

108TH CONGRESS  
1ST SESSION

# H. R. 270

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

JANUARY 8, 2003

Mr. FRELINGHUYSEN (for himself, Mr. PALLONE, Mrs. MCCARTHY of New York, Mr. CROWLEY, Mr. HINCHEY, Mr. McNULTY, Mrs. KELLY, Mr. PAYNE, Mr. KING of New York, and Mr. SANDERS) 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Veterans Equal Treat-  
5 ment Act”.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

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

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

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

23 (4) The VERA formula should be replaced with  
24 a new funding formula that puts the funds provided  
25 to the Department of Veterans Affairs for medical

1 care into the Department of Veterans Affairs Med-  
2 ical Centers that are treating patients.

3 **SEC. 3. REVISION TO MEDICAL CARE FUNDING ALLOCA-**  
4 **TION FORMULA FOR DEPARTMENT OF VET-**  
5 **ERANS AFFAIRS.**

6 (a) **TERMINATION OF VERA FORMULA.**—The funding  
7 allocation formula for the Department of Veterans Affairs  
8 medical care system known as the Veterans Equitable Re-  
9 source Allocation system, established pursuant to section  
10 429 of Public Law 104–204 (110 Stat. 2929), shall be  
11 discontinued by the Secretary of Veterans Affairs effective  
12 at the end of the fiscal year during which this Act is en-  
13 acted.

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

22 (1) For any fiscal year for which the amount  
23 appropriated for Medical Care is an increase from  
24 the preceding year, the funding level provided under

1 the new formula to any VISN may not be less than  
2 the amount provided for the preceding year.

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

7 (A) The number of veterans moving into  
8 the geographic area of that VISN.

9 (B) The median age of veterans in that  
10 VISN.

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

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

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

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

2 (a) AUTHORIZATION FOR REPLACEMENT ALLOCA-  
3 TION FORMULA.—There is authorized to be appropriated  
4 to the Department of Veterans Affairs for fiscal year 2003  
5 the amount of \$10,000,000 for development and imple-  
6 mentation of a replacement funding allocation formula in  
7 accordance with section 3(b).

8 (b) ADDITIONAL “MEDICAL CARE” AUTHORIZA-  
9 TIONS.—There is authorized to be appropriated to the De-  
10 partment of Veterans Affairs for fiscal year 2003 the  
11 amount of \$100,000,000 for “Medical Care” for the De-  
12 partment of Veterans Affairs. Such amount is in addition  
13 to any other amount authorized to be appropriated to the  
14 Department of Veterans Affairs for fiscal year 2003 and  
15 shall be allocated by the Secretary to the national service  
16 regions, known as Veterans Integrated Service Networks  
17 (VISNs), of the Department of Veterans Affairs on the  
18 basis of need, as follows:

19 (1) First, to the VISN that has experienced the  
20 greatest reduction in funding from the funding levels  
21 for fiscal year 1997.

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

24 (3) Third, if any amount appropriated pursuant  
25 to such authorization remains after allocations pur-  
26 suant to paragraphs (1) and (2), such amount shall

- 1 be allocated equally among the remaining 22 VISNs
- 2 before implementation of the new formula.

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