

107TH CONGRESS  
1ST SESSION

# H. R. 2633

To require the Secretary of Veterans Affairs to replace with a more equitable formula the current formula, known as the Veterans Equitable Resource Allocation (VERA), for the allocation of funds appropriated to the Department of Veterans Affairs for medical care to different geographic regions of the Nation, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 25, 2001

Mr. FRELINGHUYSEN (for himself, Mr. GRUCCI, Mrs. KELLY, Mr. HINCHEY, Mr. GILMAN, Mr. ACKERMAN, Mr. KING, Mr. SANDERS, Mr. PALLONE, Mrs. ROUKEMA, Mrs. MCCARTHY of New York, Mr. LAFALCE, Ms. DELAURO, Mr. MCHUGH, Mr. FOSSELLA, Mr. CROWLEY, Mr. WEINER, Mr. BASS, Mr. PASCRELL, Mr. LARSON of Connecticut, Mr. PAYNE, Mr. HOLT, Mr. SWEENEY, Mr. McNULTY, Mr. FERGUSON, Mr. MENENDEZ, Mr. ROTHMAN, and Ms. VELÁZQUEZ) introduced the following bill; which was referred to the Committee on Veterans' Affairs

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## A BILL

To require the Secretary of Veterans Affairs to replace with a more equitable formula the current formula, known as the Veterans Equitable Resource Allocation (VERA), for the allocation of funds appropriated to the Department of Veterans Affairs for medical care to different geographic regions of the Nation, 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. SHORT TITLE.**

2       This Act may be cited as the “Veterans Equal Treat-  
3 ment Act”.

4 **SEC. 2. FINDINGS.**

5       Congress makes the following findings:

6           (1) The Veterans Equitable Resource Allocation  
7 (VERA) formula, established by the Department of  
8 Veterans Affairs pursuant to section 429 of the fis-  
9 cal year 1997 VA/HUD appropriations Act (Public  
10 Law 104–204; 110 Stat. 2929), has proved to be an  
11 ineffective means of allocating veterans medical care  
12 dollars fairly across the 22 national service regions,  
13 known as Veterans Integrated Service Networks  
14 (VISNs), of the Department of Veterans Affairs.

15           (2) The VERA formula has resulted in a sys-  
16 tem of inequitable care at veterans hospitals in dif-  
17 ferent regions of the country.

18           (3) The VERA formula has resulted in a sys-  
19 tem in which veterans in some regions of the country  
20 are forced to compete with veterans in other regions  
21 for critical medical care dollars, when the system  
22 should be providing funding to all veterans, regard-  
23 less of where they live, to ensure that all veterans  
24 have access to the level and quality of care that they  
25 have all earned and deserve.

1           (4) The VERA formula should be replaced with  
2           a new funding formula that puts the funds provided  
3           to the Department of Veterans Affairs for medical  
4           care into the Department of Veterans Affairs Med-  
5           ical Centers that are treating patients.

6 **SEC. 3. REVISION TO MEDICAL CARE FUNDING ALLOCA-**  
7 **TION FORMULA FOR DEPARTMENT OF VET-**  
8 **ERANS AFFAIRS.**

9           (a) **TERMINATION OF VERA FORMULA.**—The fund-  
10          ing allocation formula for the Department of Veterans Af-  
11          fairs medical care system known as the Veterans Equi-  
12          table Resource Allocation system, established pursuant to  
13          section 429 of Public Law 104–204 (110 Stat. 2929),  
14          shall be discontinued by the Secretary of Veterans Affairs  
15          effective at the end of the fiscal year during which this  
16          Act is enacted.

17          (b) **DEVELOPMENT OF REPLACEMENT FORMULA.**—  
18          The Secretary of Veterans Affairs shall develop a new for-  
19          mula for the allocation of funds appropriated to the De-  
20          partment of Veterans Affairs for Medical Care to the na-  
21          tional service regions, known as Veterans Integrated Serv-  
22          ice Networks (VISNs), of the Department. In developing  
23          such formula, the Secretary shall take the following re-  
24          quirements into account:

1           (1) For any fiscal year for which the amount  
2           appropriated for Medical Care is an increase from  
3           the preceding year, the funding level provided under  
4           the new formula to any VISN may not be less than  
5           the amount provided for the preceding year.

6           (2) The new formula shall take into account ad-  
7           ditional costs incurred by a VISN due to any of the  
8           following factors at that VISN being in excess of the  
9           median for all VISNs:

10                 (A) The number of veterans moving into  
11                 the geographic area of that VISN.

12                 (B) The median age of veterans in that  
13                 VISN.

14                 (C) The number of veterans in that VISN  
15                 requiring complex care or nursing home care.

16                 (D) The age of Department of Veterans  
17                 Affairs health care facilities in that VISN.

18           (c) TRANSITION FORMULA.—If as of the date speci-  
19           fied in subsection (a) for the termination of the funding  
20           allocation formula referred to in that subsection the Sec-  
21           retary of Veterans Affairs has not implemented a replace-  
22           ment funding allocation formula in accordance with sub-  
23           section (b), then effective as of that date and until such  
24           a replacement funding allocation formula is implemented,  
25           the funding allocation formula to be applied to amounts

1 appropriated for veterans medical care shall be the for-  
2 mula in effect before the formula referred to in subsection  
3 (a).

4 **SEC. 4. AUTHORIZATIONS OF APPROPRIATIONS.**

5 (a) AUTHORIZATION FOR REPLACEMENT ALLOCA-  
6 TION FORMULA.—There is authorized to be appropriated  
7 to the Department of Veterans Affairs for fiscal year 2002  
8 the amount of \$10,000,000 for development and imple-  
9 mentation of a replacement funding allocation formula in  
10 accordance with section 3(b).

11 (b) ADDITIONAL “MEDICAL CARE” AUTHORIZA-  
12 TIONS.—There is authorized to be appropriated to the De-  
13 partment of Veterans Affairs for fiscal year 2002 the  
14 amount of \$100,000,000 for “Medical Care” for the De-  
15 partment of Veterans Affairs. Such amount is in addition  
16 to any other amount authorized to be appropriated to the  
17 Department of Veterans Affairs for fiscal year 2002 and  
18 shall be allocated by the Secretary to the national service  
19 regions, known as Veterans Integrated Service Networks  
20 (VISNs), of the Department of Veterans Affairs on the  
21 basis of need, as follows:

22 (1) First, to the VISN that has experienced the  
23 greatest reduction in funding from the funding levels  
24 for fiscal year 1997.

1           (2) Second, to any other VISN that has experi-  
2       enced an overall five-year funding decrease.

3           (3) Third, if any amount appropriated pursuant  
4       to such authorization remains after allocations pur-  
5       suant to paragraphs (1) and (2), such amount shall  
6       be allocated equally among the remaining 22 VISNs  
7       before implementation of the new formula.

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