

104TH CONGRESS
2D SESSION

H. R. 3117

To amend title 38, United States Code, to enable the Secretary of Veterans Affairs to improve service-delivery of health care to veterans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 1996

Mr. MONTGOMERY (for himself, Mr. STUMP, Mr. EDWARDS, and Mr. HUTCHINSON) introduced the following bill; which was referred to the Committee on Veterans' Affairs, and in addition to the Committee on Commerce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 38, United States Code, to enable the Secretary of Veterans Affairs to improve service-delivery of health care to veterans, 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. AUTHORITY TO ESTABLISH AND OPERATE MAN-**
4 **AGED HEALTH-CARE PLANS.**

5 (a) IN GENERAL.—Chapter 17 of title 38, United
6 States Code, is amended by inserting after section 1704
7 the following new section:

1 **“§ 1705. Establishment of managed health-care plans**

2 “(a) In carrying out responsibilities under this title
3 with respect to the delivery of health care, the Secretary
4 may establish and operate managed health-care plans. Any
5 such plan shall be operated by or through a Department
6 health-care facility or group of facilities and may include
7 the provision of health services through other public or
8 private entities under arrangements made between that
9 Department facility or group of facilities and the other
10 public or private entity concerned. Any such managed
11 health care plan under this section shall be established and
12 operated in conformance with standards prescribed by the
13 Secretary after consultation with the Secretary of Health
14 and Human Services.

15 “(b) The Secretary, as part of the standards pre-
16 scribed under subsection (a), shall prescribe the minimum
17 health care benefits to be provided under the plan to veter-
18 ans enrolled in the plan. Those benefits shall include at
19 least those health benefits covered under parts A and B
20 of the Medicare program under title XVIII of the Social
21 Security Act.

22 “(c) The Secretary may establish an enrollment sys-
23 tem to enroll veterans (other than veterans described in
24 section 1710(a)(1) of this title) in any plan established
25 under subsection (a).

1 “(d) The Secretary, notwithstanding sections 1710(f)
2 and 1712(f) of this title, may establish such cost-sharing
3 requirements for veterans enrolled in a plan under this
4 section as the Secretary considers appropriate to cover
5 costs of providing benefits under the plan that are not
6 paid by the Medicare program under title XVIII of the
7 Social Security Act. Such cost-sharing requirements may
8 include an enrollment premium, copayment charges, and
9 deductibles.

10 “(e) Payments received under subsection (d) and
11 under section 1729A of this title with respect to care or
12 services provided to a veteran enrolled in a health-care
13 plan under this section shall be credited to the applicable
14 Department medical appropriation and shall be used to
15 pay for the costs of furnishing care and services under
16 subsection (a).

17 “(f) The Secretary may not in any fiscal year operate
18 a plan under subsection (a) at a Department facility un-
19 less the director of that facility has certified to the Under
20 Secretary for Health that sufficient medical care funds
21 have been allotted to that facility for that fiscal year to
22 enable the director to provide needed hospital care and
23 medical services authorized under this chapter to veterans
24 described in section 1710(a)(1) of this title in the number
25 that, in the judgment of the director, are likely to require

1 that care and services from that facility during that fiscal
2 year.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 at the beginning of such chapter is amended by inserting
5 after the item relating to section 1704 the following new
6 item:

“1705. Establishment of managed health-care plans.”.

7 **SEC. 2. REQUIREMENT FOR PAYMENT FOR CERTAIN SERV-**
8 **ICES PROVIDED BY DEPARTMENT FACILI-**
9 **TIES.**

10 (a) IN GENERAL.—Chapter 17 of title 38, United
11 States Code, is amended by inserting after section 1729
12 the following new section:

13 **“§ 1729A. Medicare payment for certain veterans**

14 “(a) Notwithstanding any other provision of law, the
15 Secretary of Health and Human Services shall make pay-
16 ments during a year to a Department managed health care
17 plan on behalf of veterans (other than veterans described
18 in section 1710(a)(1) of this title) who are Medicare-eli-
19 ble individuals and are enrolled in such plan during the
20 year under similar terms as the Secretary makes payments
21 under title XVIII of the Social Security Act to other eli-
22 ble managed care health plans.

23 “(b)(1) For purposes of subsection (a), a managed
24 health care plan organized and operated under section
25 1705 of this title—

1 “(A) which provides care to Medicare-eligible
2 veterans (other than veterans described in section
3 1710(a)(1) of this title); and

4 “(B) for which there is a certification in effect
5 under paragraph (2),

6 shall be deemed to be a certified Medicare Choice organi-
7 zation under section 1857 of the Social Security Act.

8 “(2) The Secretary shall certify to the Secretary of
9 Health and Human Services each year a list of all Depart-
10 ment managed health care plans established under section
11 1705 of this title which the Secretary finds conform to
12 the standards prescribed under such section.

13 “(c) For purposes of this section—

14 “(1) the term ‘Medicare program’ means the
15 health insurance program under title XVIII of the
16 Social Security Act;

17 “(2) the term ‘Medicare-eligible veteran’ means
18 a veteran who is entitled to benefits under the Medi-
19 care program; and

20 “(3) the term ‘Medicare Choice organization’
21 means a managed health care organization under
22 part C of title XVIII of the Social Security Act.”.

23 (b) CLERICAL AMENDMENT.—The table of sections
24 at the beginning of such chapter is amended by inserting

1 after the item relating to section 1729 the following new
2 item:

“1729A. Medicare payment for certain veterans.”.

3 (c) EFFECTIVE DATE.—Section 1729A of title 38,
4 United States Code, as added by subsection (b), shall
5 apply with respect to care provided after the date of the
6 enactment of this Act.

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