical Association (SOMA) Conference will be held on **Dec. 15-18, 2012**, in Tampa, Fla. <http://www.specialoperationsmedicine.org/>
- The International Meeting of Simulation in Healthcare (IMSH) 2013 will be held on **Jan. 26-30, 2013**, in Orlando, Fla. <http://ssih.org/events/imsh-2013-central>
- The 2013 Military Health System Conference will be held **Feb. 11-14, 2013**, in National Harbor, Md.

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.