



Federal Health Matters

IHS and Tribal Facilities Designated Critical Access Hospitals

Six health care facilities in the Phoenix Area IHS network are among the first to be accredited under a new provider category: critical access hospital (CAH). This category, created by the Medicare Rural Hospital Flexibility Program enacted in 1997, is intended for facilities located in rural and remote areas, where health care delivery is more expensive than it is in urban areas. To make up for these higher costs, CAHs are reimbursed by the Centers for Medicare and Medicaid Services according to the actual costs of care—instead of on a flat-rate basis.

The six facilities comprise four IHS centers (Hopi Health Care Center, Whiteriver Hospital, Parker Indian Hospital, and Fort Yuma IHS Hospital) and two tribally operated facilities (HuHuKam Memorial Hospital and Owyhee Community Health Center), all located in the Phoenix Area IHS network. They were accredited as CAHs by the Joint Commission on Accreditation of Healthcare Organizations after scoring between 92 and 97 out of 100 on that organization's survey. The facilities will be resurveyed in a year. IHS Phoenix Area Director Don J. Davis commented that the CAH accreditation and the im-

proved financial status that goes along with it represent "major components in our ongoing efforts to expand patient care services in American Indian and Alaska Native communities."

TRICARE Contracts for Retail Pharmacy Benefits

Starting on April 1, 2004, Express Scripts Inc. (Maryland Heights, MO) will assume full responsibility for managing the DoD's TRICARE Retail Pharmacy (TRRx) program, according to a \$245.5 million contract awarded earlier this fall. This will entail providing access to the retail pharmacy network, handling and processing claims, performing drug utilization and safety reviews, supplying beneficiary communication materials, and setting up a call center to handle beneficiary inquiries. The estimated cost spans the six-month base period and five one-year option periods built into the contract.

The TRRx program is one of three components of the DoD's pharmacy benefit. In addition to filling prescriptions at participating retail pharmacies, beneficiaries can get their medications directly from a military medical treatment facility or through the TRICARE Mail Order Pharmacy, which replaced the previous National Mail Order Pharmacy in March 2003 and, like

the TRRx, is managed by Express Scripts. Under TRRx, beneficiaries in the 50 states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands will be able to access network pharmacies both at home and while traveling outside of their TRICARE region.

According to Assistant Secretary of Defense for Health Affairs William Winkenwerder, Jr., this latest contract "is part of the department's strategy to implement a fully integrated pharmacy program that delivers world-class, cost-effective patient care through a single manager of our retail pharmacy benefit." By having one company take charge of the TRRx program, the DoD aims to simplify administrative procedures and increase accountability, raising the level of services provided while cutting costs. During the six months between the award of the contract and the official start date, Express Scripts will notify beneficiaries about network coverage and procedures for filling prescriptions under the new program. The DoD will retain responsibility for monitoring the safety and continuity of patient services provided.

House Passes Veterans Benefits Act of 2003

Sponsored by House VA Committee Chair Chris Smith (R-NJ), the

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Veterans Benefits Act of 2003 (H.R. 2297), was approved by the full House of Representatives on October 9. According to Smith, this legislation “would provide significant new support to veterans, particularly to disabled veterans and surviving spouses of veterans.”

Specifically, severely disabled veterans could receive larger grants to obtain specially adapted automobiles and housing, and surviving spouses who remarry after age 55 would retain their widow/widower benefits. In addition, the bill would grant presumed service connection for cirrhosis of the liver in former prisoners of war (POWs), lift the requirement that a POW's imprisonment period exceed 30 days for service connection to be granted for several health conditions, and expand benefits for

children with spina bifida born to Vietnam-era veterans who served near Korea's demilitarized zone between October 1, 1967 and May 7, 1975. Other provisions of the legislation relate to vocational and self-employment training for veterans, home loans for reservists, and state cemetery grants.

International Tech Team Tackles Smallpox

Building on the success of the previous cancer and anthrax research projects, investigators from Oxford University and United Devices (Austin, TX) have joined forces with a host of other academic and corporate partners from both sides

of the Atlantic to find a treatment for another of the world's most elusive and deadly diseases: smallpox. As with the previous projects, the Smallpox Research Grid enlisted the help of personal computer users all over the world, who donated their computers' spare processing power to help screen 35 million potential drug molecules against eight models of the smallpox protein to identify those that potentially could bind to the protein, rendering it inactive. With the help of this virtual supercomputer, the field of drug candidates has been narrowed dramatically in a matter of weeks, instead of years. On September 30, the team presented the list of candidates to representatives from the DoD and United Kingdom for use in further research and drug development. ●