

## FEDERAL HEALTH UPDATE

Mar 5, 2010

Produced by Kate Connelly Theroux in collaboration with the Institute of Federal Health Care (IFHC)

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## Executive and Congressional News

- **U.S. Senator Scott Brown (R-MA) was assigned the Senate Armed Services, Homeland Security and Veterans Affairs Committees.**
- **On March 2, 2010, President Obama signed into law H.R. 4691, the Temporary Extension Act of 2010.** This legislation provides short-term extensions of several authorities, including those related to: COBRA premiums; delaying the 21 percent Medicare physician payment cuts until April 1; and Medicare therapy caps.
- **On March 3, 2010, U.S. Senator Daniel K. Akaka (D-Hawaii), chairman of the Veterans Affairs Committee, held an oversight hearing on veteran suicide and mental health issues.**

Akaka, who has championed a number of veterans mental health and suicide-prevention bills, which are now law, sought to hear from veterans and VA leadership on the implementation of these measures.

Akaka's opening statement is available [here](http://www.fedhealthinst.org). For the full witness list and witnesses' written testimony, please visit <http://veterans.senate.gov>.

Daniel J. Hanson, an Operation Iraqi Freedom veteran, testified about his experience with the mental health issues following his return to the States, as well as the treatment he received through the VA, which he described as "was not intensive enough" following his attempted suicide. Gerald Cross, MD, VA acting principal deputy undersecretary for health, also testified about the mental health care provided by the VA. In his remarks, Cross said that the suicide rate among young veterans who are actually receiving mental health care from the VA is down.

- **The Senate Health, Education, Labor and Pensions held a hearing on March 4, 2010, to examine childhood obesity, focusing on reversing the epidemic.** U.S. Surgeon General Regina M. Benjamin, MD, and Joe Thompson, MD, MPH, director, Robert Wood Johnson Foundation Center to Prevent Childhood Obesity, were among those who testified.

## Military Health Care News

- **Secretary of Defense Robert M. Gates announced that President Obama has made the following nominations:**
  - Navy Reserve Capt. Thomas E. Beeman for appointment to the rank of rear admiral (lower half). Beeman is currently serving as deputy chief of staff for wounded, ill, and injured at the Bureau of Medicine and Surgery, Washington, D.C.
  - Navy Reserve Capt. Charles D. Harr for appointment to the rank of rear admiral (lower half). Harr is currently serving as commanding officer for Medical Battalion, 4th Marine Logistics Group, New Orleans.
  - Navy Reserve Capt. Margaret A. Rykowski for appointment to the rank of rear admiral (lower half). Rykowski is currently serving as reserve fleet surgeon, Third Fleet, San Diego.

- **TRICARE Management Activity (TMA) announced that retired service members can purchase affordable dental coverage for themselves and their eligible family members through the TRICARE Retiree Dental Program.**

The TRICARE Retiree Dental Program is available around the world to retired service members who receive retirement pay, "gray area" retired National Guard and Reserve members who are entitled to (but not yet receiving) retirement pay, and Medal of Honor recipients. Spouses and children up to 21, or 23 if they are full-time students, of these retirees are also eligible for the retiree dental program.

Participants in this voluntary plan can obtain dental care from any licensed dentist within the program's designated service area. However, visiting an out-of-network dentist may require participants to pay higher out-of-pocket expenses and file their own claims.

The TRICARE Retiree Dental Program is a premium-based plan administered by Delta Dental. The program requires cost shares for certain services after beneficiaries reach their \$50 per-person deductible. Most preventive, diagnostic and emergency dental services are covered or available for cost-sharing immediately after enrollment, but some services including orthodontics, dentures and crowns are available with a cost-share only after 12 months of continuous enrollment.

The monthly premium rates vary based on the retiree's location and the number of people covered by the plan. These premiums are automatically deducted from retirement pay. The rates are available at [www.trdp.org](http://www.trdp.org) and adjust Oct. 1 for the next year.

Those interested in the TRICARE Retiree Dental Program may enroll online, by telephone or by mail. Visit [www.trdp.org](http://www.trdp.org) and click "Prospective Enrollees" for more information on rates and benefits.

- **The American Forces Press Service reported that TRICARE recipients will see no increase in their premiums next year if Congress approves that provision of the fiscal 2011 defense budget, as expected.**

However, Defense Secretary Robert Gates has indicated he wants to work closely with Congress to find ways to help control escalating military health-care costs that are consuming an ever-increasing chunk of the budget. The cost of the military health-care system has skyrocketed from \$19 billion in 2001 to \$50.7 billion in the fiscal 2011 budget request.

Military Health System officials estimate 5 percent to 7 percent annual cost increases through fiscal 2015, and those officials predict that the program will grow from 6 percent of the defense budget to more than 10 percent by fiscal 2015.

Gates said, "At some point, there has to be some reasonable tradeoff between reasonable cost increases or premium increases or copays or something and the cost of the program."

There's been no TRICARE premium increase since the program was founded in 1995, Gates said, noting that Congress has rejected recent Pentagon proposals for modest increases. He said that few if any health-insurance programs have not had a premium increase in 15 years.

Gates compared the \$1,200 average out-of-pocket costs for a family of three under TRICARE to about \$3,300 for the same family under a health-maintenance organization plan in the Federal Employees Health Care Program.

The Military Health System has 9.5 million eligible beneficiaries, including active-duty military members, military retirees, dependent survivors and certain eligible reserve-component members and their families.

Military Health System officials expect more eligible beneficiaries to continue returning to the TRICARE system as costs of programs offered through their employers or spouses continue to increase.

The Government Accountability Office recently found that more than 85 percent of retirees ages 45 to 49 and half of retirees between ages 60 and 64 had access to other group health insurance, but chose TRICARE instead.

## Veterans Health Care News

- **Secretary of Veterans Affairs (VA) Eric K. Shinseki announced that the department's Gulf War Veterans' Illnesses Task Force has nearly completed a comprehensive report that will redefine how VA addresses the pain and suffering of ill veterans who deployed during the Gulf War in 1990 and 1991.**

The mission of VA's Gulf War Task Force is to identify gaps in services as well as opportunities to better serve Veterans of the Gulf War. Of the almost 700,000 service members who deployed to Operation Desert Shield in 1990 and Operation Desert Storm in 1991, there have been 300,000 Gulf War veterans with claims decisions; more than 85 percent were granted service connection for at least one condition, and more than 14 percent were not granted service connection for any condition.

VA's Gulf War Task Force recommendations build on the findings from the 2008 VA Research Advisory Committee on Gulf War Illnesses. The Task Force's recommendations include:

- Improve data sharing with Department of Defense to notify veterans of potential exposures, monitor their long-term health and inform them about decisions regarding additional follow-up.
- Improve the delivery of benefits to veterans with Gulf War-related disabilities by:
  - a. Reviewing, and if necessary, updating regulations affecting Gulf War veterans.
  - b. Expanding training for VBA examiners on how to administer disability claims with multiple known toxin exposure incidents.
- Improve VA healthcare for veterans through a new model of interdisciplinary health education and training.
- Increase number of long term, veteran-focused studies of veterans to enhance the quality of care VA provides.
- Transition from reactive to proactive medical surveillance to help better manage veterans' potential hazardous exposures.
- Find new treatments for Gulf War veterans through new research.
- Enhance outreach to provide information and guidance to veterans about benefits and services available to them for injuries/illnesses associated with Gulf War service.

- **The Department of Veterans Affairs (VA) announced the award of two contracts totaling \$41.5 million to create a "polytrauma center" that cares for the most severely injured veterans and to improve the existing wards at the Audie L. Murphy VA Medical Center in San Antonio.**

One contract provides \$37.2 million to Robins and Morton of Birmingham, Ala. The contract calls for construction of a three-story, 84,000-square foot "polytrauma center." It would include physical medicine, rehabilitation services, prosthetics service and research.

"Polytrauma" refers to health care for veterans who have more than one severe, life-threatening medical problem. Many of VA's polytrauma patients are recent combat veterans injured by roadside bombs and other explosives in Iraq and Afghanistan.

A second contract, valued at \$4.3 million, was awarded to Strategic Perspectives Development of San Antonio. It provides for upgrades and expansion to ward 4-A, including electrical work, utilities, fire alarm and fire protection systems, telephone and data systems, and asbestos abatement.

## Health Care News

- **On March 3, 2010, the Department of Health and Human Services (HHS) released the first in a series of Web videos and public service announcements to promote First Lady Michelle Obama's national initiative, *Let's Move*, designed to solve childhood obesity within a generation.**

As a member of the U.S. Presidential Delegation for the XXI Olympic Winter Games, HHS Secretary Kathleen Sebelius attended the closing ceremony of the 2010 Winter Olympic Games. While in Vancouver, Sebelius enlisted the help of more than a dozen Olympic athletes to combat the challenge of childhood obesity by providing the American public with tips to maintain a healthy lifestyle. In the videos, current and former Olympians urge parents and kids to incorporate physical activity and nutritious foods into everyday life.

The new Web videos, featured on [www.LetsMove.gov](http://www.LetsMove.gov), remind Americans that you don't have to be an Olympic athlete to be active, eat right and maintain a healthy weight. The Web videos include messages from two-time Olympic medalist figure skater Michelle Kwan, 2010 skeleton racer Noelle Pikus-Pace, and 2010 Olympic snowboarder Louie Vito.

Currently, one in three American children is overweight or obese. Each year, the United States spends an estimated \$147 billion to treat obesity-related conditions such as diabetes and high blood pressure. Research indicates that if this public health imperative is not addressed, this could be the first generation of children to have a shorter lifespan than their parents.

Later this month, HHS will release the new *Let's Move* public service announcements featuring former and current Olympians.

To view the videos and learn more, visit [www.LetsMove.gov](http://www.LetsMove.gov).

- **The Food and Drug Administration (FDA) issued final guidance to help manufacturers who are developing safe and effective cell-based viral vaccines to address emerging and pandemic threats.**

The [Guidance for Industry: Characterization and Qualification of Cell Substrates and Other Biological Materials Used in the Production of Viral Vaccines for Infectious Disease Indications](#) will aid manufacturers who wish to use new cell substrates for vaccine production, such as for influenza vaccines. Currently, all licensed influenza vaccines are produced in chicken eggs.

FDA scientists spent more than a decade conducting the research required for the document, as well as consulting with other scientists, the vaccine industry and the public. In addition to providing advice to manufacturers about the scientific principles of cell substrate development, the guidance describes tests that may be used to evaluate cell substrates intended for use in viral vaccine production.

The FDA hopes that availability of this final guidance helps manufacturers advance the development and production of cell-based vaccines against infectious diseases and leads to additional vaccine options, including for pandemic influenza vaccines.

Cell cultures are now used to produce licensed vaccines that help protect against diseases such as rubella and polio. The new guidance outlines best practices using current and emerging science to safely expand the types of cells that may be used to produce vaccines.

The guidance supplements recommendations on the production of viral vaccines for the prevention and treatment of infectious diseases provided in International Conference on Harmonization (ICH) documents Q5A and Q5.

For more information: <http://www.fda.gov/downloads/BiologicsBloodVaccines/GuidanceComplianceRegulatoryInformation/Guidances/Vaccines/UCM202439.pdf>

- **Heart disease hospitalization rates among Americans aged 65 years and older vary substantially depending on where they live, according to a report released by the Centers for Disease Control and Prevention.**

The [Atlas of Heart Disease Hospitalizations Among Medicare Beneficiaries](#) shows that the highest hospitalization rates occur among blacks compared to other racial and ethnic groups. Hospitalization rates were also highest in counties located primarily in Appalachia, the Mississippi Delta, Texas and Oklahoma. A significant number of Medicare beneficiaries live in counties without hospitals capable of providing specialized heart disease treatment.

The atlas provides for the first time statistics about heart disease hospitalizations at the county level. Data came from the Medicare records of more than 28 million people each year between 2000 and 2006 in the 50 states, Washington, D.C., Puerto Rico and the U.S. Virgin Islands. The report documented an average of 2.1 million hospitalizations for heart disease each year.

Heart disease is the nation's leading cause of death. In 2010, it is estimated to cost the United States \$316.4 billion in health care services, medications and lost productivity. In states with the highest heart disease hospitalization rate, the burden is generally two times higher than states with the lowest rates.

For more information about heart disease and stroke visit [www.cdc.gov/dhdsp](http://www.cdc.gov/dhdsp).

- **The U.S. Food and Drug Administration (FDA), the Centers for Disease Control and Prevention (CDC) and the U.S. Department of Agriculture's Food Safety and Inspection Service (FSIS) will host a joint public workshop on how best to measure progress in reducing foodborne illnesses on March 30, in Washington, D.C.**

The President's Food Safety Working Group has emphasized the need for improved metrics for evaluating the government's efforts to prevent foodborne illness. The workshop will focus on current methods for evaluating food safety progress, the methodologic and data challenges involved, and the potential for improved metrics.

The public workshop will include explanations by CDC, of how rates of foodborne illness are estimated for various purposes — for example, to determine overall rates of foodborne illness and rates for specific pathogens. FDA, FSIS, and a state representative will describe other measurements they use to gauge the success of policies and other interventions for reducing foodborne illness.

For more information about the workshop, please visit: <http://edocket.access.gpo.gov/2010/pdf/2010-4110.pdf>.

- **A majority of consumers read food labels and are increasingly aware of the link between good nutrition and reducing the risk of disease, according to the latest survey of dietary habits released today by the U.S. Food and Drug Administration.**

The [2008 U.S. Health and Diet Survey](#) of more than 2,500 adults from all 50 states and the District of Columbia found that, for the first time, more than half of those surveyed "often" read a label the first time they buy a product. Yet, while the number of consumers reading a food label the first time they buy a product has risen, consumers are skeptical of industry claims such as "low fat," "high fiber," or "cholesterol free" on the front of packages.

The 2008 survey is the 10th such survey since 1982. It was based on a random-digit-dialing telephone survey weighted for the number of phone lines and adults in a household, gender, race/ethnicity, and education. Calls for the survey were made between Sept. 6, 2008, and Dec. 7, 2008. The overall 95 percent confidence level is plus or minus two percentage points.

For more information, please visit [Fact Sheet: Key Findings from 2002 and 2008 U.S. Food and Drug Administration's Health and Diet Survey](#).

- **The U.S. Food and Drug Administration announced the first meeting of the Tobacco Products Scientific Advisory Committee (TPSAC) will be held March 30-31, 2010.**

The committee, required through the Family Smoking Prevention and Tobacco Control Act (Tobacco Control Act), will provide advice, information, and recommendations to FDA on a wide range of tobacco-related issues.

The first meeting will focus on the health impacts of the use of menthol in cigarettes as it relates to the demographics of users, preferential use by persons initiating tobacco use, and the effects of menthol on addiction and cessation. In addition, consumer perceptions about menthol cigarettes, the sensory qualities of menthol cigarettes, and the effects of menthol on how cigarettes are smoked will be discussed at the committee's inaugural meeting.

These discussions are preliminary to the preparation of the committee's report to the Secretary of Health and Human Services regarding the impact of use of menthol in cigarettes on the public's health, required by the Tobacco Control Act.

The committee is comprised of 12 members, nine voting and three non-voting. Of the nine voting members, seven are health professionals representing a wide variety of relevant disciplines. The other two voting members include a representative from state government and a representative of the general public.

Selection of the three non-voting members representing industry interests is ongoing. Ultimately, this will include one member from the tobacco manufacturing industry, one representing tobacco growers, and one representative from the small business manufacturing industry.

For additional background, including the roster of members, please go to <http://www.fda.gov/Tobacco>.

- **The National Institutes of Health (NIH) announced Francis Patrick "Pat" White was appointed as its new associate director for legislative policy and analysis.**

White has most recently been serving as vice president for federal relations at the Association of American Universities (AAU). In that position, he developed and executed advocacy strategies for AAU's president and the leadership of the 60 top research universities in the United States. Before working at AAU, he was director of legislative relations for the Federation of American Societies for Experimental Biology (FASEB) from 2000 to 2003 and director of public affairs for the American Association of Immunologists (AAI) from 1993 to 2000. White also has experience in the White House Office of Science and Technology Policy (OSTP) and as chief of staff for a Michigan Congressman, the late Robert W. Davis.

#### Reserve/Guard

- As of March 2, 2010, the total number of Guard and Reserve currently on active duty has **decreased** by 1,115 to 140,216. The totals for each service are Army National Guard and Army Reserve 109,470; Navy Reserve, 6,461; Air National Guard and Air Force Reserve, 17,093; Marine Corps Reserve, 6,484; and the Coast Guard Reserve, 708. [www.defenselink.mil](http://www.defenselink.mil)

#### Reports/Policies

- **The U.S. Government Accountability Office (GAO) has launched an audio podcast series titled "GAO's Watchdog Report."**

These five-minute audio files feature interviews with GAO officials on significant issues and new reports, and are easily downloadable for listening on computers or mobile music devices.

To access these podcasts, please visit: <http://www.gao.gov/podcast/watchdog.xml>

- **The GAO published "Medicare Part D: CMS Oversight of Part D Sponsors' Fraud and Abuse Programs Has Been Limited, but CMS Plans Oversight Expansion," (GAO-10-481T) on March 3, 2010.** This is the statement of Kathleen King, GAO director of Health, before the Senate Homeland Security and Governmental Affairs Subcommittee on Federal Financial Management, Government Information, Federal Services and International Security. The statement discusses CMS's oversight of Part D sponsors' fraud and abuse programs, including its past efforts and planned oversight activities. <http://www.gao.gov/new.items/d10481t.pdf>
- **The GAO published "Group Purchasing Organizations: Research on Their Pricing Impact on Health Care Providers," (GAO-10-323R) on March 1, 2010.** In this report, the GAO reviewed research on the impact of group purchasing organizations (GPOs) on pricing for hospitals and other health care providers. <http://www.gao.gov/new.items/d10323r.pdf>
- **The GAO published "Medicare Part D: Spending, Beneficiary Cost Sharing, and Cost-Containment Efforts for High-Cost Drugs Eligible for a Specialty Tier," (GAO-10-242) on March 1, 2010.** In this report, the GAO provides information about high-cost drugs eligible for a specialty tier, including spending under Medicare Part D in 2007, the most recent year for which claims data were available; how different cost-sharing structures could be expected to affect beneficiary out-of-pocket costs; how negotiated drug prices could be expected to affect beneficiary out-of-pocket costs; and information Part D plan sponsors reported on their ability to negotiate price concessions and to manage utilization. <http://www.gao.gov/new.items/d10242.pdf>

#### Legislation

- **H.R.4752** (introduced March 3, 2010): To amend part D of title XVIII of the Social Security Act to require the Secretary of Health and Human Services to negotiate covered part D drug prices on behalf of Medicare beneficiaries was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.  
Sponsor: Representative Peter Welch [VT]
- **S.3058** (introduced March 2, 2010): A bill to amend the Public Health Service Act to reauthorize the special diabetes programs for Type I diabetes and Indians under that Act was referred to the Committee on Health, Education, Labor, and Pensions.  
Sponsor: Senator Byron L. Dorgan [ND]

#### Hill Hearings

- The House and Senate Veterans Affairs Committees will hold a joint hearing on **March 9, 2010**, to hear the legislative presentation from the Veterans of Foreign Wars of the United States.
- The House Veterans Affairs Committee will hold a hearing on **March 10, 2010**, to examine the structuring the U.S. Department of Veterans Affairs of the 21st Century.
- The House and Senate Veterans Affairs Committees will hold a joint hearing on **March 18, 2010**, to hear the legislative presentations from AMVETS, NASDVA, NCOA, GSW, TREA, FRA, VVA, and IAVA.
- On **March 18, 2010**, the House Veterans Affairs Committee will hold the 2010 Claims Summit.

#### Meetings / Conferences

- The Society of Toxicology Annual Meeting will be held **March 7-11, 2010**, in Salt Lake City, Utah. <http://www.toxicology.org/AI/MEET/AM2010/>
- The 14th International Congress on Infectious Diseases will be held on **March 9-12, 2010**, in Miami, Fla. [http://www.isid.org/14th\\_icid/](http://www.isid.org/14th_icid/)
- AHP's 2010 National Policy Forum will be held on **March 9-10, 2010**, in Washington D.C. <http://www.ahip.org/links/policy2010>.
- The 2010 Summit on Translational Bioinformatics will be held on **March 10-12, 2010**, in San Francisco, Calif. [www.amia.org](http://www.amia.org)
- The 27th Annual Behavioral Risk Factor Surveillance System Conference will be held on **March 20-24, 2010**, in San Diego, Calif. <http://www.cdc.gov/bfss/conference/index.htm>
- BIT Life Sciences and World Congress of Vaccines: Next Generation Vaccines will be held on **March 24-26, 2010**, in Beijing, China.

- DTI Life Sciences and World Congress of Vaccines. Next Generation vaccines will be held on **March 24-26, 2010**, in Beijing, China. <http://www.bitlifesciences.com/wcv2010>
- The Battlefield Healthcare Conference will be held on **March 29-31, 2010**, in Tyson's Corner, Vienna, Va. [www.battlefieldhealthcare.com](http://www.battlefieldhealthcare.com)
- The Military Medical Technology Conference will be held on **March 31 – April 2, 2010**, in Tyson's Corner, Vienna, Va. [www.militarymedicaltechnology.com](http://www.militarymedicaltechnology.com)
- The 10th Annual World Vaccine Congress will be held on **April 19-22, 2010**, in Washington, D.C. <http://www.terrapinn.com/2010/wvdc/index.stm>
- The Military Health Management 2010 Conference will be held on **April 26-28, 2010**, in Arlington, Va. [www.MilitaryHealthManagement.com](http://www.MilitaryHealthManagement.com)
- The 13th Annual Conference on Vaccine Research will be held on **April 26 - 28, 2010**, in Bethesda Md. <http://www.nfid.org/conferences/>
- The 81st Annual Scientific Meeting of the Aerospace Medical Association will be held on **May 9-13, 2010**, in Phoenix, Ariz. <http://www.asma.org/meeting/>
- The 15th Annual International Meeting of the American Telemedicine Association will be held **May 16-18, 2010**, in San Antonio, Texas. <http://medtechiq.ning.com/events/15th-annual-international>
- The Electronic Health Records Summit will be held on **May 24-26, 2010**, in Washington D.C. [www.electronichealthrecordssummit.com](http://www.electronichealthrecordssummit.com)
- The National Conference on Immunization and Health Coalitions will be held on **May 26-28, 2010**, in Chicago, Ill. <http://www.ilmaternal.org/ncihc/registration.html>
- The 9th National Conference on Immunization and Health Coalitions will be held on **May 26 - 28, 2010**, in Chicago, Ill. <http://www.ilmaternal.org/ncihc2010.html>
- The Military Healthcare Convention & Conference will be held on **June 22-25, 2010**, in San Antonio, Texas. [www.MilitaryHealthcareConvention.com](http://www.MilitaryHealthcareConvention.com)
- The 24th International Congress and Exhibition on Computer Assisted Radiology will be held on **June 23-26, 2010**, in Geneva Switzerland. <http://www.cars-int.org/>
- The CDC 7th International Conference on Emerging Infectious Diseases will be held on **July 11-14, 2010**, in Atlanta, Ga. <http://www.iceid.org/>
- 13th Annual Force Health Protection Conference: "Military Preventive Medicine and Public Health" will be held on **Aug. 10-13, 2010**, in Phoenix, Ariz. <http://www.theconferencewebsite.com/conference-info/FHPC-2010>

If you need further information on any of the items in the Federal Health Update, please contact Kate Connelly Theroux at (703) 447-3257 or by e-mail at [katetheroux@fedhealthinst.org](mailto:katetheroux@fedhealthinst.org). To subscribe, please visit <http://fedhealthinst.org/subscribe.cfm>. To unsubscribe, please send an email to [newsletter@fedhealthinst.org](mailto:newsletter@fedhealthinst.org) with UNSUBSCRIBE as the subject.

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