

115TH CONGRESS
1ST SESSION

H. R. 4242

To amend title 38, United States Code, to establish a permanent VA Care in the Community Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 2017

Mr. ROE of Tennessee (for himself, Mr. COFFMAN, Mr. WENSTRUP, Mrs. RADEWAGEN, Mr. BOST, Mr. POLIQUIN, Mr. ARRINGTON, Mr. RUTHERFORD, Mr. HIGGINS of Louisiana, Mr. BERGMAN, Mr. BANKS of Indiana, Miss GONZÁLEZ-COLÓN of Puerto Rico, Mr. BILIRAKIS, Mr. DUNN, Mr. WALZ, Ms. KUSTER of New Hampshire, Miss RICE of New York, Mr. CORREA, Mr. SABLAN, Ms. ESTY of Connecticut, Mr. PETERS, Mr. O’ROURKE, Mr. TAKANO, and Ms. BROWNLEY of California) introduced the following bill; which was referred to the Committee on Veterans’ Affairs

A BILL

To amend title 38, United States Code, to establish a permanent VA Care in the Community Program, 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 “VA Care in the Community Act”.

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

Sec. 1. Short title; table of contents.

TITLE I—IMPROVED ACCESS FOR VETERANS TO NON-
 DEPARTMENT OF VETERANS AFFAIRS MEDICAL CARE

Sec. 101. Assignment of veterans to primary care providers.

Sec. 102. Establishment of VA Care in the Community Program.

Sec. 103. Veterans Care Agreements.

Sec. 104. Modification of authority to enter into agreements with State homes
 to provide nursing home care.

Sec. 105. Department of Veterans Affairs electronic interface for processing of
 medical claims.

Sec. 106. Funding for VA Care in the Community Program.

Sec. 107. Termination of certain provisions authorizing medical care to vet-
 erans through non-Department of Veterans Affairs providers.

Sec. 108. Implementation and transition.

TITLE II—OTHER ADMINISTRATIVE MATTERS

Sec. 201. Reimbursement for emergency ambulance services.

Sec. 202. Improvement of care coordination for veterans through exchange of
 certain medical records.

Sec. 203. Elimination of copayment offset.

Sec. 204. Use of Department of Veterans Affairs Medical Care Collections
 Fund for certain improvements in collections.

Sec. 205. Department of Veterans Affairs health care productivity improve-
 ment.

Sec. 206. Licensure of health care professionals of the Department of Veterans
 Affairs providing treatment via telemedicine.

3 **TITLE I—IMPROVED ACCESS**
 4 **FOR VETERANS TO NON-DE-**
 5 **PARTMENT OF VETERANS AF-**
 6 **FAIRS MEDICAL CARE**

7 **SEC. 101. ASSIGNMENT OF VETERANS TO PRIMARY CARE**
 8 **PROVIDERS.**

9 Section 1706 of title 38, United States Code, is
 10 amended by adding at the end the following new sub-
 11 section:

1 “(d)(1) Except as provided in section 1703A of this
2 title, in furnishing primary care under this chapter, the
3 Secretary shall assign each eligible veteran to—

4 “(A) a patient-aligned care team of the Depart-
5 ment; or

6 “(B) a dedicated primary care provider of the
7 Department as a part of any other model of pro-
8 viding consistent primary care determined appro-
9 priate by the Secretary.

10 “(2) Each patient-aligned care team of the Depart-
11 ment shall consist of a team of health care professionals
12 of the Department who—

13 “(A) provide to each eligible veteran com-
14 prehensive primary care in partnership with the vet-
15 eran; and

16 “(B) manage and coordinate comprehensive
17 hospital care and medical services consistent with
18 the goals of care agreed upon by the veteran and
19 team.

20 “(3) The Secretary shall ensure that an eligible vet-
21 eran is not simultaneously assigned to more than one pa-
22 tient-aligned care team or dedicated primary care provider
23 under this subsection at a single location, including by es-
24 tablishing procedures in the event a primary care provider
25 retires or is otherwise no longer able to treat the veteran.

1 In the case of an eligible veteran who resides in more than
2 one location, the Secretary may assign such veteran to a
3 patient-aligned care team or dedicated primary care pro-
4 vider at each such location.

5 “(4) The term ‘eligible veteran’ means a veteran
6 who—

7 “(A) is enrolled in the patient enrollment sys-
8 tem of the Department established and operated
9 under section 1705(a) of this title; and

10 “(B) has—

11 “(i) been furnished hospital care or med-
12 ical services at or through a Department facility
13 on at least one occasion during the two-year pe-
14 riod preceding the date of the determination of
15 eligibility; or

16 “(ii) requested a first-time appointment for
17 hospital care or medical services at a Depart-
18 ment facility.”.

19 **SEC. 102. ESTABLISHMENT OF VA CARE IN THE COMMU-**
20 **NITY PROGRAM.**

21 (a) ESTABLISHMENT OF PROGRAM.—

22 (1) IN GENERAL.—Chapter 17 of title 38,
23 United States Code, is amended by inserting after
24 section 1703 the following new section:

1 **“§ 1703A. VA Care in the Community Program**

2 “(a) PROGRAM.—(1) Subject to the availability of ap-
3 propriations for such purpose, hospital care, medical serv-
4 ices, and extended care services under this chapter shall
5 be furnished to an eligible veteran through contracts or
6 agreements authorized under subsection (d), or contracts
7 or agreements, including national contracts or agree-
8 ments, authorized under section 8153 of this title or any
9 other provision of law administered by the Secretary, with
10 network providers for the furnishing of such care and serv-
11 ices to veterans.

12 “(2) Subject to subsection (b), an eligible veteran
13 may select a provider of such care or services from among
14 network providers.

15 “(3) The Secretary shall coordinate the furnishing of
16 care and services under this section to eligible veterans.

17 “(4)(A) In carrying out this section, the Secretary
18 shall establish regional networks of network providers.
19 The Secretary shall determine, and may modify, such re-
20 gions based on the capacity and market assessments of
21 Veterans Integrated Service Networks conducted under
22 subsection (k) or upon recognized need.

23 “(B) The Secretary may enter into one or more con-
24 tracts for the purposes of managing the operations of the
25 regional networks and for the delivery of care pursuant
26 to this section.

1 “(b) PRIMARY AND SPECIALTY CARE.—(1)(A) If the
2 Secretary is unable to assign an eligible veteran to a pa-
3 tient-aligned care team or dedicated primary care provider
4 under section 1706(d) of this title because the Secretary
5 determines such a care team or provider at a Department
6 facility is not available—

7 “(i) the Secretary shall consult with the veteran
8 regarding available primary care providers from
9 among network providers that are located in the re-
10 gional network in which the veteran resides or a re-
11 gional network that is adjacent to the regional net-
12 work in which the veteran resides; and

13 “(ii) the veteran may select one of the available
14 primary care providers to serve as the dedicated pri-
15 mary care provider of the veteran.

16 “(B) In determining whether a patient-aligned care
17 team or dedicated provider under section 1706(d) of this
18 title is available for assignment to a veteran, the Secretary
19 shall take into consideration each of the following:

20 “(i) Whether the veteran faces an unusual or
21 excessive burden in accessing such patient-aligned
22 care team or dedicated provider at a medical facility
23 of the Department including with respect to—

24 “(I) geographical challenges;

1 “(II) environmental factors, including
2 roads that are not accessible to the general pub-
3 lic, traffic, or hazardous weather;

4 “(III) a medical condition of the veteran;
5 or

6 “(IV) such other factors as determined by
7 the Secretary.

8 “(ii) Whether the veteran reasonably believes
9 that the assignment of a particular care team or
10 provider to the veteran would detrimentally affect
11 the patient-provider relationship and result in sub-
12 optimal care to the veteran.

13 “(iii) Whether the panel size of the care team
14 or provider is at such a number that it would result
15 in difficulty for the veteran in accessing timely care
16 or in sub-optimal care to the veteran.

17 “(C) If the Secretary determines that a patient-
18 aligned care team or dedicated primary care provider at
19 a Department facility has become available for assignment
20 to an eligible veteran who had been assigned to a network
21 provider under subparagraph (A), the Secretary shall pro-
22 vide the veteran with the option of reassignment to the
23 team or provider at the Department facility.

24 “(D) In the case of an eligible veteran who is as-
25 signed to a network provider under subparagraph (A), the

1 Secretary shall reevaluate such assignment not earlier
2 than one year after a veteran makes a selection under sub-
3 paragraph (A)(ii), and on an annual basis thereafter, to—

4 “(i) determine whether the Secretary is able to
5 assign to the veteran a patient-aligned care team or
6 dedicated primary care provider under section
7 1706(d) of this title; and

8 “(ii) in consultation with and upon approval of
9 the veteran, make such assignment if able.

10 “(2)(A)(i) Except as provided in clause (ii), the Sec-
11 retary may only furnish specialty hospital care, medical
12 services, or extended care services to an eligible veteran
13 under this section pursuant to a referral for such specialty
14 care or services made by the primary care provider of the
15 veteran.

16 “(ii) The Secretary may designate specialties which
17 shall be exempt from the requirement under clause (i).

18 “(B) The Secretary shall determine whether to fur-
19 nish specialty hospital care, medical services, or extended
20 care services to an eligible veteran pursuant to subpara-
21 graph (A)—

22 “(i) at a medical facility of the Department
23 that is within a reasonable distance of the residence
24 of the veteran, as determined by the Secretary;

1 “(ii) by a network provider that, to the greatest
2 extent practicable, is located in the regional network
3 in which the veteran resides or a regional network
4 that is adjacent to the regional network in which the
5 veteran resides; or

6 “(iii) pursuant to an agreement described in
7 subparagraph (C).

8 “(C) An agreement described in this subparagraph
9 is an agreement entered into by the Secretary with a net-
10 work provider under which—

11 “(i) specialty hospital care, medical services, or
12 extended care services are furnished to an eligible
13 veteran pursuant to subparagraph (A)—

14 “(I) at a medical facility of the Depart-
15 ment by a network provider possessing the ap-
16 propriate credentials, as determined by the Sec-
17 retary; or

18 “(II) at a facility of a network provider by
19 a health care provider of the Department; and

20 “(ii) such specialty care or services are so fur-
21 nished either—

22 “(I) in accordance with this section with
23 respect to fees and payments for care and serv-
24 ices furnished under subsection (a); or

25 “(II) at no cost to the United States.

1 “(D) In making the determination under subpara-
2 graph (B), the Secretary shall give priority to medical fa-
3 cilities and health care providers of the Department but
4 shall take into account—

5 “(i) whether the veteran faces an unusual or ex-
6 cessive burden in accessing such specialty hospital
7 care, medical services, or extended care services at
8 a medical facility of the Department, including with
9 respect to—

10 “(I) geographical challenges;

11 “(II) environmental factors, such as roads
12 that are not accessible to the general public,
13 traffic, or hazardous weather;

14 “(III) a medical condition of the veteran;

15 or

16 “(IV) such other factors as determined by
17 the Secretary; and

18 “(ii) whether the primary care provider of the
19 veteran recommends that such specialty hospital
20 care, medical services, or extended care services
21 should be furnished by a network provider.

22 “(E) The Secretary shall ensure that each medical
23 facility of the Department processes referrals for specialty
24 hospital care, medical services, or extended care services
25 in a standardized manner, including with respect to the

1 organization of the program office responsible for such re-
2 ferrals.

3 “(F) In carrying out this section, the Secretary shall
4 establish a process to review any disagreement between an
5 eligible veteran and the Department, or between an eligi-
6 ble veteran and a health care provider of the Department,
7 regarding the eligibility of the veteran to receive care or
8 services from a network provider under this section or the
9 assignment of a primary care provider of the Department
10 to the veteran. In reviewing a disagreement under such
11 process with respect to the availability of and assignment
12 to a patient aligned care team or dedicated primary care
13 provider, the Secretary shall give deference to the veteran
14 with respect to any determination under subsection
15 (b)(1)(B)(ii).

16 “(c) EPISODES OF CARE.—(1) The Secretary shall
17 ensure that, at the election of an eligible veteran who re-
18 ceives hospital care, medical services, or extended care
19 services from a network provider in an episode of care
20 under this section, the veteran receives such care or serv-
21 ices from that network provider, another network provider
22 selected by the veteran, or a health care provider of the
23 Department, through the completion of the episode of
24 care, including all specialty and ancillary services deter-
25 mined necessary by the provider as part of the treatment

1 recommended in the course of such care or services. In
2 making such determination with respect to necessary spe-
3 cialty and ancillary services provided by a network pro-
4 vider, the network provider shall consult with the Sec-
5 retary, acting through the program office of the appro-
6 priate medical facility.

7 “(2) In cases of episodes of care that the Secretary
8 determines case management to be appropriate, the Sec-
9 retary shall provide case management to an eligible vet-
10 eran who receives hospital care, medical services, or ex-
11 tended care services from a network provider for such epi-
12 sodes of care. The Secretary may provide such case man-
13 agement through the Veterans Health Administration or
14 through an entity that manages the operations of the re-
15 gional networks pursuant to subsection (a)(4)(B).

16 “(d) CARE AND SERVICES THROUGH CONTRACTS
17 AND AGREEMENTS.—(1) The Secretary shall enter into
18 contracts or agreements, including national contracts or
19 agreements for, but not limited to, dialysis, for furnishing
20 care and services to eligible veterans under this section
21 with network providers.

22 “(2)(A) In entering into a contract or agreement
23 under paragraph (1) with a network provider, the Sec-
24 retary shall—

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

3 “(ii) reimburse the provider for such care and
4 services at the rates negotiated pursuant to clause
5 (i) as provided in such contract or agreement.

6 “(B)(i) Except as provided in paragraph (3), rates
7 negotiated under subparagraph (A)(i) shall not be more
8 than the rates paid by the United States to a provider
9 of services (as defined in section 1861(u) of the Social Se-
10 curity Act (42 U.S.C. 1395x(u))) or a supplier (as defined
11 in section 1861(d) of such Act (42 U.S.C. 1395x(d)))
12 under the Medicare Program under title XVIII of the So-
13 cial Security Act (42 U.S.C. 1395 et seq.) for the same
14 care or services.

15 “(ii) In determining the rates under the Medicare
16 Program under title XVIII of the Social Security Act (42
17 U.S.C. 1395 et seq.) for purposes of clause (i), in the case
18 of care or services furnished by a provider of services with
19 respect to which such rates are determined under a fee
20 schedule to which the area wage index under section
21 1886(d)(3)(E) of the Social Security Act (42 U.S.C.
22 1395ww(d)(3)(E)) applies, such area wage index so ap-
23 plied to such provider of services may not be less than
24 1.00.

1 “(C) In carrying out paragraph (2), the Secretary
2 may incorporate the use of value-based reimbursement
3 models to promote the provision of high-quality care.

4 “(3)(A) With respect to the furnishing of care or
5 services under this section to an eligible veteran who re-
6 sides in a highly rural area (as defined under the rural-
7 urban commuting area codes developed by the Secretary
8 of Agriculture and the Secretary of Health and Human
9 Services), the Secretary of Veterans Affairs may negotiate
10 a rate that is more than the rate paid by the United States
11 as described in paragraph (2)(B).

12 “(B) With respect to furnishing care or services
13 under this section in Alaska, the Alaska Fee Schedule of
14 the Department of Veterans Affairs will be followed, ex-
15 cept for when another payment agreement, including a
16 contract or provider agreement, is in place.

17 “(C) With respect to furnishing care or services
18 under this section in a State with an All-Payer Model
19 Agreement under the Social Security Act that became ef-
20 fective on or after January 1, 2014, the Medicare payment
21 rates under paragraph (2)(B) shall be calculated based on
22 the payment rates under such agreement, or any such suc-
23 cessor agreement.

24 “(D) With respect to furnishing care or services
25 under this section in a location in which the Secretary de-

1 terminates that adjusting the rate paid by the United States
2 as described in paragraph (2)(B) is appropriate, the Sec-
3 retary may negotiate such an adjusted rate.

4 “(E) With respect to furnishing care or services
5 under this section in a location or in a situation in which
6 an exception to the rates paid by the United States under
7 the Medicare Program under title XVIII of the Social Se-
8 curity Act (42 U.S.C. 1395 et seq.) for the same care or
9 services applies, the Secretary may follow such exception.

10 “(F) With respect to furnishing care or services
11 under this section for care or services not covered under
12 the Medicare Program under title XVIII of the Social Se-
13 curity Act (42 U.S.C. 1395 et seq.), the Secretary shall
14 establish a schedule of fees for such care or services.

15 “(G) With respect to furnishing care or services
16 under this section pursuant to an agreement with a tribal
17 or Federal entity, the Secretary may negotiate a rate that
18 is more than the rate paid by the United States as de-
19 scribed in paragraph (2)(B).

20 “(4) For the furnishing of care or services pursuant
21 to a contract or agreement under paragraph (1), a net-
22 work provider may not collect any amount that is greater
23 than the rate negotiated pursuant to paragraph (2)(A).

24 “(5)(A) If, in the course of an episode of care under
25 this section, any part of care or services is furnished by

1 a medical provider who is not a network provider, the Sec-
2 retary may compensate such provider for furnishing such
3 care or services.

4 “(B) The Secretary shall make reasonable efforts to
5 enter into a contract or agreement under this section with
6 any provider who is compensated pursuant to subpara-
7 graph (A).

8 “(e) PROMPT PAYMENT STANDARD.—(1) The Sec-
9 retary shall ensure that claims for payments for hospital
10 care, medical services, or extended care services furnished
11 under this section are processed in accordance with this
12 subsection, regardless of whether such claims are—

13 “(A) made by a network provider to the Sec-
14 retary;

15 “(B) made by a network provider to a regional
16 network operated by a contractor pursuant to sub-
17 section (a)(4)(B); or

18 “(C) made by such a regional network to the
19 Secretary.

20 “(2) A covered claimant that seeks payment for hos-
21 pital care, medical services, or extended care services fur-
22 nished under this section shall submit to the covered payer
23 a claim for payment not later than—

1 “(A) with respect to a claim by a network pro-
2 vider, 180 days after the date on which the network
3 provider furnishes such care or services; or

4 “(B) with respect to a claim by a regional net-
5 work operated by a contractor, 180 days after the
6 date on which the contractor pays the network pro-
7 vider for furnishing such care or services.

8 “(3) Notwithstanding chapter 39 of title 31 or any
9 other provision of law, the covered payer shall pay a cov-
10 ered claimant for hospital care, medical services, or ex-
11 tended care services furnished under this section—

12 “(A) in the case of a clean claim submitted to
13 the covered payer on paper, not later than 45 cal-
14 endar days after receiving the claim; or

15 “(B) in the case of a clean claim submitted to
16 the covered payer electronically, not later than 30
17 calendar days after receiving the claim.

18 “(4)(A) If the covered payer denies a claim submitted
19 by a covered claimant under paragraph (1), the covered
20 payer shall notify the covered claimant of the reason for
21 denying the claim and the additional information, if any,
22 that may be required to process the claim—

23 “(i) in the case of a clean claim submitted to
24 the covered payer on paper, not later than 45 cal-
25 endar days after receiving the claim; or

1 “(ii) in the case of a clean claim submitted to
2 the covered payer electronically, not later than 30
3 calendar days after receiving the claim.

4 “(B) Upon receipt by the covered payer of additional
5 information specified under subparagraph (A) relating to
6 a claim, the covered payer shall pay, deny, or otherwise
7 adjudicate the claim, as appropriate, not later than 30 cal-
8 endar days after receiving such information.

9 “(5)(A) If the covered payer has not paid a covered
10 claimant or denied a clean claim for payment by the cov-
11 ered claimant under this subsection during the appro-
12 priate period specified in this subsection, such clean claim
13 shall be considered overdue.

14 “(B) If a clean claim for payment by a covered claim-
15 ant is considered overdue under subparagraph (A), in ad-
16 dition to the amount the covered payer owes the covered
17 claimant under the claim, the covered payer shall owe the
18 covered claimant an interest penalty amount that shall—

19 “(i) be prorated daily;

20 “(ii) accrue from the date the payment was
21 overdue;

22 “(iii) be payable at the time the claim is paid;
23 and

24 “(iv) be computed at the rate of interest estab-
25 lished by the Secretary of the Treasury, and pub-

1 lished in the Federal Register, for interest payments
2 under subsections (a)(1) and (b) of section 7109 of
3 title 41 that is in effect at the time the covered
4 payer accrues the obligation to pay the interest pen-
5 alty amount.

6 “(6)(A) If the covered payer overpays a covered
7 claimant for hospital care, medical services, or extended
8 care services furnished under this section—

9 “(i) the covered payer shall deduct the amount
10 of any overpayment from payments due to the cov-
11 ered claimant after the date of such overpayment; or

12 “(ii) if the covered payer determines that there
13 are no such payments due after the date of the over-
14 payment, the covered claimant shall refund the
15 amount of such overpayment not later than 30 days
16 after such determination.

17 “(B)(i) Before deducting any amount from a pay-
18 ment to a covered claimant under subparagraph (A), the
19 covered payer shall ensure that the covered claimant is
20 provided an opportunity—

21 “(I) to dispute the existence or amount of any
22 overpayment owed to the covered payer; and

23 “(II) to request a compromise with respect to
24 any such overpayment.

1 “(ii) The covered payer may not make any deduction
2 from a payment to a covered claimant under subparagraph
3 (A) unless the covered payer has made reasonable efforts
4 to notify the covered claimant of the rights of the covered
5 claimant under subclauses (I) and (II) of clause (i).

6 “(iii) Upon receiving a dispute under subclause (I)
7 of clause (i) or a request under subclause (II) of such
8 clause, the covered payer shall make a determination with
9 respect to such dispute or request before making any de-
10 duction under subparagraph (A) unless the time required
11 to make such a determination would jeopardize the ability
12 of the covered payer to recover the full amount owed to
13 the covered payer.

14 “(7) Notwithstanding any other provision of law, the
15 Secretary may, except in the case of a fraudulent claim,
16 false claim, or misrepresented claim, compromise any
17 claim of an amount owed to the United States under this
18 section.

19 “(8) This subsection shall apply only to payments
20 made on a claims basis and not to capitation or other
21 forms of periodic payments to network providers.

22 “(9) A network provider that provides hospital care,
23 medical services, or extended care services to an eligible
24 veteran under this section may not seek any payment for
25 such care or services from the eligible veteran.

1 “(10) With respect to making a payment for hospital
2 care or medical services furnished to an eligible veteran
3 by a network provider under this section—

4 “(A) the Secretary may not require receipt by
5 the veteran or the Department of a medical record
6 under subsection (g) detailing such care or services
7 before a covered payer makes a payment for such
8 care or services; and

9 “(B) the Secretary may require that the net-
10 work provider attests to such care or services so pro-
11 vided before a covered payer makes a payment for
12 such care or services.

13 “(f) COST-SHARING.—(1) The Secretary shall require
14 an eligible veteran to pay a copayment for the receipt of
15 care or services under this section only if such eligible vet-
16 eran would be required to pay a copayment for the receipt
17 of such care or services at a medical facility of the Depart-
18 ment or from a health care provider of the Department
19 under this chapter.

20 “(2) The amount of a copayment charged under
21 paragraph (1) may not exceed the amount of the copay-
22 ment that would be payable by such eligible veteran for
23 the receipt of such care or services at a medical facility
24 of the Department or from a health care provider of the
25 Department under this chapter.

1 “(3) In any case in which an eligible veteran is fur-
2 nished hospital care or medical services under this section
3 for a non-service-connected disability described in sub-
4 section (a)(2) of section 1729 of this title, the Secretary
5 shall recover or collect reasonable charges for such care
6 or services from a health-plan contract described in section
7 1705A in accordance with such section 1729.

8 “(g) MEDICAL RECORDS.—(1) The Secretary shall
9 ensure that any network provider that furnishes care or
10 services under this section to an eligible veteran—

11 “(A) upon the request of the veteran, provides
12 to the veteran the medical records related to such
13 care or services; and

14 “(B) upon the completion of the provision of
15 such care or services to such veteran, provides to the
16 Department the medical records for the veteran fur-
17 nished care or services under this section in a time-
18 frame and format specified by the Secretary for pur-
19 poses of this section, except the Secretary may not
20 require that any payment by the Secretary to the eli-
21 gible provider be contingent on such provision of
22 medical records.

23 “(2) To the extent practicable, the Secretary shall
24 submit to a network provider that furnishes care or serv-
25 ices under this section to an eligible veteran the medical

1 records of such eligible veteran that are maintained by the
2 Department and are relevant to such care or services.

3 “(3) To the extent practicable, the Secretary shall—

4 “(A) ensure that the medical records shared
5 under paragraphs (1) and (2) are shared in an elec-
6 tronic format accessible by network providers and
7 the Department through an Internet website; and

8 “(B) provide to network providers access to the
9 electronic patient health record system of the De-
10 partment, or successor system, for the purpose of
11 furnishing care or services under this section.

12 “(h) USE OF CARD.—The Secretary shall ensure that
13 the veteran health identification card, or such successor
14 identification card, includes sufficient information to act
15 as an identification card for an eligible entity or other non-
16 Department facility. The Secretary may not use any
17 amounts made available to the Secretary to issue separate
18 identification cards solely for the purpose of carrying out
19 this section.

20 “(i) PRESCRIPTION MEDICATIONS.—(1) With respect
21 to requirements relating to the licensing or credentialing
22 of a network provider, the Secretary shall ensure that the
23 network provider is able to submit prescriptions for phar-
24 maceutical agents on the formulary of the Department to
25 pharmacies of the Department in a manner that is sub-

1 stantially similar to the manner in which the network pro-
2 vider submits prescriptions to retail pharmacies.

3 “(2) Nothing in this section shall be construed to af-
4 fect the process of the Department for filling and paying
5 for prescription medications.

6 “(j) QUALITY OF CARE.—In carrying out this sec-
7 tion, the Secretary shall use the quality of care standards
8 set forth or used by the Centers for Medicare & Medicaid
9 Services or other quality of care standards, as determined
10 by the Secretary.

11 “(k) CAPACITY AND COMMERCIAL MARKET ASSESS-
12 MENTS.—(1) On a periodic basis, but not less often than
13 once every three years, the Secretary shall conduct an as-
14 sessment of the capacity of each Veterans Integrated Serv-
15 ice Network and medical facility of the Department to fur-
16 nish care or services under this chapter. Each such assess-
17 ment shall—

18 “(A) identify gaps in furnishing such care or
19 services at such Veterans Integrated Service Net-
20 work or medical facility;

21 “(B) identify how such gaps can be filled by—

22 “(i) entering into contracts or agreements
23 with network providers under this section or
24 with entities under other provisions of law;

1 “(ii) making changes in the way such care
2 and services are furnished at such Veterans In-
3 tegrated Service Network or medical facility, in-
4 cluding but not limited to—

5 “(I) extending hours of operation;

6 “(II) adding personnel; or

7 “(III) expanding space through con-
8 struction, leasing, or sharing of health care
9 facilities; and

10 “(iii) the building or realignment of De-
11 partment resources or personnel;

12 “(C) forecast, based on future projections and
13 historical trends, both the short- and long-term de-
14 mand in furnishing care or services at such Veterans
15 Integrated Service Network or medical facility and
16 assess how such demand affects the needs to use
17 such network providers;

18 “(D) include a commercial health care market
19 assessment of designated catchment areas in the
20 United States conducted by a nongovernmental enti-
21 ty; and

22 “(E) consider the unique ability of the Federal
23 Government to retain a presence in an area other-
24 wise devoid of commercial health care providers or
25 from which such providers are at a risk of leaving.

1 “(2) The Secretary shall submit each assessment
2 under paragraph (1) to the Committees on Veterans’ Af-
3 fairs of the House of Representatives and the Senate and
4 shall make each such assessment publicly available.

5 “(1) ALLOCATION OF FUNDS.—The Secretary shall
6 develop a plan for the allocation of funds in the Medical
7 Community Care account.

8 “(m) REPORTS ON RATES.—Not later than Decem-
9 ber 31, 2019, and annually thereafter during each of the
10 subsequent three years, the Secretary shall submit to the
11 Committees on Veterans’ Affairs of the House of Rep-
12 resentatives and the Senate a report detailing, for the fis-
13 cal year preceding the fiscal year during which the report
14 is submitted, the rates paid by the Secretary for hospital
15 care, medical services, or extended care services under this
16 section that, pursuant to subsection (d)(3), are more than
17 the rates described in subsection (d)(2)(B) for the same
18 care or services.

19 “(n) DEFINITIONS.—In this section:

20 “(1) The term ‘clean claim’ means a claim sub-
21 mitted—

22 “(A) to the covered payer by a covered
23 claimant for purposes of payment by the cov-
24 ered payer of expenses for hospital care or med-
25 ical services furnished under this section;

1 “(B) that contains substantially all of the
2 required elements necessary for accurate adju-
3 dication, without requiring additional informa-
4 tion from the network provider; and

5 “(C) in such a nationally recognized for-
6 mat as may be prescribed by the Secretary for
7 purposes of paying claims for hospital care or
8 medical services furnished under this section.

9 “(2) The term ‘covered claimant’ means—

10 “(A) a network provider that submits a
11 claim to the Secretary for purposes of payment
12 by the Secretary of expenses for hospital care
13 or medical services furnished under this section;
14 or

15 “(B) a regional network operated by a con-
16 tractor pursuant to subsection (a)(4)(B) that
17 submits a claim to the Secretary for purposes
18 of reimbursement for a payment made by the
19 contractor to a network provider for hospital
20 care or medical services furnished under this
21 section.

22 “(3) The term ‘covered payer’ means—

23 “(A) a regional network operated by a con-
24 tractor pursuant to subsection (a)(4)(B) with
25 respect to a claim made by a network provider

1 to the contractor for purposes of payment by
2 the contractor of expenses for hospital care or
3 medical services furnished under this section; or

4 “(B) the Secretary with respect to—

5 “(i) a claim made by a network pro-
6 vider to the Secretary for purposes of pay-
7 ment by the Secretary of expenses for hos-
8 pital care or medical services furnished
9 under this section; and

10 “(ii) a claim made by a regional net-
11 work operated by a contractor pursuant to
12 subsection (a)(4)(B) for purposes of reim-
13 bursement for a payment described by sub-
14 paragraph (A).

15 “(4) The term ‘eligible veteran’ means a vet-
16 eran who—

17 “(A) is enrolled in the patient enrollment
18 system of the Department established and oper-
19 ated under section 1705(a) of this title; and

20 “(B) has—

21 “(i) been furnished hospital care or
22 medical services at or through a Depart-
23 ment facility on at least one occasion dur-
24 ing the two-year period preceding the date
25 of the determination of eligibility; or

1 “(ii) requested a first-time appoint-
2 ment for hospital care or medical services
3 at a Department facility.

4 “(5) The term ‘fraudulent claim’ means a claim
5 by a network provider for reimbursement under this
6 section that includes an intentional and deliberate
7 misrepresentation of a material fact or facts that is
8 intended to induce the Secretary to pay an amount
9 that was not legally owed to the provider.”.

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

“1703A. VA Care in the Community Program.”.

14 (b) CONFORMING AMENDMENTS.—The Veterans Ac-
15 cess, Choice, and Accountability Act of 2014 (Public Law
16 113–146) is amended—

17 (1) in section 101(p)(1) (38 U.S.C. 1701 note),
18 by inserting before the period at the end the fol-
19 lowing: “or the date on which the Secretary certifies
20 to the Committees on Veterans’ Affairs of the House
21 of Representatives and the Senate that the Secretary
22 is fully implementing section 1703A of title 38,
23 United States Code, whichever occurs first”; and

1 (2) in section 208(1), by striking “section 101”
2 and inserting “section 1703A of title 38, United
3 States Code”.

4 (c) DEFINITIONS.—Section 1701 of title 38, United
5 States Code, is amended by adding at the end the fol-
6 lowing new paragraphs:

7 “(11) The term ‘network provider’ means any
8 of the following health care providers that have en-
9 tered into a contract or agreement under which the
10 provider agrees to furnish care and services to eligi-
11 ble veterans under section 1703A of this title:

12 “(A) Any health care provider or supplier
13 that is participating in the Medicare Program
14 under title XVIII of the Social Security Act (42
15 U.S.C. 1395 et seq.), including any physician
16 furnishing services under such program.

17 “(B) Any provider of items and services re-
18 ceiving payment under a State plan under title
19 XIX of such Act (42 U.S.C. 1396 et seq.) or
20 a waiver of such a plan.

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

24 “(D) The Department of Defense.

25 “(E) The Indian Health Service.

1 “(F) Any health care provider that is an
2 academic affiliate of the Department.

3 “(G) Any health care provider not other-
4 wise covered under any of subparagraphs (A)
5 through (F) that meets criteria established by
6 the Secretary for purposes of such section.

7 “(12) The term ‘VA Care in the Community
8 Program’ means the program under which the Sec-
9 retary furnishes hospital care or medical services to
10 veterans through network providers pursuant to sec-
11 tion 1703A of this title.”.

12 (d) **TRANSITION OF PROVISION OF CARE.**—This Act,
13 and the amendments made by this Act, may not be con-
14 strued to affect the obligations of the Secretary of Vet-
15 erans Affairs under contracts and agreements for the pro-
16 vision of hospital care, medical services, and extended care
17 services entered into before the date of the enactment of
18 this Act at the terms and rates contained in such contracts
19 and agreements.

20 **SEC. 103. VETERANS CARE AGREEMENTS.**

21 (a) **IN GENERAL.**—Subchapter I of chapter 17 of title
22 38, United States Code, is further amended by inserting
23 after section 1703A, as added by section 102, the fol-
24 lowing new section:

1 **“§ 1703B. Veterans Care Agreements with non-net-**
2 **work providers**

3 “(a) VETERANS CARE AGREEMENTS.—(1) In addi-
4 tion to furnishing hospital care, medical services, or ex-
5 tended care services under this chapter at facilities of the
6 Department or under contracts or agreements entered into
7 pursuant to section 1703A of this title or any other provi-
8 sion of law other than this section, the Secretary may fur-
9 nish such care and services to eligible veterans through
10 the use of agreements, to be known as ‘Veterans Care
11 Agreements’, entered into under this section by the Sec-
12 retary with eligible non-network providers.

13 “(2) The Secretary may enter into a Veterans Care
14 Agreement under this section with an eligible non-network
15 provider if the Secretary determines that—

16 “(A) the provision of the hospital care, medical
17 services, or extended care services at a Department
18 facility is impracticable or inadvisable because of the
19 medical condition of the veteran, the travel involved,
20 or the nature of the care or services required, or a
21 combination of such factors; and

22 “(B) such care or services are not available to
23 be furnished by a non-Department health care pro-
24 vider under a contract or agreement entered into
25 pursuant to a provision of law other than this sec-
26 tion.

1 “(3)(A) In accordance with subparagraphs (C) and
2 (D), the Secretary shall review each Veterans Care Agree-
3 ment with a non-network provider to determine whether
4 it is practical or advisable to, instead of carrying out such
5 agreement—

6 “(i) provide at a Department facility the hos-
7 pital care, medical services, or extended care services
8 covered by such agreement; or

9 “(ii) enter into an agreement with the provider
10 under section 1703A of this title to provide such
11 care or services.

12 “(B) If the Secretary determines pursuant to a re-
13 view of a Veterans Care Agreement under subparagraph
14 (A) that it is practical or advisable to provide hospital
15 care, medical services, or extended care services at a De-
16 partment facility, or enter into an agreement under sec-
17 tion 1703A of this title to provide such care or services,
18 as the case may be, the Secretary—

19 “(i) may not renew the Veterans Care Agree-
20 ment; and

21 “(ii) shall take such actions as are necessary to
22 implement such determination.

23 “(C) This paragraph shall apply with respect to Vet-
24 erans Care Agreements entered into with a non-network

1 provider whose gross annual revenue, as determined under
2 subsection (b)(1), exceeds—

3 “(i) \$3,000,000, in the case of a provider that
4 furnishes homemaker or home health aide services;
5 or

6 “(ii) \$1,000,000, in the case of any other pro-
7 vider.

8 “(D) The Secretary shall conduct each review of a
9 Veterans Care Agreement under subparagraph (A) as fol-
10 lows:

11 “(i) Once during the 18-month period beginning
12 on the date that is six months after date on which
13 the agreement is entered into.

14 “(ii) Not less than once during each four-year
15 period beginning on the date on which the review
16 under subparagraph (A) is conducted.

17 “(b) ELIGIBLE NON-NETWORK PROVIDERS.—A pro-
18 vider of hospital care, medical services, or extended care
19 services is eligible to enter into a Veterans Care Agree-
20 ment under this section if the Secretary determines that
21 the provider meets the following criteria:

22 “(1) The gross annual revenue of the provider
23 under contracts or agreements entered into with the
24 Secretary in the year preceding the year in which

1 the provider enters into the Veterans Care Agree-
2 ment does not exceed—

3 “(A) \$5,000,000 (as adjusted in a manner
4 similar to amounts adjusted pursuant to section
5 5312 of this title), in the case of a provider
6 that furnishes homemaker or home health aide
7 services; or

8 “(B) \$2,000,000 (as so adjusted), in the
9 case of any other provider.

10 “(2) The provider is not a network provider and
11 does not otherwise provide hospital care, medical
12 services, or extended care services to patients pursu-
13 ant to a contract entered into with the Department.

14 “(3) The provider is—

15 “(A) a provider of services that has en-
16 rolled and entered into a provider agreement
17 under section 1866(a) of the Social Security
18 Act (42 U.S.C. 1395cc(a));

19 “(B) a physician or supplier that has en-
20 rolled and entered into a participation agree-
21 ment under section 1842(h) of such Act (42
22 U.S.C. 1395u(h));

23 “(C) a provider of items and services re-
24 ceiving payment under a State plan under title

1 XIX of such Act (42 U.S.C. 1396 et seq.) or
2 a waiver of such a plan;

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

7 “(E) a center for independent living (as
8 defined in section 702 of the Rehabilitation Act
9 of 1973 (29 U.S.C. 796a)).

10 “(4) The provider is certified pursuant to the
11 process established under subsection (e)(1).

12 “(5) Any additional criteria determined appro-
13 priate by the Secretary.

14 “(c) PROVIDER CERTIFICATION.—(1) The Secretary
15 shall establish a process for the certification of eligible
16 providers to enter into Veterans Care Agreements under
17 this section that shall, at a minimum, set forth the fol-
18 lowing:

19 “(A) Procedures for the submission of applica-
20 tions for certification and deadlines for actions taken
21 by the Secretary with respect to such applications.

22 “(B) Standards and procedures for the ap-
23 proval and denial of certifications and the revocation
24 of certifications.

1 “(C) Procedures for assessing eligible providers
2 based on the risk of fraud, waste, and abuse of such
3 providers similar to the level of screening under sec-
4 tion 1866(j)(2)(B) of the Social Security Act (42
5 U.S.C. 1395(j)(2)(B)) and the standards set forth
6 under section 9.104 of title 48, Code of Federal
7 Regulations, or any successor regulation.

8 “(D) Requirement for denial or revocation of
9 certification if the Secretary determines that the
10 otherwise eligible provider is—

11 “(i) excluded from participation in a Fed-
12 eral health care program (as defined in section
13 1128B(f) of the Social Security Act (42 U.S.C.
14 1320a–7b(f))) under section 1128 or 1128A of
15 the Social Security Act (42 U.S.C. 1320a–7
16 and 1320a–7a); or

17 “(ii) identified as an excluded source on
18 the list maintained in the System for Award
19 Management, or any successor system.

20 “(E) Procedures by which a provider whose cer-
21 tification is denied or revoked under the procedures
22 established under this subsection will be identified as
23 an excluded source on the list maintained in the Sys-
24 tem for Award Management, or successor system, if

1 the Secretary determines that such exclusion is ap-
2 propriate.

3 “(2) To the extent practicable, the Secretary shall es-
4 tablish the procedures under paragraph (1) in a manner
5 that takes into account any certification process adminis-
6 tered by another department or agency of the Federal
7 Government that an eligible provider has completed by
8 reason of being a provider described in any of subpara-
9 graphs (A) through (E) of subsection (b)(4).

10 “(d) TERMS OF AGREEMENTS.—Subsections (d), (e),
11 (f), and (g) of section 1703A of this title shall apply with
12 respect to a Veterans Care Agreement in the same manner
13 such subsections apply to contracts and agreements en-
14 tered into under such section.

15 “(e) EXCLUSION OF CERTAIN FEDERAL CON-
16 TRACTING PROVISIONS.—(1) Notwithstanding any other
17 provision of law, the Secretary may enter into a Veterans
18 Care Agreement using procedures other than competitive
19 procedures.

20 “(2)(A) Except as provided in subparagraph (B) and
21 unless otherwise provided in this section, an eligible non-
22 network provider that enters into a Veterans Care Agree-
23 ment under this section is not subject to, in the carrying
24 out of the agreement, any provision of law that providers
25 of services and suppliers under the original Medicare fee-

1 for-service program under parts A and B of title XVIII
2 of the Social Security Act (42 U.S.C. 1395 et seq.) or the
3 Medicaid program under title XIX of such Act (42 U.S.C.
4 1396 et seq.) are not subject to.

5 “(B) In addition to the provisions of laws covered by
6 subparagraph (A), an eligible non-network provider shall
7 be subject to the following provisions of law:

8 “(i) Any applicable law regarding integrity, eth-
9 ics, or fraud, or that subject a person to civil or
10 criminal penalties.

11 “(ii) Section 1352 of title 31, except for the fil-
12 ing requirements under subsection (b) of such sec-
13 tion.

14 “(iii) Section 4705 or 4712 of title 41, and any
15 other applicable law regarding the protection of
16 whistleblowers.

17 “(iv) Section 4706(d) of title 41.

18 “(v) Title VII of the Civil Rights Act of 1964
19 (42 U.S.C. 2000e et seq.) to the same extent as
20 such title applies with respect to the eligible non-net-
21 work provider in providing care or services through
22 an agreement or arrangement other than under a
23 Veterans Care Agreement.

24 “(f) TERMINATION OF A VETERANS CARE AGREE-
25 MENT.—(1) An eligible non-network provider may termi-

1 nate a Veterans Care Agreement with the Secretary under
2 this section at such time and upon such notice to the Sec-
3 retary as the Secretary may specify for purposes of this
4 section.

5 “(2) The Secretary may terminate a Veterans Care
6 Agreement with an eligible non-network provider under
7 this section at such time and upon such notice to the pro-
8 vider as the Secretary may specify for the purposes of this
9 section, if the Secretary determines necessary.

10 “(g) DISPUTES.—(1) The Secretary shall establish
11 administrative procedures for providers with which the
12 Secretary has entered into a Veterans Care Agreement to
13 present any dispute arising under or related to the agree-
14 ment.

15 “(2) Before using any dispute resolution mechanism
16 under chapter 71 of title 41 with respect to a dispute aris-
17 ing under a Veterans Care Agreement under this section,
18 a provider must first exhaust the administrative proce-
19 dures established by the Secretary under paragraph (1).

20 “(h) AUTHORITY TO PAY FOR OTHER AUTHORIZED
21 SERVICES.—(1) If, in the course of an episode of care for
22 which hospital care, medical services, or extended care
23 services are furnished to an eligible veteran pursuant to
24 a Veterans Care Agreement, any part of such care or serv-
25 ices is furnished by a medical provider who is not an eligi-

1 ble non-network provider or a network provider, the Sec-
2 retary may compensate such provider for furnishing such
3 care or services.

4 “(2) The Secretary shall make reasonable efforts to
5 enter into a Veterans Care Agreement with any provider
6 who is compensated pursuant to paragraph (1).

7 “(i) ANNUAL REPORTS.—(1) Not later than Decem-
8 ber 31 of the year following the fiscal year in which the
9 Secretary first enters into a Veterans Care Agreement
10 under this section, and each year thereafter, the Secretary
11 shall submit to the appropriate congressional committees
12 an annual report that includes a list of all Veterans Care
13 Agreements entered into as of the date of the report.

14 “(2) The requirement to submit a report under para-
15 graph (1) shall terminate on the date that is five years
16 after the date of the enactment of this section.

17 “(j) QUALITY OF CARE.—In carrying out this sec-
18 tion, the Secretary shall use the quality of care standards
19 set forth or used by the Centers for Medicare & Medicaid
20 Services or other quality of care standards, as determined
21 by the Secretary.

22 “(k) DELEGATION.—The Secretary may delegate the
23 authority to enter into or terminate a Veterans Care
24 Agreement to an official of the Department at a level not

1 below the Director of a Veterans Integrated Service Net-
2 work or the Director of a Network Contracting Office.

3 “(l) DEFINITIONS.—In this section:

4 “(1) The term ‘appropriate congressional com-
5 mittees’ means—

6 “(A) the Committees on Veterans’ Affairs
7 of the House of Representatives and the Sen-
8 ate; and

9 “(B) the Committees on Appropriations of
10 the House of Representatives and the Senate.

11 “(2) The term ‘eligible veteran’ has the mean-
12 ing given such term in section 1703A(m) of this
13 title.”.

14 (b) CLERICAL AMENDMENT.—The table of sections
15 at the beginning of such chapter is amended by inserting
16 after the item relating to section 1703A, as added by sec-
17 tion 102, the following new item:

“1703B. Veterans Care Agreements with non-network providers.”.

18 **SEC. 104. MODIFICATION OF AUTHORITY TO ENTER INTO**
19 **AGREEMENTS WITH STATE HOMES TO PRO-**
20 **VIDE NURSING HOME CARE.**

21 (a) USE OF AGREEMENTS.—

22 (1) IN GENERAL.—Paragraph (1) of section
23 1745(a) of title 38, United States Code, is amended,
24 in the matter preceding subparagraph (A), by strik-
25 ing “a contract (or agreement under section

1 1720(e)(1) of this title)” and inserting “an agree-
2 ment”.

3 (2) PAYMENT.—Paragraph (2) of such section
4 is amended by striking “contract (or agreement)”
5 each place it appears and inserting “agreement”.

6 (b) TREATMENT OF CERTAIN LAWS.—Such section
7 is amended by adding at the end the following new para-
8 graph:

9 “(4)(A) An agreement under this section may be en-
10 tered into without regard to any law that would require
11 the Secretary to use competitive procedures in selecting
12 the party with which to enter into the agreement.

13 “(B)(i) Except as provided in clause (ii) and unless
14 otherwise provided in this section or in regulations pre-
15 scribed pursuant to this section, a State home that enters
16 into an agreement under this section is not subject to, in
17 the carrying out of the agreement, any law to which pro-
18 viders of services and suppliers are not subject under the
19 original Medicare fee-for-service program under parts A
20 and B of title XVIII of the Social Security Act (42 U.S.C.
21 1395 et seq.) or the Medicaid program under title XIX
22 of such Act (42 U.S.C. 1396 et seq.).

23 “(ii) The exclusion under clause (i) does not apply
24 to laws regarding integrity, ethics, fraud, or that subject
25 a person to civil or criminal penalties.

1 “(C) Title VII of the Civil Rights Act of 1964 (42
2 U.S.C. 2000e et seq.) shall apply with respect to a State
3 home that enters into an agreement under this section to
4 the same extent as such title applies with respect to the
5 State home in providing care or services through an agree-
6 ment or arrangement other than under this section.”.

7 (c) EFFECTIVE DATE.—

8 (1) IN GENERAL.—The amendments made by
9 this section shall apply to agreements entered into
10 under section 1745 of such title on and after the
11 date on which the regulations prescribed by the Sec-
12 retary of Veterans Affairs to implement such amend-
13 ments take effect.

14 (2) PUBLICATION.—The Secretary shall publish
15 the date described in paragraph (1) in the Federal
16 Register not later than 30 days before such date.

17 **SEC. 105. DEPARTMENT OF VETERANS AFFAIRS ELEC-**
18 **TRONIC INTERFACE FOR PROCESSING OF**
19 **MEDICAL CLAIMS.**

20 (a) ELECTRONIC INTERFACE.—Not later than the
21 implementation date specified in section 108(a), the Chief
22 Information Officer of the Department of Veterans Affairs
23 shall ensure that the information technology system used
24 by the Department to receive, process, and pay claims
25 under the VA Care in the Community Program estab-

1 lished in section 1703A of title 38, United States Code,
2 as added by section 102, and under Veterans Care Agree-
3 ments established in section 1703B of such title, as added
4 by section 103, includes the following:

5 (1) A function through which a covered non-De-
6 partment health care provider may submit all re-
7 quired data and supporting information required for
8 claims reimbursement through electronic data inter-
9 changes.

10 (2) An ability to automatically adjudicate
11 claims.

12 (3) A centralized claims database that is acces-
13 sible nationwide.

14 (4) Integration with the relevant eligibility and
15 authorization information technology systems of the
16 Department.

17 (5) Ability for a covered non-Department health
18 care provider to ascertain the status of a pending
19 claim submitted by the provider, receive information
20 regarding missing documentation or discrepancies
21 that may impede claim processing timelines or result
22 in rejection, and receive notification when such claim
23 is accepted for reimbursement or rejected.

24 (6) A claim review system similar to that used
25 by the Centers for Medicare & Medicaid Services, as

1 of the date of the enactment of this Act, to deter-
2 mine the appropriateness and accuracy of payments
3 to providers and to ensure program integrity and
4 oversight.

5 (b) SECURITY AND PRIVACY.—The Chief Information
6 Officer shall also ensure that the information technology
7 system covered under subsection (a) meets the following
8 criteria:

9 (1) Such system shall be developed and imple-
10 mented in compliance with all applicable laws, regu-
11 lations and Federal Government standards regarding
12 information security, privacy, and accessibility.

13 (2) Such system shall provide for the elicitation,
14 analysis, and prioritization of functional and non-
15 functional information security and privacy require-
16 ments for such system, including security and pri-
17 vacy services and architectural requirements relating
18 to security and privacy based on a thorough risk as-
19 sessment of all reasonably anticipated cyber and
20 noneyber threats to the security and privacy of elec-
21 tronic protected health information made available
22 through such interface.

23 (3) Such system shall provide for the elicitation,
24 analysis, and prioritization of secure development re-
25 quirements relating to such system.

1 (4) Such system shall provide assurance that
2 the prioritized information security and privacy re-
3 quirements of such system—

4 (A) are correctly implemented in the de-
5 sign and implementation of such system
6 through the systems development lifecycle; and

7 (B) satisfy the information objectives of
8 such system relating to security and privacy
9 throughout the systems development lifecycle.

10 (c) CONTRACT AUTHORITY.—The Chief Information
11 Officer may enter into a contract for purposes of carrying
12 out this section.

13 (d) DEFINITIONS.—In this section:

14 (1) The term “electronic protected health infor-
15 mation” has the meaning given that term in section
16 160.103 of title 45, Code of Federal Regulations, as
17 in effect on the date of the enactment of this Act.

18 (2) The term “covered non-Department health
19 care provider” means—

20 (A) a network provider (as defined by sec-
21 tion 1701(11) of title 38, United States Code,
22 as added by section 102);

23 (B) a non-network provider with which the
24 Secretary has entered into a Veterans Care

1 Agreement under section 1703B of such title,
2 as added by section 103; or

3 (C) any other non-Department eligible pro-
4 vider or non-Department health care provider
5 that furnishes hospital care or medical services
6 pursuant to chapter 17 of such title.

7 (3) The term “secure development require-
8 ments” means, with respect to the information tech-
9 nology system established under subsection (a), ac-
10 tivities that are required to be completed during the
11 system development lifecycle of such interface, such
12 as secure coding principles and test methodologies.

13 (4) The term “VA Care in the Community Pro-
14 gram” has the meaning given that term in section
15 1701(12) of title 38, United States Code, as added
16 by section 102.

17 **SEC. 106. FUNDING FOR VA CARE IN THE COMMUNITY PRO-**
18 **GRAM.**

19 (a) IN GENERAL.—All amounts required to carry out
20 the VA Care in the Community Program and Veterans
21 Care Agreements under section 1703B of title 38, United
22 States Code, shall be derived from the Veterans Health
23 Administration, Medical Community Care account.

24 (b) TRANSFER OF AMOUNTS.—

1 (1) IN GENERAL.—Any unobligated amounts in
2 the Veterans Choice Fund under section 802 of the
3 Veterans Access, Choice, and Accountability Act of
4 2014 (Public Law 113–146; 38 U.S.C. 1701 note)
5 shall be transferred to the Veterans Health Adminis-
6 tration, Medical Community Care account on the
7 later of the following dates:

8 (A) The date that is one year after the
9 date of the enactment of this Act.

10 (B) The date on which the Secretary of
11 Veterans Affairs submits to the Committees on
12 Veterans’ Affairs of the Senate and the House
13 of Representatives the certification required by
14 section 107(c).

15 (2) CONFORMING REPEAL.—

16 (A) IN GENERAL.—Effective immediately
17 following the transfer of amounts under para-
18 graph (1), section 802 of the Veterans Access,
19 Choice, and Accountability Act of 2014 (Public
20 Law 113–146; 38 U.S.C. 1701 note) is re-
21 pealed.

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

1 note) is amended by striking “for non-Depart-
2 ment provider programs (as defined in section
3 2(d))” and all that follows through “1802)”
4 and inserting the following: “for the VA Care in
5 the Community Program (as defined in section
6 1701(12) of title 38, United States Code) and
7 Veterans Care Agreements under section
8 1703B of title 38, United States Code”.

9 (c) VA CARE IN THE COMMUNITY PROGRAM DE-
10 FINED.—In this section, the term “VA Care in the Com-
11 munity Program” has the meaning given that term in sec-
12 tion 1701(12) of title 38, United States Code, as added
13 by section 102.

14 **SEC. 107. TERMINATION OF CERTAIN PROVISIONS AUTHOR-**
15 **IZING MEDICAL CARE TO VETERANS**
16 **THROUGH NON-DEPARTMENT OF VETERANS**
17 **AFFAIRS PROVIDERS.**

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

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

23 “(e) The authority of the Secretary to carry out this
24 section terminates on the date on which the Secretary cer-
25 tifies to the Committees on Veterans’ Affairs of the House

1 of Representatives and the Senate that the Secretary is
2 fully implementing section 1703A of this title.”.

3 (2) CONFORMING AMENDMENTS.—

4 (A) DENTAL CARE.—Section 1712(a) of
5 such title is amended—

6 (i) in paragraph (3), by striking
7 “under clause (1), (2), or (5) of section
8 1703(a) of this title” and inserting “under
9 the VA Care in the Community Program”;
10 and

11 (ii) in paragraph (4)(A), in the first
12 sentence—

13 (I) by striking “and section 1703
14 of this title” and inserting “and the
15 VA Care in the Community Program
16 (with respect to such a year beginning
17 on or after the date on which the Sec-
18 retary commences implementation of
19 the VA Care in the Community Pro-
20 gram)”; and

21 (II) by striking “in section 1703
22 of this title” and inserting “under the
23 VA Care in the Community Pro-
24 gram”.

1 (B) READJUSTMENT COUNSELING.—Sec-
2 tion 1712A(e)(1) of such title is amended by
3 striking “(under sections 1703(a)(2) and
4 1710(a)(1)(B) of this title)” and inserting
5 “(under the VA Care in the Community Pro-
6 gram)”.

7 (C) DEATH IN DEPARTMENT FACILITY.—
8 Section 2303(a)(2)(B)(i) of such title is amend-
9 ed by striking “in accordance with section 1703
10 of this title” and inserting “under the VA Care
11 in the Community Program”.

12 (D) MEDICARE PROVIDER AGREEMENTS.—
13 Section 1866(a)(1)(L) of the Social Security
14 Act (42 U.S.C. 1395cc(a)(1)(L)) is amended—

15 (i) by striking “under section 1703 of
16 title 38” and inserting “under the VA
17 Care in the Community Program (as de-
18 fined in section 1701(12) of title 38,
19 United States Code)”; and

20 (ii) by striking “such section” and in-
21 serting “such program”.

22 (b) REPEAL OF AUTHORITY TO CONTRACT FOR
23 SCARCE MEDICAL SPECIALISTS.—

24 (1) IN GENERAL.—Section 7409 of title 38,
25 United States Code, is repealed.

1 (2) CLERICAL AMENDMENT.—The table of sec-
2 tions at the beginning of chapter 74 of such title is
3 amended by striking the item relating to section
4 7409.

5 (c) EFFECTIVE DATE.—The amendments made by
6 subsections (a) and (b) shall take effect on the date on
7 which the Secretary certifies to the Committees on Vet-
8 erans' Affairs of the House of Representatives and the
9 Senate that the Secretary is fully implementing section
10 1703A of title 38, United States Code, as added by section
11 102.

12 **SEC. 108. IMPLEMENTATION AND TRANSITION.**

13 (a) IMPLEMENTATION.—The Secretary of Veterans
14 Affairs shall commence the implementation of section
15 1703A of title 38, United States Code, as added by section
16 102, and section 1703B of such title, as added by section
17 103, and shall make the transfer under section 106(b),
18 by not later than one year after the date of the enactment
19 of this Act. The Secretary shall prescribe interim final reg-
20 ulations to implement such sections and publish such reg-
21 ulations in the Federal Register.

22 (b) TRAINING.—Before commencing the implementa-
23 tion of sections 1703A and 1703B of title 38, United
24 States Code, as added by sections 102 and 103, respec-
25 tively, the Secretary of Veterans Affairs shall—

1 (1) certify to the Committees on Veterans' Af-
2 fairs of the House of Representatives and the Senate
3 that—

4 (A) each network provider (as defined by
5 section 1701(11) of title 38, United States
6 Code) and eligible non-network provider that
7 furnishes care or services under such section
8 1703A or section 1703B is trained to furnish
9 such care or services under such sections; and

10 (B) each employee of the Department that
11 refers, authorizes, or coordinates such care or
12 services is trained to carry out such sections;
13 and

14 (2) establish standard, written guidance for net-
15 work providers, non-Department health care pro-
16 viders, and any non-Department administrative enti-
17 ties acting on behalf of such providers, with respect
18 to the policies and procedures for furnishing care or
19 services under such sections.

1 **TITLE II—OTHER**
2 **ADMINISTRATIVE MATTERS**

3 **SEC. 201. REIMBURSEMENT FOR EMERGENCY AMBULANCE**
4 **SERVICES.**

5 (a) IN GENERAL.—Section 1725(c) of title 38,
6 United States Code, is amended by adding at the end the
7 following new paragraph:

8 “(5) In delineating the circumstances under which re-
9 imbursement may be made under this section for ambu-
10 lance services for an individual, the Secretary shall treat
11 such services as emergency services for which reimburse-
12 ment may be made under this section if the Secretary de-
13 termines that—

14 “(A) the request for ambulance services was
15 made as a result of the sudden onset of a medical
16 condition of such a nature that a prudent layperson
17 who possesses an average knowledge of health and
18 medicine—

19 “(i) would have reasonably expected that a
20 delay in seeking immediate medical attention
21 would have been hazardous to the life or health
22 of the individual; or

23 “(ii) could reasonably expect the absence
24 of immediate medical attention to result in
25 placing the health of the individual in serious

1 jeopardy, the serious impairment of bodily func-
2 tions, or the serious dysfunction of any bodily
3 organ or part; and

4 “(B) the individual is transported to the most
5 appropriate medical facility capable of treating such
6 medical condition.”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 subsection (a) shall take effect on the date of the enact-
9 ment of this Act and shall apply with respect to ambulance
10 services provided on or after January 1, 2019.

11 **SEC. 202. IMPROVEMENT OF CARE COORDINATION FOR**
12 **VETERANS THROUGH EXCHANGE OF CER-**
13 **TAIN MEDICAL RECORDS.**

14 Section 7332(b) of title 38, United States Code, is
15 amended—

16 (1) in paragraph (2), by adding at the end the
17 following new subparagraphs:

18 “(H) To a public or private health care
19 provider in order to provide treatment or health
20 care to a shared patient.

21 “(I) To a third party in order to recover
22 or collect reasonable charges for care furnished
23 to a veteran for a non-service-connected dis-
24 ability pursuant to section 1729 of this title or

1 section 1 of Public Law 87–693 (42 U.S.C.
2 2651).”; and

3 (2) by adding at the end the following new
4 paragraph:

5 “(4) Nothing in this section shall be construed to au-
6 thorize any provision of records in violation of relevant
7 health record privacy laws, including the Health Insurance
8 Portability and Accountability Act of 1996 (Public Law
9 104–191).”.

10 **SEC. 203. ELIMINATION OF COPAYMENT OFFSET.**

11 (a) **IN GENERAL.**—Section 1729(a) of title 38,
12 United States Code, is amended by adding at the end the
13 following new paragraph:

14 “(4) Notwithstanding any other provision of
15 law, any amount that the United States may collect
16 or recover under this section shall not affect any co-
17 payment amount a veteran is otherwise obligated to
18 pay under this chapter.”.

19 (b) **EFFECTIVE DATE.**—The amendment made by
20 subsection (a) shall take effect on the date of the enact-
21 ment of this Act and apply with respect to a copayment
22 obligation that arises on or after the date of the enactment
23 of this Act.

1 **SEC. 204. USE OF DEPARTMENT OF VETERANS AFFAIRS**
2 **MEDICAL CARE COLLECTIONS FUND FOR**
3 **CERTAIN IMPROVEMENTS IN COLLECTIONS.**

4 Section 1729A(c)(1)(B) of title 38, United States
5 Code, is amended by inserting “(including with respect to
6 automatic data processing or information technology im-
7 provements)” after “collection”.

8 **SEC. 205. DEPARTMENT OF VETERANS AFFAIRS HEALTH**
9 **CARE PRODUCTIVITY IMPROVEMENT.**

10 (a) IN GENERAL.—Subchapter I of chapter 17 of title
11 38, United States Code, is further amended by inserting
12 after section 1705A the following new section:

13 **“§ 1705B. Management of health care: productivity**

14 “(a) RELATIVE VALUE UNIT TRACKING.—The Sec-
15 retary shall track relative value units for all Department
16 providers.

17 “(b) CLINICAL PROCEDURE CODING TRAINING.—
18 The Secretary shall require all Department providers to
19 attend training on clinical procedure coding.

20 “(c) PERFORMANCE STANDARDS.—The Secretary
21 shall establish for each Department facility—

22 “(1) standardized performance standards based
23 on nationally recognized relative value unit produc-
24 tion standards applicable to each specific profession
25 in order to evaluate clinical productivity at the pro-
26 vider and facility level;

1 “(2) remediation plans to address low clinical
2 productivity and clinical inefficiency; and

3 “(3) an ongoing process to systematically re-
4 view the content, implementation, and outcome of
5 the plans developed under paragraph (2).

6 “(d) DEFINITIONS.—In this section:

7 “(1) The term ‘Department provider’ means an
8 employee of the Department whose primary respon-
9 sibilities include furnishing hospital care or medical
10 services, including a physician, a dentist, an optom-
11 etrist, a podiatrist, a chiropractor, an advanced
12 practice registered nurse, and a physician’s assistant
13 acting as an independent provider.

14 “(2) The term ‘relative value unit’ means a unit
15 for measuring workload by determining the time,
16 mental effort and judgment, technical skill, physical
17 effort, and stress involved in delivering a proce-
18 dure.”.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 at the beginning of such chapter is further amended by
21 inserting after the item relating to section 1705A the fol-
22 lowing new item:

 “1705B. Management of health care: productivity.”.

23 (c) REPORT.—Not later than one year after the date
24 of the enactment of this Act, the Secretary shall submit
25 to Congress a report on the implementation of section

1 1705B of title 38, United States Code, as added by sub-
2 section (a). Such report shall include, for each professional
3 category of Department providers, the relative value unit
4 of such category of providers at the national, Veterans In-
5 tegrated Service Network, and facility levels.

6 **SEC. 206. LICENSURE OF HEALTH CARE PROFESSIONALS**
7 **OF THE DEPARTMENT OF VETERANS AF-**
8 **FAIRS PROVIDING TREATMENT VIA TELE-**
9 **MEDICINE.**

10 (a) IN GENERAL.—Chapter 17 of title 38, United
11 States Code, is further amended by inserting after section
12 1730A the following new section:

13 **“§ 1730B. Licensure of health care professionals pro-**
14 **viding treatment via telemedicine**

15 “(a) IN GENERAL.—Notwithstanding any provision
16 of law regarding the licensure of health care professionals,
17 a covered health care professional may practice the health
18 care profession of the health care professional at any loca-
19 tion in any State, regardless of where the covered health
20 care professional or the patient is located, if the covered
21 health care professional is using telemedicine to provide
22 treatment to an individual under this chapter.

23 “(b) PROPERTY OF FEDERAL GOVERNMENT.—Sub-
24 section (a) shall apply to a covered health care professional
25 providing treatment to a patient regardless of whether the

1 covered health care professional or patient is located in
2 a facility owned by the Federal Government during such
3 treatment.

4 “(c) CONSTRUCTION.—Nothing in this section may
5 be construed to remove, limit, or otherwise affect any obli-
6 gation of a covered health care professional under the Con-
7 trolled Substances Act (21 U.S.C. 801 et seq.).

8 “(d) COVERED HEALTH CARE PROFESSIONAL DE-
9 FINED.—In this section, the term ‘covered health care pro-
10 fessional’ means a health care professional who—

11 “(1) is an employee of the Department ap-
12 pointed under the authority under section 7306,
13 7401, 7405, 7406, or 7408 of this title, or title 5;

14 “(2) is authorized by the Secretary to provide
15 health care under this chapter;

16 “(3) is required to adhere to all quality stand-
17 ards relating to the provision of telemedicine in ac-
18 cordance with applicable policies of the Department;
19 and

20 “(4) has an active, current, full, and unre-
21 stricted license, registration, or certification in a
22 State to practice the health care profession of the
23 health care professional.”.

24 (b) CLERICAL AMENDMENT.—The table of sections
25 at the beginning of chapter 17 of such title is further

1 amended by inserting after the item relating to section
2 1730A the following new item:

“1730B. Licensure of health care professionals providing treatment via telemedicine.”.

3 (c) REPORT ON TELEMEDICINE.—

4 (1) IN GENERAL.—Not later than one year
5 after the date of the enactment of this Act, the Sec-
6 retary of Veterans Affairs shall submit to the Com-
7 mittee on Veterans’ Affairs of the Senate and the
8 Committee on Veterans’ Affairs of the House of
9 Representatives a report on the effectiveness of the
10 use of telemedicine by the Department of Veterans
11 Affairs.

12 (2) ELEMENTS.—The report required by para-
13 graph (1) shall include an assessment of the fol-
14 lowing:

15 (A) The satisfaction of veterans with tele-
16 medicine furnished by the Department.

17 (B) The satisfaction of health care pro-
18 viders in providing telemedicine furnished by
19 the Department.

20 (C) The effect of telemedicine furnished by
21 the Department on the following:

22 (i) The ability of veterans to access
23 health care, whether from the Department

1 or from non-Department health care pro-
2 viders.

3 (ii) The frequency of use by veterans
4 of telemedicine.

5 (iii) The productivity of health care
6 providers.

7 (iv) Wait times for an appointment
8 for the receipt of health care from the De-
9 partment.

10 (v) The reduction, if any, in the use
11 by veterans of in-person services at De-
12 partment facilities and non-Department fa-
13 cilities.

14 (D) The types of appointments for the re-
15 ceipt of telemedicine furnished by the Depart-
16 ment that were provided during the one-year
17 period preceding the submittal of the report.

18 (E) The number of appointments for the
19 receipt of telemedicine furnished by the Depart-
20 ment that were requested during such period,
21 disaggregated by Veterans Integrated Service
22 Network.

23 (F) Savings by the Department, if any, in-
24 cluding travel costs, of furnishing health care

1 through the use of telemedicine during such pe-
2 riod.

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