

STATEMENT OF  
THE INDEPENDENT BUDGET  
FOR THE RECORD  
UNITED STATES HOUSE OF REPRESENTATIVES  
COMMITTEE ON VETERANS' AFFAIRS

WITH RESPECT TO

**Choice Consolidation: Assessing VA's Plan to Improve Care in the Community**

WASHINGTON, DC

NOVEMBER 18, 2015

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

On behalf of the three co-authors of *The Independent Budget*, Disabled American Veterans (DAV), Paralyzed Veterans of America (PVA) and the Veterans of Foreign Wars (VFW), thank you for the opportunity to offer our thoughts regarding the new choice plan released by the Department of Veterans Affairs (VA), as required by Public Law 114-41.

The plan put forward by VA to restructure and integrate VA and non-VA health care programs into high-performing networks for veterans is an important step in the right direction to provide veterans with high-quality, comprehensive, accessible and veteran-centric health care now and in the future.

After months of working closely with VA officials and other stakeholders, we are pleased that many of our key recommendations were incorporated into this plan, such as ensuring veterans have access to a nationwide system of urgent care. We are also pleased that VA's plan is closely aligned with the IB's veterans' health care reform framework, which is appended at the end of this statement.

The IB supports VA's concept of developing high-performing networks that would seamlessly combine the capabilities of the VA health care system with both public and private health care providers in the community whenever necessary, resulting in new options for veterans to receive care closer to home. The VA plan also starts to move beyond arbitrary federal standards regulating when and where individual veterans can access medical care, keeping those clinical decisions between a veteran and his or her doctor, without bureaucrats, regulations or legislation getting in the way.

However, the plan makes two particular recommendations *The Independent Budget* co-authors do not support. While we support the plan to expand emergency treatment and urgent care in the

community, the proposal calls for a \$100 co-payment for emergency care and \$50 for urgent care. These co-payments are meant to serve as a perverse disincentive for veterans to utilize these critical services. Moreover, this proposal seemingly makes no exception for veterans with service-connected disabilities or who are currently exempted from co-payments, including Priority Group 4 catastrophically disabled non-service connected veterans. We cannot support a proposal that would charge veterans for service-connected care regardless of the location where that care is provided.

VA has also submitted a proposal to amend title 38, United States Code, by requiring veterans to report information on other health insurance. We support the intent of this proposal, but we oppose the enforcement mechanism used to ensure veterans report their health insurance information. We are concerned that efforts to collect other health insurance information could result in veterans being denied non-emergency care.

Veterans are currently required to inform VA when their insurance information has changed and VA typically asks veterans about any changes to their insurance coverage when they present to a VA medical facility. To preclude veterans from receiving VA health care because they may not have known their insurance status changed or because they did not disclose this information would only harm the veterans VA was created to serve.

The IB's veterans' health care reform framework builds on VA's progress by addressing barriers that were outside of the VA plan's limited scope. The IB co-authors have leveraged historical expertise, extensive conversations with veterans around the country and survey data to develop a veterans' health care reform framework centered on veteran perspectives and focused on the positives and negatives of the current VA health care delivery system. The IB's four-pronged framework looks beyond the current organization and division between VA care and community care to create a blended and seamless system that is best for veterans.

### **Restructure the Veterans Health Care Delivery System**

Our framework would optimize the strengths and capabilities of VA and combine them with other public and private health care providers by establishing local Veterans-Centered Integrated Health Care Networks. VA would be responsible for organizing the networks, coordinating care, and in most cases, would remain the principal provider of care for veterans.

Similar to VA's consolidation plan, the IB framework would consider network providers an extension of VA care, which would enable veterans to work with their health care providers to determine the best way to receive care. For rural and remote veterans who live outside network catchment areas, the IB framework would establish a Veterans Managed Community Care program that would ensure all veterans have an option to receive veteran-centric and coordinated care wherever they live.

### **Redesign the Systems and Procedures that Facilitate Access to Health Care**

We recommend that VA move away from single, arbitrary federally regulated access standards. Under the IB's framework access to care would be a clinically based decision made between a

veteran and his or her doctor or health care professional. Once the clinical parameters are determined, veterans would be able to choose among the options developed within the network and schedule appointments that are most convenient to them. Veterans not satisfied with clinical determinations or scheduling options would be able to seek a second clinical review of their health care needs.

We also recommend establishing a nationwide system of urgent care at existing VA clinics and affording veterans the opportunity to receive urgent care from smaller urgent care clinics around the country to alleviate much of the pressure on outpatient clinics.

### **Realign the Provision and Allocation of VA's Resources to Reflect its Mission**

The IB calls for significant change to VA's Strategic Capital Investment Planning (SCIP) process by including public-private partnership options and blending existing replacement options to better leverage federal and local resources. VA must be required to engage community leaders to develop broader sharing agreements so it could plan infrastructure in a way that allows communities to share resources, so VA can invest in services the community lacks. Further, there should be a dedicated appropriations fund so VA is only developing plans for projects it knows will be funded.

Our framework also calls for reforming the congressional appropriations process to ensure VA has the resources it needs and the flexibility to allocate them to provide the health care and services veterans demand, instead of limiting the amount of care VA is able to provide.

We also call for the establishment of a Quadrennial Veterans Review process, similar to the Quadrennial Defense Review, to align VA's strategic mission with its budgets and operational plans, and help provide continuity of planning across all administrations.

### **Reform VA's Culture with Workforce Innovations and Real Accountability**

The IB framework would establish a biennial independent audit of VA's budgetary accounts to identify accounts and programs that are susceptible to waste, fraud, and abuse. The audit would also examine the development of the budget requests, including oversight of the Enrollee Health Care Projection Model, to ensure the integrity of those requests and the subsequent appropriations, including advance appropriations.

In addition, we call for strengthening the VA's Veterans Experience Office by combining its capabilities with the patient advocate program. Veterans experience officers would advocate for the needs of individual veterans who encounter problems obtaining VA benefits and services. They would also be responsible for ensuring the health care protections afforded under title 38, United States Code (U.S.C), a veteran's right to seek redress through clinical appeals, claims under section 1151 of title 38, U.S.C., the Federal Tort Claims Act, and the right to free representation by accredited veteran service organizations are fully applied and complied with by all providers who participate in Veterans-Centered Integrated Health Care Networks, including both private and public health care entities.

**Information Required by Rule XI 2(g)(4) of the House of Representatives**

Pursuant to Rule XI 2(g)(4) of the House of Representatives, the following information is provided regarding federal grants and contracts.

***Fiscal Year 2015***

Department of Veterans Affairs, Office of **National Veterans Sports Programs & Special Events** — Grant to support rehabilitation sports activities — \$425,000.

***Fiscal Year 2014***

No federal grants or contracts received.

***Fiscal Year 2013***

National Council on Disability — Contract for Services — \$35,000.

**Disclosure of Foreign Payments**

Paralyzed Veterans of America is largely supported by donations from the general public. However, in some very rare cases we receive direct donations from foreign nationals. In addition, we receive funding from corporations and foundations which in some cases are U.S. subsidiaries of non-U.S. companies.

DAV and the VFW have not received payments or contracts from any foreign governments in the current year or preceding two calendar years.