

**FIELD HEARING ON THE VETERANS CHOICE PROGRAM:
ARE PROBLEMS IN GEORGIA INDICATIVE
OF A NATIONAL PROBLEM?**

HEARING

BEFORE THE

**COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE**

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

AUGUST 21, 2015

Printed for the use of the Committee on Veterans' Affairs



Available via the World Wide Web: <http://www.fdsys.gov>

U.S. GOVERNMENT PUBLISHING OFFICE

96-265 PDF

WASHINGTON : 2016

For sale by the Superintendent of Documents, U.S. Government Publishing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

COMMITTEE ON VETERANS' AFFAIRS

JOHNNY ISAKSON, Georgia, *Chairman*

JERRY MORAN, Kansas

JOHN BOOZMAN, Arkansas

DEAN HELLER, Nevada

BILL CASSIDY, Louisiana

MIKE ROUNDS, South Dakota

THOM TILLIS, North Carolina

DAN SULLIVAN, Alaska

RICHARD BLUMENTHAL, Connecticut, *Ranking*

Member

PATTY MURRAY, Washington

BERNARD SANDERS, (I) Vermont

SHERROD BROWN, Ohio

JON TESTER, Montana

MAZIE K. HIRONO, Hawaii

JOE MANCHIN III, West Virginia

TOM BOWMAN, *Staff Director*

JOHN KRUSE, *Democratic Staff Director*

C O N T E N T S

AUGUST 21, 2015

SENATORS

Isakson, Hon. Johnny, Chairman, U.S. Senator from Georgia	Page 1
---	-----------

REPRESENTATIVES

Collins, Hon. Doug, U.S. Representative from Georgia	1
--	---

WITNESSES

McDonald, Hon. Robert A., Secretary, U.S. Department of Veterans Affairs; accompanied by Dr. James Tuchschiidt, Acting Principal Deputy Under Secretary for Health	5
Prepared statement	7
Hoffmeier, Donna, Vice President, VA Services and PCCC Program Manager, Health Net Federal Services	23
Prepared statement	25
Jarrard, Stephen, MD FACS, General Surgery/General Medicine, Lakemont, Georgia and Veteran	30
Prepared statement	31
Williams, Wayman Duane, Georgia Leadership Fellow, Iraq and Afghanistan Veterans of America (IAVA)	32
Prepared statement	34
Chacha, Carlos F., SFC U.S. Army (Ret.), Veteran	36
Prepared statement	37

FIELD HEARING ON THE VETERANS CHOICE PROGRAM: ARE PROBLEMS IN GEORGIA IN- DICATIVE OF A NATIONAL PROBLEM?

FRIDAY, AUGUST 21, 2015

U.S. SENATE
COMMITTEE ON VETERANS' AFFAIRS
Gainesville, GA.

The Committee met, pursuant to notice, at 1:58 p.m., at the Continuing Education/Performing Arts Building, Room 108, University of North Georgia, 3820 Mundy Mill Road, Gainesville, GA, Hon. Johnny Isakson, Chairman of the Committee, presiding.

Present: Senator Isakson and House Representative Doug Collins.

OPENING STATEMENT OF HON. JOHNNY ISAKSON, CHAIRMAN, U.S. SENATOR FROM GEORGIA

The CHAIRMAN. I would like to ask my home Legion Post, Post 233 in Loganville, GA, to present the colors.

[Presentation of Colors.]

The CHAIRMAN. Would you join me in the Pledge of Allegiance?
[Pledge of Allegiance.]

The CHAIRMAN. You may be seated. I would like to call this meeting of the U.S. Senate Committee on Veterans' Affairs to order and let everyone in the audience know this is an official meeting of the U.S. Senate and operates under the rules of the U.S. Senate. We are grateful to North Georgia University and the people of Gainesville, GA, and Hall County for making the facility available today. We are very happy to be here.

We are honored to have my dear friend, the congressman from this district, Doug Collins, here and I want him to give his welcoming remarks. But before he does, I want to say this. I know you all think we have a code where we always brag about each other. That is not necessarily true. In this case, I will brag about Doug because he has done a marvelous job since he was elected to Congress. It has been a pleasure for me in the Senate to work with him hand-in-hand on many, many projects. I am honored and privileged that he came and chose to be with us today at this hearing.

So, Doug, the show is yours.

STATEMENT OF HON. DOUG COLLINS, U.S. REPRESENTATIVE FROM GEORGIA

Mr. COLLINS. Well, thank you, Senator. I appreciate that. It is always good when you can look across and know that the senator

from your State is one who serves and has served and be a part of that. You being here today shows that commitment and bringing the secretary here as well.

I want to thank our folks who are here, our staffs, our witnesses, many of which we have dealt with in our office, and the folks who are here today to be a part of this.

Nothing can be greater in my mind than the issue of taking care of our veterans and taking care of people. As a veteran myself, as one who is still part of the Air Force Reserve, who has served in Iraq, there is nothing higher in my concern than to say, "What are we doing, and why are we doing it?" and also to be transparent about that.

I want to thank the senator for his chairmanship on the Senate side of the VA—also my friendship with Jeff Miller, who is his counterpart in the House, who sends his regards as well, also to his friends.

We have got a lot that is happening. Are there a lot of questions still left? Yes, there are. Are there a lot of things that we still need to do? Yes, there are.

But I am also proud just to be up here in the 9th District of Georgia, up here in Oakwood, in Gainesville, Hall County. This is a great place to be from. I just want to welcome those who may not be from here. Come back often. We have a lake. There are a lot of things for you to be a part of; and just know that we care about this area.

I want to thank the senator for having us here and for being a part of this and for the secretary and others who will testify. Thank you.

The CHAIRMAN. Let me add a comment. We are all glad the lake is full. [Laughter.]

Mr. COLLINS. That is exactly right.

The CHAIRMAN. All the local folks know what that means.

As I said, this is an official hearing of the United States Senate Committee on Veterans' Affairs, and I appreciate all of you for joining us today. We will operate under the rules of the United State Senate. There are a couple of people I want to introduce who are in the audience.

Sam Smith, the DAV Chapter 17 President and Commander, welcome and thank you for being here today.

Give him a big round of applause. [Applause.]

The CHAIRMAN. And the newly elected Commander of the Disabled American Veterans of the United States of America from the State of Georgia, Moses McIntosh. Where is Moses? [Applause.]

It is always good when your leader is named Moses. I know that. We are glad to have you here, Moses.

I want to welcome Secretary McDonald and thank him for being here today. He is going to testify in just a minute, and I am going to introduce him in just a minute. But before I do, I want to make a few points, and then I want to make a few gestures if I can.

The first point is this. The secretary, myself, Congressman Collins, and others are aware of an incident that took place June the 30th at the Oakwood Veterans Clinic here in Gainesville, GA. That is not a subject of this meeting for any number of reasons, principally because personnel issues are involved.

We are not allowed, as Members of Congress nor as employees of the U.S. Government, to discuss personnel issues in an open forum until they are settled, at which time all the information is available and accessible to anyone. I just wanted to make sure that information was made clear to everyone.

The purpose of this meeting today is to talk about the Veterans Choice Act and having a more veteran-centric Veterans Administration. There are two great anniversaries today. Actually, one is an anniversary and one is a beginning. This is the first year anniversary of the passage of the Veterans Choice Program, which passed in August 2014. It began to be implemented in November 2014 and is in full force today, although there are problems and there are challenges that we have to meet, which is why we are here today to find out what those are and to talk about what we are going to do to solve them.

But a second great historical thing is happening today. Two American women are in Fort Benning, GA, graduating from Ranger school, where Secretary McDonald graduated. [Applause.]

I do not know about you, but after watching the news last night with what they can carry on their backs, they can fight with me any time they want to fight. I would be happy to have them. We are so proud of them and so proud of Fort Benning and that installation and so proud, too, that Secretary McDonald graduated from Ranger school in Fort Benning, GA. We appreciate his service to the country.

The Veterans Choice Program was an answer by the Congress of the United States to a major problem. A year ago, we had the Phoenix situation which came forward, where we had veterans who had died because they could not get appointments in time to get into the hospital. We had problems where consults were canceled, where people were being given bonuses for figures that were improved that really were not improved. We had situations where there was a culture in the VA that was not as positive as it should be.

A number of things happened. One of them was Bob McDonald came along, a veteran himself, someone willing to serve, someone taking the job to do the job, someone who wanted to put the veterans in the center of his life and in the center of the VA system. And he has begun the process over the last 12 months of changing the culture of the VA, and it is obvious to me, as a member of that committee for 11 years in the Congress, that that has been the case.

Also, we passed the Veterans Choice Program, which is a way to meet the challenges of the 21st century Veterans Administration. With operations in Afghanistan and Iraq, we all know we will have more and more veterans coming home to Georgia and to America in the years to come, and the pressure on the VA will be greater, not less. And the amount of pressure on the VA to meet the throughput necessary to see to it that people get timely appointments and timely services was going to be—we needed a force multiplier, a force multiplier being a way to add more productivity and more accessibility for veterans to quality health care.

Veterans Choice program was that answer. We did the very best that we could in Congress in 2014 to write a bill that worked, that

would give the VA more tools and would give the veterans more accessibility. But in doing it—anytime you create a new entity, you create a few problems, and we have been working over the last 12 months to find out where those problems were and correct them.

We have been working also to see what the future of VA Choice could really be for our veterans. I think the secretary will reflect what I am about to tell you. We all know the Veterans Choice Program was the right thing to do. We all know the changes we have made and the ones we seek to make will make it even better. It will be the force multiplier necessary, not to replace VA health care, but to enhance VA health care.

For anyone in this audience today who thinks that the Veterans Choice Program had anything to do with replacing the VA, you need to go on home, because it does not. It had to do with enhancing the VA, improving the VA, and giving them more tools and more arrows in their quiver to see to it that we met the needs of our veterans.

I am delighted today to welcome the secretary of the Veterans Administration, Bob McDonald, to this hearing in Gainesville, GA. I have already told you he was a Ranger. I have already told you—or I did not tell you—he graduated from West Point.

He took this job on at a time when not very many people would take on a job like this. But he did it like an Army Ranger does. He tackled it, decided he was going to solve the problems, gave out his cell phone number to everybody, including me, and takes calls at night. He wants to make sure that every veteran is at the center of the services of the Veterans Administration and has worked tirelessly to see to it that that happens.

I just want to give you one little ancillary story before I turn it over to Bob for his testimony. About 3 weeks ago, we had a meeting at the VA—what they call at the VA a stand-up. Every day, they have a stand-up where all their department heads, all their responsible personnel at the VA stand up and tell what things they did last week that worked and what things they did last week that did not work. They talked about where they had successes. They talked about where they had failures.

Jeff Miller, the chairman of the House Committee, and I went along with Ranking Member Blumenthal from Connecticut in the Senate and Ranking Member Brown in the House. We sat around a round table and watched the stand-up, watched them report on the things they were doing that were right and the things they were doing that were wrong.

We also had a heart-to-heart meeting for 3 hours. We were about to have to close some facilities because the Veterans Choice Act needed some correcting and some technical adjustments to be able to move money and make it more fungible for veterans' benefits. We had to do some other things in the Veterans Administration to see to it that the VA worked better and worked quicker, and we only had about 48 hours, if I remember, to do it.

We did it in 48 hours because we locked arms, we sat down and decided to agree rather than disagree, and we found the solution to the problem. So, today, the VA Choice Program is working better, and our veterans are having better access because of that day and that meeting. It is that type of can-do attitude that the sec-

retary has exhibited that will make the VA Choice Program work and will make it work even better in the future.

So, we are here today to talk about a great complement to VA health care. That is the Veterans Choice Program. It is a privilege and a pleasure for me to introduce a man for whom I have gained the utmost respect for all the work that he has done and all that he has going to be willing to do to see the VA through, Secretary Bob McDonald.

Welcome. [Applause.]

I just made my first or second mistake, because Dr. Tuchschiidt is here to be his aid to answer the questions he can not answer.

Dr. Tuchschiidt, we are glad to have you here today.

Give him a round of applause. [Applause.]

STATEMENT OF HON. ROBERT A. McDONALD, SECRETARY, U.S. DEPARTMENT OF VETERANS AFFAIRS; ACCOMPANIED BY DR. JAMES TUCHSCHMIDT, ACTING PRINCIPAL DEPUTY UNDER SECRETARY FOR HEALTH

Secretary McDONALD. Thank you, Chairman Isakson and Congressman Collins, for this opportunity to continue our public dialog on caring for veterans.

This is my fourth trip to Georgia as secretary, and what I have seen here is representative of what is happening all around the country. The Atlanta Regional Benefits Office has shrunk its claims backlog by more than 77 percent while also improving accuracy. Our cemeteries in Georgia are performing record numbers of interments, up 60 percent in the last 5 years, and our hospitals and clinics are providing more health care than ever before to Georgia veterans.

We recently renewed many of our affiliations with important academic partners, such as Emory, Morehouse, and the University of North Georgia. And out of these partnerships have come some outstanding clinical care and some outstanding medical research. Just last week, Dr. Raymond Schinazi was awarded this year's William S. Middleton Award, VA's top award for biomedical research. Dr. Schinazi has been with Emory for 34 years and with the Atlanta VA for 29 years, and in that time, he has pioneered the development of drugs to treat HIV and Hepatitis C.

Georgia is one of the fastest growing areas in the country for veterans seeking VA care. This year, the Atlanta VA has seen its numbers of unique patients grow 7.5 percent.

All around the country, VA has seen demand increase this year and in past years as the very large Vietnam era cohort moved through the high-need, high-cost, 50 to 65 age range. Keeping up with that growth has not been easy. It has put many VA employees in the position of having to do more and more, and some, unfortunately, responded by doing things they should not have, losing sight of what VA is all about.

VA is in the customer service business. Healthcare is just one of nine forms of customer service VA provides. Our goal, our vision for the VA in the future, is to be the number 1 customer service agency in the Federal Government. Our Cemeteries Administration already is number 1 in customer service, public or private, accord-

ing to the American Customer Satisfaction Index. We aim to bring the rest of the VA up to the same standard.

To do that, we have begun an ambitious transformation of VA's organizational culture and business processes called MyVA, applying tried and true principles of customer service from the public and private sectors. We brought aboard several key leaders with broad experience in business. Eleven of my 18 direct reporting senior executives have joined VA since my swearing in. The entire leadership team is as committed as I am to making VA number 1 in customer service.

We are taking action here and throughout VA to hold people accountable for their actions with additional training and disciplinary actions where appropriate. We are also meeting the increase in demand with more of everything available, more hours, more space, more people, more productivity, more accountability, more transparency, and, of course, more choice.

We have completed 7 million more appointments this year than last. That is 2.5 million at VA and 4.5 million in the community. Ninety-seven percent of appointments are now completed within 30 days of the veteran's preferred date, 88 percent are within 7 days, and 22 percent are same-day appointments.

Average wait times for completed appointments are 4 days for primary care, 5 days for specialty care, 3 days for mental health care. The electronic wait list is down 47 percent, and the new enrollee appointment request list is down 93 percent. Overall, VA health care providers have increased physician productivity 8 percent on a health care budget increase of only 2.8 percent.

We are working both harder and smarter, and the result is more care for more veterans. But we still have some serious challenges. We are burdened with an aging infrastructure. Nine hundred VA buildings are over 90 years old, and most are over 50 years old. These older buildings do not meet today's standards for hospital construction and need to be replaced.

We are also seeing more veterans enrolling for VA health care and more enrolled veterans turning to VA for care. Most have other choices. Eighty-one percent of veterans have either Medicare, Medicaid, TRICARE, or some private insurance. But more are choosing VA health care because it saves them money, and it is more convenient, and it is often better care than they may get elsewhere.

On average, enrolled veterans rely on VA for just 34 percent of their care. But if that percentage rises just 1 percentage point to 35 percent, VA's costs increase about \$1.4 billion. The more veterans come to us for care, the harder it is for us to balance supply and demand without additional resources. That is a fundamental problem that only Congress can help solve.

Last month, VA was facing a critical shortfall in funding for care in the community. Authorizations for care in the community were up 44 percent. We are providing so much care in the community and also paying so much for the new miracle drugs to cure Hepatitis C that we are running out of money.

So, I appealed to you, Mr. Chairman, and your congressional colleagues. You responded by giving me the budgetary flexibility to use Choice Program funds for other care in the community programs, and I again thank you for that. But that flexibility only

lasts until the end of this fiscal year. Our next fiscal year, October 1, we will be back in the same bind of not having the flexibility to allocate funds to pay for the care veterans are actually choosing.

Over 70 line items in our budget are inflexible, meaning I can not use that money anywhere else. It is like having 70 checking accounts for every bill you have to pay, one for food, one for clothing, one for gas, et cetera, with no way to move funds from one checking account to another. Actually, it is worse than that. It is like having separate checking accounts for different foods. I can not spend health care funds on health care. I can not even spend care in the community funds on care in the community.

We at VA believe in giving veterans a choice, and we are committed to making the Choice Program work. Authorizations under the Choice Program have gone up steadily in the past 6 years. But Choice does not cover everything. It is just one of seven programs providing care in the community, each with its own requirements for participation by veterans and by providers.

We look forward to working with Congress to consolidate our various care in the community programs. We need Congress to give us permanent flexibility to move funds to accounts that fund the care veterans are actually choosing.

We need Congress to fully fund the president's 2016 budget request. The House-proposed \$1.4 billion reduction in that budget would mean \$688 million less for veterans' medical care. That's 70,000 veterans going without care. Also, the House passed a 50 percent cut in construction despite our aging infrastructure. The Senate's proposed reduction of \$857 million would also hurt, though not as much.

We have made great progress in the past year. We have tackled the access problem and have begun transforming VA's organizational culture and business processes to improve care for veterans for years to come. But we need Congress to fix what only Congress can. Congress defines the benefits veterans receive, and Congress appropriates the funds to pay for them. Only by balancing the two can VA serve veterans the way veterans expect and deserve to be served.

Thank you for listening, and I look forward to answering your questions.

[The prepared statement of Secretary McDonald follows:]

PREPARED STATEMENT OF HON. ROBERT McDONALD, SECRETARY,
U.S. DEPARTMENT OF VETERANS AFFAIRS

Good afternoon, Chairman Isakson, Ranking Member Blumenthal, and Members of the Committee. Thank you for the opportunity to discuss the Department of Veterans Affairs' (VA's) provision of health care to Veterans and the implementation of the Veterans Choice Program. I am accompanied today by Dr. James Tuschmidt, Acting Principal Deputy Under Secretary for Health.

Caring for our Nation's Veterans, their Survivors, and dependents continues to be the guiding mission of VA. Each year, VA works to provide timely, high-quality services and benefits to fulfill this mission. As we emerge from one of the most serious crises the Department has ever experienced, however, we face continuing challenges in ensuring that Veterans receive the care they deserve, and indeed have earned through their service. But we believe that these challenges are surmountable, and we will continue to work with Congress to reach resolution and move forward in achieving our mission.

VA's goal is always to provide Veterans with timely and high-quality care with the utmost dignity, respect, and excellence. For the Veteran who needs care today,

VA's goal will always be to provide timely access to clinically appropriate care in every case possible. However, as we have shared with staff for the Senate and House Committees' on Veterans Affairs, users of the Veterans Choice Program, whether Veteran, community provider, or VA employee, have identified aspects of the law that are challenging. It has also been challenging to mobilize the resources and systems required to smoothly implement this new Program. We are addressing these challenges and turning them into opportunities to improve VA care and services. I look forward to discussing the progress we have made thus far in Georgia and the Nation.

More than a year ago—at my Senate confirmation hearing—I was charged with ensuring that VA is refocused on providing Veterans “with the high quality service that they’ve earned.” I welcomed that opportunity. For the last year, I’ve been working with a great and growing team of excellent people to fulfill that sacred duty (11 of 18 of VA’s top leaders are new since my swearing in).

Because of their hard work, VA has increased Veterans’ access to care and is projected to have completed approximately seven million more appointments over the past year ending May 31, 2015 than last—2.5 million more at VA, 4.5 million more in the community. While Choice has been just a small proportion of that 4.5 million increase in the community, it’s on the rise, and Choice utilization has doubled from May 2015.

We’ve expanded the capacity required to meet last year’s demand by focusing on four pillars—staffing, space, productivity, and VA Community Care.

We have more people serving Veterans. From August 2014 to July 31, 2015, VHA has increased net onboard staff by over 13,000. This includes over 1,100 physicians, 3,500 nurses, 147 psychiatrists, and 294 psychologists for VHA’s clinical care to Veterans. Included in this, VHA has hired over 6,400 medical center staff as a direct result of the VA Choice Act enacted in August 2014.

We have more space for Veterans. We activated over 1.7 million square feet last fiscal year and increased the number of primary care exam rooms so providers can care for more Veterans each day.

We’re more productive—identifying unused capacity, optimizing scheduling, heading off “no-shows” and late appointment cancellations, and extending clinic hours at night and on weekends. We’re aggressively using technology like telehealth, secure messaging, and e-consults to reach more Veterans.

We’re aggressively using care in the community. The Choice Program and our Accelerating Access to Care Initiative increased Veteran options for care—including Choice—for 36 percent more people than we did over the same period last year—a total of 1.5 million individual VA beneficiaries.

In short—we’re putting the needs and expectations of Veterans and beneficiaries first, empowering employees to deliver excellent customer service, improving or eliminating processes, and shaping more productive and Veteran-centric internal operations.

That’s MyVA—our top priority to bring VA into the 21st century.

OUTCOMES

Our strategy is paying dividends to Veterans. With the growth in Veteran options, we’ve increased VA Care in the Community authorizations—including Choice—by 44 percent since we started accelerating access to care a year ago. That’s 900,000 more authorizations than the previous year. Between the end of June last year and the end of June this year, we completed 56.5 million appointments—a 4 percent increase over last year, and there were 1.5 million encounters during extended hours, a 10 percent increase.

Even with that increase in number of Veterans served, we completed 97 percent of appointments within 30 days, 92 percent within 14 days, 88 percent within seven days, and 22 percent same day. For specialty care, wait times are an average of five days. For primary care, wait times are an average of four days and an average of three days for mental healthcare.

So, we’re making verifiable progress for Veterans, and with your continued support, VA can be the best customer-service agency in Federal Government. Even as we increase access and transform, important challenges remain—and there will be more in the future as Veteran demographics evolve. It’s now clear that the access crisis in 2014, prior to the passage of the Choice Act, was predominantly a matter of significant mismatch at certain facilities between supply and demand, exacerbated by greater numbers of Veterans receiving services.

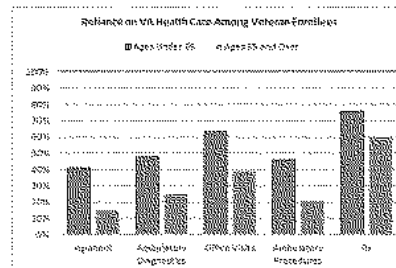
That sort of imbalance predicts failure, especially when we promise benefits to Veterans without the flexibility to fulfill the obligations.

So a fundamental challenge is that VA is managing budgetary resources with the package of benefits and services Veterans have earned and been promised by Congress.

Funding is static—our requirements are fluid, and Veterans' needs and preferences for care are dynamic. VHA has averaged over 35,000 new enrollments every month.

We're also seeing more enrolled Veterans come to us for more of their care. For example, through June 2014, VHA treated over 5.54 million Veteran patients. Through June of this year, VHA cared for 5.64 million enrolled Veterans. This is a 1.7 percent increase in enrolled Veteran patients treated compared to an increase of 0.9 percent in enrollment for the same time period.

Reliance on VA Health Care Among Veteran Enrollees



In FY 2014, enrollees relied upon the VA for approximately 34 percent of their care. Enrollee reliance on VA health care is dynamic and changes occur due to a combination of factors, including personal choice, ease of access to VA care, changes in economic conditions, or priority legislation. Based upon current enrollment, each 1 percent increase in reliance drives up costs by approximately \$1.4 billion dollars.

Why? Three reasons:

1. The growing number of enrollees being adjudicated for service-connected disabilities are driving significant increases in VA utilization;
2. VA is providing more access to high-quality care—often better than available elsewhere; and
3. Financial incentives make VA the smart choice.

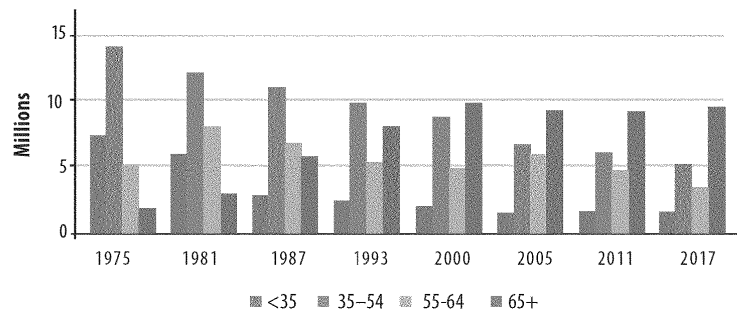
Let me give you an example: VA provides the best hearing aid technology anywhere. Medicare doesn't cover hearing aids, and most insurance plans have limited coverage. So choosing VA for hearing aids saves Veterans around \$4,200.

Most Veterans have other choices: 81% have Medicare, Medicaid, TRICARE, or private insurance. But more Veterans are turning to VA for more of their care. Not for all of their care: On average, enrolled Veterans rely on VA for just 34 percent of their care. However, if that percentage rises just one point, to 35 percent, our costs increase about \$1.4 billion.

BEYOND 2016

Services and benefits peak years after conflicts end, and healthcare requirements and the demand for benefits increase as Veterans age and exit the workforce. So, full funding of the 2016 budget request is a critical first step in meeting these challenges, but we have to look much further ahead for the sake of Afghanistan and Iraq Veterans.

Number of Living Veterans
by Age Groups, 1975-2017



In 1975, just 40 years ago, only 2.2 million American Veterans were 65 years old or older—7.5 percent of our Veteran population. By 2017, we expect 9.8 million will be 65 or older—46 percent of Veterans.

2016 BUDGET

To meet these growing requirements, VA needs the adequate funding the President's Fiscal Year 2016 budget request provides. The House-proposed \$1.4 billion reduction to VA's total request, including allocation of a Department-wide rescission, means \$688 million less for Veterans Medical Care—the equivalent of as many as 70,000 fewer Veterans receiving care. The Senate's proposed reduction to VA's total budget request would be \$857 million.

Further, the House proposal would provide no funding for four Major Construction projects and six cemetery projects. Our growing requirements are a clear signal that even greater challenges lay ahead, and we can't afford to be short sighted. I am greatly concerned the House-passed funding bill cuts construction by 50% at a time when 60% of our buildings are over 50 years old and general operating rooms today must be at least 50% larger than they were about a decade ago.

THE CHOICE PROGRAM

I want to turn to discussing how VA has worked to implement the Choice Program, enacted into law in August 2014. As Deputy Secretary Gibson testified to the Committee on March 24, 2015, the 90-day timeline last year to establish a new health plan capable of producing and distributing Veterans Choice Cards, determining patients' eligibility, authorizing care, coordinating care and managing utilization, establishing new provider agreements, processing complex claims, and standing up a call center was particularly challenging. In fact we received overwhelming feedback from the marketplace about the significant challenges of meeting the law's aggressive timeline. Despite the timeline, VA published regulations and launched the Veterans Choice Program on November 5, 2014, with a responsible, staged implementation and the goal of providing Veterans with the best possible care-experience, while also meeting our obligations to be good stewards of the Nation's tax dollars. By the end of January, 8.6 million Veterans Choice Cards had been distributed to Veterans.

As we have learned in seeking feedback about the Choice Program, users of the Program have identified aspects of the law that are presenting challenges, resulting in confusion for Veterans, or not working for Veterans as well as they need to. We also recognize that early utilization of the Choice Program was not as robust as expected or hoped. We have been eagerly seeking feedback on the program from all our stakeholders—from Veterans, Veterans Service Organizations, our employees, and Congress, and we are working diligently to address these challenges. To continue our outreach efforts, VA launched a public service announcement for eligible Veterans, viewable at: <https://www.youtube.com/watch?v=i9nnsRLX5b8>. We hope all parties will share the video to aid in education efforts about the Choice Program. We want to turn these challenges into opportunities to improve our care and services, and I am pleased that we have worked with Congress and stakeholders to improve the Program in several ways over the last year.

As of July 31, 2015, 6,589 unique Veterans residing in Georgia have been authorized care under Choice. These Veterans account for approximately 8,958 authorizations of which 5,877 have been scheduled for appointments.

VA BUDGET AND CHOICE IMPROVEMENT ACT

The Department appreciates the VA Budget and Choice Improvement Act, which provided essential budget flexibility and authority we need to support Care in the Community through September 30, 2015. This legislation also made a series of amendments to the Veterans Access, Choice, and Accountability Act of 2014 and instituted additional requirements to improve access to care and VA's budgeting process.

The VA Budget and Choice Improvement Act also codified the Department's initiative to develop a plan to consolidate all non-Department provider programs by establishing a single new program, the Veterans Choice Program, for furnishing hospital care and medical services to enrolled Veterans. By November 1, 2015, VA will submit its plan to Congress. On July 29, 2015, VHA established a VA Community Care Transition Team with the charge of developing this plan to consolidate all VA care in the community for medical services, hospital care, and extended care for Veterans into a single "Veteran Choice Program." VA is committed to simplifying the confusing array of programs through which VA delivers care in the community and appreciates the opportunity to rationalize the various statutory authorities and create a unified, integrated approach to community care. VA looks forward to working with Congress to streamline and improve access to care in the community.

In addition, the VA Budget and Choice Improvement Act made several amendments to the Veterans Choice Program established by section 101 of the Choice Act such as:

- Removing the restriction limiting VA to furnishing hospital care and medical services to eligible Veterans through the Veterans Choice Program for a period of no more than 60 days;
- Removing the restriction that Veterans must have enrolled in the VA health care system as of August 1, 2014, to be eligible to participate in the Veterans Choice Program;
- Expanding the pool of eligible providers who can furnish hospital care and medical services to eligible Veterans through the Veterans Choice Program;
- Authorizing VA to enter into agreements with an entity that meets established criteria;
- Making eligible for the Choice Program Veterans who cannot be seen within the wait-time goals of VHA and those who, with respect to care or services that are clinically necessary, cannot be seen within the time period determined necessary if such period is shorter than the wait-time goals of VHA; and
- Making eligible those Veterans who are seeking primary care and who reside more than 40 miles from a VA medical facility that is able to provide such primary care by a full-time primary care physician.

CONCLUSION

We have made great progress in the last year. As we continue to work together to address Veterans' access needs, we are grateful for the close working relationship we have had with Congress, particularly this Committee, as we make progress in implementing the Veterans Choice Program. Mr. Chairman, we will continue to work with Veterans, Congress, VA community care providers, VSOs, and our own employees to ensure the Choice Program helps us deliver great healthcare outcomes for Veterans. Thank you. We look forward to your questions.

The CHAIRMAN. Thank you, Mr. Secretary. I will tell you what; I will make a deal with you. I will work on giving you more fungibility and flexibility. I want you to respond—I had a letter sent to you about any publications you had put out on implementing Choice within the VA to get to me by July 31. I did not get all the answers I needed to get. So, when you get back, if you will get me all those answers to that letter, I am going to do the best I can to get you all the flexibility I can.

Secretary McDONALD. I sure will, sir.

The CHAIRMAN. That is a fair deal, is not it?

Secretary McDONALD. It is a fair deal.

The CHAIRMAN. You know, 2 years ago, in 2013, we held a field hearing just like this one at Georgia State University. The Clairmont Road VA Hospital had gone through a terrible situation where three veterans had committed suicide, one of them in the hospital itself while as a patient, and two others because the appointments were not timely and were not kept timely. Leslie Wiggins came in to be the new director of the hospital.

Stand up, Leslie. She deserves a big hand. [Applause.]

The VA brought Leslie Wiggins in to take over the operation of that hospital after we discovered and then disclosed through our hearing the problem with mental health coverage. I want to compliment you on the numbers—about timely appointments being kept in mental health, which has greatly improved. Are we where we need to be nationwide on mental health accessibility in the VA? If not, what do we need to do to get there?

Secretary McDONALD. We are not where we need to be, and we are not where we need to be as a Nation. As I have often talked about, Mr. Chairman, VA is the canary in the coal mine for American medicine. American medicine is not producing enough mental health professionals; though, as you know, we are recruiting. I have been to over a dozen medical schools myself, recruiting mental health professionals and primary care physicians. There is a shortage in the country. But we are making great progress.

One of the things that excites me the most is the progress that only VA can make. I will give you an example. The other day, I met with a group of our researchers and doctors who have developed an algorithm—call it a Monte Carlo simulation—where we are now starting to see some evidence that we might be able to predict suicide.

This would be a breakthrough, and only the VA, with an integrated health care system that has 40 years of medical records for most of our veterans in advance, can put that kind of algorithm together. We have published it in medical journals, and I am hopeful we can validate it. That would be not only a great benefit to all veterans, but a great benefit to the American public.

The CHAIRMAN. We had a hearing in the Committee, as you will recall, back a few months ago on the situation in Tomah, WA—I mean, Tomah, WI—

Secretary McDONALD. Yes.

The CHAIRMAN [continuing]. With the over-prescription of opiates. Yesterday, I happened to be at the CDC with Dr. Tom Frieden and Senator Perdue from Georgia. Over-prescription of opiates is becoming a nationwide problem in the United States. It is estimated that enough opiates were prescribed last year in America for 15 percent of the population to have a full year's supply at any one given point in time, which is entirely too many.

What is the VA doing to get out of this candy store attitude of giving out opiates for mental health problems and getting back to a more disciplined prescription process?

Secretary McDONALD. Well, first of all, the situation in Tomah should have never happened. We had a situation there where we were not providing the kind of oversight that was necessary, and we had one person doubling in two roles, which was not providing the proper oversight.

Second, we have a national effort to reduce the number of opiates that we use, a national program. One of the great things about the VA that we are able to do, unlike many other health care systems, is we try other alternatives. We are the number 1 user of acupuncture in the country. Yoga has been proven to be successful with some people in reducing their opiate level and equine therapy in our West Bedford, MA, location shows promise.

These are therapies that are allowing us to prove positive results that are allowing us to reduce medication. Maybe I will ask Jim to comment a little bit more on the program, the national program.

Dr. TUCHSCHMIDT. We agree completely. We have been looking at our policies and our procedures and have really begun to put a program in place to educate our providers—kind of what we call academic detailing—about appropriate use of opioids in the clinical setting. I think this use of complementary and alternative medicine as a way of helping people live with chronic pain is something that we really embrace.

Secretary McDONALD. Mr. Chairman, this goes to your point of why a VA is so necessary. Those alternative uses of treatment are not available as readily in the private sector.

The CHAIRMAN. Well, that is part of my point. There are almost 9 million VA beneficiaries. Is that not correct? Did not we send out almost 9 million Choice cards?

Secretary McDONALD. Yes, sir.

The CHAIRMAN. That is a huge census from which to draw a lot of pretty predictable results and pretty predictable outcomes. But there are a lot of people who think that opiates have become the biggest problem in our society today. The signature injuries of Afghanistan and Iraq are PTSD, TBI, and, obviously, limb injuries. But if we are over-prescribing opioids to mask the problems of TBI and PTSD, we are only postponing a suicide that some day probably will happen. So, I encourage you to continue to work on that as hard as you can.

Secretary McDONALD. Mr. Chairman, I could not agree with you more. I know Jim could not, either.

Also, I just wanted to make you aware, in case you did not know, that Monday we are holding a traumatic brain injury summit in Washington, DC. This is one of the things I have wanted to do for some time, because I want to use the convening authority of the VA, you know, the largest medical system in the country, to bring together the country's experts on traumatic brain injury, whether it is the NFL, the NHL, whether it is police officers, firefighters—bring everybody together, share the information, and put together a research program which is guided so that we do not have redundant pieces of research going on.

We are looking forward to doing that next week. It is 3 days—I think it is—next week, and we hope to provide some benefit, not only to veterans, but to the American people from it.

The CHAIRMAN. I have one more question. After that I am going to turn to Doug for his questions, then I will probably have a follow-up. My question is this: in the second panel—which you will hear their testimony in just a little bit, and I have read the statements that they submitted—in almost every case, there are concerns about the commitment within the VA to the Choice Program

and concerns about the information on Choice really getting to the veteran.

You will hear some testimony where veterans will tell you they really did not know how to utilize Choice. In some cases, utilizing Choice was more cumbersome and difficult.

Is there a person in your employ in the VA in Washington that is principally responsible for communicating the Choice Program throughout the VA system to its employees?

Secretary McDONALD. Well, ultimately, I take responsibility for that. If you find any failures in the Choice Program, it would be my accountability or my fault. But what we have done is we have set up Choice experts in every single VA operation, so you do not have to come all the way to Washington. Leslie has one here in her shop. We have them throughout the system. The idea would be that they would be the experts to help you navigate the system.

Jim, do you want to comment?

Dr. TUCHSCHMIDT. Sure. You know, I think we have done a lot to try to educate our staff, because, ultimately, our staff are the best resource we have to explain the Choice Program to our patients. We have done Web training. We have sent out printed material. People have access to printed material in the waiting rooms and at the clerk's desk which they hand out. Every facility has, quite frankly, one or more Choice champions who we have focused and concentrated on to be able to answer those questions.

I think that there is no doubt that in a program as, kind of, complex as this is, making sure that 9.2 million veterans actually understand the program and how to use it has clearly been a challenge. I think that we have tried through outreach efforts, mailings, our Web site, which we recently revamped, to make the resources available to veterans so that they can get the information that they need. Yet, we know we need to do a better job of that.

Secretary McDONALD. Mr. Chairman, may I introduce Gary Compton, who is the Choice champion here in Atlanta?

Gary?

The CHAIRMAN. Hi, Gary.

Secretary McDONALD. So, if anybody in the room has any questions on Choice, you can contact me or Gary.

The CHAIRMAN. While Gary is here, let me make a comment. You know, every good leader assumes principal responsibility first. You answered the question by saying, "If you have got a problem, it is my responsibility." But, quite frankly, you have 314,000 employees in VA health care. It is the second largest agency in the Federal Government. If you are the only person we have to count on to get Choice implemented, we are in deep trouble. [Laughter.]

The CHAIRMAN. Mr. Compton? Is that correct?

Mr. COMPTON. Yes.

Secretary McDONALD. Gary Compton.

The CHAIRMAN. Are there a lot of Gary Comptons around the country?

Secretary McDONALD. There is a Gary Compton in every VA facility.

The CHAIRMAN. Well, let me make a suggestion. I am being as sincere as I can be on this.

Secretary McDONALD. Sure.

The CHAIRMAN. After you finish your TBI summit next week, we probably ought to have a summit with all your Mr. Comptons around the country, because I think you will hear from Doug and you will hear from some of the people about to testify that the big missing link in the chain is everybody in the VA knowing what to communicate to the veteran, so that the veteran has an easy way to find out how to get it.

My best example is this—and I am not advertising for Bank of America, but I happen to have a Bank of America credit card. I happened to open my bills last night, and I got a letter from Bank of America that was six pages long and in small print and said, “Your credit terms have changed.” I threw it away. It was too intimidating. It was too much to read. I know we all get those types of mailings.

We need a simple system where veterans have an easy way to access the information in terms of what their choices are. I have love to see us have a summit in Washington with all the Mr. Comptons of your agency to see what we can do to improve the communication from the VA offices and CBOCs and hospitals to the veteran beneficiaries.

Secretary McDONALD. We will do that.

Dr. TUCHSCHMIDT. If I could, I will just add that we have—there is the toll free number available. We also updated our Web site and we just recently added a live chat to that. So, if you go onto that Web site, and you can not find what you are looking for, you can talk in a chat session with somebody real-time.

The CHAIRMAN. You know, I am sorry that you mentioned that for this reason. I tried to go to the site last—is that the You Tube site?

Dr. TUCHSCHMIDT. No.

The CHAIRMAN. That is not. You had a You Tube site in your printed comments. I could never get it to come up. But we will work on that after the meeting. That may have been the operator, too, you know.

Congressman Collins?

Mr. COLLINS. Thank you, Mr. Chairman.

I want to start off similar to the senator. Mr. Secretary, I know you would not probably be aware of this, but it goes back to issues that the senator just hit on: communication and the delays that seem to come in.

One of the issues we have in our office is a tort claim on the medical malpractice—waited for 180—you know, the 180-day wait. The case was supposed to be decided on July 26, 2015. On July 29, the gentleman received a letter—and we received an opinion—that said a second medical opinion would be needed. We are outside of the window. Again, it just looks more like a delay. If it was going to be denied, it would be denied, and that is OK, because there is a court route to take.

I wanted to bring this to your attention. I know there has been some communication even as late as this morning. But this is the kind of issue that bothers folks.

Secretary McDONALD. I know that. I mean, customer service is what we have got to improve. And, you know, when I came to the VA, what I discovered was the second largest department in gov-

ernment—that I felt everybody was looking inward. That is typical. When you have a catastrophe or you have a crisis in an organization, people turn inward.

A leader's job is to turn them outward, get them out in the field. That is why I have been to over 200 VA sites. That is why I have demanded the town hall meetings. It is why we have had open houses. It is why we have had media days. We have got to open everything up, let people in, hear the criticism, and then work to improve customer service.

We have employed help from people like Disney, Starbucks, Ritz Carlton. We have put in place a new veteran experience officer. That is his only job. So, we are working very, very hard. But it is going to take time, because all you need is one situation out of 340,000 employees where something goes wrong, and that is the one that customer remembers.

Mr. COLLINS. Exactly. And I think one of the things, Mr. Secretary, as we deal with this is you are having to build a hill back up. I appreciate the attitude that you have had. I think if we go back to the start of the Choice Program when, yes, VA sent out 9 million letters to folks; the problem, as I have talked to veterans, is that many of them—it would not have applied to them.

All of a sudden, they got a letter that really did not apply to them. They began to have questions that they can not get answered. They get frustrated. They think they are being denied a benefit or something that they really did not have a chance to get to start with. Again, it is sort of like we are catching up here and—

Secretary McDONALD. And even since those letters, we have changed the definition of 40 miles.

Mr. COLLINS. Exactly.

Secretary McDONALD. And some of those letters arrived around the holidays with all the catalogs.

Mr. COLLINS. Exactly. Well, the changes—the chairman has already said we are out of here at 4 o'clock. We are not going to discuss the 40-mile definition at this point. I think the thing that concerns me—and for my office—when I came to Congress, following folks like the senator who has been in both houses, it was still amazing to me, having a familiarity with the system, that I have people in my office whose sole job is to have to deal with veterans who should be getting services without having to go to their congressman or their senator. They should not have to. I should have them being able to research new ideas. OK? [Applause.]

I appreciate that, and I say that from a positive aspect. I am not saying—and before my staff believes I am running them out of a job, that is not what I am doing. I have plenty of things for them to do.

But when two-thirds of their caseload is VA, and two-thirds of their caseload is a lack—basically, it boils down to a lack of trust. It goes back to something you said, that I want to hear your comments on, because I know, speaking as a Member of Congress, you asked for flexibility, which I think is understandable.

Given the track history—and I am not going to say you are a part—you are trying to change that—there should be some understanding that that is why budgets are there. There can be some

issues, and I know Senator Isakson—the chairman is going to work on that. But, my question is how can we address the flexibility issue but also assure that—one, we are seeing from the outside bills that we passed to dismiss employees who are not doing what they should be doing, when there was actually some pushback from VA to even pass that bill. Those are the kinds of things that—how do you do that? [Applause.]

Secretary McDONALD. Well, first of all, we are holding people accountable. Since I have been secretary, more than 140,000 employees have been terminated. Over the previous year before I was sworn in, it was about 100,000—110,000 that were terminated. So, we are holding people accountable. I mean, you have got a citizen here in Georgia who faces 5 years in jail and \$250,000 for each count if found guilty. So, this is accountability.

At the same time, in VHA, nobody received a bonus for 2014. I took a lot of heat for that. And nobody was rated outstanding in the SES ranks in 2014. I would venture to say we have the best distribution of ratings of any government agency for SES employees—I would be happy to show it to you—and I would say equal to the best companies in the private sector. I know because I used to run one.

So, we are holding people accountable. Accountability is a lot more, though, than just firing people. Accountability is also about praising people who do a good job.

Mr. COLLINS. I agree.

Secretary McDONALD. We are trying to do more of that. And accountability is about having a culture where people self report. I was pleased, as I told you earlier this morning, that Dublin self reported that they had some problems at their consults. I was pleased that Dayton self-reported. When we get to the point where people are self reporting, that means they are fixing the system that they are working on; that is a good thing and that is a good culture.

Mr. COLLINS. Mr. Secretary, I agree. I think one of the things I—from my perspective Ms. Wiggins and her staff—I see them sitting in front—have been outstanding in that regard, to at least get us answers. Frankly, what I like about them is that they will tell me, “I do not like it any more than you do, Congressman.” I am sure that you love to get those memos in which there are some questions.

You brought up an interesting issue, because it was popularly reported, and this was actually—it was not popularly reported. It was in the newspaper in Atlanta. The gentleman—

Secretary McDONALD. Do not believe what you read in the papers.

Mr. COLLINS. No, I never have on myself. But, the gentleman in that situation you brought up—yes, he is facing charges now, but he was transferred from Augusta to Atlanta. His own attorney said it was because he needed a change of scenery. He did not need a change of scenery. He needed to be in jail.

Secretary McDONALD. I am unfamiliar with that detail. All I know is the investigation carried on. It was carried on thoroughly. It went to the FBI, the Department of Justice, and he is facing 50 charges.

Mr. COLLINS. We will look forward to those——

Secretary McDONALD. I——

Mr. COLLINS. I appreciate it, Mr. Secretary. I am just reflecting—I have been in front of four town halls this week, and VA was part of every one of them. Senator Isakson knows that as well. It was the first question this morning in Hiawasse, GA, on Sunrise.

I want to turn a little bit, and from a positive standpoint, ask how do we go from the Choice plan that we have put into action, what are some of those obstacles, and how do we fix it? One of those issues that I hear about a lot right now is how do we get—and I would like for you to address the challenges of finding and including outside VA providers, because I know in Atlanta—and we talked about the mental health issue—there is just simply no providers to be able to step forward. What is the perspective helping to fill that gap right now?

Secretary McDONALD. The ultimate answer is to go to one consolidated Choice Program. Right now, we have, as I said in my remarks, seven different ways of veterans getting care outside the VA. It is so complex that our employees do not get it and veterans do not get it. And the complexity also deals with the kind of service available in each one and the reimbursement rates.

When I went to Montana with Senator John Tester, all the providers were complaining to me about all of the other six programs, except one, ARCH; it was because ARCH had the highest reimbursement rates for people in Montana. What we have got to do is get all of those seven different programs down into one, and if we do that, I am convinced we are going to be able to get—and get it at the right rate, the Medicare rate—we are going to get more and more people in that program rather than cherry picking their own program, which is what is happening today.

Mr. COLLINS. I appreciate that. I think one of the things we will hear in the second panel—and you have heard as well—is, one, there seems—and this goes to the Health Net issue—there seems to be by a lot of the folks who have to contact our office that we are going to hear directly from one in just a little bit—that Health Net seemed to add a layer of bureaucracy that cuts off even the stilted communications. Many times that was happening and unclear. I would like—and I am not going to ask this specifically——

Secretary McDONALD. Well, we have got to eliminate that bureaucracy.

Mr. COLLINS. So, I think that is what I want to hear. Again, I am not sure why adding a bureaucracy to help do this actually was encouraged or started in this position of Health Net and others. Address that issue, because there seems to be communications where you call one—“Well, we never heard from the VA.” The VA says “We never heard from Health Net.” Health Net goes back and forth. We are going to hear about this in a minute, so I would just like to hear your discussion on it.

Dr. TUCHSCHMIDT. I think that the Choice Act, as it was written, is very complicated. We put it together in 90 days, which was a challenge. I would suggest that it is not designed, either legislatively or in its implementation, in a way that really meets, I think, the customer service standards that we want either for veterans, quite frankly, or for providers.

We have been working on the plan that you all charged us with to submit by November 1 to really not only consolidate these programs, but to say, "How do we put this together in a way that really makes sense, that improves the business processes, and makes it easier for everybody to be able to access care outside of the VA facilities?"

This month we are bringing together a roundtable of industry experts to talk to them about how they do this, about where the industry is going, both in terms of managing quality and appropriateness of utilization. I am confident that the proposal we bring you in November is going to address a lot of these issues.

Mr. COLLINS. My last question—and, Mr. Chairman, I appreciate the indulgence in the Senate and the House in working together.

The CHAIRMAN. Absolutely.

Mr. COLLINS. There is an issue—one of the first things—I was excited about your appointment because you brought the business acumen from running a successful organization outside that cut through what a lot of us have to deal with in the Federal Government. And there are a lot of areas. It is not just VA. It is everywhere. We have good people at our clinics, we have good people at our hospitals, and I never want it to be understood that the problems of a few reflect the problems of all. That is something we do not need to have happen.

The issue, though, comes up in some things that I have heard from our—and I have toured along with the senator the facilities in Georgia, and there are some simple things that seem to be, from a Congress perspective, in the contracting, purchasing—simple things, where you have—I know in Atlanta there was an issue of a simple fixing of a part that cost—I want to say \$17,000—and it took them 3 to 6 months to order the part while at the same time we are serving veterans on paper plates, costing more than the part.

It is my understanding that that could be fixed at your desk. If that is not true—and some of these other areas of contracting, where we just seem to be redundant—what can we do in Congress to fix that? And if it can be fixed at your desk, what is being done to fix what were perceived as common-sense issues?

Secretary McDONALD. That is actually part of our transformation that we call MyVA, which is the overall transformation we are trying to make of the VA. There are five strategies. Number 1 is to put the veteran at the center of everything we do, and start measuring veteran satisfaction for the first time.

Number 2, improve the employee experience. If you check, the best customer service companies in the world also are the best companies to work for. That is not an accident. You know, you have no hope of caring for the veteran unless your employees are happy and have a good experience.

Number 3—and this speaks to your point—is to improve our internal support services. Our acquisition, our logistics, our human resources, our recruiting, our hiring—these are all system that are broken. We have got teams of people now working to change them, working with the private sector to learn how best to do them; the changes are underway.

Number 4, quickly, is create a culture of continuous improvement. We are teaching employees Lean Six Sigma, which is a technology that engages employees and helps them change the systems they work on.

Number 5 is creating strategic partnerships. There is a lot of good will in this country for veterans, and we are engaging partners to help us—as the chairman said, as force multipliers to help us. We did not do that in the past.

We have put together a plan that is about 55 pages long. If you do not have it, we will make sure you get it. We have been through it with the Committee, and we have a couple of Members of the Committee who are doing a deep dive with us who have business experience. We are making good progress.

Mr. COLLINS. Well, Mr. Secretary, I appreciate the answers. There is still a lot that we could talk about. We are continuing to get this. It is not going to be something that goes away, and I think that trust factor that you talked about is both from a congressional perspective and from a department level as well. There is a lot of distrust there.

So many times, for us, in either house—to ask for flexibility, to ask for trust—we are going to have to earn it. I think those are the things we are doing. I appreciate your answers.

Mr. Chairman, I yield back. [Applause.]

The CHAIRMAN. Mr. Secretary, would you repeat for me how many people you said you disciplined in your first year as secretary?

Secretary McDONALD. Well, we have terminated over 140,000.

The CHAIRMAN. When you say you terminated, does that mean they took early retirement or were transferred?

Secretary McDONALD. No, this is—they may have been in probationary period, and we ended the probationary period, or they left, or they were disciplined. I do not know how many retired. I would have to check those numbers.

The CHAIRMAN. But is not it true that it is almost impossible for you to fire somebody under the current law? [Applause.]

There is a good ending to this question, by the way.

Secretary McDONALD. The actual number fired is 1,800.

The CHAIRMAN. I beg your pardon?

Secretary McDONALD. The actual number of fired is 1,800.

The CHAIRMAN. But it is very difficult to do.

Secretary McDONALD. You know what? I have done it in the private sector and I have done it in the public sector, and I would tell you it is, in some ways, easier to do in the private sector, because what happens in the private sector oftentimes is you cut a deal with the employee, so you are able to buy them out. You can not do that in the public sector.

The other thing that happens in the public sector is that the due process is baked into the process, whereas due process in the private sector only happens if the employee chooses it, right, because they take you to court. So, it is a little bit different in the public and private sectors, but I would not argue that that is an excuse for not being able to deliver good customer service.

The CHAIRMAN. The Rubio-Ayotte bill is pending in the Senate. Is that not correct?

Secretary McDONALD. It is, and we have said we are against any bill that differentiates VA from any other department of government. You know, I have got gaps I am trying to fill. I am hiring 1,100 new doctors. I am hiring 4,000 new nurses. You have given us a chance to hire people under the Choice Act.

We can not hire the people when Members of Congress are going to somehow differentiate the VA versus other departments of government. That does not cause people in government to want to work for the VA. So, I am against that bill because it differentiates us. I think I have the tools I need to hold me accountable if I do not deliver. I think I have the tools I need.

The CHAIRMAN. Well, I ran a lot smaller company than Proctor & Gamble. I had 250 employees and 1,000 agents. You had 125,000, if I am not mistaken.

Secretary McDONALD. That is correct.

The CHAIRMAN. But the ability to manage your workforce and have positive incentives as well as accountability measures in which you held people accountable is a wonderful way to run a business versus where you do not have that. So, I would suggest not wanting to be treated like any other government agency—different from any other agency is a good statement to make. I understand that. I think it is also critical to understand that we have had some unique problems within the VA that we need to try to deal with.

Secretary McDONALD. Mr. Chairman, let me explain something. When I came to the VA, and I got the relative rating of the SES employees from the previous year, everyone was rated outstanding and above average, right? That is not accountability.

The CHAIRMAN. That is self reporting.

Secretary McDONALD. That is not accountability. So, what did I do, right? As I told you, nobody in VHA was rated outstanding. Nobody in VHA is getting a bonus for the year that their secretary resigned. That is accountability.

Accountability is not only firing. Accountability is giving people the rewards for their performance that they have earned. And I think I can—I am doing that. I do not think I can do that; I am doing that. Now, the SES Association did not like it very much, but that is what we did.

The CHAIRMAN. Well, we are proud of what you are doing. One last comment I will make for the benefit of the audience because I heard them clap—that VA employee is under a criminal indictment now?

Secretary McDONALD. Yes, sir.

The CHAIRMAN. From Augusta. That took place because as chairman of the Committee, we wrote the Department of Justice and asked them to investigate. We brought DOJ into the agency, and I think that got the attention of everybody around the country that we are going to look that hard, because if you manipulate consults or you manipulate medical information, which was the case with this Augusta person, it could be a criminal offense. In this case, it was a criminal offense, and they are subject to imprisonment.

You do not want to send anybody to jail, and you do not want to fire anybody. But if everybody does not think you have a standard to live up to, they will always sink to the lowest common de-

nominator and never the highest. I learned that a long time ago.
[Applause.]

Secretary McDONALD. Mr. Chairman, there are 180 other people being investigated right now, and I am very certain that the FBI will be involved in some of those 180. This story has not been written yet. I mean, we still have many, many chapters to go, and it will have an impact on the culture.

Mr. COLLINS. I have a clarification. When I made this comment earlier when we were talking about firings, you used the number 140,000, and then you were just handed a note of 1,800.

Secretary McDONALD. No, no, no.

Mr. COLLINS. Is it 140,000 that were let go, or 1,800 that were fired?

Secretary McDONALD. I am sorry. I did not mean 140,000. I meant 1,400. Over 1,400 have been terminated; yes, have been terminated. That means not just fired, but that means terminated. Let me get back to you with the exact number.

Mr. COLLINS. OK. There is a numbering issue there, and if you will get back to me—because something right there is not making sense.

Secretary McDONALD. We will get back to you. But, yes, it is 140,000 losses—terminations, 1,800 of which have actually been fired.

Mr. COLLINS. Of the 140,000—OK. A termination and a firing for a lawyer is very close.

Secretary McDONALD. Well, a termination could be for poor performance. A termination could be during your probationary period; you have had poor performance, and—

Mr. COLLINS. But that is not retirement.

Secretary McDONALD. No, that is not a retirement.

Mr. COLLINS. That is not a “I am leaving my job.”

Secretary McDONALD. These are not all retirements.

Mr. COLLINS. But, they are also not “I am just coming in and quitting.”

Secretary McDONALD. That is correct.

Mr. COLLINS. Or would this number include folks who just say, “I got a better job somewhere else. I am leaving.”

Secretary McDONALD. Probably.

Mr. COLLINS. So, that would include—

Secretary McDONALD. I would think it would, yes, sure.

Mr. COLLINS. OK. We need to get better clarification numbers on that.

Secretary McDONALD. But I can tell you that our retention—

Mr. COLLINS. Oh, I understand completely. But we will get better clarification.

Mr. Chairman, thank you for that clarification.

The CHAIRMAN. Because 140,000 is one-third of your total employees, if you have 314,000 employees?

Secretary McDONALD. Yes.

The CHAIRMAN. Check on those numbers.

Secretary McDONALD. I am.

The CHAIRMAN. I am not good at numbers, so I am not going to—but we will check on them and get the right information to all of you.

Let me thank the secretary. Dr. Tuchs Schmidt, thank you too for being here. I hope you are going to stay for the second panel, because I think the second panel is going to be very informative in both a positive and a constructive way. So, I hope you will stay for that.

Secretary McDONALD. I am sorry. Mr. Chairman, can I correct the record now?

The CHAIRMAN. Yes, sir. The record is to be corrected.

Secretary McDONALD. 1,755 employees have been terminated—1,755 is the number that have been terminated.

The CHAIRMAN. 1,755. That makes more sense. Thank you, Mr. Secretary. Thank you for cutting your vacation short to come to Georgia. We appreciate it very much.

Secretary McDONALD. Thank you very much.

The CHAIRMAN. I would like to ask our second panel to come forward, if you will set up the table.

We are very fortunate to have a distinguished second panel on our Veterans Choice hearing today, and I want to urge everybody to listen closely. I have read the testimony of each of these individuals. It is very informative, and it will answer or illuminate or enlighten some of the questions you have heard us ask the secretary.

First and foremost is Ms. Donna Hoffmeier, Vice President of VA Services with Health Net Federal Services.

We are delighted that you are here today and thank you for what you do.

Dr. Stephen Jarrard, Provider and Veteran, lives in Rabun County, GA, which is a place I love very much.

We are glad to have you here today.

Dr. Wayman Duane Williams, Georgia State Leader of the Iraq and Afghanistan Veterans of America, thank you for your service to the country.

And Carlos with the best name in the world—Chacha.

Is that right? I would love to see you dance, Carlos. You would be good, I know. We are delighted to have you here today. Your story is compelling, and we appreciate it very much.

We will call on Ms. Hoffmeier first.

STATEMENT OF DONNA HOFFMEIER, VICE PRESIDENT, VA SERVICES AND PCCC PROGRAM MANAGER, HEALTH NET FEDERAL SERVICES

Ms. HOFFMEIER. Thank you, Mr. Chairman. Chairman Isakson, Representative Collins—

The CHAIRMAN. Pull the microphone real close. Almost swallow it. You have to almost get it that close.

Ms. HOFFMEIER. I appreciate the opportunity to testify on Health Net's administration of the Veterans Choice Program.

The CHAIRMAN. I am going to interrupt you once more—is there a sound person in the room? If you can ratchet it up a little bit, I would appreciate it. She is hard to hear.

Try it again. I am sorry.

Ms. HOFFMEIER. I appreciate the opportunity to testify on Health Net's administration of the Veterans Choice Program. Health Net is proud to be one of the longest serving health care administrators of government programs for the military and veterans commu-

nities. We are dedicated to ensuring that our Nation's veterans have prompt access to needed health care services and continue to believe there is great potential for the Choice Program to help VA deliver timely, coordinated, and convenient care to veterans.

From the start of the Choice Program, Health Net has worked collaboratively with VA to implement Choice and to identify and address process and policy gaps or needed improvements. In Georgia, we have made nearly 7,500 Choice appointments for veterans and currently have over 400 in the process of being appointed. Another 1,000 cases are either awaiting documentation from VA or contact by the veteran to initiate care.

Our provider network team works closely with the VA medical centers to develop a provider network tailored to meet the needs of Georgia's veterans. Our Choice provider registry includes 5,700 providers and 21 hospitals, including a number of large health care systems. Through these large health care systems, we are able to provide access to an even greater number of physicians who are affiliated with these organizations.

Our network in Georgia also includes several dedicated psychiatric hospitals and 14 federally qualified health centers. We continue to conduct outreach to providers with which VA has longstanding relationships, including VA affiliates and preferred providers.

Implementation of any new program is always challenging, particularly when the change is significant and the implementation period is very condensed. The very limited implementation period for Choice did not afford VA time to develop necessary policy and process guides, nor did it allow us the time to develop operational processes, make needed system changes, and to effectively hire and train the staff needed to support a program of this size and complexity.

We only had about 30 days of close collaboration and planning with VA before going live, which is an extremely aggressive implementation period by any standard. There clearly have been bumps in the road with the accelerated rollout of Choice—delays in eligibility information being made available, confusion over program details and inconsistent expectations, incorrect and sometimes conflicting information provided to veterans. These bumps have understandably caused a level of veteran frustration.

While issues are common with the startup of any new program, many of the challenges with Choice to date are the result of inadequate development and transition time. We are working very closely with VA to address these challenges and, more importantly, to develop solutions for these challenges.

For example, we are working with VA currently to streamline the process for receiving eligibility information on veterans, which has been one of the biggest sources of frustration for veterans. VA is phasing in a new eligibility process for wait list eligible veterans that will provide the Choice contractors with much more timely access to eligibility information.

To address challenges with incorrect information being provided, we have initiated additional training for all customer service representatives. And we have also deployed senior, very experienced operational and training experts to directly oversee that training.

We continue to work with VA to set realistic timelines for new initiatives and program changes. Since the start of Choice, the number of changes have been fast and frequent. We fully support VA making changes to increase the use of the Choice Program, but it is essential that adequate time be allocated so we can retrain our people and execute the change effectively. When timeframes are pushed to unrealistic levels, mistakes happen. It is just a reality.

We continue to advocate for the creation of process and policy manuals that clearly articulate program procedures and expectations. This will help ensure consistent application of Choice across the board with both contractors and all VA facilities.

To ensure veterans have ready access to community care, providers must be willing to participate in the Choice Program. Widespread adoption by community providers requires the elimination of unnecessary impediments. We are currently working with VA to identify those impediments and to, hopefully, get those impediments removed.

In closing, I would like to thank you, Chairman Isakson, for your leadership in ensuring our Nation's veterans have prompt access to needed health care services. Working together with VA and with the support and leadership of this Committee, we are confident that Choice will deliver on our obligations to this country's veterans.

Thank you.

[The prepared statement of Ms. Hoffmeier follows:]

PREPARED STATEMENT OF DONNA HOFFMEIER, PROGRAM OFFICER, VA SERVICES,
HEALTH NET FEDERAL SERVICES, LLC

A HISTORY OF PARTNERSHIP

I appreciate the opportunity to testify at today's field hearing on Health Net's implementation and administration to date of the Veterans Choice Program.

Health Net is proud to be one of the largest and longest serving health care administrators of government and military health care programs for VA and the Department of Defense (DOD). Health Net's health plans and government contracts subsidiaries provide health benefits to more than five million eligible individuals across the country through group, individual, Medicare, Medicaid, TRICARE, and VA programs.

For over 25 years, in partnership with DOD, Health Net has served as a Managed Care Support Contractor in the TRICARE Program. Currently, as the TRICARE North Region contractor, we provide health care and administrative support services for three million active-duty family members, military retirees, and their dependents in 23 states. We also deliver a broad range of customized behavioral health and wellness services to military servicemembers and their families, including guardsmen and reservists. These services include the worldwide Military and Family Life Counseling (MFLC) program, which provides non-medical, short-term, problem solving counseling, rapid-response counseling to deploying units, victim advocacy services, and reintegration counseling.

As an established partner of VA, Health Net has collaborated in supporting Veterans' physical and behavioral health care needs through Community Based Outpatient Clinics (CBOCs), the Rural Mental Health Program, PC3 Program, and the Choice Program. We also have supported VA by applying sound business practices to achieve greater efficiency through claims auditing and recovery and claims pricing. It is from this long-standing commitment to supporting the military and Veterans communities that we offer our thoughts on the role of Choice in augmenting VA's ability to provide eligible Veterans with timely access to needed health care services.

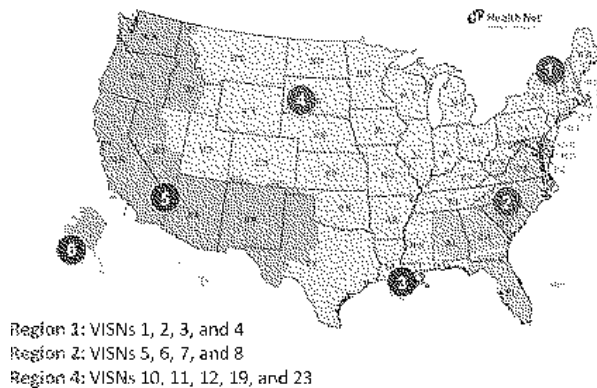
THE EVOLUTION OF CHOICE

In August 2014, with the leadership of this Committee, Congress passed and the President signed into law the Veterans Access, Choice, and Accountability Act of

2014 (VACAA, Public Law 113–146, “Choice Act”), which directed the establishment of a new program to better meet the health care needs of Veterans. The law directs the establishment of a Veterans Choice Card benefit that allows eligible Veterans who are unable to get a VA appointment within 30 days of their preferred date or the date medically determined by their physician; reside more than 40 miles from the closest VA health care facility (there are different mileage rules for some states, such as New Hampshire and Hawaii); or face other specific geographic burdens in traveling to a VA facility to obtain approved care in their community instead.

HEALTH NET’S CONTRACTED CHOICE REGIONS 1, 2, AND 4

(includes 13 of 21 VISNs with 90 VA medical centers in all or part of 37 states; Washington, DC; Puerto Rico; and the Virgin Islands)



As background on VA’s approaches to delivering non-VA care, VA developed the PC3 Program to provide eligible Veterans access to health care through a comprehensive network of community-based, non-VA medical professionals. In September 2013, Health Net was awarded a contract for three of the six PC3 regions. These regions include 13 of 21 Veterans Integrated Service Networks (VISNs) and 90 VA medical centers in all or part of 37 states; Washington, DC; Puerto Rico; and the Virgin Islands. In October 2014, VA amended our PC3 contract to include several components in support of the Choice Act. These components included production and distribution of Choice Cards; establishment of a Choice call center to answer Veterans’ questions about the Choice Program and to verify eligibility; appointing services for eligible Veterans with Choice-eligible community providers; and claims processing. Since VACAA required implementation by November 5, 2014, we worked collaboratively with VA and TriWest (the contractor for the other three PC3/Choice regions) to develop an implementation strategy with extremely aggressive timelines. This ambitious schedule allowed minimal time to hire and train staff and to reconfigure our systems for the new program, which contains many requirements that differ from PC3 and therefore have to be tracked and recorded separately. Despite the fast-paced implementation schedule, on November 5th, Veterans started to receive their Choice Cards and were able to call in to the toll-free Choice telephone number and speak directly with a customer service representative about the Choice Program.

On April 24, 2015, VA published a second interim final rule that changed the way VA measures distance for purposes of determining eligibility. VA now considers the distance a Veteran must drive to the nearest VA medical facility, rather than the straight-line of geodesic distance to such a facility. This change resulted in an expansion in the number of Veterans eligible for the Choice Program.

Most recently, on August 4, 2015, Congress passed a number of improvements to the Choice Program through H.R. 3236—Surface Transportation and Veterans Health Care Choice Improvement Act, which became Public Law 114–21. These program improvements include expansion of eligibility for Veterans, expansion of the pool of providers eligible to participate, clarification of wait times, removing the time limit on an episode of care, and modification of the distance requirement. The new law also requires VA to develop a plan to consolidate all non-VA care programs by establishing a new, single program to be known as the “Veterans Choice Pro-

gram.” We commend the Committee for working to address some of the unintended limitations contained in the original legislation.

ENGAGING COLLABORATIVELY

From the start of discussions on implementation of VACAA, the VA Chief Business Office, Contracting Office, and senior VHA officials have worked closely with both contractors to establish priorities, provide policy guidance, and develop process flows. As the Choice implementation progresses, more policy and process items continue to be identified. We are working closely with VA and TriWest to ensure that key policy or process items are addressed quickly; doing so is essential to program performance and effectiveness.

BUILDING THE CHOICE PROVIDER NETWORK

A key component to the success of Choice is acceptance by community providers. To provide Veterans with timely access to care in their communities, Health Net proactively recruits providers to Choice. Since the implementation of Choice, we have collaborated with VA medical centers and actively reached out to providers and professional associations to build a network. Highlights of our efforts to build a robust provider network are summarized below.

HIGHLIGHTS OF HEALTH NET’S CHOICE PROVIDER NETWORK DEVELOPMENT

- Sent outreach letters to 22,264 TRICARE contracting entities to encourage providers to register for participation in the VA Choice Program; these entities represent anywhere from 156,000 to 200,000 community providers
- Sent outreach letters to the 7,650 vendors on the VA Nomination Report that have not yet joined the VA Choice Program
- Participated in joint VA Medical Center and Provider Meetings to encourage key VA Medical Center vendors to register for the VA Choice Program; as needed, Health Net staff are assisting large organizations register their multiple locations
- Conducted outreach to all 280 VA Affiliates to encourage participation in the VA Choice Program
- Participated in a presentation to the AAMC on the VA Choice Program; scheduled to participate in calls with AHA and AMA to present similar information regarding VA Choice Program to their membership
- Contacted all VA Medical Center Hepatitis C preferred vendors to encourage participation in the VA Choice Program; Health Net is making outreach calls to all PC3 contracted, VA Choice Participating and Registered Gastroenterology and Infectious Disease providers to determine if they treat Hepatitis C patients
- Used the American Liver Foundation directory to identify community providers who treat Hepatitis C patients; all providers not already eligible for the VA Choice Program will receive telephonic contact asking them to join the VA Choice Program

In Georgia, our provider network team works closely with the VA medical centers in VISNs 7 and 8. We have developed an extensive provider network to meet the needs of Veterans receiving care at the three VA medical centers in Georgia: Charlie Norwood VA Medical Center (Augusta); Atlanta VA Health Care System (Decatur); and Carl Vinson VA Medical Center (Dublin). From January 31, 2015, through July 31, 2015, our Choice provider network in Georgia grew from 3,084 providers to 5,677 providers—an increase of 84 percent in six months.

Our Choice network in Georgia currently includes 21 hospital providers, including large health care systems such as Saint Joseph’s Candler Health System (Savannah), Southeast Georgia Health System (Brunswick), Southern Regional Medical Center (Riverdale), Doctors Hospital (Augusta), and Coliseum Medical Center (Macon). Through these large health care systems, we are able to provide access to an even greater number of physician specialists who are affiliated with these organizations. Recognizing the high demand for mental health services, our Choice network also includes dedicated psychiatric hospitals, such as Southern Crescent Behavioral Health System, Saint Simons by the Sea, and Summit Ridge Hospital. Provider counts for the top 10 specialties in our Choice network are shown in the table below.

Top 10 Provider Specialties	Choice Provider Count in Georgia As of July 31, 2015
Chiropractic	358
Physical Therapy	344

Top 10 Provider Specialties	Choice Provider Count in Georgia As of July 31, 2015
OB/Gyn	260
Optometry	257
Surgery—Orthopedic	201
Surgery—General	191
Podiatry	181
Cardiovascular Disease	173
Ophthalmology	171
Dermatology	116

In building the Choice network, we recognize the importance of collaborating with providers where VA medical centers have established relationships. For example, we initiated a strong effort to integrate federally Qualified Health Centers (FQHCs) in our network. We are working very closely with VHA's Office of Rural Health on this effort, and participated with VA at the National Rural Health Association annual conference and National Association of Community Health Centers webinar. To date, we have been very successful and have contracted 14 FQHCs as Choice providers in Georgia, as shown in the table below.

Federally Qualified Health Centers in Georgia

Christ Community Health Services	J.C. Lewis Primary Health Care Center
Coastal Community Health Services	Oakhurst Medical Centers
Community Health Care Systems	Palmetto Health Council
Curtis V. Cooper Primary Health care	St. Joseph's Mercy Care Services
Diversity Health Center	Southside Medical Center
East Georgia Health care Center	Southwest Georgia Health care
Four Corners Primary Care centers	Valley Health care System

INCREASE IN CHOICE PROGRAM UTILIZATION—RESULTS TO DATE

Since the inception of the Choice Program in November 2014, workload volume has dramatically increased. In the 37 states that Health Net supports in Regions 1, 2, and 4, monthly call volume has grown from an average of 27,000 calls in November 2014 to over 202,000 calls in July 2015. Correspondingly, the monthly volume for appointment authorizations has grown significantly, from 1,800 authorizations in November 2014 to almost 29,000 authorizations in July 2015. VISNs 7 and 8 account for about 7 percent of the authorizations.

PROGRAM CHALLENGES AND RECOMMENDATIONS

Implementation of any new program is challenging, particularly when the change is significant and the implementation period is condensed into a very short time-frame. The very limited implementation period for Choice did not afford VA time to develop necessary policy and process guides, nor did it allow for us to make needed system changes, develop business processes and work flows, and effectively hire and train the number of staff to support a program of this size and complexity. There clearly have been bumps in the road with the accelerated rollout of Choice—delays in eligibility information being available, confusion over program details, and incorrect or sometimes conflicting information provided to Veterans. These bumps have understandably caused a level of Veteran frustration. While issues and challenges are common with the startup of any new program, many of the challenges with Choice to date are the result of inadequate development (e.g., in terms of program policies and procedures) and transition time.

While the collaboration with VA since the start of the Choice Program has been solid, there is still considerable work that needs to be done with regard to the development of policy and process guides or manuals. Having clear policies and procedures in place is essential to ensuring that everyone understands the program requirements—VA staff, contractor staff, and Veterans. Well-designed program policies and procedures also ensure consistency across the country. In addition, more work remains to be done to adequately train staff, conduct provider outreach, and enhance Veteran education.

There currently are multiple options for non-VA care including Choice, PC3, local agreements/direct contracts, individual authorizations (“Fee”), other national contracts (e.g., dialysis), and Project ARCH. Each option has different reimbursement levels, different requirements for community providers (e.g., requirements for return of medical documentation, credentialing, etc.), and different “administrators” (VA Medical Center non-VA care staff, VA contracting staff, PC3/Choice contractors). These various options create enormous confusion with non-VA (community) providers, Veterans, VA Medical Center staff, and contractor staff.

We commend this Committee for directing VA to develop a plan for consolidating all non-VA care programs. Of note, consolidating options into one approach that minimizes VA-unique requirements for community providers should have a very positive impact on the willingness of community providers to participate in Choice and ultimately, enhance Veterans’ access to care. As VA moves forward with the plan, we offer the following considerations:

1. The consolidated plan and implementation strategy must clearly define the program and VA policies and procedures.

- **ADEQUATE TRANSITION TIME:** Transition timelines must allow for adequate implementation, staffing, and training.
- **CLEAR PROGRAM POLICIES AND MANUALS:** Development of policy and operations guides or manuals that provide clear instruction to all parties—VA medical centers, contractors, Veterans, and Congress—on how the program is to operate, is essential. For example, such policies and manuals might address: what services are/are not covered by VA; rules for eligibility, authorizations, and return of medical documentation to ensure consistency for Veterans and providers; reimbursement requirements for proper payment of provider claims; and systems rules outlining integration between VA and contractors, security requirements, and details for reporting requirements.

2. Unnecessary impediments to community provider participation must be eliminated.

The most common complaint from providers is the administrative burden of complying with requirements that exceed those of commercial or even other government programs such as Medicare. Removing these requirements will remove impediments to provider participation and offer Veterans greater choice.

- **STREAMLINE MEDICAL DOCUMENTATION REQUIREMENTS:** Medical documentation requirements are not consistent with commercial/community standards. VA requirements for medical documentation are often more detailed than the accepted standard of practice in commercial health care. For example, PC3 and Choice require specific elements, short timelines, and provider signatures. VA asks for more documentation and more specific detail than is typically provided in private sector health care, such as provider social security numbers. In addition, many of these requirements are not required for the other non-VA care programs.
- **TIMELY MEDICAL CLAIMS PAYMENT:** Delays in payment of medical claims are often due to issues with the return of medical documentation. Providers are not paid until medical documentation is returned and accepted by VA. This delays payments to providers who have already legitimately provided the services and complied with the requirements to return medical documentation. Continued delays in payment will result in dwindling community provider participation and access problems could return.
- **CONSISTENCY IN REIMBURSEMENT:** There is a need for a consistent methodology for the reimbursement rate determination. The amounts paid to providers should be equal to the amount paid under the Medicare program. When there is not a Medicare rate, the payment should follow the state’s prevailing rates instead of VISN- or VA Medical Center-specific rates.
- **MODIFICATIONS TO SCHEDULING PROCESS TO REDUCE NO-SHOWS:** There is a high level of appointment no-shows in the community. Currently, we are required to schedule appointments for Veterans we are unable to reach by phone, and then notify these Veterans of their appointment by mail. This process increases Veteran no-show rates and causes frustration with community providers. Community providers have no ability to bill VA for these no-shows, nor can providers bill the Veteran a fee. This process also creates frustration for VA Medical Center staff because Veterans show up for VA appointments that may have been canceled due to a community appointment being scheduled through Choice. More importantly, Veterans may not receive needed care in a timely manner. Modifying this process would reduce community provider reluctance to participate. We currently are working with VA on such a modification.

- **IMPROVE THE PROCESS FOR FOLLOW-UP FOR AUTHORIZATIONS:** Timely follow-up on requests by community providers for additional clinically appropriate care is essential. Choice services are authorized for an “episode of care.” Once an episode of care is complete, additional authorizations are necessary, even for follow-on care that is normally considered standard of practice. VA is addressing this issue and progress has been made already to ensure timely approval of requests for additional services. We appreciate VA working collaboratively with us to address this challenge.

COMMITTED TO VETERANS’ CHOICE

In closing, I would like to thank the Committee for its leadership in ensuring our Nation’s Veterans have prompt access to needed health care services. We believe there is great potential for the Choice Program to help VA deliver appropriate, coordinated, and convenient care to Veterans. We are committed to continuing our collaboration with VA and TriWest to ensure Choice succeeds in providing Veterans with timely access to care when VA is unable to provide it. Working together, and with the support and leadership of this Committee, we are confident that the Choice Program will deliver on our obligation to this country’s Veterans.

The CHAIRMAN. Thank you, Ms. Hoffmeier.
Dr. Jarrard?

STATEMENT OF STEPHEN JARRARD, MD, FACS, GENERAL SURGERY/GENERAL MEDICINE, LAKEMONT, GEORGIA AND A VETERAN

Dr. JARRARD. Mr. Chairman, Congressman, Mr. Secretary, Mr. Deputy Under Secretary, Committee staff, and fellow panelists, thank you for the opportunity to appear before you here today on behalf of Georgia veterans, one of this great State’s most valuable natural resources.

I feel qualified to provide some input within my scope, as I am both a health care provider and a veteran. I served in the Army on active duty as both an infantry officer and then a surgeon. During my medical school and training, I was always honored to work in VA medical facilities to include Mountain Home, TN, and Augusta, GA.

It is an honor to be a veteran, but more of a personal honor to me to earn their trust, establish a bond with them as a physician, and help take care of them. As a provider, it is never a bother to attend to their needs, and I only hope our Nation never loses that perspective about her sons and daughters who have sacrificed and served both now and in the past.

On that note, I would commend the Veterans Administration for recognizing a problem in the care of our veterans and coming up with a good program to help solve that problem. Especially in rural areas, like Rabun County, GA, where I practice medicine, Veterans Choice gives our veterans good options to get safe and quality care in a timely manner. Health Net seems to have good oversight and management and does a good job coordinating this care and seeing it through to completion, which is no small task.

Also, tying reimbursement to Medicare rates is not unfair, and I believe that most providers would want to be a part of this system and help the VA to care for these veterans. I did personally find that it was easy to register and become part of the database and, therefore, to become an option in the Veterans Choice Program.

I have not yet personally carried an encounter through to completion, so I cannot speak to those parts. But I look forward to that and trust that it will be organized and smooth.

I would also commend Health Net, Ms. Hoffmeier, as your provider information materials have been both useful and informative.

Many providers and veterans remember a former cumbersome system in both appointments for veterans and management and reimbursement for providers. That memory will need to fade and be proven past.

We would all like it to be better, and I again appreciate the chance to provide two specific recommendations to that end. I believe the program could benefit from wider publicity and efforts to register more providers. This information also needs to be kept very current for the veterans on the Web site.

When I put my own zip code into the provider search area, I saw a list of many of my colleagues who really do not know about the program or their contact information is out of date or not correct. More effort should be made to publicize through provider channels, such as State medical associations, specialty organizations, and even county medical societies. And I will pledge to do this through our own local Stephens and Rabun County Medical Society. I consider it a patriotic duty to help with this program, and I know that many of my Georgia medical colleagues would regard it the same way if they knew more about it.

Another thing I think would help is to recognize those providers who have stepped up and accepted the Veterans Choice responsibility and are actively participating and caring for veterans under this program. Perhaps some kind of recognition symbol or logo that they could publicize in their own marketing materials or on their social media outlets.

This should be something that veterans could easily identify with and look for to know that this provider is approved by the VA and could be an option in their spectrum of care should they need it or if they just feel more comfortable staying closer to home and having a more local provider.

Again, sir, it is an honor to have the opportunity to participate in this valuable discussion regarding the care of our veterans. As they in their past and current service represent the strength of our national fiber, none of us deny the priority they deserve, and it is a privilege to still serve by assisting on their health care team.

Thank you very much. [Applause.]

[The prepared statement of Dr. Jarrard follows:]

PREPARED STATEMENT OF STEPHEN JARRARD, MD FACS, GENERAL SURGERY/
GENERAL MEDICINE, LAKEMONT, GEORGIA

Mr. Chairman, Congressman, Mr. Secretary, Mr. Deputy Under Secretary, Committee Staff, and Fellow Panelists, Thank you for the opportunity to appear before you here today on behalf of Georgia Veterans—one of this Great State's most valuable natural resources. I feel qualified to provide some input, within my scope, as I am both a Healthcare Provider and a Veteran. I served in the Army on Active Duty as both an Infantry Officer and then a Surgeon. During my Medical Schooling and Training, I was always honored to work in VA Medical Facilities, to include Mountain Home, TN and Augusta, GA. It is an honor to be a Veteran, but more of a personal honor to earn their trust, establish a bond with them as a Physician, and take care of them. I consider them my brothers and sisters, and therefore they are family. It is never a bother to attend to their needs—and I only hope our Nation

never loses that perspective about her Sons and Daughters who have sacrificed and served both now and in the past.

On that note, I would commend the Veteran's Administration for recognizing a problem in the care of our Veterans and coming up with a good program to help solve that problem. Especially in rural areas, like Rabun County, GA where I practice medicine—Veteran's Choice gives our Veterans good options to get safe and quality care in a timely manner. Health Net seems to have good oversight and management, and does a good job coordinating this care and seeing it through to completion—no small task. Also, tying reimbursement to Medicare rates is not unfair, and I believe most providers would want to be a part of this system and help the VA to care for these Veterans. I did personally find that it was easy to register and become part of the database and therefore to become an option in the Veteran's Choice program. I have not yet personally carried an encounter through to completion, so I cannot speak as much about ease of use, but I look forward to that and trust it will be organized and smooth. I would also commend Health Net, Ms. Hoffmeier, as your Provider information materials have been very useful and informative.

However, we would all like it to be better, and I again appreciate the chance to provide two specific recommendations to that end.

I believe that the program could benefit from wider publicity and efforts to register more providers. This information also needs to be kept current. When I put my own zip code into the provider search area—I saw a list of many of my colleagues who don't really know about the program, or their contact information was out of date or not correct. More efforts to should be made to publicize through provider channels such as State Medical Associations, Specialty Organizations, and even County Medical Societies (and I will do so through our local Stephens-Rabun County Medical Society). I consider it a patriotic duty to help with this program, and I know many of my Georgia medical colleagues would regard it the same way if they knew more about it.

Another thing that I think would help is to recognize those providers who have accepted the Veteran's Choice responsibility and are actively participating and caring for Veterans under this program. Perhaps some kind of recognition symbol or "logo" they could publicize in their own marketing materials or social media outlets. This should be something that Veterans could identify with and look for to know that this provider is "approved by the VA" and could be an option in their spectrum of care should they need it or if they just feel more comfortable staying closer to home and having a local provider.

Again, Sir, it is an honor to have the opportunity to participate in this valuable discussion regarding the care of our Veterans. As they and their past and current service represent the strength of our National fiber—none of us deny the priority they deserve and it is a privilege to still serve by assisting in their health care. Thank you very much.

The CHAIRMAN. Thank you.
Dr. Williams?

STATEMENT OF WAYMAN DUANE WILLIAMS, GEORGIA LEADERSHIP FELLOW, IRAQ AND AFGHANISTAN VETERANS OF AMERICA

Dr. WILLIAMS. Chairman Isakson, Congressman Collins, on behalf of Iraq and Afghanistan Veterans of America and our nearly 400,000 members and supporters, over 11,000 of whom reside in Georgia, I want to thank you for this opportunity to share our views with you today. IAVA was one of the leading veterans organizations involved in the early negotiations on the VACAA, and we took an active role in advocating for its passage.

My remarks will focus on where we have been, where we are, and where we are going with the Choice Program based on the experiences of those using the Choice Program in Georgia. The general information and personal experiences I would like to present were gathered through a combination of: (a) recent data reported by the Atlanta VA medical center; (b) preliminary analysis of member responses to the IAVA national member survey; and (c) my own personal interactions with local IAVA members.

The population of veterans enrolling for VA care is growing quickly, as you know, and Georgia is no different. This growth comes with a huge increase in demand, and I would rather go with numbers rather than percentages. In 2014, the Atlanta VA ended the year having seen 96,000 patients. But by the time we got to 15 July, the Atlanta VA had seen 100,000 patients.

By comparison, most other VA medical centers service 50,000 to 60,000 veterans a year. Most VA health providers serve 1,200 patients annually. But here in north Georgia at the Atlanta VA, our physicians and nurse practitioners and PAs are seeing 1,300 to 1,400 patients annually. Thus, our concern in Georgia is that we must have both specialty and primary care providers to match this population growth, especially our female veterans.

The Choice Program can be a great boost to providing this support with proper foundation and education. The Atlanta VA medical center is referring correctly to Choice, and right now there are over 35,000 veterans who can not be seen inside of 30 days, but they have been referred to the Choice Program.

Even before the Choice Program came to fruition, the VA experienced challenges with meeting the demand for health care. The three VA medical centers in Georgia have made significant improvements over the past 3 years in improving customer service, thanks in large part to changes in local leadership. I would like to commend Ms. Leslie Wiggins, our Atlanta VA medical center director, who has been particularly responsive in holding employees accountable.

But we understand work needs to be done. We are at a point where access to care and customer service really do have to be differentiated.

Preliminary analysis of IAVA's most recent member surveys show that on a national level, 54 percent of the respondents still do not know what Choice is; 95 percent of those respondents have never used a Choice card; 43 percent indicated that one of the reasons for not using the Choice card was because they do not know how to use it; and of the 5 percent of the respondents who did use the Choice card, 40 percent of them had a very negative experience.

In my personal interaction with local IAVA members, I have found that those who were able to use the Choice card were very happy. However, the program has been challenging for some veterans to successfully use. I would like to highlight the experience of one recently demobilized Army Reserve veteran and her frustration with trying to use the Choice Program for an orthopedic problem that required an orthopedic consultation.

The consultation was ordered by her primary care provider in April, and the Atlanta VA did not have any available appointments until August, thus making her eligible for use of the Choice Program. But then over 2 months and six calls to the Choice appointment line and one call to the local VA OEF coordinator and finally the call to the Choice Program manager, they said they just could not get authorization for her to be seen.

The end result was that she saw an orthopedic surgeon at the Atlanta VA on Monday. Her response to me at the end was, "I give up on Choice."

Based on the observations, I would like to make a few recommendations that the Congress and the VA should consider in order to get the program operating at its fullest potential. Those recommendations include strengthening the training for the Choice Program for all parties involved. For VA employees, such as the non-VA care coordinators who are primarily interacting with the veterans seeking care and the contract care provider, provide the referral technology training so that they have hassle free scheduling.

Finally, I recommend that there be some sort of reviewing and streamlining of the operational process by which the Choice Program is implemented. We understand that this is a new program, and the change in VA culture to a more veteran-centered care is highly welcome. Contracted care for our veterans must also keep the veteran at this center-of-service philosophy.

IAVA is committed to remaining actively engaged with veterans making use of the Choice Program and advocating for the best access to care for our veterans. This includes but is not limited to IAVA's role in consolidation of the numerous care in the community programs into one simple and easy to understand program, as mandated by the law.

We appreciate the hard work of Congress. We appreciate the hard work of our VA and our partners in the veterans community, and we understand that we will continue to work together for the success of this program.

Mr. Chairman, I sincerely appreciate the Veterans' Affairs Committee's work on this issue and your invitation to us to participate in this, and we stand ready to assist the Congress and the department to achieve the best results for health care for our veterans.

Thank you for your time and attention, and I will be happy to answer questions.

[The prepared statement of Dr. Williams follows:]

PREPARED STATEMENT OF WAYMAN DUANE WILLIAMS, GEORGIA LEADERSHIP FELLOW,
IRAQ AND AFGHANISTAN VETERANS OF AMERICA

Chairman Isakson, Ranking Member Blumenthal, and Distinguished Members of the Committee: On behalf of Iraq and Afghanistan Veterans of America (IAVA) and our nearly 400,000 members and supporters, over 11,000 of whom reside in Georgia, thank you for the opportunity to share our views with you at today's hearing The Veterans Choice Program: Are Problems in Georgia Indicative of a National Problem.

IAVA was one of the leading veterans organizations involved in the early negotiations on the Veterans Access to Choice and Accountability Act (VACAA) and took an active role in advocating for its passage. This is a highly complex law that the Department of Veterans Affairs (VA) is continuing to effectively implement in order to ensure veterans are not left waiting unacceptable lengths of time to receive health care services.

My remarks will focus on where we've been, where we are currently, and where we're going with the Choice Program based on several experiences of those utilizing the VA Choice Program in Georgia. The general information and personal experiences I would like to present were gathered through a combination of recent data reported by the Atlanta VA Medical Center to the medical center veteran advisory board on July 15, 2015, preliminary analysis of member responses to the IAVA national member survey, and my own personal interactions with local IAVA members.

The population of veterans enrolling in VA medical centers is quickly growing, and in Georgia this is no different. With this growth comes increased demand and this is challenging capacity. The Atlanta VA Medical Center is particularly fast growing: FY 2014 ended with a total enrollment of 96,000 unique veterans with chronic care problems, and by July 15, 2015 this same type of enrollment was at

100,000. Most VA medical centers provide service to 50,000 to 60,000 veterans with chronic care problems and most VA health providers serve 1200 patients annually, but the North Georgia VA providers see 1,300 to 1,400 patients. Thus our concern in Georgia is that we must have both specialty and primary care providers to match this population growth. The Choice Program can be a great boost to providing this support with the proper foundation and education to properly. However, according to the August 18, 2015 report provided to the Medical Center Veterans Advisory Board by the Atlanta VA Medical Center's quality management team, there are 35,000 veterans waiting for longer than 30 days for either a Choice provider or their VA appointment.

Even before the Choice Program came to fruition, the VA experienced challenges with meeting capacity and providing customer service at the same time. The three VA medical centers in Georgia have made significant improvements over the past three years in improving customer service thanks in large part to changes in local leadership. Leslie Wiggins, the Medical Center Director of the Atlanta VA Medical Center, has been particularly responsive in holding employees accountable, but work remains to be done. We are at a point where access to care and customer service cannot be confused.

Preliminary analysis of IAVA's most recent member survey shows that on a national level, fifty-four percent of the respondents still do not know about the Choice program, ninety-five percent of respondents have never used a Choice card, and nearly half (forty-three percent) indicated that one of the reasons for not using a Choice card was because they did not know how to use it. Of the 5 percent of respondents who did use the Choice program, 40 percent had a negative or very negative experience.

In my personal interactions with local IAVA members, I found that those who were able to use the Choice Program were happy with the service. However, the program has been challenging for some veterans to successfully utilize. I would like to highlight one particular experience of a recently demobilized Army Reserve veteran and her frustrations utilizing the Atlanta VA Medical Center and Choice Program for a joint concern that required orthopedic consultation. The consultation was ordered by her primary care provider in April, but the Atlanta VA Medical Center did not have any available appointments until August, thus making her eligible to use the Choice Program. Over the course of two months and six calls to the Choice Program appointment line and one call to the local VA OEF Coordinator, no record of the consultation could be found in the system. The end result of her calls was a recommendation from a Choice Program manager to maintain her mid-August appointment at the Atlanta VA Medical Center. Her response to me at the end of describing this process was, "I give up on Choice."

Based on the experiences I've witnessed in Georgia, I would like to make a few recommendations that Congress and the VA should consider in order to get the program operating at its fullest potential. These recommendations include: strengthening the training for the Choice Program for all parties involved, to include providing clear and concise information to each veteran eligible for the Choice Program on how to utilize the Choice services, to VA employees such as the Non-VA Care Coordinators who are primarily interacting the veterans seeking care and the contracted-care provider and their network to ensure hassle-free scheduling. Additionally, I recommend reviewing the operational process by which the Choice Program is implemented for each veteran to ensure a streamlined and timely delivery of care with a defined point of contact and customer service support system that veterans can use to resolve issues with scheduling appointments.

This is a new program, and the change in VA culture to more veteran-centered care is a new, and welcome, focus. Contracted care of our veterans must also keep the veteran at the center of their service philosophy. IAVA is committed to remaining actively engaged with veterans making use of the Choice Program and advocating for the best access to care for those veterans. This includes, but is not limited to, IAVAs role in the consolidation of the numerous Care in the Community programs into one simple and easy to understand program mandated by law.

We appreciate the hard work of Congress, the VA, and our partners in the veteran community. We must continue to work together and keep all communication active between all stakeholders.

Mr. Chairman, I sincerely appreciate the Veterans' Affairs Committee's hard work in this area, your invitation to all us to participate in this important hearing, and we stand ready to assist both Congress and VA Secretary Bob McDonald to achieve the best results for the Choice Program now, and in the future.

Thank you for your time and attention, I am happy to answer any questions you may have.

The CHAIRMAN. Thank you, Dr. Williams.
Mr. Chacha?

STATEMENT OF CARLOS F. CHACHA, SFC USA (RET), VETERAN

Mr. CHACHA. Thank you, Mr. Chairman. Mr. Chairman, Honorable Doug Collins, thank you for allowing me to speak.

I like Choice. I want to tell you when I got the little card that said Choice, I said, "Wow, I can go to my doctor next door, down the street in 10 to 15 minutes and I will be good." Came to find out that is not a fact.

Choice is a good program. What I found out, based on my experience with Choice and dealing with Choice, is that, basically, the right hand does not talk to the left hand. Somebody got a dog and pony show, and we are better off. Simple as that.

I understand—I think they have got three different databases. You got the people who you call—and they had a number—and ask for an appointment. They are located in one part of the United States. Then you have somebody who will make an appointment, in my case, for a rheumatologist, someplace in Kansas City, another place, another State. Then, if I want a colonoscopy, that will be in another State.

Their system, their database, does not talk with each other. If I called Choice right now and I say, "I need to know when is my appointment for a rheumatologist," they might be able to tell me. But if I say, "I need to know when my colonoscopy is going to happen," they need to go to another database or I need to talk to somebody else.

It is frustrating. It frustrates me as a person that I had to call, and the person at the other end either is not properly trained, or they do not care about us. I had to ask to talk to a supervisor. I talked to a supervisor who told me I am not authorized to have a colonoscopy, even though my primary care doctor sent a request to Choice, and they receive it in Choice in April 2015.

It seems to me that some of the papers get lost because 1 minute, they have everything they need. They have got the authorization from the VA. They have got the doctor's name, and everything is good. The next minute, they can not find authorization, and we have to start all over again. We are reinventing the wheel.

We do not need to do that. We need to have one system, and everybody needs to be properly trained. We need to have managers and supervisors that care. I have found three people that I was able to talk to, and they cared for us. The rest of the people, in the seven or eight times I talked to them—they really did not care about me—as simple as that. I was just a number.

It took me almost 4½ months to finally get my rheumatologist appointment. It was this week. I am going to see a doctor for a colonoscopy the 31st of this month. The paper was submitted on April 30, and now we are in August. So, I am just now getting those appointments.

You might not believe it, but the only reason I am getting those appointments is because I stir up congressional. Why do I need to stir up congressional for something that is supposed to be there for us? [Applause.]

We put ourselves out there for everybody here to be a free person. I did my time. Now it is time for me to get it back. Please just get one database, one—and better training.

Thank you, Mr. Chairman. I appreciate your help.

[The prepared statement of Mr. Chacha follows:]

SFC (RET) CARLOS F. CHACHA

U.S. ARMY

- | | <u>DATE - TIME</u> | <u>CHOICE REPRESENTATIVE</u> |
|----|---|------------------------------|
| 1. | March 31 @ 10:26 hrs. | Pasha |
| | A. Request for Primary Care Doctor: I expressed my request to use Dr. Hooker in Jasper. I furnished his name, phone number and address.
B. Request for Rheumatologist Doctor: I expressed my request to use Dr. Sylvia Dold in Gainesville. I furnished her name, phone number and address.
C. I was informed that Doctor Dold was on the Choice System. | |
| | <u>DATE - TIME</u> | <u>CHOICE REPRESENTATIVE</u> |
| 2. | April 21 @ 08:05 hrs. | Cathy |
| | A. I called to check in the status of my appointments with both Dr.'s Hooker and Dold.
B. I was told that both requests for Primary Care Dr. Hooker and the request for Rheumatologist Dr. Sylvia Dold had been Authorized/Approved.
C. Cathy stated they will call me back with the date and time for both appointments. With both doctors the Primary Care Doctor and Rheumatologist. | |
| | <u>DATE - TIME</u> | <u>CHOICE REPRESENTATIVE</u> |
| 3. | April 28 @ 06:35 hrs. PM | Cecori |
| | A. I called Choice back since I had not receive a call with appointment dates for Dr. Hooker nor Dr. Dold. It had been a week.
B. I was told that the appointment with my primary care Dr. Hooker was schedule for April 30 th at 2:00 PM.
C. I was told that the scheduling department for Choice was still working on the appointment with my Rheumatologist, Dr.Dold. | |
| | <u>DATE - TIME</u> | <u>CHOICE REPRESENTATIVE</u> |
| 4. | May 11 @ 08:00 hrs. | Sara |
| | A. I was following up regarding my prescriptions. I called the VA pharmacy in Decatur, Georgia, they advised they needed a copy of the authorization from Choice indicating Dr. Hooker has been assigned as my primary care doctor. This was so he would be able to fax my prescriptions for my medications to the VA.
B. I also checked on the status of my appointment with my Rheumatologist, Dr. Dold.
C. I was told by Sara that she could not find the name, phone number and address for Dr. Dold. I furnished this information again.
D. I Informed Sara that my primary care doctor (Dr. Hooker) had faxed over the referral for the consultation for a Colonoscopy. I provided her his name Dr. Lopez along with his phone number and address. | |

- | | <u>DATE - TIME</u> | <u>CHOICE REPRESENTATIVE</u> |
|----|--|------------------------------|
| 5. | <i>July 9 @ 07:16 hrs. PM</i> | <i>Wilson</i> |
| A. | I called Choice and asked why I am receiving bills from doctors for payment for services render to me? I was told the Doctors need to fax the bill for service to Choice to get payment. | |
| B. | I asked for the status of the appointment's: | |
| C. | Dr. Dold, Rheumatologist. | |
| D. | Dr. Lopez, Colonoscopy (this was the referral that Dr. Hooker faxed over and had been received by Choice on April 30 2015). | |
| E. | Wilson could not give me any information on the appointments and assured me he would elevate this problem to a manager. | |

- | | <u>DATE - TIME</u> | <u>CHOICE REPRESENTATIVE</u> |
|----|---|------------------------------|
| 6. | <i>July 15 @ 09:46 hrs.</i> | <i>Victoria - Supervisor</i> |
| A. | Victoria, supervisor of one of many scheduling departments, advised me that she did not find the request or authorization for the Colonoscopy. I explained to her that the consultation was received by Choice on April 30 2015, and was authorized by the VA. She found the request and said she will have it processed ASAP since this has been so long. | |
| B. | I asked her if she was also processing my Rheumatology appointment, she reply no. She continued to check for me and found the authorization that had been approved by the VA. She advised that Choice scheduling department had called Dr. Dold, on or about May 29 2015, to schedule an appointment for me but due to the fact that they were put on hold they hung up and never call back again. They did not notified anyone in their department nor was I ever notified. They dropped the ball on the appointment that I had been waiting for since March. This shows that they do not care about the people they are working for. We are only a job to them and our medical needs are not important to these people. Some people can find the information in the system and others cannot. It is either a lack of training or the employee just does not put forth the effort. Victoria was going to try to contact someone to get my appointment processed. | |
| C. | Later on Victoria call me and informed me that she contacted Dr. Perez for my Colonoscopy and that she needed to Fax Choice with the authorization from the VA to process my appointment. She contact the proper department and faxed the authorization to Doctor Perez. Colonoscopy. | |

- | | <u>DATE - TIME</u> | <u>CHOICE REPRESENTATIVE</u> |
|----|---|------------------------------|
| 7. | <i>July 20 @ 10:35 hrs.</i> | <i>Bernard</i> |
| A. | I called Choice and requested to speak with a supervisor. I ask Bernard to review the last two entries on my case so he could explained his supervisor why I want to talk with him. | |
| B. | After waiting for 15 minutes a supervisor, Guadalupe Gallegos came on the line. I again explained the ongoing problem with getting the appointments for my colonoscopy and my Rheumatology. I ask him to check the last two entries on my file for July 9 2015. | |
| C. | After reviewing my file he came back and told me that I was not "authorized" for a Colonoscopy and that I will not get one. I try to explain to him the issues and I also explained to | |

him that my primary care doctor request the colonoscopy and that was approved by the VA but he did not care.

- D. When I ask about my Rheumatology appointment he stated he did not know. I finally just hung up. I was beyond frustrated.

In Conclusion:

- A. When a supervisor from Choice by the name of Guadalupe Gallegos told me that ***"I am not authorized to have a Colonoscopy procedure"*** because he said so. This was authorized by my primary care physician. This supervisor does not have the authority to play ***"God"*** with my livelihood. This shows that they do not care about the people they are working for. We are only a job to them and our medical needs are not important.
- B. It is apparent that extensive training for is needed for the contracting group that screens the calls for Choice. Some of these representatives can find information in the system and others cannot.
- C. We need a toll free number for the scheduling team that allows us to have direct contact with them. Instead of messages being passed on or in some cases not being passed on. Or possibly an on line website that we can access to check the status of an appointment or schedule our own appointments.

DATE - TIME

CHOICE REPRESENTATIVE

1. ***July 22 @ 1:20PM hrs.*** ***Alex (f) they are contract for CHOICE Kansa City, Kansas***

- A. I explained to her that I need to know why Choice has not fax the authorization for my colonoscopy to Digestive Healthcare of Ga. Choice talk to them over a week ago but the fail to fax the authorization by the VA so I can get my appointment. She did not know and Furth more she explained to me that she is not with Choice, and she will get me someone to help me 13:27 hrs – 13:39 hrs she hang up.
- B. 13:40 hrs Lea (f) Kansas city Kansas get the info n email to the "Appointing team " which we can not talk with.. She is asking her sup if she can email the fax and office number for Digestive healthcare of ga to the "A team " so they can fax it the authorization from the va for my treatment..
- C. I call Dr Dold office they do not accept the VA because VA don't pay 6 mths to 1 year

DATE - TIME

digestive health care, GA 706 253 7342

2. ***July 22 @ 14:45 hrs.*** ***tiffany***

They have not received the fax as of now: 14:45hrs

The CHAIRMAN. Well, thank you for your personal story. I would ask, were all of your attempts to make those appointments through Health Net?

Mr. CHACHA. Yes, sir, the 1–800 number.

The CHAIRMAN. I would like to ask Ms. Hoffmeier: Can you address what he just said?

Ms. HOFFMEIER. Mr. Chairman, as I said, we know that there have been challenges from the beginning, and I have gone through and seen some of the input on his record, only when we discovered the case just this week. Some of it is based on the eligibility process that we discussed, so we can only authorize care for cases where we actually have the eligibility information and a consult, and then a contact by the veteran.

But then there are also—I mean, I will not make excuses for mistakes. There have been a number of mistakes made. There is no question. I completely agree with the recommendation for adequate training, which was one of the comments I made in my testimony.

The challenge that we have had is there have been so many changes made so quickly that we are retraining our staff every week. You can not expect there not to be mistakes when rules are changed almost on a weekly basis and we have to retrain and ensure we have everything in our scripts within the system. Staff are supposed to follow the scripts. But when the process is modified frequently, the reality is it is hard to keep the training up to date.

We are addressing a number of the specific concerns. I would like to mention some of the improvements we are making to address a couple of the things that Mr. Chacha mentioned, which is the regional nature of our appointing process.

We are in the process—we had used for the patients in our community care program an approach we referred to as regional pods. We had a team that was dedicated to each VISN so they got to know that area, and they made all the appointments for that area. Choice has grown so fast that we have not had the time to put the pods in place. We are moving to that model; it will take time with the volume that we are seeing with Choice.

We also are opening operational centers throughout our regions. We do have a number of locations throughout our regions already, but earlier this week, I visited one in VISN 8 we are building and looking to staff; it will include a significant staff in VISN 8. We will end up with staff that are dedicated to each VISN that will get to know the specific geography, the providers in that VISN, and that should help facilitate the process considerably.

We also are putting more nurses up front so that we have nurses looking at the authorizations right off the bat. One of the things that is a challenge is that not every consult looks the same. Sometimes, with the consults that we receive, it takes a lot of work to go through the consult and figure out what exactly is required—what service is required.

For the more complex consults, we are having nurses review them to try to make sure that we can clearly identify what is needed up front, and that will get the process started more quickly. For the rheumatology issue, I can tell you I know part of the problem was provider acceptance. I think I talked about this at the May hearing in Washington. It is a new program, which we have had a lot of hesitation by community providers, particularly the harder to find specialties.

It is a new program. As the secretary testified, there are so many options right now with VA that providers can participate in. There are direct authorizations, local agreements, there is Choice, there is PC3, there is ARCH, and providers are very confused. They are picking and choosing which program they participate in, and certain specialists have said, “We are going to wait and see how Choice works before we sign up.” So, we did have some problems getting rheumatologists on board.

All of those are items that we categorize; and we meet every day to work through each of these issues. As a veteran myself, I do not like hearing these problems any more than anybody else in this

room does. But, it is an unfortunate reality of an extremely aggressive timeline that has not provided ample time for training.

The CHAIRMAN. You know, listening to Mr. Chacha, I was reminded of my youth. My father believed in corporal punishment, and I can always remember right before I got a spanking, he said, "Now let this be a learning experience to you." I did not get nearly as many spankings after that, I can tell you.

Your story should be a learning experience, both for Secretary McDonald as well as Health Net as well as Congressman Collins and myself. Really, that amount of time, that amount of misdirection, that amount of disconnect really should not happen.

Now, you are correct in some of the reasons why it happened. We are fixing the Choice Program on the run. But, really, there ought to be a way to learn from your experience to fix those problems that exist within the system so the veterans do not go through this frustration.

By example, you said one of your difficulties is establishing eligibility. Right?

Ms. HOFFMEIER. We do not establish eligibility.

The CHAIRMAN. No, no—finding out if they are eligible or not.

Ms. HOFFMEIER. Right.

The CHAIRMAN. How do you find that out right now?

Ms. HOFFMEIER. Currently the process is that VA transmits a file to us. It is a very large file, and we get the file at different timings. So, we receive mileage eligible veteran files on a weekly basis and wait list eligible veterans on a daily basis—

The CHAIRMAN. Let me interrupt. So, everybody in the audience—the mileage is 40 miles or more out?

Ms. HOFFMEIER. Correct.

The CHAIRMAN. You got a verification on that, number 1, right?

Ms. HOFFMEIER. Yes, sir.

The CHAIRMAN. The timing is 30 days or more delay for the appointment. Is that correct?

Ms. HOFFMEIER. The wait list, yes.

The CHAIRMAN. Now beyond that, what other eligibility requirements do you have to have?

Ms. HOFFMEIER. Those are the eligibility requirements for Choice. What we have to get is the eligibility information from VA that is passed to us in these files.

The process involves first the VA medical center uploading this information somewhere internally at VA. Then there is a different office at VA that takes that information and then transmits it to us.

The CHAIRMAN. But why would it—excuse me for interrupting. But why would it take a file this thick—that was your reference—to determine whether somebody lived 40 miles or more away from a clinic or could not get an appointment within 30 days?

Ms. HOFFMEIER. The eligibility file just comes to us from VA. The reason that file is so significant—it is records from across all of our regions. So, it is not for one individual. That is all of the veterans in our region. VA provides us with updates in these files. It is all transmitted electronically to us.

That is one of the improvements that VA is working on right now, which we are very excited about, to be honest, because one

of the things that has been a real challenge for even the VA medical centers to understand. The VA medical centers have a very, very good source of information—they call it the VA Viewer—that provides simple, easy to follow information on what the veteran is eligible for, what care they need.

We do not have access to that. So, instead, it goes through this complicated process. This new process that is being put in place by VA will include not giving us access to the Viewer, but sharing that information with us directly from the VA medical center level, so we get it almost in real time.

It is being rolled out in phases, so VA is starting first with a subset of veterans that are eligible, because they need to do some system reconfiguration in order to make it work, and we need to also be able to test it. We have started that, actually. I think that will make a huge difference in what I call the runaround.

I mean, it has been a runaround in many cases for veterans, because they will call us, and we do not have the eligibility information. By contract, we cannot do anything without that information.

The CHAIRMAN. Well, this story is one of the reasons we have hearings exactly like this so we can find out the real story about what is going on out there. Now I have got to ask you this. If I heard Mr. Chacha correctly, the referral he got from Health Net for rheumatology was a rheumatologist in Kansas City. Is that right?

Mr. CHACHA. No. The person who was handling my rheumatology—

The CHAIRMAN. They lived in Kansas City.

Mr. CHACHA. They were in Kansas City.

The CHAIRMAN. But the rheumatologist was in Georgia.

Mr. CHACHA. Yes.

The CHAIRMAN. Well, that is good. I was really worried you were getting referred to Kansas City.

Mr. CHACHA. No, no.

The CHAIRMAN. Dr. Jarrard, let me ask you a question. You said you have not completed your first consult. Is that right?

Dr. JARRARD. That is correct.

The CHAIRMAN. So, you have not been reimbursed by VA for any services you offered under Choice. Right?

Dr. JARRARD. Not yet, sir.

The CHAIRMAN. Are you aware that under Choice, it is the secondary payor if there is any other insurance coverage, and your veteran would have to pay a copayment when you saw him?

Dr. JARRARD. Yes, sir. As I said, the Health Net information is very adequate and thorough. I was aware that if the other insurance is primary, there may be a copay according to whatever that insurance company requires for that visit.

The CHAIRMAN. As a physician and as a veteran, would you think it was a disincentive to use Choice if you knew you could go to the Clairmont Hospital and get it paid for through regular VA payment without a copayment, but if you got referred within Choice, you would have to make a copayment and you would be secondary?

Dr. JARRARD. Yes, sir. But I think you would have to figure out the amount of time it may take you to get seen at that VA facility, and some veterans may feel that way. But, in general, I would say the answer to your question is yes.

The CHAIRMAN. Well, that is a great way that you answered the question. I commend you on that answer, because the circumstances do dictate. I mean, if you are in emergency care or you are ill, you are going to go wherever you can get the service, and that is going to dictate the situation. If you have some flexibility, it might be different.

But one of the reasons I brought it up—we have been talking with Secretary McDonald and his staff—when we passed the Choice Act we created some unintended consequences.

Right, Secretary McDonald?

Secretary McDONALD. Yes, sir.

The CHAIRMAN. One of them is the one I just illuminated, where there are different sets of circumstances for the physician to be reimbursed, depending on which avenue they attract in terms of services, which is a problem the veteran should not have to worry about, quite frankly, in my judgment. So, I wanted to bring that out.

The last thing I want to ask you as a practitioner—and I do have a place in Rabun County, yet I hope I do not ever need to see you, but if I do, I am glad that we met under good circumstances.

Dr. JARRARD. Yes, sir.

The CHAIRMAN. But if I needed to see you, and I made an appointment for next Monday, and I did not show, would you bill me for not showing? Or do you have a 24 hour notice, or do you have a fine for not showing? Tell me what your practice is.

Dr. JARRARD. Well, sir, my personal philosophy on that as a practitioner in Rabun County is I would never do that to my people, regardless. But under the Health Net rules—

The CHAIRMAN. I am going to come see you. [Laughter.]

Dr. JARRARD [continuing]. Under the Health Net rules, that is disallowed, meaning no veteran can be charged for a missed appointment, nor can the VA or Health Net be charged for a missed appointment.

The CHAIRMAN. Well, the reason I bring it up—we are looking at an omnibus approach to solving some of the technical problems with Choice and VA health care. Some of the ones we have already talked about—some tweaks that need to be done one way or another. But, you know, in the private sector—one of the problems in getting doctors to participate in Choice is that if you can not be reimbursed when somebody does not show, or you can not have a penalty for somebody not showing, then it costs them money to have an appointment unfilled that they made 24 hours out.

Would it be unreasonable if somebody used Choice to make sure the veteran understood that if they made the appointment and did not show, there would be a \$35 fee for not showing? Does that bring about more accountability on the veterans, from the veterans' standpoint? I am asking you tough questions, I know.

Dr. JARRARD. It possibly could, as long as they were informed ahead of time and knew that. Where you will see most of those policies about charging for no-show appointments is in urban areas. Doctors are very busy. They have a full schedule. If someone no-shows without prior notice, that slot could have been filled by someone else that is waiting longer to get an appointment.

In your rural areas where these veterans are most likely to live, out away from the VA medical center or the VA clinic, you do not find those policies as much. But, I would only say that that was fair if veterans knew ahead of time that that was the policy, and that they would be willing to take that risk. Now, I believe—and I want this to become a really good thing.

And, sir, I am sorry for the experience that you had.

Mr. CHACHA. I understand.

Dr. JARRARD. I am glad we are here today to talk about it, to get it fixed.

I want this to be such that that veteran is so happy to get that appointment and to get some care under the system that they would not want to be a no-show. I believe that most of them would be grateful. That was my experience working in VA medical centers in various places in the country while in training, that it was very pleasant that the veterans that you took care of were always grateful.

That is something you do not always see. It is like money in your pocket when that happens. It is like extra pay.

The CHAIRMAN. Absolutely. It is very rewarding.

Dr. JARRARD. I hope that happens.

The CHAIRMAN. After all they have sacrificed for us, the least we can do is provide the best quality service to them.

Dr. Williams, thank you for mentioning women veterans. You know, it is ironic—I was sitting here thinking when you did that—people are forgetting that pretty soon, women veterans are going to be 10.2 percent of those eligible for VA health care, and it is growing dramatically because of Afghanistan and Iraq. Today, two female Rangers are being inducted in the U.S. Army at Fort Benning, which is indicative of what is happening to our military.

I appreciate your standing—and one of the things I have said as chairman of the Committee is I want to make sure that we look forward in the future, understanding that our clientele in terms of veterans health services is going to change. There needs to be a focus on all services and on services that are particular to women and particular to men. Your advocacy is very much appreciated.

You said 54 percent of your members do not know about Veterans Choice. Right?

Dr. WILLIAMS. Yes, sir. According to the survey, that is what we got back. It was a little surprising to us, but it is what it is.

The CHAIRMAN. Well, everybody that has testified has referred to a lack of clear understanding on who is eligible and who is not, and there are an awful lot of veterans who have told us one way or another that when they try to find out, it is very cumbersome and very difficult.

Your organization has done a great job of sending us a lot of things we ought to do that are very well thought up and we have done some of them. I would hope your organization would think outside of the box and be a voluntary resource for me and the Committee to make recommendations to us about how we could better communicate from the VA to the veterans on what Choice is, whether or not they are eligible, and make it in a seamless way that would make it easier for them, because 54 percent is inexcusable.

We have implemented a very large and very comprehensive program in a very short period of time. But we did it to make it easier for the veteran. If 54 percent do not even know about it, then we are not doing our job. There ought to be some better way that we can reach the veteran. The VSOs can be an important help in doing exactly that. So, I appreciate your testimony very much. Work on that as a project for me if you would.

Dr. WILLIAMS. Yes, sir.

The CHAIRMAN. Mr. Chacha, you have got a colonoscopy coming up?

Mr. CHACHA. Yes, sir.

The CHAIRMAN. It is worth waiting for, I will tell you. [Laughter.] That is one thing you can delay as long as you want to.

Mr. CHACHA. That is right.

The CHAIRMAN. I am just teasing.

Mr. CHACHA. Mr. Chairman, if I may, can I touch on one point?

The CHAIRMAN. Please.

Mr. CHACHA. I know some people are going to be upset about this, but—

The CHAIRMAN. Speak closely into the microphone.

Mr. CHACHA. Some people might get upset about what I am going to say, but the facts are the facts. I talked to a couple of doctors, trying to find one to be my doctor, like a rheumatologist or a GI, so I can go get my colonoscopy.

They explained to me the reason why they would not accept somebody from Choice or the VA, although this is hearsay, what I was told from these physicians and from these offices was because the VA is taking 6 months to 1 year to pay the doctors for seeing a veteran. Now they are turning—anybody that has anything to do with the VA, they turn away because they are afraid they are not going to get paid and they cannot stay in business.

The CHAIRMAN. Well, I am glad that you mentioned that, because we all—I see some nodding heads from some of the professionals in the room. Prompt payment is a problem, and if there is any—I know the secretary is here and some other folks from the VA. The more reliable the reimbursement system for the veterans is, the more doctors are going to want to participate in it. I think that is a good point to make.

I do not know that we have a longitudinal—enough time yet in the program to know if that is endemic to the program or if it is just an anomaly. But that is something that is going to expand our—I guess Ms. Hoffmeier might agree with that. Am I correct?

Ms. HOFFMEIER. That is one of the top reasons we hear from providers for not participating in Choice—that they have had experiences in the past that have been less than positive with being reimbursed. We are paying the Choice providers for the care, but it does take time to rebuild that confidence that they will be paid in a timely manner.

VA is doing a great job of working collaboratively, though, with us to address that. So, when we hear that from providers, we work it through our VA contacts, who are working to try to—you know, if there are still outstanding bills, to get those bills resolved and to improve that perception of payment. That really is a very important point.

I would like to comment on the no-show issue. That is another significant issue we hear, and it may be the urban providers, as Dr. Jarrard mentioned, but it is an issue with a number of them, because right now, unfortunately, the way it is structured, we are not allowed to call veterans. Veterans must call us to initiate the appointment.

Once we schedule the appointment, we follow up with the veteran to let the veteran know they have an appointment. If we cannot reach the veteran, we are required by our contract to send them a letter telling them when their appointment is scheduled to occur.

What we are finding is that there is a high volume of no-shows because we are not actually reaching the veteran live. We are sending a letter. VA is working to change that as well, and I think once we get that process changed, that will reduce the number of no-shows and it may become less of a problem. But today, it is a problem for provider participation.

The CHAIRMAN. Thank you very much.

Congressman Collins?

Mr. COLLINS. Mr. Chacha, you wanted to follow up very quickly?

Mr. CHACHA. Yes. When they are talking about the appointments, appointments are made by Choice, and I have been told by Choice that they cannot call my house and leave me a message in my voice mail because of HIPAA or something like that. They cannot tell me—

The CHAIRMAN. Because of HIPAA?

Mr. CHACHA. Yes, sir. They use that for everything.

The CHAIRMAN. You can blame Congress on that.

Mr. CHACHA. I mean, I just answer the questions, OK. But that is what I have been told. I missed two appointments with my rheumatologist because the appointments were made and I was never contacted about it.

The CHAIRMAN. That seems like a solvable problem, having recently gone to a physician and signing a HIPAA release on whether they could call and leave a message on my voice mail. Could there be some procedure when you sign up to become eligible for VA health care that there would be a sign-off where they could give the authorization to leave a message on a voice mail or with another party? I am kind of directing this to some of the VA staff. We ought to look at that.

Secretary McDONALD. There is, Mr. Chairman. But the question is about how pervasive can that be. In other words, would you do it once and have a particular—the way HIPAA is written—and we can work together on this—is that it has to be very, very specific to an instance. But, you know, again, it is law so we would have to change the law.

The CHAIRMAN. I told you it was a congressional problem. Maybe we will make it an opt-in versus an opt-out type of situation. Excuse me for interrupting. Go ahead.

Secretary McDONALD. Something to make it easier for the veteran.

The CHAIRMAN. Right.

Mr. COLLINS. I appreciate the chairman talking about that, because I just left a doctor and I had to sign a who could be notified

form, which stays in my file. I mean, it is for my doctor, my general practitioner. So, I am not sure that there is that much limitation in it. You can actually do that. It is something we can work on.

Secretary McDONALD. We are talking about different providers here.

Mr. COLLINS. Yes, different providers. We could get a signature for different things. I mean, it is a signature.

I want to start positive. My mom always told me to start positive. I have been sitting here, frankly, a little frustrated.

Dr. Jarrard is one who serves in the 9th District. But also, for those who may not know, he takes not only his medical practice seriously, but his commitment to his education. He serves on my Academy Board and helps put young men and young women into our academies, which over and above any time that he gives in service, not only to the medical community, but to the Academy Board. I wanted to say thank you for what you do. We have got a lot of good folks going in, and you are a big part of that.

Dr. Williams, as well, from my service, in that what you are doing is providing the missing link that is discussed a lot, but I think it is almost like that storm, Mr. Chairman, coming. We know the storm is coming with Iraq and Afghanistan veterans and others that may in the near future; we are talking about it. It is a good conversation, but we have got a lot of instructional internal problems that are going to have to be fixed in this regard.

Mr. Chacha, of course, is from my area, and we have been working on your case, which, unfortunately, you have made my classic case—why did you have to call me to get this solved? Mainly because of the many, many days that you had to wait, which leads me to a question that the chairman brought up.

I do not mean to be—I am just asking a question. Ms. Hoffmeier, I do not believe you answered the chairman's question. He said there were two eligibility issues, to which you talked about files being sent over, and that they are this thick, or they—that is a whole different line—but there are two basic eligibilities for Choice. Why is that so difficult?

I apologize, but if you are going to tell me about file transfer again, just say, "You know, I really do not have a good answer."

Ms. HOFFMEIER. No, the simple answer—and I apologize if I did not express it clearly—is we must have confirmation from VA of the eligibility. We do not determine the eligibility. I understand what the rules are very clearly, the two types of eligibility. But if we do not have something from VA that shows us that veteran is authorized under one of those two eligibility categories, we are not allowed to act on that.

Mr. COLLINS. So, I may have asked the question—and the chairman or whoever may say this is—when VA reaches out to you, they are asking for you to give an appointment. They should have already researched eligibility requirements and never called you unless they have determined eligibility. [Applause.]

I am wondering—are we getting stuck semantically here? I am beginning to wonder. I appreciate what you are trying to do, but I am not sure why VA would even send you a file if they were not eligible for Choice.

Ms. HOFFMEIER. Well, I think part of it is you have to go back to—first off, I think the chairman, or maybe it was even you—mentioned early on at the very beginning that almost 9 million cards were sent out. The vast majority of the veterans were not eligible for the program.

Mr. COLLINS. I apologize for interrupting, but please hear me because I am really trying to understand this. Can VA just send Health Net—and the secretary or somebody else maybe might have to help, and I apologize—can they just send you any veteran's file? Yes or no? Because if I went into the system, if I took my DD214 and I went into the system, can they just send—

Ms. HOFFMEIER. The whole file?

Mr. COLLINS. Send the file for any reason, for whatever? Can they just say, "You know, we are going to send Doug's file to Health Net?"

Ms. HOFFMEIER. No.

Mr. COLLINS. So, the reason they would send a file to Health Net, if I am tracking here, is because you are eligible for the Choice Program. I am not sure why there is the disconnect at are you eligible or not. If you get the file from the VA, they are eligible. [Applause.]

I am not sure why we are even—I mean, this is—

Ms. HOFFMEIER. No. I absolutely agree with you, and I feel your frustration.

Mr. COLLINS. Then why is that a stopping—

Ms. HOFFMEIER. I am telling you what—

Mr. COLLINS. Why do we stop there? Why do we stop at eligibility?

Ms. HOFFMEIER. Because the contract requires us to wait for that eligibility file. We are not allowed, by contract, to act based on a VA medical center telling us the veteran is eligible—

Mr. COLLINS. I understand that.

Ms. HOFFMEIER [continuing]. Or even them sending us the consult.

Mr. COLLINS. This is frustrating for me, because, frankly, I do not want to seem completely disagreeable here, but you just added to my frustration. I do not expect you to take a call from the VA and they say, "Oh, by the way, they are eligible." When you get the file, they are eligible. I think that is where the disconnect is coming in; where Mr. Chacha and many others are saying, "Why do we start at eligibility?" because then we get into the other issues of—and let me share some quotes here.

I have asked my staff on many occasions, "What are some of the things that you hear?" They tell me, "The VA has not sent your records." "You are not in the system." "You are approved, but we are still waiting on other paperwork." We go to other issues of folks who come to us, and if we are getting stuck on eligibility, it is no wonder we are waiting 100 days, talking to three different people—"I have your file" or "I do not have your file."

Ms. Hoffmeier, frankly, I am just going to leave it alone at this second, except to say this. I can not get to these other issues of why they can not get appointments if we have an answer for eligibility that, frankly, I would have to say, would possibly make sense to no one in this room. If we can not get the eligibility part down, that

you get a file and they are eligible—not a call, not a “Hey, why do not you ask them?” But when you get the file, they are eligible. That should never be an excuse anymore.

I know the chairman and I have discussed making this bureaucratically as easy as possible. But as the secretary said earlier, we are working to cut out the bureaucracy here. If we get stuck there, I am not sure which way we go.

So, Mr. Chairman, there is a ton more that we could ask. But this is part of the reason you are having this hearing. This is part of what we are seeing, frustration-wise.

But from Health Net’s perspective, there are a lot of other issues about your training, your weekly training and your turnover. I understand that. But there is a statement you made earlier, that mistakes are just a reality; OK, and it happens in a system. But mistakes that are not learned from are costing our veterans. We have got to stop this. And having a discussion on who is eligible or not is not really going to be a helpful discussion.

I appreciate you, Mr. Chacha. You worked with my office. I will let you continue to work with my office, that I think there are some good things to come.

Mr. CHACHA. We are here for you, sir.

Mr. COLLINS. Thank you for what you are doing.

Mr. Chairman, with that, before we close, I want to yield back to you for follow up.

The CHAIRMAN. Well, you know, these hearings are important for the reason that you learn what is going on in reality. Doug and I work in Washington, DC, which is the devil’s workshop, and sometimes it is not the real world.

If we have gained nothing from this hearing today except this one factoid that we can work on—because, really, as I was listening to Doug—and I had asked the question and then listened to Ms. Hoffmeier—why would a veteran seek a Choice appointment? Because he could not get one within 30 days at Clairmont, or because he lived more than 40 miles away? Those are the two prerequisites, other than his being a veteran, or her being a veteran.

Why does it take a file for somebody who is not a veteran to try to determine that? Why does it take some—if we could just simplify that process, so when a veteran made the call, in a seamless time period, they could say, “He is eligible” or “She is eligible” or “She is not”. We could solve what—you could have solved your problem, Mr. Chacha.

Mr. CHACHA. Yes.

The CHAIRMAN. We could have solved most of the other problems that are mentioned.

Mr. CHACHA. Four months ago.

The CHAIRMAN. I know the devil is in the details, and Members of Congress tried to solve a lot of problems in August, yet we created a lot of problems with the Choice program. But we created a lot of opportunities as well. For all the horror stories that we talk about in here, there are veterans who have gotten services who would not have gotten them had they been under the laws of 2014 or 2013 or 2012 or 2011. We are moving in the right direction.

Secretary McDonald is trying to steer the ship of VA in very difficult waters, and he is doing a good job of that. We are not where

he wants to be yet. We are not where I want to be yet. But we are moving in the right direction.

Leslie Wiggins at the Clairmont Hospital has done a remarkable job of turning that facility around, attitudinally as well as service-wise, and I am grateful for that. A lot of the things that have improved at that hospital are things we learned from the last field hearing we had in Atlanta in 2013.

These are very worthwhile, and all of you coming today and being a part of this—I am very appreciative. To each of our panelists, thank you.

Secretary McDonald, who cut his vacation short—I know his wife is waiting on him in Orlando right now—thank you. Thank you to all your staff that came.

But, the people who really deserve a large amount of credit—Doug’s staff and my staff, who do the hard work, the people that you call when you can not get the VA to respond, though we try to be responsive—they are all here today. I want to thank them for taking their time and all they do to provide services.

To our host today in Hall County, Gainesville, GA, near the lake that is full, I want to turn it over for closing remarks to Congressman Collins.

Mr. COLLINS. Well, thank you, Senator, again. It is great to have a partnership. And for those who have watched the media, there is a picture that goes around almost every time—Senator, you are in the paper a lot more than I am. But there is always this picture of the senator speaking, and there is this tall guy behind him. I am pleased to be that tall guy when we are in Augusta together, because it has been a good time and—

The CHAIRMAN. That was at a VA hospital.

Mr. COLLINS. It was at a VA hospital. It shows the commitment that the senator has as chairman and also we have in our congressional office to ask the questions that, unfortunately, sometimes are not easy. But there are questions that we get all the time.

I do want to say thanks again to our staffs and also to North Georgia. This is my alma mater—the University of North Georgia. I know Kate Maine. I see her up in the top—and Dr. Jacobs.

Also we do have a fellow, one that works in public life, and that is Senator Butch Miller who is here from—Senator Miller from our great county up here in Hall. Thank you for being here.

Thank you, panelists.

Mr. Secretary, although Gainesville is great, I know Orlando is better because your wife is there. Thank you for coming.

The CHAIRMAN. Would you please join me and rise as we retire the colors? We will stand adjourned after the colors are retired.

[Retiring of Colors.]

[Whereupon, at 3:48 p.m., the hearing was adjourned.]