

108TH CONGRESS  
1ST SESSION

# S. 967

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 SENATE OF THE UNITED STATES

MAY 1, 2003

Mr. SCHUMER introduced the following bill; which was read twice and 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 De-  
6 partments of Veterans Affairs and Housing and  
7 Urban Development, and Independent Agencies Ap-  
8 propriations Act, 1997 (Public Law 104–204; 110  
9 Stat. 2929), has proved to be an ineffective means  
10 of allocating veterans medical care dollars fairly  
11 across the 22 national service regions, known as Vet-  
12 erans Integrated Service Networks (VISNs), of the  
13 Department of Veterans Affairs.

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

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

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

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

9           (a) **TERMINATION OF VERA FORMULA.**—The funding  
10          allocation formula for the Department of Veterans Affairs  
11          medical care system known as the Veterans Equitable Re-  
12          source Allocation system, established pursuant to section  
13          429 of the Department of Veterans Affairs pursuant to  
14          section 429 of the Departments of Veterans Affairs and  
15          Housing and Urban Development, and Independent Agen-  
16          cies Appropriations Act, 1997 (Public Law 104–204; 110  
17          Stat. 2929), shall be discontinued by the Secretary of Vet-  
18          erans Affairs effective at the end of the fiscal year during  
19          which this Act is enacted.

20          (b) **DEVELOPMENT OF REPLACEMENT FORMULA.**—  
21          The Secretary of Veterans Affairs shall develop a new for-  
22          mula for the allocation of funds appropriated to the De-  
23          partment of Veterans Affairs for Medical Care to the na-  
24          tional service regions, known as Veterans Integrated Serv-  
25          ice Networks (VISNs), of the Department. In developing

1 such formula, the Secretary shall take the following re-  
2 quirements into account:

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

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

12 (A) The number of veterans moving into  
13 the geographic area of that VISN.

14 (B) The median age of veterans in that  
15 VISN.

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

18 (D) The age of Department health care fa-  
19 cilities in that VISN.

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

1 replacement funding allocation formula is implemented,  
2 the funding allocation formula to be applied to amounts  
3 appropriated for veterans medical care shall be the for-  
4 mula in effect before the formula referred to in subsection  
5 (a).

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

7 (a) AUTHORIZATION OF APPROPRIATIONS FOR RE-  
8 PLACEMENT ALLOCATION FORMULA.—There is author-  
9 ized to be appropriated to the Department of Veterans Af-  
10 fairs for fiscal year 2004, \$10,000,000 for development  
11 and implementation of a replacement funding allocation  
12 formula in accordance with section 3(b).

13 (b) ADDITIONAL AUTHORIZATION OF APPROPRIA-  
14 TIONS FOR MEDICAL CARE.—There is authorized to be  
15 appropriated to the Department of Veterans Affairs for  
16 fiscal year 2004, \$100,000,000 for “Medical Care” for the  
17 Department of Veterans Affairs. Such amount is in addi-  
18 tion to any other amount authorized to be appropriated  
19 to the Department of Veterans Affairs for fiscal year 2004  
20 and shall be allocated by the Secretary of Veterans Affairs  
21 to the national service regions, known as Veterans Inte-  
22 grated Service Networks (VISNs), of the Department of  
23 Veterans Affairs on the basis of need, as follows:

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

4           (2) Second, to any other VISN that has experi-  
5           enced an overall funding decrease during the six-fis-  
6           cal-year period beginning with fiscal year 1997.

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

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