

106TH CONGRESS
1ST SESSION

S. 1616

To require the Secretary of Veterans Affairs to develop within the Department of Veterans Affairs a system for collecting payments under the Medical Care Cost Recovery Program that utilizes collection practices similar to private collection practices, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22, 1999

Mr. LOTT (for Mr. McCAIN) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To require the Secretary of Veterans Affairs to develop within the Department of Veterans Affairs a system for collecting payments under the Medical Care Cost Recovery Program that utilizes collection practices similar to private collection practices, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. DEVELOPMENT WITHIN DEPARTMENT OF VET-**
2 **ERANS AFFAIRS OF SYSTEM OF COLLEC-**
3 **TIONS UNDER MEDICAL CARE COST RECOV-**
4 **ERY PROGRAM USING PRIVATE COLLECTION**
5 **PRACTICES.**

6 (a) DEVELOPMENT OF PROPOSAL.—(1) The Sec-
7 retary of Veterans Affairs shall develop a proposal for a
8 system within the Department of Veterans Affairs for the
9 collection of payments from third party payers under the
10 Medical Care Cost Recovery Program of the Department
11 which system shall, to the maximum extent practicable,
12 utilize procedures for the collection of payments from third
13 parties similar to the procedures utilized in the private
14 sector for the collection of payments for health care costs
15 from third parties.

16 (2) In developing the proposal, the Secretary shall
17 consider a variety of procedures utilized in the private sec-
18 tor for the collection of payments for health care costs
19 from third parties.

20 (b) USE OF PRIVATE COST-RECOVERY ENTITIES
21 DURING DEVELOPMENT.—(1) Notwithstanding any other
22 provision of law, the Secretary shall, during the period re-
23 ferred to in paragraph (3), provide for the collection of
24 payments from third party payers under the Medical Care
25 Cost Recovery Program solely through appropriate private

1 entities with which the Secretary contracts for that pur-
2 pose.

3 (2) The fee paid a private entity for the collection
4 of payments under a contract under this subsection shall
5 be a contingent fee based on the amount of payments col-
6 lected by the entity under the contract.

7 (3) The period referred to in this paragraph is the
8 period beginning as soon as practicable after the date of
9 the enactment of this Act and ending on the date that
10 is six months after the date on which the Secretary com-
11 mences collections under the Medical Care Cost Recovery
12 Program through a system within the Department under
13 this section.

14 (c) SAFEGUARDS.—The Secretary shall take appro-
15 priate actions to ensure that any collection practices uti-
16 lized under this section do not impose unwarranted finan-
17 cial or other burdens upon veterans who receive medical
18 care from the Department of Veterans Affairs.

19 (d) SUBMITTAL OF PROPOSAL.—Not later than three
20 years after the date of the enactment of this Act, the Sec-
21 retary shall submit to Congress a report on the proposal
22 developed under subsection (a). The report shall include—

23 (1) a description of the system covered by the
24 proposal; and

1 (2) an assessment by an appropriate entity
2 independent of the Department of the potential ef-
3 fectiveness of the collection procedures under the
4 system in comparison with the effectiveness of the
5 collection procedures of the private entities utilized
6 under subsection (b).

7 (e) IMPLEMENTATION OF PROPOSAL.—The Secretary
8 shall implement the system covered by the proposal sub-
9 mitted under subsection (d) commencing 90 days after the
10 date on which the Secretary submits to Congress the pro-
11 posal on the system under that subsection.

12 (f) AUTHORIZATION OF APPROPRIATIONS.—(1)
13 There are authorized to be appropriated for the Depart-
14 ment of Veterans Affairs such sums as may be necessary
15 for purposes of developing the proposal for a system re-
16 quired by subsection (a) and implementing the system
17 under subsection (e).

18 (2) Amounts appropriated pursuant to the authoriza-
19 tion of appropriations in paragraph (1) shall remain avail-
20 able until expended.

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