

114TH CONGRESS  
2D SESSION

# S. 2646

To amend title 38, United States Code, to establish the Veterans Choice Program of the Department of Veterans Affairs to improve health care provided to veterans by the Department, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

MARCH 7, 2016

Mr. BURR (for himself, Mr. HOEVEN, Mr. TILLIS, Ms. AYOTTE, Mr. DAINES, Mr. BOOZMAN, and Mr. MORAN) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

---

## A BILL

To amend title 38, United States Code, to establish the Veterans Choice Program of the Department of Veterans Affairs to improve health care provided to veterans by the Department, 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,*

3       **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “Veterans Choice Improvement Act of 2016”.

6       (b) TABLE OF CONTENTS.—The table of contents for  
7       this Act is as follows:

Sec. 1. Short title; table of contents.

## TITLE I—VETERANS CHOICE PROGRAM

- Sec. 101. Establishment of Veterans Choice Program.  
 Sec. 102. Funding for Veterans Choice Program.  
 Sec. 103. Payment of health care providers under Veterans Choice Program.  
 Sec. 104. Termination of certain provisions authorizing care to veterans through non-Department of Veterans Affairs providers.

## TITLE II—HEALTH CARE ADMINISTRATIVE MATTERS

- Sec. 201. Authorization of agreements between the Department of Veterans Affairs and non-Department providers.  
 Sec. 202. Reimbursement of certain entities for emergency medical transportation.  
 Sec. 203. Requirement that Department of Veterans Affairs collect health-plan contract information from veterans.  
 Sec. 204. Requirement for advance appropriations for the Veterans Choice Program account of the Department of Veterans Affairs.  
 Sec. 205. Reauthorization of pilot program of enhanced contract care authority for health care needs of veterans.

## TITLE III—OTHER VETERANS MATTERS

- Sec. 301. Timeframe for payment of disability compensation for victims of contaminated water at Camp Lejeune, North Carolina, when the Secretary of Veterans Affairs establishes a presumption of service connection.

1       **TITLE I—VETERANS CHOICE**  
 2                   **PROGRAM**

3   **SEC. 101. ESTABLISHMENT OF VETERANS CHOICE PRO-**  
 4                   **GRAM.**

5       (a) ESTABLISHMENT OF PROGRAM.—

6           (1) IN GENERAL.—Subchapter I of chapter 17  
 7       of title 38, United States Code, is amended by in-  
 8       serting after section 1703 the following new section:

9   **“§ 1703A. Veterans Choice Program**

10       “(a) PROGRAM.—

11           “(1) FURNISHING OF CARE.—

12               “(A) IN GENERAL.—Hospital care and  
 13       medical services under this chapter shall be fur-

nished to an eligible veteran described in subsection (b), at the election of such veteran, through contracts authorized under subsection (d), or any other law administered by the Secretary, with entities specified in subparagraph (B) for the furnishing of such care and services to veterans. The furnishing of hospital care and medical services under this section may be referred to as the ‘Veterans Choice Program’.

“(B) ENTITIES SPECIFIED.—The entities specified in this subparagraph are the following:

“(i) Any health care provider that is participating in the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), including any physician furnishing services under such program.

“(ii) Any Federally-qualified health center (as defined in section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(l)(2)(B))).

“(iii) The Department of Defense.

“(iv) The Indian Health Service.

“(v) Any health care provider not otherwise covered under any of clauses (i)

1 through (iv) that meets criteria established  
2 by the Secretary for purposes of this sec-  
3 tion.

4 “(2) CHOICE OF PROVIDER.—An eligible vet-  
5 eran who makes an election under subsection (c) to  
6 receive hospital care or medical services under this  
7 section may select a provider of such care or services  
8 from among the entities specified in paragraph  
9 (1)(B) that are accessible to the veteran.

10 “(3) COORDINATION OF CARE AND SERVICES.—  
11 The Secretary shall coordinate, through the Non-VA  
12 Care Coordination Program of the Department, the  
13 furnishing of care and services under this section to  
14 eligible veterans, including by ensuring that an eligi-  
15 ble veteran receives an appointment for such care  
16 and services within the wait-time goals of the Vet-  
17 erans Health Administration for the furnishing of  
18 hospital care and medical services.

19 “(b) ELIGIBLE VETERANS.—A veteran is an eligible  
20 veteran for purposes of this section if—

21 “(1) the veteran is enrolled in the patient en-  
22 rollment system of the Department established and  
23 operated under section 1705 of this title; and

24 “(2)(A) the veteran is unable to schedule an ap-  
25 pointment for the receipt of hospital care or medical

1 services from a health care provider of the Depart-  
2 ment within the lesser of—

3 “(i) the wait-time goals of the Veterans  
4 Health Administration for such care or services;  
5 or

6 “(ii) a period determined by a health care  
7 provider of the Department to be clinically nec-  
8 essary for the receipt of such care or services;

9 “(B) the veteran does not reside within 40  
10 miles driving distance from a medical facility of the  
11 Department, including a community-based out-  
12 patient clinic, with a full-time primary care physi-  
13 cian;

14 “(C) the veteran—

15 “(i) resides in a State without a medical  
16 facility of the Department that provides—

17 “(I) hospital care;

18 “(II) emergency medical services; and

19 “(III) surgical care rated by the Sec-  
20 retary as having a surgical complexity of  
21 standard; and

22 “(ii) does not reside within 20 miles driv-  
23 ing distance from a medical facility of the De-  
24 partment described in clause (i);

1           “(D) the veteran faces an unusual or excessive  
2           burden in accessing hospital care or medical services  
3           from a medical facility of the Department that is  
4           within 40 miles driving distance from the residence  
5           of the veteran due to—

6                   “(i) geographical challenges;

7                   “(ii) environmental factors, such as roads  
8           that are not accessible to the general public,  
9           traffic, or hazardous weather;

10                  “(iii) a medical condition of the veteran  
11           that affects the ability to travel; or

12                  “(iv) such other factors as determined by  
13           the Secretary;

14           “(E) the veteran resides in a location, other  
15           than a location in Guam, American Samoa, or the  
16           Republic of the Philippines, that requires the vet-  
17           eran to travel by air, boat, or ferry to reach a med-  
18           ical facility of the Department, including a commu-  
19           nity-based outpatient clinic;

20           “(F) the veteran is enrolled in the pilot pro-  
21           gram under section 403 of the Veterans’ Mental  
22           Health and Other Care Improvements Act of 2008  
23           (Public Law 110–387; 38 U.S.C. 1703 note) as of  
24           the date of the enactment of the Veterans Choice  
25           Improvement Act of 2016; or

1           “(G) there is a compelling reason, as deter-  
2           mined by the Secretary, that the veteran needs to  
3           receive hospital care or medical services from a med-  
4           ical facility other than a medical facility of the De-  
5           partment.

6           “(c) ELECTION AND AUTHORIZATION.—

7           “(1) IN GENERAL.—In the case of an eligible  
8           veteran described in subsection (b)(2)(A), the Sec-  
9           retary shall, at the election of the veteran—

10           “(A) provide the veteran an appointment  
11           that exceeds the wait-time goals described in  
12           such subsection or place such veteran on an  
13           electronic waiting list described in paragraph  
14           (2) for an appointment for hospital care or  
15           medical services the veteran has elected to re-  
16           ceive under this section; or

17           “(B)(i) authorize that such care or services  
18           be furnished to the eligible veteran under this  
19           section; and

20           “(ii) notify the eligible veteran by the most  
21           effective means available, including electronic  
22           communication or notification in writing, de-  
23           scribing the care or services the eligible veteran  
24           is eligible to receive under this section.

1           “(2) ELECTRONIC WAITING LIST.—The elec-  
 2           tronic waiting list described in this paragraph shall  
 3           be maintained by the Department and allow access  
 4           by each eligible veteran via [www.myhealth.va.gov](http://www.myhealth.va.gov) or  
 5           any successor website (or other digital channel) for  
 6           the following purposes:

7                   “(A) To determine the place of such eligi-  
 8                   ble veteran on the waiting list.

9                   “(B) To determine the average length of  
 10                  time an individual spends on the waiting list,  
 11                  disaggregated by medical facility of the Depart-  
 12                  ment and type of care or service needed, for  
 13                  purposes of allowing such eligible veteran to  
 14                  make an informed election under paragraph  
 15                  (1).

16           “(d) CARE AND SERVICES THROUGH CONTRACTS.—

17                   “(1) CONTRACTS.—

18                           “(A) IN GENERAL.—Except as provided in  
 19                           subparagraph (B), the Secretary shall enter  
 20                           into contracts for furnishing care and services  
 21                           to eligible veterans under this section with enti-  
 22                           ties specified in subsection (a)(1)(B).

23                           “(B) OTHER PROCESSES.—Before entering  
 24                           into a contract under this paragraph, the Sec-  
 25                           retary shall, to the maximum extent practicable



1 and consistent with the requirements of this  
2 section, furnish such care and services to such  
3 veterans under this section with such entities  
4 pursuant to sharing agreements, existing con-  
5 tracts entered into by the Secretary, or other  
6 processes available at medical facilities of the  
7 Department.

8 “(C) TREATMENT OF CONTRACTS.—A con-  
9 tract entered into under this paragraph may  
10 not be treated as a Federal contract for the ac-  
11 quisition of goods or services and is not subject  
12 to any provision of law governing Federal con-  
13 tracts for the acquisition of goods or services.

14 “(D) CONTRACT DEFINED.—In this para-  
15 graph, the term ‘contract’ has the meaning  
16 given that term in subpart 2.101 of the Federal  
17 Acquisition Regulation.

18 “(2) RATES AND REIMBURSEMENT.—

19 “(A) IN GENERAL.—In entering into a  
20 contract under paragraph (1) with an entity  
21 specified in subsection (a)(1)(B), the Secretary  
22 shall—

23 “(i) negotiate rates for the furnishing  
24 of care and services under this section; and

1 “(ii) reimburse the entity for such  
 2 care and services at the rates negotiated  
 3 under clause (i) as provided in such con-  
 4 tract.

5 “(B) LIMIT ON RATES.—

6 “(i) IN GENERAL.—Except as pro-  
 7 vided in clause (ii), rates negotiated under  
 8 subparagraph (A)(i) shall not be more  
 9 than the rates paid by the United States to  
 10 a provider of services (as defined in section  
 11 1861(u) of the Social Security Act (42  
 12 U.S.C. 1395x(u))) or a supplier (as defined  
 13 in section 1861(d) of such Act (42 U.S.C.  
 14 1395x(d))) under the Medicare program  
 15 under title XVIII of the Social Security  
 16 Act (42 U.S.C. 1395 et seq.) for the same  
 17 care or services.

18 “(ii) EXCEPTIONS.—

19 “(I) IN GENERAL.—The Sec-  
 20 retary may negotiate a rate that is  
 21 more than the rate paid by the United  
 22 States as described in clause (i) with  
 23 respect to the furnishing of care or  
 24 services under this section to an eligi-

1 ble veteran who resides in a highly  
2 rural area.

3 “(II) OTHER EXCEPTIONS.—

4 “(aa) ALASKA.—With re-  
5 spect to furnishing care or serv-  
6 ices under this section in Alaska,  
7 the Alaska Fee Schedule of the  
8 Department of Veterans Affairs  
9 will be followed, except for when  
10 another payment agreement, in-  
11 cluding a contract or provider  
12 agreement, is in place.

13 “(bb) OTHER STATES.—

14 With respect to care or services  
15 furnished under this section in a  
16 State with an All-Payer Model  
17 Agreement in effect under section  
18 1814 of the Social Security Act  
19 (42 U.S.C. 1395f), the Medicare  
20 payment rates under clause (i)  
21 shall be calculated based on the  
22 payment rates under such agree-  
23 ment.

24 “(III) HIGHLY RURAL AREA DE-  
25 FINED.—In this clause, the term

1                   ‘highly rural area’ means an area lo-  
 2                   cated in a county that has fewer than  
 3                   seven individuals residing in that  
 4                   county per square mile.

5                   “(C) LIMIT ON COLLECTION.—For the fur-  
 6                   nishing of care or services pursuant to a con-  
 7                   tract under paragraph (1), an entity specified  
 8                   in subsection (a)(1)(B) may not collect any  
 9                   amount that is greater than the rate negotiated  
 10                  pursuant to subparagraph (A)(i).

11                  “(e) VETERANS CHOICE CARD.—

12                   “(1) IN GENERAL.—For purposes of receiving  
 13                   care and services under this section, the Secretary  
 14                   shall issue to each veteran described in subsection  
 15                   (b)(1) a card that may be presented to a health care  
 16                   provider to facilitate the receipt of care or services  
 17                   under this section.

18                   “(2) NAME OF CARD.—Each card issued under  
 19                   paragraph (1) shall be known as a ‘Veterans Choice  
 20                   Card’.

21                   “(3) DETAILS OF CARD.—Each Veterans  
 22                   Choice Card issued to a veteran under paragraph (1)  
 23                   shall include the following:

24                   “(A) The name of the veteran.

1           “(B) An identification number for the vet-  
2           eran that is not the social security number of  
3           the veteran.

4           “(C) The contact information of an appro-  
5           priate office of the Department for health care  
6           providers to confirm that care or services under  
7           this section are authorized for the veteran.

8           “(D) Contact information and other rel-  
9           evant information for the submittal of claims or  
10          bills for the furnishing of care or services under  
11          this section.

12          “(E) The following statement: ‘This card  
13          is for qualifying medical care outside the De-  
14          partment of Veterans Affairs. Please call the  
15          Department of Veterans Affairs phone number  
16          specified on this card to ensure that treatment  
17          has been authorized.’.

18          “(4) INFORMATION ON USE OF CARD.—Upon  
19          issuing a Veterans Choice Card to a veteran, the  
20          Secretary shall provide the veteran with information  
21          clearly stating the circumstances under which the  
22          veteran may be eligible for care or services under  
23          this section.

24          “(f) INFORMATION ON AVAILABILITY OF CARE.—The  
25          Secretary shall provide information to a veteran about the

1 availability of care and services under this section in the  
2 following circumstances:

3 “(1) When the veteran enrolls in the patient en-  
4 rollment system of the Department established and  
5 operated under section 1705 of this title.

6 “(2) When the veteran attempts to schedule an  
7 appointment for the receipt of hospital care or med-  
8 ical services from the Department but is unable to  
9 schedule an appointment within the wait-time goals  
10 of the Veterans Health Administration for the fur-  
11 nishing of such care or services.

12 “(3) When the veteran becomes eligible for hos-  
13 pital care or medical services under this section  
14 under subparagraph (B), (C), (D), (E), (F), or (G)  
15 of subsection (b)(2).

16 “(g) FOLLOW-UP CARE.—The Secretary shall ensure  
17 that, at the election of an eligible veteran who receives hos-  
18 pital care or medical services from a health care provider  
19 in an episode of care under this section, the veteran re-  
20 ceives such care or services from that health care provider  
21 or another health care provider selected by the veteran,  
22 including a health care provider of the Department,  
23 through the completion of the episode of care, including  
24 all specialty and ancillary services deemed necessary as

1 part of the treatment recommended in the course of such  
2 care or services.

3 “(h) PROVIDERS.—To be eligible to furnish care or  
4 services under this section, a health care provider must—

5 “(1) maintain at least the same or similar cre-  
6 dentials and licenses as those credentials and li-  
7 censes that are required of health care providers of  
8 the Department, as determined by the Secretary for  
9 purposes of this section; and

10 “(2) submit, not less frequently than annually,  
11 verification of such licenses and credentials main-  
12 tained by such health care provider.

13 “(i) COST-SHARING.—

14 “(1) IN GENERAL.—The Secretary shall require  
15 an eligible veteran to pay a copayment for the re-  
16 ceipt of care or services under this section only if  
17 such eligible veteran would be required to pay a co-  
18 payment for the receipt of such care or services at  
19 a medical facility of the Department or from a  
20 health care provider of the Department under this  
21 chapter.

22 “(2) LIMITATION.—The amount of a copayment  
23 charged under paragraph (1) may not exceed the  
24 amount of the copayment that would be payable by  
25 such eligible veteran for the receipt of such care or

1 services at a medical facility of the Department or  
2 from a health care provider of the Department  
3 under this chapter.

4 “(j) CLAIMS PROCESSING SYSTEM.—

5 “(1) IN GENERAL.—The Secretary shall provide  
6 for an efficient nationwide system for prompt proc-  
7 essing and paying of bills or claims for authorized  
8 care and services furnished to eligible veterans under  
9 this section.

10 “(2) OVERSIGHT.—The Chief Business Office  
11 of the Veterans Health Administration shall oversee  
12 the implementation and maintenance of such system.

13 “(3) ACCURACY OF PAYMENT.—

14 “(A) IN GENERAL.—The Secretary shall  
15 ensure that such system meets such goals for  
16 accuracy of payment as the Secretary shall  
17 specify for purposes of this section.

18 “(B) QUARTERLY REPORT.—

19 “(i) IN GENERAL.—The Secretary  
20 shall submit to the Committee on Vet-  
21 erans’ Affairs of the Senate and the Com-  
22 mittee on Veterans’ Affairs of the House  
23 of Representatives a quarterly report on  
24 the accuracy of such system.



1                   “(ii) ELEMENTS.—Each report re-  
 2                   quired by clause (i) shall include the fol-  
 3                   lowing:

4                   “(I) A description of the goals  
 5                   for accuracy for such system specified  
 6                   by the Secretary under subparagraph  
 7                   (A).

8                   “(II) An assessment of the suc-  
 9                   cess of the Department in meeting  
 10                  such goals during the quarter covered  
 11                  by the report.

12                  “(iii) DEADLINE.—The Secretary  
 13                  shall submit each report required by clause  
 14                  (i) not later than 20 days after the end of  
 15                  the quarter covered by the report.

16                  “(k) MEDICAL RECORDS.—

17                  “(1) IN GENERAL.—The Secretary shall ensure  
 18                  that any health care provider that furnishes care or  
 19                  services under this section to an eligible veteran sub-  
 20                  mits to the Department a copy of any medical  
 21                  record related to the care or services provided to  
 22                  such veteran by such health care provider for inclu-  
 23                  sion in the electronic medical record of such veteran  
 24                  maintained by the Department upon the completion

1 of the provision of such care or services to such vet-  
2 eran.

3 “(2) ELECTRONIC FORMAT.—Any medical  
4 record submitted to the Department under para-  
5 graph (1) shall, to the extent possible, be in an elec-  
6 tronic format.

7 “(l) RECORDS NOT REQUIRED FOR REIMBURSE-  
8 MENT.—With respect to care or services furnished to an  
9 eligible veteran by a health care provider under this sec-  
10 tion, the receipt by the Department of a medical record  
11 under subsection (k) detailing such care or services is not  
12 required before reimbursing the health care provider for  
13 such care or services.

14 “(m) TRACKING OF MISSED APPOINTMENTS.—The  
15 Secretary shall implement a mechanism to track any  
16 missed appointments for care or services under this sec-  
17 tion by eligible veterans to ensure that the Department  
18 does not pay for such care or services that were not fur-  
19 nished to an eligible veteran.

20 “(n) RULES OF CONSTRUCTION.—

21 “(1) PRESCRIPTION MEDICATIONS.—Nothing in  
22 this section shall be construed to alter the process  
23 of the Department for filling and paying for pre-  
24 scription medications.

1           “(2) TIERED NETWORK.—Nothing in this sec-  
2           tion shall be construed to authorize the creation of  
3           a tiered network in which an eligible veteran would  
4           be required to receive care or services from an entity  
5           in a higher tier than any other entity or provider  
6           network.

7           “(o) WAIT-TIME GOALS OF THE VETERANS HEALTH  
8           ADMINISTRATION.—

9           “(1) IN GENERAL.—Except as provided in para-  
10          graph (2), in this section, the term ‘wait-time goals  
11          of the Veterans Health Administration’ means not  
12          more than 30 days from the date on which a veteran  
13          requests an appointment for hospital care or medical  
14          services from the Department.

15          “(2) ALTERNATE GOALS.—If the Secretary sub-  
16          mits to Congress, not later than 180 days after the  
17          date of the enactment of the Veterans Choice Im-  
18          provement Act of 2016, a report stating that the ac-  
19          tual wait-time goals of the Veterans Health Admin-  
20          istration are different from the wait-time goals spec-  
21          ified in paragraph (1)—

22                 “(A) for purposes of this section, the wait-  
23                 time goals of the Veterans Health Administra-  
24                 tion shall be the wait-time goals submitted by  
25                 the Secretary under this paragraph; and

1           “(B) the Secretary shall publish such wait-  
 2           time goals in the Federal Register and on an  
 3           Internet website of the Department available to  
 4           the public.

5           “(p) WAIVER OF CERTAIN PRINTING REQUIRE-  
 6           MENTS.—Section 501 of title 44 shall not apply in car-  
 7           rying out this section.”.

8           (2) CLERICAL AMENDMENT.—The table of sec-  
 9           tions at the beginning of chapter 17 of such title is  
 10          amended by inserting after the item relating to sec-  
 11          tion 1703 the following new item:

“1703A. Veterans Choice Program.”.

12          (3) CONFORMING REPEAL.—

13           (A) IN GENERAL.—Section 101 of the Vet-  
 14           erans Access, Choice, and Accountability Act of  
 15           2014 (Public Law 113–146; 38 U.S.C. 1701  
 16           note) is repealed.

17           (B) CONFORMING AMENDMENT.—Section  
 18           208(1) of such Act is amended by striking “sec-  
 19           tion 101” and inserting “section 1703A of title  
 20           38, United States Code”.

21          (4) REPORT.—Not later than 180 days after  
 22          the date of the enactment of this Act, the Secretary  
 23          of Veterans Affairs shall submit to the Committee  
 24          on Veterans’ Affairs of the Senate and the Com-  
 25          mittee on Veterans’ Affairs of the House of Rep-

1        representatives a report on the furnishing of care and  
2        services under section 1703A of title 38, United  
3        States Code, as added by paragraph (1), that in-  
4        cludes the following:

5                (A) The total number of veterans who have  
6        received care or services under this section,  
7        disaggregated by—

8                (i) eligible veterans described in sub-  
9        section (b)(2)(A) of such section;

10               (ii) eligible veterans described in sub-  
11       section (b)(2)(B) of such section;

12               (iii) eligible veterans described in sub-  
13       section (b)(2)(C) of such section;

14               (iv) eligible veterans described in sub-  
15       section (b)(2)(D) of such section;

16               (v) eligible veterans described in sub-  
17       section (b)(2)(E) of such section;

18               (vi) eligible veterans described in sub-  
19       section (b)(2)(F) of such section; and

20               (vii) eligible veterans described in sub-  
21       section (b)(2)(G) of such section.

22               (B) A description of the types of care and  
23       services furnished to veterans under such sec-  
24       tion.

1           (C) An accounting of the total cost of fur-  
2           nishing care and services to veterans under  
3           such section.

4           (D) The results of a survey of veterans  
5           who have received care or services under such  
6           section on the satisfaction of such veterans with  
7           the care or services received by such veterans  
8           under such section.

9           (E) An assessment of the effect of fur-  
10          nishing care and services under such section on  
11          wait times for appointments for the receipt of  
12          hospital care and medical services from the De-  
13          partment of Veterans Affairs.

14       (b) CONSOLIDATION OF SERVICES.—

15           (1) IN GENERAL.—Not later than December 31,  
16          2017, the Secretary of Veterans Affairs shall con-  
17          solidate the following programs, contracts, and  
18          agreements of the Department of Veterans Affairs:

19           (A) The Patient-Centered Community Care  
20          program (commonly referred to as “PC3”).

21           (B) Contracts to provide kidney dialysis  
22          services.

23           (C) Contracts through the retail pharmacy  
24          network of the Department.

1 (D) Veterans Care Agreements under sec-  
2 tion 1703C of title 38, United States Code, as  
3 added by section 201(a).

4 (E) Health care agreements with Federal  
5 entities or entities funded by the Federal Gov-  
6 ernment, including the Department of Defense,  
7 the Indian Health Service, tribal health pro-  
8 grams, Federally-qualified health centers (as  
9 defined in section 1905(l)(2)(B) of the Social  
10 Security Act (42 U.S.C. 1396d(l)(2)(B))), and  
11 academic teaching affiliates.

12 (2) CLASSIFICATION OF SERVICES.—Services  
13 provided under the programs, contracts, and agree-  
14 ments consolidated under paragraph (1) shall be  
15 considered services provided under the Veterans  
16 Choice Program established under section 1703A of  
17 title 38, United States Code, as added by subsection  
18 (a)(1).

19 (3) RULE OF CONSTRUCTION.—Nothing in this  
20 subsection shall be construed to authorize the cre-  
21 ation of a tiered network in which an entity or enti-  
22 ties would be placed in a higher tier than any other  
23 entity or provider network.

1 **SEC. 102. FUNDING FOR VETERANS CHOICE PROGRAM.**

2 (a) IN GENERAL.—All amounts required to carry out  
3 the Veterans Choice Program shall be derived from the  
4 appropriations account established in section 4003 of the  
5 Surface Transportation and Veterans Health Care Choice  
6 Improvement Act of 2015 (Public Law 114–41; 38 U.S.C.  
7 1701 note).

8 (b) TRANSFER OF AMOUNTS.—

9 (1) IN GENERAL.—All amounts in the Veterans  
10 Choice Fund under section 802 of the Veterans Ac-  
11 cess, Choice, and Accountability Act of 2014 (Public  
12 Law 113–146; 38 U.S.C. 1701 note) shall be trans-  
13 ferred to the appropriations account established in  
14 section 4003 of the Surface Transportation and Vet-  
15 erans Health Care Choice Improvement Act of 2015  
16 (Public Law 114–41; 38 U.S.C. 1701 note).

17 (2) CONFORMING REPEAL.—

18 (A) IN GENERAL.—Section 802 of the Vet-  
19 erans Access, Choice, and Accountability Act of  
20 2014 (Public Law 113–146; 38 U.S.C. 1701  
21 note) is repealed.

22 (B) CONFORMING AMENDMENT.—Section  
23 4003 of the Surface Transportation and Vet-  
24 erans Health Care Choice Improvement Act of  
25 2015 (Public Law 114–41; 38 U.S.C. 1701  
26 note) is amended by striking “to be comprised



1           of” and all that follows and inserting “to be  
2           comprised of discretionary medical services  
3           funding that is designated for hospital care and  
4           medical services furnished at non-Department  
5           facilities”.

6           (c) OBLIGATION OF FUNDS.—Without regard to the  
7           requirements of sections 1501 and 1341(a)(1) of title 31,  
8           United States Code, the Secretary may record obligations  
9           under the Veteran Choice Program if the amount of the  
10          obligation is certain in order for the Department to avoid  
11          large deobligation amounts after the funds have expired.

12          (d) STREAMLINED FUNDING.—

13               (1) PROVISION OF FUNDS.—The Chief Business  
14           Office of the Veterans Health Administration may  
15           provide funds for a fiscal year to medical centers of  
16           the Department, if requested by the medical center,  
17           for costs relating to furnishing non-Department care  
18           under the Veterans Choice Program, including ad-  
19           ministrative costs associated with the management  
20           and accounting of such funds, and may adjust such  
21           funding if appropriate.

22               (2) SUBMITTAL OF FUNDING REQUESTS BY  
23           MEDICAL CENTERS.—Medical centers of the Depart-  
24           ment may submit funding requests to the Chief

1 Business Office for costs described in subparagraph  
2 (A).

3 (3) USE OF FUNDS.—Funds provided under  
4 subparagraph (A) may be used only for the costs  
5 specified in such subparagraph and are not eligible  
6 to be reprogrammed for any other purpose.

7 (e) REPORT.—

8 (1) IN GENERAL.—Not later than 90 days after  
9 the date of the enactment of this Act, the Secretary  
10 of Veterans Affairs shall submit to the appropriate  
11 committees of Congress a report that includes the  
12 following:

13 (A) The amount of funds required to carry  
14 out the Veterans Choice Program for fiscal year  
15 2017.

16 (B) The number of veterans, disaggregated  
17 by fiscal year, who received health care services  
18 under the programs, contracts, and agreements  
19 that make up the Veterans Choice Program  
20 during the period beginning on October 1,  
21 2011, and ending on September 30, 2015.

22 (C) An evaluation of whether the account-  
23 ing processes of the Department are sufficient  
24 to properly account for expenditures from a  
25 consolidated appropriations account under para-

graph (1), including an identification of each known deficiency and potential deficiency of such processes.

(D) For each deficiency identified under clause (iii), a detailed plan to remedy the deficiency and an assessment of whether the Department has adequate resources to remedy the deficiency.

(E) For each deficiency identified under clause (iii) that requires new or improved information technology to remedy, an evaluation of whether there is commercially available technology that may be suitable to remedy the deficiency.

(F) A cost estimate for remedying each deficiency identified under clause (iii).

(2) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this paragraph, the term “appropriate committees of Congress” means—

(A) the Committee on Veterans’ Affairs and the Committee on Appropriations of the Senate; and

(B) the Committee on Veterans’ Affairs and the Committee on Appropriations of the House of Representatives.

1 (f) VETERANS CHOICE PROGRAM DEFINED.—In this  
 2 subsection, the term “Veterans Choice Program” means—

3 (1) the program under section 1703A of title  
 4 38, United States Code, as added by section  
 5 101(a)(1); and

6 (2) the programs, contracts, and agreements of  
 7 the Department consolidated under section 101(b).

8 **SEC. 103. PAYMENT OF HEALTH CARE PROVIDERS UNDER**  
 9 **VETERANS CHOICE PROGRAM.**

10 (a) PAYMENT OF PROVIDERS.—

11 (1) IN GENERAL.—Subchapter I of chapter 17  
 12 of title 38, United States Code, as amended by sec-  
 13 tion 101(a)(1), is further amended by inserting after  
 14 section 1703A the following new section:

15 **“§ 1703B. Veterans Choice Program: payment of**  
 16 **health care providers**

17 “(a) PROMPT PAYMENT COMPLIANCE.—The Sec-  
 18 retary shall ensure that payments made to health care pro-  
 19 viders under the Veterans Choice Program comply with  
 20 chapter 39 of title 31 (commonly referred to as the  
 21 ‘Prompt Payment Act’) and the requirements of this sec-  
 22 tion. If there is a conflict between the requirements of the  
 23 Prompt Payment Act and the requirements of this section,  
 24 the Secretary shall comply with the requirements of this  
 25 section.

1       “(b) PAYMENT SCHEDULE.—(1) The Secretary shall  
2 reimburse a health care provider for care or services fur-  
3 nished under the Veterans Choice Program—

4           “(A) in the case of a clean claim submitted to  
5 the Secretary electronically, not later than 30 days  
6 after receiving the claim; or

7           “(B) in the case of a clean claim submitted to  
8 the Secretary in a manner other than electronically,  
9 not later than 45 days after receiving the claim.

10       “(2)(A) If the Secretary determines that a claim re-  
11 ceived from a health care provider for care or services fur-  
12 nished under the Veterans Choice Program is a non-clean  
13 claim, the Secretary shall submit to the provider, not later  
14 than 10 days after receiving the claim—

15           “(i) a notification that the claim is a non-clean  
16 claim;

17           “(ii) an explanation of why the claim has been  
18 determined to be a non-clean claim; and

19           “(iii) an identification of the information or  
20 documentation that is required to make the claim a  
21 clean claim.

22       “(B) If the Secretary does not comply with the re-  
23 quirements of subparagraph (A) with respect to a claim,  
24 the claim shall be deemed a clean claim for purposes of  
25 paragraph (1).

1       “(3) Upon receipt by the Secretary of information or  
2 documentation described in subparagraph (A)(iii) with re-  
3 spect to a claim, the Secretary shall reimburse a health  
4 care provider for care or services furnished under the Vet-  
5 erans Choice Program—

6           “(A) in the case of a claim submitted to the  
7 Secretary electronically, not later than 30 days after  
8 receiving such information or documentation; or

9           “(B) in the case of claim submitted to the Sec-  
10 retary in a manner other than electronically, not  
11 later than 45 days after receiving such information  
12 or documentation.

13       “(4) If the Secretary fails to comply with the dead-  
14 lines for payment set forth in this subsection with respect  
15 to a claim, interest shall accrue on the amount owed under  
16 such claim in accordance with section 3902 of title 31,  
17 United States Code.

18       “(c) INFORMATION AND DOCUMENTATION RE-  
19 QUIRED.—(1) The Secretary shall provide to all health  
20 care providers participating in the Veterans Choice Pro-  
21 gram a list of information and documentation that is re-  
22 quired to establish a clean claim under this section.

23       “(2) The Secretary shall consult with entities in the  
24 health care industry, in the public and private sector, to

1 determine the information and documentation to include  
2 in the list under paragraph (1).

3 “(3) If the Secretary modifies the information and  
4 documentation included in the list under paragraph (1),  
5 the Secretary shall notify all health care providers partici-  
6 pating in the Veterans Choice Program not later than 30  
7 days before such modifications take effect.

8 “(d) ELECTRONIC CLAIM SUBMITTAL.—On and after  
9 January 1, 2019, the Secretary shall not accept any claim  
10 under this section that is submitted to the Secretary in  
11 a manner other than electronically.

12 “(e) DEFINITIONS.—In this section:

13 “(1) The term ‘clean claim’ means a claim for  
14 reimbursement for care or services furnished under  
15 the Veterans Choice Program, on a nationally recog-  
16 nized standard format, that includes the information  
17 and documentation necessary to adjudicate the  
18 claim.

19 “(2) The term ‘non-clean claim’ means a claim  
20 for reimbursement for care or services furnished  
21 under the Veterans Choice Program, on a nationally  
22 recognized standard format, that does not include  
23 the information and documentation necessary to ad-  
24 judicate the claim.

1           “(3) The term ‘Veterans Choice Program’  
2       means—

3                   “(A) the program under section 1703A of  
4       this title; and

5                   “(B) the programs, contracts, and agree-  
6       ments of the Department consolidated under  
7       section 101(b) of the Veterans Choice Improve-  
8       ment Act of 2016.”.

9           (2) CLERICAL AMENDMENT.—The table of sec-  
10       tions at the beginning of chapter 17 of such title, as  
11       amended by section 101(a)(2), is further amended  
12       by inserting after the item related to section 1703A  
13       the following new item:

          “1703B. Veterans Choice Program: payment of health care providers.”.

14       (b) ELECTRONIC SUBMITTAL OF CLAIMS FOR REIM-  
15       BURSEMENT.—

16           (1) PROHIBITION ON ACCEPTANCE OF NON-  
17       ELECTRONIC CLAIMS.—

18                   (A) IN GENERAL.—Except as provided in  
19       subparagraph (B), on and after January 1,  
20       2019, the Secretary of Veterans Affairs shall  
21       not accept any claim for reimbursement under  
22       section 1703B of title 38, United States Code,  
23       as added by subsection (a), that is submitted to  
24       the Secretary in a manner other than electroni-



1 cally, including medical records in connection  
2 with such a claim.

3 (B) EXCEPTION.—If the Secretary deter-  
4 mines that accepting claims and medical  
5 records in a manner other than electronically is  
6 necessary for the timely processing of claims for  
7 reimbursement under such section 1703B due  
8 to a failure or malfunction of the electronic  
9 interface established under paragraph (2), the  
10 Secretary—

11 (i) may accept claims and medical  
12 records in a manner other than electroni-  
13 cally for a period not to exceed 90 days;  
14 and

15 (ii) shall submit to the Committee on  
16 Veterans' Affairs of the Senate and the  
17 Committee on Veterans' Affairs of the  
18 House of Representatives a report setting  
19 forth—

20 (I) the reason for accepting  
21 claims and medical records in a man-  
22 ner other than electronically;

23 (II) the duration of time that the  
24 Department of Veterans Affairs will

1 accept claims and medical records in a  
2 manner other than electronically; and  
3 (III) the steps that the Depart-  
4 ment is taking to resolve such failure  
5 or malfunction.

6 (2) ELECTRONIC INTERFACE.—

7 (A) IN GENERAL.—Not later than January  
8 1, 2019, the Chief Information Officer of the  
9 Department of Veterans Affairs shall establish  
10 an electronic interface for health care providers  
11 to submit claims for reimbursement under such  
12 section 1703B.

13 (B) FUNCTIONS.—The electronic interface  
14 established under subparagraph (A) shall in-  
15 clude the following functions:

16 (i) A function through which a health  
17 care provider may input all relevant data  
18 required for claims submittal and reim-  
19 bursement.

20 (ii) A function through which a health  
21 care provider may upload medical records  
22 to accompany a claim for reimbursement.

23 (iii) A function through which a  
24 health care provider may ascertain the sta-

1           tus of a pending claim for reimbursement  
2           that—

3                       (I) indicates whether the claim is  
4                       a clean claim or a non-clean claim;  
5                       and

6                       (II) in the event that a submitted  
7                       claim is indicated as a non-clean  
8                       claim, provides—

9                               (aa) an explanation of why  
10                              the claim has been determined to  
11                              be a non-clean claim; and

12                             (bb) an identification of the  
13                             information or documentation  
14                             that is required to make the  
15                             claim a clean claim.

16                       (iv) A function through which a  
17                       health care provider is notified when a  
18                       claim for reimbursement is accepted or re-  
19                       jected.

20                       (v) Such other features as the Sec-  
21                       retary considers necessary.

22           (C) PROTECTION OF INFORMATION.—

23                       (i) IN GENERAL.—The electronic  
24                       interface established under subparagraph  
25                       (A) shall be developed and implemented

1 based on industry-accepted information se-  
2 curity and privacy engineering principles  
3 and best practices and shall provide for the  
4 following:

5 (I) The elicitation, analysis, and  
6 prioritization of functional and non-  
7 functional information security and  
8 privacy requirements for such inter-  
9 face, including specific security and  
10 privacy services and architectural re-  
11 quirements relating to security and  
12 privacy based on a thorough analysis  
13 of all reasonably anticipated cyber and  
14 noncyber threats to the security and  
15 privacy of electronic protected health  
16 information made available through  
17 such interface.

18 (II) The elicitation, analysis, and  
19 prioritization of secure development  
20 requirements relating to such inter-  
21 face.

22 (III) The assurance that the  
23 prioritized information security and  
24 privacy requirements of such inter-  
25 face—

1 (aa) are correctly imple-  
 2 mented in the design and imple-  
 3 mentation of such interface  
 4 throughout the system develop-  
 5 ment lifecycle; and

6 (bb) satisfy the information  
 7 objectives of such interface relat-  
 8 ing to security and privacy  
 9 throughout the system develop-  
 10 ment lifecycle.

11 (ii) DEFINITIONS.—In this subpara-  
 12 graph:

13 (I) ELECTRONIC PROTECTED  
 14 HEALTH INFORMATION.—The term  
 15 “electronic protected health informa-  
 16 tion” has the meaning given that term  
 17 in section 160.103 of title 45, Code of  
 18 Federal Regulations, as in effect on  
 19 the date of the enactment of this Act.

20 (II) SECURE DEVELOPMENT RE-  
 21 QUIREMENTS.—The term “secure de-  
 22 velopment requirements” means, with  
 23 respect to the electronic interface es-  
 24 tablished under subparagraph (A), ac-  
 25 tivities that are required to be com-

1                   pleted during the system development  
2                   lifecycle of such interface, such as se-  
3                   cure coding principles and test meth-  
4                   odologies.

5                   (3) ANALYSIS OF AVAILABLE TECHNOLOGY FOR  
6                   ELECTRONIC INTERFACE.—

7                   (A) IN GENERAL.—Not later than January  
8                   1, 2017, or before entering into a contract to  
9                   procure or design and build the electronic inter-  
10                  face described in paragraph (2) or making a de-  
11                  cision to internally design and build such elec-  
12                  tronic interface, whichever occurs first, the Sec-  
13                  retary shall—

14                  (i) conduct an analysis of commer-  
15                  cially available technology that may satisfy  
16                  the requirements of such electronic inter-  
17                  face set forth in such paragraph; and

18                  (ii) submit to the Committee on Vet-  
19                  erans' Affairs of the Senate and the Com-  
20                  mittee on Veterans' Affairs of the House  
21                  of Representatives a report setting forth  
22                  such analysis.

23                  (B) ELEMENTS.—The report required  
24                  under subparagraph (A)(ii) shall include the  
25                  following:

1 (i) An evaluation of commercially  
2 available systems that may satisfy the re-  
3 quirements of paragraph (2).

4 (ii) The estimated cost of procuring a  
5 commercially available system if a suitable  
6 commercially available system exists.

7 (iii) If no suitable commercially avail-  
8 able system exists, an assessment of the  
9 feasibility of modifying a commercially  
10 available system to meet the requirements  
11 of paragraph (2), including the estimated  
12 cost associated with such modifications.

13 (iv) If no suitable commercially avail-  
14 able system exists and modifying a com-  
15 mercially available system is not feasible,  
16 an assessment of the estimated cost and  
17 time that would be required to contract  
18 with a commercial entity to design and  
19 build an electronic interface that meets the  
20 requirements of paragraph (2).

21 (v) If the Secretary determines that  
22 the Department has the capabilities re-  
23 quired to design and build an electronic  
24 interface that meets the requirements of  
25 paragraph (2), an assessment of the esti-

1 mated cost and time that would be re-  
 2 quired to design and build such electronic  
 3 interface.

4 (vi) A description of the decision of  
 5 the Secretary regarding how the Depart-  
 6 ment plans to establish the electronic inter-  
 7 face required under paragraph (2) and the  
 8 justification of the Secretary for such deci-  
 9 sion.

10 (4) LIMITATION ON USE OF AMOUNTS.—The  
 11 Secretary may not spend any amounts to procure or  
 12 design and build the electronic interface described in  
 13 paragraph (2) until the date that is 60 days after  
 14 the date on which the Secretary submits the report  
 15 required under paragraph (3)(A)(iii).

16 **SEC. 104. TERMINATION OF CERTAIN PROVISIONS AUTHOR-**  
 17 **IZING CARE TO VETERANS THROUGH NON-**  
 18 **DEPARTMENT OF VETERANS AFFAIRS PRO-**  
 19 **VIDERS.**

20 (a) TERMINATION OF AUTHORITY TO CONTRACT FOR  
 21 CARE IN NON-DEPARTMENT FACILITIES.—

22 (1) IN GENERAL.—Section 1703 of title 38,  
 23 United States Code, is amended by adding at the  
 24 end the following new subsection:



1 “(e) The authority of the Secretary under this section  
2 terminates on December 31, 2017.”.

3 (2) CONFORMING AMENDMENTS.—

4 (A) IN GENERAL.—

5 (i) DENTAL CARE.—Section 1712(a)  
6 of such title is amended—

7 (I) in paragraph (3), by striking  
8 “under clause (1), (2), or (5) of sec-  
9 tion 1703(a) of this title” and insert-  
10 ing “under the Veterans Choice Pro-  
11 gram (as defined in section 1703B(e)  
12 of this title)”; and

13 (II) in paragraph (4)(A), in the  
14 first sentence—

15 (aa) by striking “and section  
16 1703 of this title” and inserting  
17 “and the Veterans Choice Pro-  
18 gram (as defined in section  
19 1703B(e) of this title)”; and

20 (bb) by striking “in section  
21 1703 of this title” and inserting  
22 “under the Veterans Choice Pro-  
23 gram”.

24 (ii) READJUSTMENT COUNSELING.—  
25 Section 1712A(e)(1) of such title is

1 amended by striking “(under sections  
 2 1703(a)(2) and 1710(a)(1)(B) of this  
 3 title)” and inserting “(under the Veterans  
 4 Choice Program (as defined in section  
 5 1703B(e) of this title) and section  
 6 1710(a)(1)(B) of this title)”.

7 (iii) DEATH IN DEPARTMENT FACIL-  
 8 ITY.—Section 2303(a)(2)(B)(i) of such  
 9 title is amended by striking “in accordance  
 10 with section 1703” and inserting “under  
 11 the Veterans Choice Program (as defined  
 12 in section 1703B(e) of this title)”.

13 (iv) MEDICARE PROVIDER AGREE-  
 14 MENTS.—Section 1866(a)(1)(L) of the So-  
 15 cial Security Act (42 U.S.C.  
 16 1395cc(a)(1)(L)) is amended—

17 (I) by striking “under section  
 18 1703 of title 38” and inserting  
 19 “under the Veterans Choice Program  
 20 (as defined in section 1703B(e) of  
 21 title 38, United States Code)”; and

22 (II) by striking “such section”  
 23 and inserting “such program”.

1 (B) EFFECTIVE DATE.—The amendments  
 2 made by subparagraph (A) shall take effect on  
 3 January 1, 2018.

4 (b) REPEAL OF AUTHORITY TO CONTRACT FOR  
 5 SCARCE MEDICAL SPECIALISTS.—

6 (1) IN GENERAL.—Section 7409 of such title is  
 7 repealed.

8 (2) CLERICAL AMENDMENT.—The table of sec-  
 9 tions at the beginning of chapter 74 of such title is  
 10 amended by striking the item relating to section  
 11 7409.

## 12 **TITLE II—HEALTH CARE** 13 **ADMINISTRATIVE MATTERS**

### 14 **SEC. 201. AUTHORIZATION OF AGREEMENTS BETWEEN THE** 15 **DEPARTMENT OF VETERANS AFFAIRS AND** 16 **NON-DEPARTMENT PROVIDERS.**

17 (a) IN GENERAL.—Subchapter I of chapter 17 of title  
 18 38, United States Code, as amended by section 103(a)(1),  
 19 is further amended by inserting after section 1703B the  
 20 following new section:

#### 21 **“§ 1703C. Veterans Care Agreements**

22 “(a) AGREEMENTS TO FURNISH CARE.—(1) In addi-  
 23 tion to the authority of the Secretary under this chapter  
 24 to furnish hospital care, medical services, and extended  
 25 care at facilities of the Department and under contracts

1 or sharing agreements entered into under authorities other  
2 than this section, the Secretary may furnish hospital care,  
3 medical services, and extended care through the use of  
4 agreements entered into under this section. An agreement  
5 entered into under this section may be referred to as a  
6 ‘Veterans Care Agreement’.

7 “(2)(A) The Secretary may enter into agreements  
8 under this section with eligible providers that are certified  
9 under subsection (d) if the Secretary is not feasibly able  
10 to furnish care or services described in paragraph (1) at  
11 facilities of the Department.

12 “(B) The Secretary is not feasibly able to furnish  
13 care or services described in paragraph (1) at facilities of  
14 the Department if the Secretary determines that the med-  
15 ical condition of the veteran, the travel involved, the na-  
16 ture of the care or services required, or a combination of  
17 those factors make the use of facilities of the Department  
18 impracticable or inadvisable.

19 “(3) An eligible provider, at its discretion, may opt  
20 to enter into an agreement under this section instead of  
21 a contract or sharing agreement under authorities other  
22 than this section.

23 “(b) RECEIPT OF CARE.—(1) Eligibility of a veteran  
24 under this section for care or services described in para-  
25 graph (1) shall be determined as if such care or services

1 were furnished in a facility of the Department and provi-  
2 sions of this title applicable to veterans receiving such care  
3 or services in a facility of the Department shall apply to  
4 veterans receiving such care or services under this section.

5 “(2) In carrying out this section, the Secretary—

6 “(A) may not direct veterans seeking care or  
7 services described in paragraph (1) to health care  
8 providers that have entered into contracts or sharing  
9 agreements under authorities other than this section;  
10 and

11 “(B) shall ensure that veterans have the option  
12 to determine whether to receive such care or services  
13 from a health care provider described in subpara-  
14 graph (A) or an eligible provider that has entered  
15 into an agreement under this section.

16 “(c) ELIGIBLE PROVIDERS.—For purposes of this  
17 section, an eligible provider is one of the following:

18 “(1) A provider of services that has enrolled  
19 and entered into a provider agreement under section  
20 1866(a) of the Social Security Act (42 U.S.C.  
21 1395cc(a)).

22 “(2) A physician or supplier that has enrolled  
23 and entered into a participation agreement under  
24 section 1842(h) of such Act (42 U.S.C. 1395u(h)).

1           “(3) A provider of items and services receiving  
2           payment under a State plan under title XIX of such  
3           Act (42 U.S.C. 1396 et seq.) or a waiver of such a  
4           plan.

5           “(4) A health care provider that is—

6                   “(A) an Aging and Disability Resource  
7                   Center, an area agency on aging, or a State  
8                   agency (as defined in section 102 of the Older  
9                   Americans Act of 1965 (42 U.S.C. 3002)); or

10                   “(B) a center for independent living (as  
11                   defined in section 702 of the Rehabilitation Act  
12                   of 1973 (29 U.S.C. 796a)).

13           “(5) A provider that is located in—

14                   “(A) an area that is designated as a health  
15                   professional shortage area (as defined in section  
16                   332 of the Public Health Service Act (42  
17                   U.S.C. 254e)); or

18                   “(B) a county that is not in a metropolitan  
19                   statistical area.

20           “(6) Such other health care providers as the  
21           Secretary considers appropriate for purposes of this  
22           section.

23           “(d) CERTIFICATION OF ELIGIBLE PROVIDERS.—(1)

24           The Secretary shall establish a process for the certification

1 of eligible providers under this section that shall, at a min-  
 2 imum, set forth the following:

3 “(A) Procedures for the submittal of applica-  
 4 tions for certification and deadlines for actions taken  
 5 by the Secretary with respect to such applications.

6 “(B) Standards and procedures for approval  
 7 and denial of certification, duration of certification,  
 8 revocation of certification, and recertification.

9 “(C) Procedures for assessing eligible providers  
 10 based on the risk of fraud, waste, and abuse of such  
 11 providers similar to the level of screening under sec-  
 12 tion 1866(j)(2)(B) of the Social Security Act (42  
 13 U.S.C. 1395cc(j)(2)(B)) and the standards set forth  
 14 under section 9.104 of title 48, Code of Federal  
 15 Regulations, or any successor regulation.

16 “(2) The Secretary shall deny or revoke certification  
 17 to an eligible provider under this subsection if the Sec-  
 18 retary determines that the eligible provider is currently—

19 “(A) excluded from participation in a Federal  
 20 health care program (as defined in section 1128B(f)  
 21 of the Social Security Act (42 U.S.C. 1320a–7b(f)))  
 22 under section 1128 or 1128A of the Social Security  
 23 Act (42 U.S.C. 1320a–7 and 1320a–7a); or

1           “(B) identified as an excluded source on the list  
2           maintained in the System for Award Management,  
3           or any successor system.

4           “(e) TERMS OF AGREEMENTS.—Each agreement en-  
5           tered into with an eligible provider under this section shall  
6           include provisions requiring the eligible provider to do the  
7           following:

8           “(1) To accept payment for care or services fur-  
9           nished under this section at rates established by the  
10          Secretary for purposes of this section, which shall  
11          be, to the extent practicable, the rates paid by the  
12          United States for such care or services to providers  
13          of services and suppliers under the Medicare pro-  
14          gram under title XVIII of the Social Security Act  
15          (42 U.S.C. 1395 et seq.).

16          “(2) To accept payment under paragraph (1) as  
17          payment in full for care or services furnished under  
18          this section and to not seek any payment for such  
19          care or services from the recipient of such care or  
20          services.

21          “(3) To furnish under this section only the care  
22          or services authorized by the Department under this  
23          section unless the eligible provider receives prior  
24          written consent from the Department to furnish care  
25          or services outside the scope of such authorization.



1           “(4) To bill the Department for care or services  
2           furnished under this section in accordance with a  
3           methodology established by the Secretary for pur-  
4           poses of this section.

5           “(5) Not to seek to recover or collect from a  
6           health-plan contract or third party, as those terms  
7           are defined in section 1729 of this title, for any care  
8           or services for which payment is made by the De-  
9           partment under this section.

10          “(6) To provide medical records for veterans  
11          furnished care or services under this section to the  
12          Department in a timeframe and format specified by  
13          the Secretary for purposes of this section.

14          “(7) To meet such other terms and conditions,  
15          including quality of care assurance standards, as the  
16          Secretary may specify for purposes of this section.

17          “(f) TERMINATION OF AGREEMENTS.—(1) An eligi-  
18          ble provider may terminate an agreement with the Sec-  
19          retary under this section at such time and upon such no-  
20          tice to the Secretary as the Secretary may specify for pur-  
21          poses of this section.

22          “(2) The Secretary may terminate an agreement with  
23          an eligible provider under this section at such time and  
24          upon such notice to the eligible provider as the Secretary  
25          may specify for purposes of this section, if the Secretary—

1           “(A) determines that the eligible provider failed  
 2           to comply substantially with the provisions of the  
 3           agreement or with the provisions of this section and  
 4           the regulations prescribed thereunder;

5           “(B) determines that the eligible provider is—

6                   “(i) excluded from participation in a Fed-  
 7                   eral health care program (as defined in section  
 8                   1128B(f) of the Social Security Act (42 U.S.C.  
 9                   1320a–7b(f))) under section 1128 or 1128A of  
 10                  the Social Security Act (42 U.S.C. 1320a–7  
 11                  and 1320a–7a); or

12                   “(ii) identified as an excluded source on  
 13                   the list maintained in the System for Award  
 14                   Management, or any successor system;

15           “(C) ascertains that the eligible provider has  
 16           been convicted of a felony or other serious offense  
 17           under Federal or State law and determines that the  
 18           continued participation of the eligible provider would  
 19           be detrimental to the best interests of veterans or  
 20           the Department; or

21           “(D) determines that it is reasonable to termi-  
 22           nate the agreement based on the health care needs  
 23           of a veteran or veterans.

24           “(g) PERIODIC REVIEW OF CERTAIN AGREE-  
 25           MENTS.—(1) Not less frequently than once every two

1 years, the Secretary shall review each Veterans Care  
2 Agreement of material size entered into during the two-  
3 year period preceding the review to determine whether it  
4 is feasible and advisable to furnish the hospital care, med-  
5 ical services, or extended care furnished under such agree-  
6 ment at facilities of the Department or through contracts  
7 or sharing agreements entered into under authorities other  
8 than this section.

9 “(2)(A) Subject to subparagraph (B), a Veterans  
10 Care Agreement is of material size as determined by the  
11 Secretary for purposes of this section.

12 “(B) A Veterans Care Agreement entered into after  
13 September 30, 2016, for the purchase of extended care  
14 services is of material size if the purchase of such services  
15 under the agreement exceeds \$1,000,000 annually. The  
16 Secretary may adjust such amount to account for changes  
17 in the cost of health care based upon recognized health  
18 care market surveys and other available data and shall  
19 publish any such adjustments in the Federal Register.

20 “(h) TREATMENT OF CERTAIN LAWS.—(1) An agree-  
21 ment under this section may be entered into without re-  
22 gard to any law that would require the Secretary to use  
23 competitive procedures in selecting the party with which  
24 to enter into the agreement.

1       “(2) An eligible provider that enters into an agree-  
2 ment under this section may not be treated as a Federal  
3 contractor or subcontractor by the Office of Federal Con-  
4 tract Compliance Programs of the Department of Labor  
5 by virtue of furnishing hospital care, medical services, or  
6 extended care under that agreement.

7       “(3)(A) Except as provided in subparagraph (B) and  
8 unless otherwise provided in this section or regulations  
9 prescribed pursuant to this section, an eligible provider  
10 that enters into an agreement under this section is not  
11 subject to, in the carrying out of the agreement, any law  
12 that an eligible provider described in subsection (b)(1),  
13 (b)(2), or (b)(3) is not subject to under the original Medi-  
14 care fee-for-service program under parts A and B of title  
15 XVIII of the Social Security Act (42 U.S.C. 1395 et seq.)  
16 or the Medicaid program under title XIX of such Act (42  
17 U.S.C. 1396 et seq.).

18       “(B) The exclusion under subparagraph (A) does not  
19 apply to laws regarding integrity, ethics, fraud, or that  
20 subject a person to civil or criminal penalties.

21       “(4) Title VII of the Civil Rights Act of 1964 (42  
22 U.S.C. 2000e et seq.) shall apply with respect to an eligi-  
23 ble provider that enters into an agreement under this sec-  
24 tion to the same extent as such title applies with respect  
25 to the eligible provider in providing care or services

1 through an agreement or arrangement other than under  
 2 this section.

3 “(i) MONITORING OF QUALITY OF CARE.—The Sec-  
 4 retary shall establish a system or systems, consistent with  
 5 survey and certification procedures used by the Centers  
 6 for Medicare & Medicaid Services and State survey agen-  
 7 cies to the extent practicable—

8 “(1) to monitor the quality of care and services  
 9 furnished to veterans under this section; and

10 “(2) to assess the quality of care and services  
 11 furnished by an eligible provider under this section  
 12 for purposes of determining whether to renew an  
 13 agreement under this section with the eligible pro-  
 14 vider.

15 “(j) DISPUTE RESOLUTION.—The Secretary shall es-  
 16 tablish administrative procedures for eligible providers  
 17 with which the Secretary has entered into an agreement  
 18 under this section to present any dispute arising under  
 19 or related to the agreement.”.

20 (b) REGULATIONS.—The Secretary of Veterans Af-  
 21 fairs shall prescribe an interim final rule to carry out sec-  
 22 tion 1703C of such title, as added by subsection (a), not  
 23 later than one year after the date of the enactment of this  
 24 Act.

1 (c) CLERICAL AMENDMENT.—The table of sections  
 2 at the beginning of chapter 17 of such title, as amended  
 3 by section 103(a)(2), is further amended by inserting after  
 4 the item related to section 1703B the following new item:  
 “1703C. Veterans Care Agreements.”.

5 **SEC. 202. REIMBURSEMENT OF CERTAIN ENTITIES FOR**  
 6 **EMERGENCY MEDICAL TRANSPORTATION.**

7 (a) IN GENERAL.—Subchapter III of chapter 17 of  
 8 title 38, United States Code, is amended by inserting after  
 9 section 1725 the following new section:

10 **“§ 1725A. Reimbursement of certain entities for emer-**  
 11 **gency medical transportation**

12 “(a) IN GENERAL.—Notwithstanding any other pro-  
 13 vision of law, the Secretary shall reimburse an ambulance  
 14 provider or any other entity that provides transportation  
 15 to a veteran described in section 1725(b) of this title for  
 16 the purpose of receiving emergency treatment at a non-  
 17 Department facility the cost of such transportation.

18 “(b) SERVICE CONNECTION.—(1) The Secretary  
 19 shall reimburse an ambulance provider or any other entity  
 20 under subsection (a) regardless of whether the underlying  
 21 medical condition for which the veteran is seeking emer-  
 22 gency treatment is in connection with a service-connected  
 23 disability.

24 “(2) If the Secretary determines that the underlying  
 25 medical condition for which the veteran receives emer-

1 gency treatment is not in connection with a service-con-  
 2 nected disability, the Secretary shall recoup the cost of  
 3 transportation paid under subsection (a) in connection  
 4 with such emergency treatment from any health-plan con-  
 5 tract under which the veteran is covered.

6 “(c) TIMING.—Reimbursement under subsection (a)  
 7 shall be made not later than 30 days after receiving a re-  
 8 quest for reimbursement under such subsection.

9 “(d) DEFINITIONS.—In this section, the terms ‘emer-  
 10 gency treatment’ and ‘health-plan contract’ have the  
 11 meanings given those terms in section 1725(f) of this  
 12 title.”.

13 (b) CLERICAL AMENDMENT.—The table of sections  
 14 at the beginning of chapter 17 of such title is amended  
 15 by inserting after the item related to section 1725 the fol-  
 16 lowing new item:

“1725A. Reimbursement for emergency medical transportation.”.

17 **SEC. 203. REQUIREMENT THAT DEPARTMENT OF VET-**  
 18 **ERANS AFFAIRS COLLECT HEALTH-PLAN**  
 19 **CONTRACT INFORMATION FROM VETERANS.**

20 (a) IN GENERAL.—Subchapter I of chapter 17 is  
 21 amended by inserting after section 1705 the following new  
 22 section:

1 **“§ 1705A. Management of health care: information re-**  
 2 **garding health-plan contracts**

3 “(a) IN GENERAL.—(1) Any individual who seeks  
 4 hospital care or medical services under this chapter shall  
 5 provide to the Secretary such current information as the  
 6 Secretary may require to identify any health-plan contract  
 7 under which such individual is covered.

8 “(2) The information required to be provided to the  
 9 Secretary under paragraph (1) with respect to a health-  
 10 plan contract shall include, as applicable, the following:

11 “(A) The name of the entity providing coverage  
 12 under the health-plan contract.

13 “(B) If coverage under the health-plan contract  
 14 is in the name of an individual other than the indi-  
 15 vidual required to provide information under this  
 16 section, the name of the policy holder of the health-  
 17 plan contract.

18 “(C) The identification number for the health-  
 19 plan contract.

20 “(D) The group code for the health-plan con-  
 21 tract.

22 “(b) ACTION TO COLLECT INFORMATION.—The Sec-  
 23 retary may take such action as the Secretary considers  
 24 appropriate to collect the information required under sub-  
 25 section (a).



1       “(c) EFFECT ON SERVICES FROM DEPARTMENT.—  
 2       The Secretary may not deny any services under this chap-  
 3       ter to an individual solely due to the fact that the indi-  
 4       vidual fails to provide information required under sub-  
 5       section (a).

6       “(d) HEALTH-PLAN CONTRACT DEFINED.—In this  
 7       section, the term ‘health-plan contract’ has the meaning  
 8       given that term in section 1725(f) of this title.”.

9       (b) CLERICAL AMENDMENT.—The table of sections  
 10      at the beginning of chapter 17 of such title is amended  
 11      by inserting after the item relating to section 1705 the  
 12      following new item:

“1705A. Management of health care: information regarding health-plan con-  
 tracts.”.

13   **SEC. 204. REQUIREMENT FOR ADVANCE APPROPRIATIONS**  
 14                           **FOR THE VETERANS CHOICE PROGRAM AC-**  
 15                           **COUNT OF THE DEPARTMENT OF VETERANS**  
 16                           **AFFAIRS.**

17      (a) IN GENERAL.—Section 117(c) of title 38, United  
 18      States Code, is amended by adding at the end the fol-  
 19      lowing new paragraph:

20                   “(7) Veterans Health Administration, Veterans  
 21      Choice Program.”.

22      (b)       CONFORMING       AMENDMENT.—Section  
 23      1105(a)(37) of title 31, United States Code, is amended  
 24      by adding at the end the following new subparagraph:

1 “(G) Veterans Health Administration, Vet-  
 2 erans Choice Program.”.

3 (c) APPLICABILITY.—The amendments made by this  
 4 section shall apply to fiscal years beginning on and after  
 5 October 1, 2016.

6 **SEC. 205. REAUTHORIZATION OF PILOT PROGRAM OF EN-**  
 7 **HANCED CONTRACT CARE AUTHORITY FOR**  
 8 **HEALTH CARE NEEDS OF VETERANS.**

9 Paragraph (3) of section 403(a) of the Veterans’  
 10 Mental Health and Other Care Improvements Act of 2008  
 11 (Public Law 110–387; 38 U.S.C. 1703 note) is amended  
 12 to read as follows:

13 “(3) TERMINATION.—The Secretary may not  
 14 provide covered health services under the pilot pro-  
 15 gram after August 7, 2019.”.

16 **TITLE III—OTHER VETERANS**  
 17 **MATTERS**

18 **SEC. 301. TIMEFRAME FOR PAYMENT OF DISABILITY COM-**  
 19 **PENSATION FOR VICTIMS OF CONTAMINATED**  
 20 **WATER AT CAMP LEJEUNE, NORTH CARO-**  
 21 **LINA, WHEN THE SECRETARY OF VETERANS**  
 22 **AFFAIRS ESTABLISHES A PRESUMPTION OF**  
 23 **SERVICE CONNECTION.**

24 (a) IN GENERAL.—Except as provided in subsection  
 25 (b), in any case in which the Secretary of Veterans Affairs

1 establishes a presumption of service connection for pur-  
2 poses of compensation under chapter 11 of title 38, United  
3 States Code, for an illness or condition incurred by an in-  
4 dividual described in section 1710(e)(1)(F) of such title,  
5 the Secretary shall commence, not later than 90 days after  
6 the date on which the Secretary established such presump-  
7 tion, payment of compensation under such chapter to the  
8 individuals who are entitled to such compensation under  
9 such chapter by virtue of such presumption.

10 (b) PRESUMPTIONS ESTABLISHED BEFORE DATE OF  
11 ENACTMENT.—In a case in which the Secretary estab-  
12 lished a presumption as described in subsection (a) before  
13 the date of the enactment of this Act, the Secretary shall  
14 commence payment as described in such subsection not  
15 later than the date that is 90 days after the date of the  
16 enactment of this Act.

○