

110TH CONGRESS
1ST SESSION

H. R. 3455

To amend title 38, United States Code, to provide for a more equitable geographic allocation of funds appropriated to the Department of Veterans Affairs for medical care.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 4, 2007

Mr. LARSON of Connecticut (for himself and Mr. MURPHY of Connecticut) introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to provide for a more equitable geographic allocation of funds appropriated to the Department of Veterans Affairs for medical care.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “21st Century Veterans
5 Equitable Treatment Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1 (1) Veterans were promised by the Federal
2 Government that for their service to the country
3 they would be provided a lifetime of health care serv-
4 ices, as well as their own health care service net-
5 work.

6 (2) The current allocation system for appropria-
7 tions made to the Department of Veterans Affairs
8 for medical care, known as the Veterans Equitable
9 Resource Allocation (VERA) formula and estab-
10 lished by the Secretary of Veterans Affairs pursuant
11 to section 429 of the Departments of Veterans Af-
12 fairs and Housing and Urban Development, and
13 Independent Agencies Appropriations Act, 1997
14 (Public Law 104–204; 110 Stat. 2929), has proved
15 to be an ineffective means of allocating such funds
16 fairly across the 23 national service regions, known
17 as Veterans Integrated Service Networks (VISNs),
18 of the Department of Veterans Affairs.

19 (3) The VERA formula has resulted in a sys-
20 tem in which veterans in some regions of the country
21 are forced to compete with veterans in other regions
22 for critical medical care funds, whereas the system
23 should be providing the funding necessary to meet
24 the health care needs of all veterans, regardless of
25 where they live, to ensure that all veterans have ac-

1 cess to the level and quality of care that they have
2 all earned and deserved.

3 (4) The Secretary of Veterans Affairs estab-
4 lished a set of performance goals in fiscal year 2000,
5 which are referred to as “30–30–20”, representing
6 the Secretary’s goal to schedule nonurgent primary
7 care visits within 30 days, specialty care visits within
8 30 days, and the maximum amount of time veterans
9 must wait once they arrive to be seen by a doctor
10 as 20 minutes.

11 (5) According to the Department’s Fiscal Year
12 2006 Performance and Accountability Report, 89
13 percent of primary care appointments were sched-
14 uled within 30 days of the desired date and only 86
15 percent of specialty care appointments were sched-
16 uled within 30 days of the desired date in 2002.

17 (6) By 2006, the Department’s Fiscal Year
18 2006 Performance and Accountability Report states
19 that 96 percent of primary care appointments were
20 scheduled within 30 days of the desired date and 93
21 percent of specialty care appointments were sched-
22 uled within 30 days of the desired date.

23 (7) Although appointment performance has im-
24 proved, the increase primarily reflects the January

1 2003 ban on enrollment of new Priority 8 veterans
2 in the VA health care system.

3 (8) According to the Veterans Health Adminis-
4 tration (VHA) Directive 2007–010, the VHA policy
5 for national timeliness standards for the processing
6 of claims from non-Department of Veterans Affairs
7 providers is that 95 percent of all non-Department
8 provider claims are processed within 30 days of re-
9 ceipt.

10 (9) Until the VERA formula is changed to en-
11 sure a more equitable and adequate distribution of
12 medical care funding within the Department of Vet-
13 erans Affairs system that includes Priority 8 vet-
14 erans, providing appropriate access to medical care
15 for the Nation’s veterans must remain a national
16 priority with a method found to provide a safety net
17 that will ensure that veterans have access to the
18 health care they need without undermining the exist-
19 ing health care network of the Department of Vet-
20 erans Affairs.

21 **SEC. 3. STANDARD FOR TIME FOR REFERRAL FOR SPE-**
22 **CIALIST CARE.**

23 (a) TIME FOR SPECIALIST APPOINTMENTS.—

24 (1) REQUIREMENT.—The Secretary of Veterans
25 Affairs shall establish by regulation a maximum spe-

1 cialist referral period, subject to such exceptions as
2 the Secretary considers necessary.

3 (2) SPECIALIST REFERRAL PERIOD DEFINED.—

4 For purposes of paragraph (1), the term “specialist
5 referral period” means the period of time between
6 (A) the date on which a veteran is referred to a spe-
7 cialty clinic of the Department by the veteran’s pri-
8 mary care physician within the Department of Vet-
9 erans Affairs health care system, and (B) the date
10 for which the veteran is scheduled for an appoint-
11 ment with a Department specialist pursuant to such
12 referral.

13 (3) DEPARTMENT POLICIES.—In establishing a
14 maximum specialist referral period under paragraph
15 (1), the Secretary shall act in a manner consistent
16 with the current treatment policies of the Depart-
17 ment based on clinical need and with the established
18 30–30–20 performance goal of the Department for
19 such a referral period.

20 (b) STANDARD FOR TRANSPORTATION.—The Sec-
21 retary shall take such steps as necessary to ensure that
22 the Department of Veterans Affairs is able to provide ap-
23 propriate transportation services for qualified veterans
24 within a reasonable time period of a scheduled appoint-
25 ment.

1 **SEC. 4. CONTRACT CARE TO BE PROVIDED WHEN DEPART-**
2 **MENT OF VETERANS AFFAIRS CARE NOT**
3 **AVAILABLE IN ACCORDANCE WITH STAND-**
4 **ARDS.**

5 (a) CONTRACT CARE.—In any case in which the Sec-
6 retary of Veterans Affairs is not able to provide hospital
7 care or medical services in accordance with the standard
8 prescribed under section 3(a) or to provide transportation
9 services in accordance with section 3(b), the Secretary
10 shall promptly provide for such care or transportation
11 from a private source. Hospital care or medical services
12 so provided shall be those for which the veteran is other-
13 wise eligible within the Department of Veterans Affairs
14 medical care system.

15 (b) REIMBURSEMENT RATE.—Whenever care or serv-
16 ices are provided under subsection (a), the Secretary shall
17 reimburse the provider of such care or services for the rea-
18 sonable value of such care or services, as determined by
19 the Secretary. Such reimbursement shall be provided in
20 the same manner as applies to reimbursement for emer-
21 gency treatment under section 1725 of title 38, United
22 States Code, subject to such of the terms and conditions
23 otherwise applicable to such reimbursements under such
24 section as the Secretary determines to be appropriate for
25 purposes of this section.

1 (c) EXPEDITED REIMBURSEMENT PROCEDURES.—

2 The Secretary shall take appropriate steps to expedite the
3 reimbursement required by subsection (b) and consistent
4 with the Veterans Health Administration policy that 95
5 percent of all non-VA Contract Care claims are processed
6 within 30 days of receipt. Such steps may include steps
7 to take advantage of modern technology, including so-
8 called “smart card” technology that would allow claims
9 for such reimbursement to be processed electronically. The
10 Secretary shall, to the extent possible, also apply such
11 steps for expediting reimbursement to claims for emer-
12 gency services provided to veterans for which the Sec-
13 retary provides reimbursement under provisions of law in
14 effect before the date of the enactment of this Act.

15 **SEC. 5. TERMINATION OF 24-MONTH RULE FOR REIM-**
16 **BURSEMENT FOR EMERGENCY SERVICES.**

17 The provisions of subparagraph (B) of section
18 1725(b)(2) of title 38, United States Code, shall not apply
19 with respect to emergency treatment furnished on or after
20 the date of the enactment of this Act.

21 **SEC. 6. MEDICAL ADMINISTRATOR PERFORMANCE RAT-**
22 **INGS.**

23 The Secretary of Veterans Affairs shall include in the
24 standards of performance used for measuring performance
25 of administrators in the Department of Veterans Affairs

1 medical care system a standard of assessing improvements
2 in appointment waiting times.

3 **SEC. 7. REPORTS.**

4 The Secretary of Veterans Affairs shall submit to the
5 Committees on Veterans' Affairs of the Senate and House
6 of Representatives a report at the end of each fiscal-year
7 quarter on the waiting times for appointments in the De-
8 partment of Veterans Affairs medical care system. The re-
9 port shall describe any reductions in such waiting times
10 and any experience with appointment delays.

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