S. 1279

To amend title 38, United States Code, to furnish health care from the Department of Veterans Affairs through the use of non-Department health care providers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 25, 2017

Mr. CRAPO introduced the following bill; which was read twice and referred to the Committee on Veterans’ Affairs

A BILL

To amend title 38, United States Code, to furnish health care from the Department of Veterans Affairs through the use of non-Department health care providers, and for other purposes.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Veterans Health Administration Reform Act of 2017”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Establishment of Care in the Community Program.
Sec. 2. Establishment of Care in the Community Program.

(a) Establishment of Program.—

(1) In general.—Section 1703 of title 38, United States Code, is amended to read as follows:

“§ 1703. Care in the Community Program

“(a) In general.—(1) The Secretary may furnish care and services described in subsection (c) to eligible veterans described in subsection (b) from non-Department health care providers through the use of Veterans Care Agreements under section 1703A of this title, arrangements under subsection (d), or under any other law administered by the Secretary. The furnishing of care and services under this section may be referred to as the ‘Care in the Community Program’.

“(2) For purposes of this section, care or services ‘furnished by’ the Secretary means that the Secretary au-
thorizes the care or services and pays for the care or services.

“(3) An eligible veteran may elect to decline to receive care or services furnished under this section and instead receive such care or services at a medical facility of the Department.

“(b) ELIGIBLE VETERANS.—(1) A veteran is an eligible veteran for purposes of this section if the veteran is enrolled in the system of annual patient enrollment established and operated under section 1705 of this title and one or more of the following conditions apply:

“(A) The Secretary determines that it is in the clinical best interest of the veteran to access care or services outside of the Department.

“(B) The veteran would experience an undue burden if the veteran seeks care or services from the Department.

“(C) It is not economical for the Department to provide the veteran the care or services that the veteran needs.

“(2) A determination by the Secretary under paragraph (1)(A) shall include an assessment of factors relating to the medical or clinical condition of the veteran and the timeliness of the Department in providing the care or services required by the veteran.
“(3) For purposes of paragraph (1)(B), an undue burden—

“(A) means—

“(i) an excessive driving distance, geographical challenges, or environmental factors impede the access of the veteran to care or services from the Department; or

“(ii) the care or services sought by the veteran are not provided by a medical facility of the Department that is reasonably accessible to the veteran; and

“(B) may include other circumstances as determined by the Secretary upon assessing—

“(i) the nature or complexity of the care or services that the veteran requires;

“(ii) the frequency with which the veteran requires such care or services; and

“(iii) the need for an attendant to provide required aid or physical assistance to the veteran for the veteran to travel to a medical facility of the Department.

“(c) CARE AND SERVICES DESCRIBED.—Care and services described in this subsection are the following:

“(1) Hospital care.

“(2) Medical services.
“(3) Diagnostic care.

“(4) With respect to veterans described in section 1712(a)(1)(F) of this title, outpatient dental services and treatment and related dental appliances.

“(5) Such other care or services as determined by the Secretary.

“(d) ARRANGEMENTS.—(1) The Secretary may provide care and services under this section through arrangements described in paragraph (2).

“(2) Arrangements described in this paragraph are the following:

“(A) Health care coordination and sharing activities with the Department of Defense under section 8111 of this title.

“(B) Arrangements under section 8153 of this title.

“(C) Arrangements between the Secretary and the Director of the Indian Health Service.

“(D) Agreements under section 1745 of this title.

“(E) Agreements with Federally-qualified health centers (as defined in section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(l)(2)(B))).
“(3) Nothing in this section may be construed to modify the way the Department, other Federal agencies, and States determine responsibility for payment under arrangements described in paragraph (2).

“(e) Prohibition on Collection of Payment.—A health care provider that provides care or services under this section shall agree not to recover or collect payment from—

“(1) an eligible veteran in connection with care or services furnished under this section; or

“(2) a health-plan contract or other third party on behalf of the eligible veteran in connection with such care or services.

“(f) Electronic Waiting List for Care at Department Facilities.—(1) If an eligible veteran seeks care or services under this section, the Secretary shall provide the veteran an opportunity to be included on an electronic waiting list maintained by the Department for an appointment for care or services described in subsection (c) at a medical facility of the Department.

“(2) The electronic waiting list maintained under paragraph (1) shall allow access by each eligible veteran via www.myhealth.va.gov or any successor website (or other digital channel) for the following purposes:
“(A) To determine the place of such eligible veteran on the waiting list.

“(B) To determine the average length of time an individual spends on the waiting list, disaggregated by medical facility of the Department and type of care or service needed, for purposes of allowing such eligible veteran to make an informed election to receive care or services under this section or at a medical facility of the Department.

“(g) Information on Availability of Care.—The Secretary shall provide information to a veteran about the availability of care and services under this section in the following circumstances:

“(1) When the veteran enrolls in the system of annual patient enrollment established and operated under section 1705 of this title.

“(2) When the veteran attempts to schedule an appointment for the receipt of care or services described in subsection (c) from the Department but is unable to schedule an appointment within the wait-time goals of the Veterans Health Administration for the furnishing of such care or services.

“(3) When the veteran becomes eligible for care or services under this section under subparagraph (A), (B), or (C) of subsection (b)(1).
“(h) FOLLOW-UP CARE.—In carrying out this section, the Secretary shall ensure that, at the election of an eligible veteran who receives care or services from a health care provider in an episode of care under this section, the veteran receives such care or services from such health care provider through the completion of the episode of care (but for a period not exceeding one year), including all specialty and ancillary services deemed necessary as part of the treatment recommended in the course of such care or services.

“(i) COST SHARING.—(1) The Secretary shall require an eligible veteran to pay a copayment for the receipt of care or services under this section only if such eligible veteran would be required to pay a copayment for the receipt of such care or services at a medical facility of the Department or from a health care provider of the Department.

“(2) The amount of a copayment charged under paragraph (1) may not exceed the amount of the copayment that would be payable by such eligible veteran for the receipt of such care or services at a medical facility of the Department or from a health care provider of the Department.

“(j) ADMINISTRATION OF PROGRAM.—(1) The Non-VA Care Coordination Program of the Department, working jointly with the Chief Business Office of the Depart-
ment, shall administer the Care in the Community Program under this section.

“(2) Administration of the Care in the Community Program shall include the following:

“(A) Ensuring that an eligible veteran receives an appointment for care or services under this section within—

“(i) the wait-time goals of the Veterans Health Administration; or

“(ii) the period that a health care provider of the veteran at the Department determines the care or services are needed.

“(B) Ensuring that the Secretary, including any contractors of the Secretary, pay health care providers on time.

“(C) Ensuring that medical information of an eligible veteran who receives care or services under this section is sent to the health care provider of the veteran at the Department.

“(D) Ensuring that the Secretary has information regarding any other health insurance of an eligible veteran.

“(3) The Secretary shall ensure that the Non-VA Care Coordination Program of the Department and the Chief Business Office of the Department are working to-
gather effectively and efficiently throughout the process of furnishing care under this section.

“(4) The Secretary shall notify the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives if any functions under this subsection require alteration or realignment.

“(k) Payment of Claims.—(1) The Secretary shall ensure that all payments of claims under this section comply with chapter 39 of title 31 (commonly referred to as the ‘Prompt Payment Act’) and the requirements of this subsection. If there is a conflict between the requirements of the Prompt Payment Act and the requirements of this subsection, the Secretary shall comply with the requirements of this subsection.

“(2)(A) Payment by the Secretary of claims under this section shall be issued, mailed, or otherwise transmitted with respect to not less than 95 percent of all such claims within 30 days after the date on which the claim is received, if—

“(i) the claim is a clean claim; and

“(ii) the claim is not one for which payment is made on a periodic interim payment basis.

“(B) In this paragraph, the term ‘clean claim’ means a claim that has no defect or impropriety (including any
lack of any required substantiating documentation) or par-
ticular circumstance requiring special treatment that pre-
vents timely payment from being made on the claim under
this section.

“(3)(A) The Secretary is the primary payer for all
care or services furnished under this section.

“(B) The Secretary may recover or collect reasonable
charges for care or services furnished under this section
from a third party pursuant to section 1729 of this title
or any other provision of law that would permit the Sec-
retary to recover or collect the cost of care furnished at
a facility of the Department or under the laws adminis-
tered by the Secretary.

“(I) ONLINE PORTAL.—The Secretary shall establish
an online portal that health care providers participating
in the Care in the Community Program may use as fol-
loows:

“(1) To submit medical information with re-
spect to eligible veterans furnished care or services
under this section.

“(2) To file claims for payment for care or
services furnished under this section.

“(3) To monitor the status of payment of
claims under this section, including whether or not
the claim was approved or rejected.
“(4) To determine whether the Secretary requires additional information before processing the claim.

“(m) Annual Report on Contract Care.—(1) Not later than April 1 each year, the Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a report on health care contracted for under the laws administered by the Secretary, including under the Care in the Community Program.

“(2) Each report submitted under paragraph (1) shall—

“(A) describe the use by the Secretary of Veterans Care Agreements under section 1703A of this title, arrangements under subsection (e), and other contracts or agreements for health care under this section or any other law administered by the Secretary;

“(B) state the number of such agreements, arrangements, or contracts entered into and the costs of such agreements, arrangements, or contracts, disaggregated by medical center of the Department; and

“(C) include an assessment by the Central Office of the Veterans Health Administration of the ef-
forts of such office to coordinate such agreements, arrangements, or contracts.

“(n) Rule of Construction.—Nothing in this section or section 1703A of this title shall be construed to prevent the Secretary from entering into regional or national contracts to provide prescription medication, dialysis treatment, prosthetics, and such other care or services under this section as the Secretary considers appropriate.”.

(2) Clerical Amendment.—The table of sections at the beginning of chapter 17 of such title is amended by striking the item related to section 1703 and inserting the following new item:

“1703. Care in the Community Program.”.

(3) Report on Development and Implementation of Online Portal.—

(A) In General.—Not later than December 31, 2017, the Under Secretary for Health of the Department of Veterans Affairs shall submit to Congress a report on the development and implementation by the Department of Veterans Affairs of the online portal established under subsection (m) of section 1703 of title 38, United States Code, as added by paragraph (1), for the processing of claims by health care
providers under the Care in the Community Program under such section.

(B) ELEMENTS.—The report required by subparagraph (A) shall include the following:

(i) A detailed schedule for developing and implementing the online portal described in subparagraph (A).

(ii) An assessment of whether the online portal includes the following elements:

(I) Automatic adjudication of claims.

(II) Automated entry of authorizations for care or services.

(III) A mechanism by which health care providers can electronically submit medical records, including health care providers that a veteran may have seen without authorization from the Department.

(IV) A web-based portal for health care providers to check the status of their claims.

(iii) Estimated costs for developing and implementing each aspect of the online portal.
(iv) Performance goals, measures, and interim milestones that the Under Secretary for Health will use to evaluate progress, hold staff accountable for achieving desired results, and report to stakeholders on the impact of the online portal in modernizing the claims processing system of the Department.

(b) Conforming Amendments.—

(1) Dental care.—Section 1712(a)(3) of title 38, United States Code, is amended, in paragraph (3), by striking “under clause (1), (2), or (5) of section 1703(a) of this title” and inserting “under section 1703 of this title”.

(2) Readjustment counseling.—Section 1712A(e)(1) of such title is amended by striking “sections 1703(a)(2) and 1710(a)(1)(B) of this title” and inserting “sections 1703 and 1710(a)(1)(B) of this title”.

(3) Conforming repeal of superseded authority.—

(A) In general.—Section 101 of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113–146; 38 U.S.C. 1701 note) is repealed.
(B) CONFORMING AMENDMENT.—Section 208 of such Act is amended—

(i) in paragraph (1), by striking “hospital care and medical services under section 101” and inserting “care and services under section 1703 of title 38, United States Code”; and

(ii) in paragraph (2), by striking “hospital care and medical services” and inserting “care and services”.

(c) REPEAL OF AUTHORITY TO CONTRACT FOR SCARCE MEDICAL SPECIALISTS.—

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

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 74 of such title is amended by striking the item relating to section 7409.

SEC. 3. AUTHORIZATION OF PROVIDER AGREEMENTS UNDER CARE IN THE COMMUNITY PROGRAM.

(a) IN GENERAL.—Subchapter I of chapter 17 of title 38, United States Code, is amended by inserting after section 1703 the following new section:
§1703A. Care in the Community Program: provider agreements

“(a) AGREEMENTS TO FURNISH CARE.—The Secretary may furnish care and services under the Care in the Community Program under section 1703 of this title by entering into agreements under this section with eligible providers that are certified under subsection (c).

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

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

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

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

“(4) A provider that is—

“(A) an Aging and Disability Resource Center, an area agency on aging, or a State agency (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002)); or
“(B) a center for independent living (as defined in section 702 of the Rehabilitation Act of 1973 (29 U.S.C. 796a)).

“(5) Such other health care providers as the Secretary considers appropriate for purposes of this section.

“(c) Certification of Eligible Providers.—The Secretary shall establish a process for the certification of eligible providers under this section.

“(d) Rates for Care and Services.—(1) Except as otherwise provided in this subsection, an eligible provider that enters into an agreement under this section to provide care or services under section 1703 of this title shall agree to accept as payment in full for such care or services an amount equal to the rate paid by the United States to a provider of services (as defined in section 1861(u) of the Social Security Act (42 U.S.C. 1395x(u))) or a supplier (as defined in section 1861(d) of such Act (42 U.S.C. 1395x(d))) under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for the same care or services.

“(2)(A) A higher rate than the rate paid by the United States as described in paragraph (1) may be negotiated with respect to the furnishing of care or services to a veteran who resides in a highly rural area.
“(B) In this paragraph, the term ‘highly rural area’ means an area located in a county that has fewer than seven individuals residing in that county per square mile.

“(3) With respect to furnishing care or services under this subsection in Alaska, the Alaska Fee Schedule of the Department of Veterans Affairs shall be followed, except for when another payment agreement, including a contract or provider agreement, is in place.

“(4) With respect to furnishing care or services under this subsection in a State with an All-Payer Model Agreement under section 1814(b)(3) of the Social Security Act (42 U.S.C. 1395f(b)(3)) that became effective on January 1, 2014, the Medicare payment rates under subparagraph (A) shall be calculated based on the payment rates under such agreement.

“(5) With respect to furnishing care or services under this subsection for which there is not a rate paid under the Medicare program as described in paragraph (1), such as dental care, obstetrics and gynecology, and other services, the rate paid for such care or services shall be determined by the Secretary.

“(6) In determining rates and making payments under this subsection, the Secretary may conduct pilot programs on alternative payment systems similar to those used under the Medicare program, including the Merit-
based Incentive Payment System under section 1848(q) of the Social Security Act (42 U.S.C. 1395w–4(q)) and alternative payment models (as defined in section 1833(z)(3)(C) of the Social Security Act (42 U.S.C. 1395l(z)(3)(C))).

“(7) If a higher rate than the rate specified in paragraph (1) is determined under this subsection, the Secretary shall notify the Centers for Medicare & Medicaid Services regarding such higher rate.

“(e) TREATMENT OF CERTAIN LAWS.—(1) An agreement under this section may be entered into without regard to any contracting law that would require the Secretary to use competitive procedures in selecting the party with which to enter into the agreement.

“(2)(A) Except as provided in subparagraph (B) and unless otherwise provided in this section or regulations prescribed pursuant to this section, an eligible provider that enters into an agreement under this section is not subject to, in the carrying out of the agreement, any contracting law that an eligible provider described in subsection (b)(1), (b)(2), or (b)(3) is not subject to under the original Medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) or the Medicaid program under title XIX of such Act (42 U.S.C. 1396 et seq.).
“(B) The exclusion under subparagraph (A) does not apply to laws regarding integrity, ethics, fraud, or that subject a person to civil or criminal penalties.

“(3) Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.) shall apply with respect to an eligible provider that enters into an agreement under this section to the same extent as such title applies with respect to the eligible provider in providing care or services through an agreement or arrangement other than under this section.”.

(b) Clerical Amendment.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item related to section 1703 the following new item:

“1703A. Care in the Community Program: provider agreements.”.

SEC. 4. EXPANSION OF REIMBURSEMENT OF VETERANS FOR EMERGENCY TREATMENT AND URGENT CARE.

(a) In General.—Section 1725 of title 38, United States Code, is amended to read as follows:

“§1725. Reimbursement for emergency treatment and urgent care

“(a) In General.—(1) Subject to the provisions of this section, the Secretary shall reimburse a veteran described in subsection (b) for the reasonable value of emer-
gency treatment or urgent care furnished the veteran in
a non-Department facility.

“(2) In any case in which reimbursement of a veteran
is authorized under paragraph (1), the Secretary may, in
lieu of reimbursing the veteran, make payment of the rea-
sonable value of the furnished emergency treatment or ur-
gent care directly—

“(A) to the hospital or other health care pro-
vider that furnished the treatment or care; or

“(B) to the person or organization that paid for
such treatment or care on behalf of the veteran.

“(b) ELIGIBILITY.—A veteran described in this sub-
section is an individual who—

“(1) is enrolled in the patient enrollment sys-
tem of the Department established and operated
under section 1705 of this title; and

“(2) has received care under this chapter dur-
ing the 24-month period preceding the furnishing of
the emergency treatment or urgent care for which
reimbursement is sought under this section.

“(c) EMERGENCY TRANSPORTATION.—Notwith-
standing section 111 of this title, reimbursement of emer-
gency treatment or urgent care under this section shall
include reimbursement for the reasonable value of emer-
gency transportation.
“(d) Responsibility for Payment.—The Secretary shall be primarily responsible for reimbursing or otherwise paying the reasonable value of emergency treatment or urgent care under this section.

“(e) Limitations on Payment.—(1) The Secretary, in accordance with regulations prescribed by the Secretary for purposes of this section, shall—

“(A) establish the maximum amount payable under subsection (a); and

“(B) delineate the circumstances under which such payments may be made, including such requirements on requesting reimbursement as the Secretary may establish.

“(2)(A) Payment by the Secretary under this section on behalf of a veteran to a provider of emergency treatment or urgent care shall, unless rejected and refunded by the provider within 30 days of receipt—

“(i) constitute payment in full for the emergency treatment or urgent care provided; and

“(ii) extinguish any liability on the part of the veteran for that treatment or care.

“(B) Neither the absence of a contract or agreement between the Secretary and a provider of emergency treatment or urgent care nor any provision of a contract, agree-
ment, or assignment to the contrary shall operate to modify, limit, or negate the requirements of subparagraph (A).

“(C) A provider of emergency treatment or urgent care may not seek to recover from any third party the cost of emergency treatment or urgent care for which the provider has received payment from the Secretary under this section.

“(f) RECOVERY.—The United States has the right to recover or collect reasonable charges for emergency treatment or urgent care furnished under this section in accordance with the provisions of section 1729 of this title.

“(g) COST SHARING.—(1) The Secretary shall require a veteran to pay a copayment for the receipt of emergency treatment or urgent care under this section only if such veteran would be required to pay a copayment for the receipt of such treatment or care at a medical facility of the Department or from a health care provider of the Department.

“(2) The amount of a copayment charged to a veteran under paragraph (1) may not exceed the amount of the copayment that would be payable by such veteran for the receipt of emergency treatment or urgent care at a medical facility of the Department or from a health care provider of the Department.

“(h) DEFINITIONS.—In this section:
“(1) The term ‘emergency treatment’ means medical care or services furnished, in the judgment of the Secretary—

“(A) when such care or services are rendered in a medical emergency of such nature that a prudent layperson reasonably expects that delay in seeking immediate medical attention would be hazardous to life or health; and

“(B) until—

“(i) such time as the veteran can be transferred safely to a Department facility or community care provider authorized by the Secretary and such facility or provider is capable of accepting such transfer; or

“(ii) such time as a Department facility or community care provider authorized by the Secretary accepts such transfer if—

“(I) at the time the veteran could have been transferred safely to such a facility or provider, no such facility or provider agreed to accept such transfer; and

“(II) the non-Department facility in which such medical care or services was furnished made and documented
reasonable attempts to transfer the veteran to a Department facility or community care provider.

“(2) The term ‘health-plan contract’ includes any of the following:

“(A) An insurance policy or contract, medical or hospital service agreement, membership or subscription contract, or similar arrangement under which health services for individuals are provided or the expenses of such services are paid.

“(B) An insurance program described in section 1811 of the Social Security Act (42 U.S.C. 1395e) or established by section 1831 of such Act (42 U.S.C. 1395j).

“(C) A State plan for medical assistance approved under title XIX of such Act (42 U.S.C. 1396 et seq.).

“(D) A workers’ compensation law or plan described in section 1729(a)(2)(A) of this title.

“(3) The term ‘third party’ means any of the following:

“(A) A Federal entity.

“(B) A State or political subdivision of a State.
“(C) An employer or an employer’s insurance carrier.

“(D) An automobile accident reparations insurance carrier.

“(E) A person or entity obligated to provide, or to pay the expenses of, health services under a health-plan contract.

“(4) The term ‘urgent care’ shall have the meaning given that term by the Secretary in regulations prescribed by the Secretary for purposes of this section.”.

(b) Clerical Amendment.—The table of sections at the beginning of chapter 17 is amended by striking the item relating to section 1725 and inserting the following new item:

“1725. Reimbursement for emergency treatment and urgent care.”.

(e) Repeal of Superseded Authority.—Section 1728 is repealed.

(d) Conforming Amendments.—

(1) Medical care for survivors and dependents.—Section 1781(a)(4) is amended by striking “(as defined in section 1725(f) of this title)” and inserting “(as defined in section 1725(h) of this title)”.

(2) Health care of family members of veterans stationed at Camp Lejeune, North
CAROLINA.—Section 1787(b)(3) is amended by striking “(as defined in section 1725(f) of this title)” and inserting “(as defined in section 1725(h) of this title)”.

(c) Regulations.—Not later than 270 days after the date of the enactment of this Act, the Secretary shall prescribe regulations to carry out the amendments made by this section.

(f) Effective Date.—The amendments made by this section shall take effect one year after the date of the enactment of this Act.

SEC. 5. MEMORANDUM OF UNDERSTANDING BETWEEN DEPARTMENT OF VETERANS AFFAIRS AND CENTERS FOR MEDICARE & MEDICAID SERVICES.

(a) Sense of Congress.—It is the sense of Congress that the Secretary of Veterans Affairs should ensure that a veteran who is enrolled in Medicare or Medicaid, is eligible for care or services under the Care in the Community Program under section 1703 of title 38, United States Code, as amended by section 2(a)(1), and seeks care or services for a non-service-connected disability or condition, knows that the veteran may use his or her benefits under Medicare or Medicaid before the Secretary authorizes the use of funds of the Department of Veterans Affairs.
(b) PURPOSE.—The purpose of this section is to fa-
cilitate coordination and communication between the De-
partment of Veterans Affairs and the Centers for Medi-
care & Medicaid Services for the benefit of veterans in the
receipt of health care.

(c) MEMORANDUM OF UNDERSTANDING.—

(1) IN GENERAL.—The Secretary of Veterans
Affairs and the Administrator of the Centers for
Medicare & Medicaid Services shall enter into a
memorandum of understanding regarding the coordi-
nation of care between the Department of Veterans
Affairs and the Centers for Medicare & Medicaid
Services.

(2) REFERRAL OF PATIENTS.—

(A) IN GENERAL.—The memorandum of
understanding under paragraph (1) shall permit
health care providers of the Department of Vet-
ers Affairs to refer veterans eligible for bene-
fits under Medicare or Medicaid to non-Depart-
ment health care providers in the community to
use the Medicare or Medicaid benefits of such
veterans.

(B) TREATMENT OF REFERRAL.—Referral
of a veteran under subparagraph (A) does not
authorize the Secretary of Veterans Affairs—
(i) to use funds of the Department of Veterans Affairs to conduct the referral or pay for care or services furnished pursuant to such a referral; or

(ii) to furnish care or services to the veteran under the Care in the Community Program under section 1703 of title 38, United States Code, as amended by section 2(a)(1).

(3) SHARING OF INFORMATION.—As part of the memorandum of understanding under paragraph (1), the Secretary and the Administrator shall agree to share information in connection with the coordination of care under such memorandum, including by establishing a mechanism to share patient information.

(4) TECHNICAL ASSISTANCE FOR CARE IN THE COMMUNITY PROGRAM.—

(A) IN GENERAL.—As part of the memorandum of understanding under paragraph (1), the Administrator may provide technical assistance to the Secretary regarding the development of a program for non-Department health care providers to submit claims for reimbursement electronically under the Care in the Com-
munity Program under section 1703 of title 38, United States Code, as amended by section 2(a)(1).

(B) INTEROPERABILITY AND SAFETY OF INFORMATION.—In providing technical assistance under subparagraph (A), the Administrator shall provide advice regarding interoperability and methods for safeguarding the security of patient information.

(C) USE OF ASSISTANCE.—The Secretary shall use any technical assistance provided under subparagraph (A) in the development of a web-based self-service portal for non-Department health care providers to be used under subsection (l) of section 1703 of title 38, United States Code, as amended by section 2(a)(1).

(d) EDUCATION PROGRAM.—

(1) IN GENERAL.—The Secretary of Veterans Affairs and the Administrator of the Centers for Medicare & Medicaid Services shall jointly develop and administer an education program to inform veterans how their benefits from the Department of Veterans Affairs are separate from and interact with their benefits under Medicare or Medicaid.
(2) Elements of Program.—The education program under paragraph (1) shall—

(A) assist veterans in making informed decisions about when to use benefits from the Department and when to use benefits under Medicare or Medicaid;

(B) provide information on which services require referrals from the Department and which services require no referral; and

(C) explain any financial costs that may be required to receive care, including copayments under Medicare or from the Department.

(3) Use of Memorandum of Understanding.—The education program under paragraph (1) may be implemented pursuant to the memorandum of understanding under subsection (c).

(e) Rule of Construction.—This section may not be construed to authorize or require the Secretary of Veterans Affairs to reimburse the Administrator of the Centers for Medicare & Medicaid Services for health care services or for the Administrator to reimburse the Secretary for such services.

(f) Definitions.—In this section:
(1) **MEDICAID.**—The term “Medicaid” means the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(2) **MEDICARE.**—The term “Medicare” means the Medicare program under title XVIII of such Act (42 U.S.C. 1395 et seq.).

(3) **NON-SERVICE-CONNECTED.**—The term “non-service-connected” has the meaning given that term in section 101 of title 38, United States Code.

**SEC. 6. EDUCATION PROGRAM ON HEALTH CARE OPTIONS FROM DEPARTMENT OF VETERANS AFFAIRS.**

(a) **IN GENERAL.**—The Secretary of Veterans Affairs shall develop and administer an education program that teaches veterans about their health care options through the Department of Veterans Affairs.

(b) **ELEMENTS.**—The program under subsection (a) shall—

(1) teach veterans about—

(A) eligibility criteria for care from the Department set forth under section 1710 of title 38, United States Code;

(B) priority groups for enrollment in the system of annual patient enrollment under section 1705(a) of such title; and
(C) the copayments and other financial obligations, if any, required of certain individuals for certain services;

(2) teach veterans about the interaction between health insurance (including private insurance, Medicare, Medicaid, the TRICARE program, and other forms of insurance) and health care from the Department; and

(3) provide veterans information on what to do when they have a complaint about health care received from the Department (whether about the doctor, the Department, or any other type of complaint).

(e) INCLUSION OF INFORMATION FROM EDUCATION PROGRAM ON MEDICARE AND MEDICAID.—The education program under this section shall include information from the education program under section 6(d).

(d) ACCESSIBILITY.—In developing the education program under this section, the Secretary shall ensure that materials under such program are accessible to veterans who may not have access to the Internet.

(e) DEFINITIONS.—In this section:

(1) MEDICAID.—The term “Medicaid” means the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).
(2) **MEDICARE.**—The term “Medicare” means the Medicare program under title XVIII of such Act (42 U.S.C. 1395 et seq.).

(3) **TRICARE PROGRAM.**—The term “TRICARE program” has the meaning given that term in section 1072 of title 10, United States Code.

**SEC. 7. TRAINING PROGRAM FOR ADMINISTRATION OF NON-DEPARTMENT OF VETERANS AFFAIRS HEALTH CARE.**

(a) **IN GENERAL.**—The Secretary of Veterans Affairs shall develop and implement a training program to train employees and contractors of the Department of Veterans Affairs on how to administer non-Department health care programs, including the following:

(1) Reimbursement for non-Department emergency room and urgent care under section 1725 of title 38, United States Code.

(2) The Care in the Community Program under section 1703 of such title, as amended by section 2(a)(1).

(b) **INCLUSION OF TRAINING ON COOPERATION WITH CENTERS FOR MEDICARE & MEDICAID SERVICES.**—The training program under subsection (a) shall include training on coordinating care between the Department and Medicare and Medicaid, including pursuant to
the memorandum of understanding between the Secretary of Veterans Affairs and the Administrator of the Centers for Medicare & Medicaid Services under section 6(a).

(c) DEFINITIONS.—In this section:

(1) MEDICAID.—The term “Medicaid” means the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(2) MEDICARE.—The term “Medicare” means the Medicare program under title XVIII of such Act (42 U.S.C. 1395 et seq.).

SEC. 8. ANALYSIS OF ELECTRONIC HEALTH RECORD OF DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—The Chief Information Officer of the Veterans Health Administration, in partnership with the Chief Information Officer of the Department of Veterans Affairs, shall conduct a comprehensive cost-benefit analysis among selecting a commercial off-the-shelf electronic health record, selecting an open source electronic health record, or continuing the in-house custom development of the VistA electronic health record currently in use by the Veterans Health Administration.

(b) ELEMENTS.—The analysis conducted under subsection (a) shall—

(1) take into account the complexities of the computerized patient record system architecture and
infrastructure of the VistA electronic health record
and known issues with performance, scalability, ex-
tensibility, interoperability, and security of such
health record; and

(2) address full life-cycle costs, including devel-
opment time (based on recent delivery trends), avail-
ability of development resources, maintenance and li-
censing costs, and infrastructure costs.

(e) REPORT.—

(1) INITIAL REPORT.—Not later than Sep-
tember 30, 2017, the Secretary of Veterans Affairs
shall submit to the Committee on Veterans’ Affairs
of the Senate and the Committee on Veterans’ Af-
fairs of the House of Representatives a report on the
progress of the analysis conducted under subsection
(a).

(2) FINAL REPORT.—Not later than December
31, 2017, the Secretary shall submit to the Com-
mittee on Veterans’ Affairs of the Senate and the
Committee on Veterans’ Affairs of the House of
Representatives the results of the analysis conducted
under subsection (a).
SEC. 9. REPORTS ASSESSING EFFECTIVENESS OF CERTAIN

POSITIONS AND OFFICES OF DEPARTMENT

OF VETERANS AFFAIRS.

(a) Report on CIO of Veterans Health Admin-

istration.—

(1) In general.—Not later than December 31,

2017, the Secretary of Veterans Affairs shall submit
to the Committee on Veterans’ Affairs of the Senate
and the Committee on Veterans’ Affairs of the
House of Representatives a report assessing whether
the Chief Information Officer of the Veterans Health
Administration serves as an effective advocate for
the information technology needs of the Department
of Veterans Affairs for health care delivery.

(2) Elements.—The report required by para-

graph (1) shall include a description of the require-
ments for an effective health care management sys-

tem that would advance the mission and goals of the
Veterans Health Administration.

(3) Use of Information.—In preparing the

report under paragraph (1), the Secretary shall in-

clude information from the Under Secretary for
Health of the Department of Veterans Affairs and
the Chief Information Officer of the Department of
Veterans Affairs.
(b) REPORT ON OFFICE OF INFORMATION AND TECHNOLOGY.—

(1) IN GENERAL.—Not later than December 31, 2017, the Secretary of Veterans Affairs shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a report assessing whether the Office of Information and Technology of the Department of Veterans Affairs acts as a service provider and delivers information technology capabilities and services that improve health care delivery to veterans.

(2) USE OF SURVEY DATA.—In preparing the report under paragraph (1), the Secretary shall include the results of clinician and veteran surveys assessing the quality of and satisfaction with capabilities and services of the Department.

SEC. 10. SENSE OF CONGRESS REGARDING REFORMS AT THE VETERANS HEALTH ADMINISTRATION.

(a) FINDINGS.—Congress finds that section 201 of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113–146; 38 U.S.C. 1701 note) required an independent assessment of the hospital care, medical services, and other health care furnished in medical facilities of the Department of Veterans Affairs. That
assessment provided valuable insight into needed reforms at the Veterans Health Administration, particularly with respect to governance, operations, data and tools, and leadership.

(b) Sense of Congress.—

(1) In general.—It is the sense of Congress that the Secretary of Veterans Affairs should take every effort to address as many of the reforms described in subsection (a) as practicable.

(2) Elements.—In making reforms described in subsection (a), it is the sense of Congress that the Secretary should do the following:

(A) Improve the overall management of the Veterans Health Administration as follows:

(i) By ensuring that the Administration provides the decision making rights, authorities, and responsibilities to the lowest appropriate level. Such decision making rights, authorities, and responsibilities should be articulated by level, organization, and role, and should be standardized to the extent possible while allowing local flexibility based on local needs.

(ii) By clarifying the roles and responsibilities of the Central Office of the Ad-
administration, the Veterans Integrated Service Networks, the medical centers of the Department, the community-based outpatient clinics of the Department, and other organizational entities, while prioritizing providing support to the field.

(iii) By reassessing all of the directed metrics and policies of the Central Office of the Administration to ensure those metrics and policies add sufficient value to patient outcomes. The Secretary should eliminate the metrics and policies that do not add sufficient value to patient outcomes.

(iv) By reviewing the implementation of the Patient Aligned Care Team staffing model of the Department, including by determining areas for improvement, to examine—

(I) causes of gaps in facility benchmarks between actual, maximum, modeled, and external benchmarks; and
(II) impacts on access to quality of care and appropriateness of performance standards and guidelines.

(B) Improve collaboration between the Office of Information and Technology of the Department and the Veterans Health Administration.

(C) Improve resource management and business processes by—

(i) prioritizing the use of a patient-centered demand model that forecasts resources needed by geographic location to improve access and make informed resourcing decisions; and

(ii) improving coordination across patient access, clinical administration, and patient accounting functions by forming an internal committee of key revenue cycle and administrative stakeholders, standardizing the recovery processes for billing, improving third-party contracts management, and developing approaches to resolve frequently recurring denials.