Overview of Veterans Choice Program (VCP) Reform Legislative Proposals

Updated: Mar. 28, 2018

	VA PROPOSAL	HOUSE PROPOSAL	SENATE PROPOSALS	
	Coordinated Access and Rewarding Experiences (CARE) Act[1]	**VA Care in the Community Act (H.R. 4242)[2]**	**Caring for Our Veterans Act (S. 2193)[3]**	**Veterans Community Care and Access Act of 2017 (S. 2184)[4]**
Primary Co-sponsors	**VA-originated proposal**	**Rep. Phil Roe (R-TN)**	**Sens. Johnny Isakson (R-GA) and Jon Tester (D-MT)**	**Sens. Jerry Moran (R-KS) and John McCain (R-AZ)**
Latest Action	• Proposal released by the VA in mid-October 2017. • Subsequent House hearing on the VA draft legislation and other bills held in late-October 2017.[5]	• Introduced in the House November 2017. • Approved (14-9) by the House Veterans Affairs Committee in December 2017.[6] • Committee Report language released in March 2018.[7]	• Introduced in the Senate in December 2017. • Approved (14-1) by the Senate Veterans Affairs Committee in November 2017. (Note: Sen. Moran (R-KS) was the sole dissenter).[8]	• Introduced in the Senate in December 2017. • Proposal reportedly backed by the Trump Administration.[10]

[1] http://docs.house.gov/meetings/VR/VR00/20171024/106521/BILLS-115TheDepartmentofVeteransAffairslegislativeproposaltheVeteranCoordinatedAccessandRewardingExperiencesCAREActih.pdf; Press Release: https://www.va.gov/opa/pressrel/pressrelease.cfm?id=2963

[2] https://www.congress.gov/bill/115th-congress/house-bill/4242/text?q=%7B%22search%22%3A%5B%22H.R.+4242%22%5D%7D&r=1; See also Section-by-Section: https://veterans.house.gov/uploadedfiles/care_in_the_community_summary.pdf; and Summary: https://veterans.house.gov/uploadedfiles/community_care_bill_one_pager.pdf

[3] https://www.congress.gov/bill/115th-congress/senate-bill/2193/cosponsors?q=%7B%22search%22%3A%5B%22Caring+for+our+Veterans+Act+of+2017%22%5D%7D&r=1; See also the Senate Veterans Affairs-approved Committee Print: https://www.veterans.senate.gov/imo/media/doc/HEY17847.pdf; Summary: https://www.veterans.senate.gov/imo/media/doc/SVAC%20Committee%20One%20Pager%20FINAL.pdf; and Section-by-Section: https://www.veterans.senate.gov/imo/media/doc/Section%20by%20Section%20-%20HEY17847.pdf

[4] https://www.congress.gov/bill/115th-congress/senate-bill/2184?q=%7B%22search%22%3A%5B%22S.+2184%22%5D%7D&r=1; Press Release: https://www.mccain.senate.gov/public/index.cfm/2017/12/senators-mccain-moran-introduce-legislation-to-reform-va-into-21st-century-health-care-system; Summary: https://www.mccain.senate.gov/public/_cache/files/00ed0b64-f568-416e-bc5f-05502f1fede6/va-community-care-mccain-moran-key-highlights-12.4.17.pdf; and Section-by-Section: https://www.moran.senate.gov/public/_cache/files/9/e/9e7beec7-1fd5-4f18-84f6-04a1dd1aaeb8/A6FB0D8DD3EEFD29E2E2752C9822BF87.veterans-community-care-and-access-act-2017-section-by-section.pdf

[5] http://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventID=106521

[6] https://veterans.house.gov/news/documentsingle.aspx?DocumentID=2012

[7] https://www.congress.gov/congressional-report/115th-congress/house-report/585

[8] https://www.veterans.senate.gov/newsroom/majority-news/committee-approves-bipartisan-legislation-to-improve-veterans-community-care-va-services

[10] http://www.modernhealthcare.com/article/20180203/NEWS/180209963

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			• Committee Report language released in March 2018.[9]	
Overall Approach to VA Community Care Programs	• **Replaces the current '30-day/40-mile' system** by merging and modernizes community care programs. • Calls for streamlined clinical and administrative processes; implements new care coordination support for Veterans; and establishes the framework for VA to continue to build a **high-performing network**.	• Consolidates the VA's existing community care programs into one cohesive, permanent program under which Veterans may receive hospital care, medical services and extended care services through a regional network of contracted VA and non-VA (community) providers. • Rather than a reliance on clinical indications of eligibility, the bill assesses if the VA **can assign a Veteran to a VA primary care provider (PCP)**. The PCP would be responsible for the referral for specialty care or other services, with certain exceptions.	• Consolidates the VA's existing community care programs into one permanent program, the Veterans Community Care Program. • Requires the VA to establish **access and quality standards** to be used by the Veteran and Veteran's PCP to determine whether the Veteran would be better served in the community. • Criteria are to consider the distance between the Veteran and the facility; and whether the Veteran faces an unusual or excessive burden to services from the VA facility.	• Consolidates the VA's existing community care programs into one permanent program, the Veterans Community Care Program. • Requires the VA to coordinate the care of Veterans participating in the community care program. • Requires the VA to develop a strategy to implement a **high-performing integrated health care network** at the VA. • Arguably **"goes much further** [than the original Senate bill, S. 2193] **to expand private community options** for Veterans."[11] It does so, in part, by effectively "opening up VA Choice eligibility to all Veterans" by enabling "[t]he patient and provider…to decide whether to opt for community care" based on **newly-defined access and**

[9] https://www.congress.gov/115/crpt/srpt212/CRPT-115srpt212.pdf
[11] http://www.modernhealthcare.com/article/2018020f3/NEWS/180209963

				quality standards that VA facilities would be required to meet.[12]
Veterans' Eligibility for Community Care Programs	• Outlines a **clinically-driven referral process for community care** if the service needed is not available at a VA facility, cannot be scheduled within a clinically acceptable time period, or if the Veteran and their provider agree it is in his or her "best medical interest." • Factors informing **"best medical interest"** include distance of travel, the nature of services required, and frequency with which services are required. • Veterans **may opt for community car**e if the Secretary – in a once yearly process – determines a type of care furnished by a VA facility does not meet the	• Stipulates provisions regarding the Veteran's **assignment to a VA patient-aligned care team or dedicated PCP** in cases where there is no PCP available at a VA facility. • The **VA generally retains the right of first refusal**, allowing for community care only if a VA facility cannot reasonably provide the needed service. • The Secretary must consider whether the Veteran faces an **"unusual or excessive burden"** (not defined) caused by: geographic challenges; environmental factors (e.g., inaccessible roads); a medical condition of the Veteran that affects his/her ability to travel; and whether the Veteran's PCP	• **Veterans, in consultation with their PCP,** determine whether Veteran will receive care in the community, taking into consideration various criteria – including access-related considerations (e.g., distance between the Veteran and the facility or extended care service), and quality.	• Includes a **specific clause allowing Veterans to access covered community care** when these and other standards are not met.[13] This provision is a key sticking point for some senators who are concerned that "Veterans would be sent to the private sector, even if there's another VA facility close by where they could receive care."[14]

[12] http://www.modernhealthcare.com/article/20180222/NEWS/180229975; Note that VA Secretary Shulkin previously voiced support for the inclusion of access standards but that said that the VA ought to be the one to define them. See: https://mypolicyhub.com/content_entry/committee-questions-va-secretary-shulkin-on-implementation-of-recent-reform-legislation-va-department-vacancies/

[13] http://www.modernhealthcare.com/article/20180222/NEWS/180229975

[14] https://www.stripes.com/news/va-choice-reform-becomes-more-complex-as-deadline-looms-1.500973

	quality and access standards of the Department.	recommends that the service(s) be provided by a network provider.		
Provider Networks and Reimbursement (Including Prompt Pay Standards)	• Stipulates **Medicare rates** as the basis for reimbursement, to the extent practicable. • Delineates **prompt pay standards**. • Authorizes the VA to pay a provider for services rendered **"in good faith"** even if the VA has not entered into a contract, agreement, or other arrangement for the furnishing of care and services with that specific provider. • **Addresses provider agreements deemed "material" in size** that exceeds $5M annually, though provides the VA discretion to "adjust this threshold to account for changes in the cost of health care based upon recognized health care market surveys and other available data."	• Stipulates **Medicare rates** as the basis for reimbursement, with some exceptions for care provided to Veterans in rural and other areas, or if the state has an All-Payer Model of agreement in place. • Delineates **prompt pay** standards in that vein, as well as outlines an administrative dispute process. • **Limits provider agreements** to $5M in the case of a provider who furnishes home health-related services and to $2M otherwise.	• Stipulates **Medicare rates** as the basis for reimbursement, with some exceptions for care provided to Veterans in rural and other areas, or if the state has an All-Payer Model of agreement in place. • Authorizes the VA to incorporate **value-based reimbursement** models. • Delineates **prompt pay** standards, as well as authorizes the VA to pay for services not subject to a VCA.	• Stipulates **Medicare rates** as the basis for reimbursement, with some exceptions for care provided to Veterans in rural and other areas, or if the state has an All-Payer Model of agreement in place. • Requires the VA to pay CAHs serving Veterans at the Medicare CAH-rate vs. the service-based Medicare rate used at larger facilities. • Authorizes the VA to incorporate **value-based reimbursement** models. • Delineates **prompt pay** standards, as well as authorizes the VA to pay for services not subject to a VCA.
GME	• Authorizes the VA to increase GME residency positions at covered facilities	• N/A	• Increases the number of GME residency positions at	• Increases the number of GME residency positions at

	by **up to 1,500 positions** (over 10 years). • Authorizes the VA to provide a **stipend and other benefits** for residents appointed, whether assigned in VA facility or not. • Authorizes reimbursement for **continuing professional education** for full-time board certified Advanced Practice Registered Nurses (APRNs).		the VA by **up to 1,500 positions** (over 10 years). • Directs the VA to establish a tuition reimbursement/loan repayment pilot program and to **provide incentives** to individuals to work in underserved VA facilities. • Directs the VA to furnish **mobile deployment teams** to underserved facilities.	the VA by **up to 1,500 positions** (over 10 years). • Authorizes the VA to provide **stipends and other benefits** for residents, as well as tuition reimbursement/loan assistance. • Directs the VA to consult with IHS on a **pilot program** to create or affiliate with a GME residency training program, specific to rural or remote areas. • Authorizes the VA to pay for residency positions at VA facilities and certain other designated facilities.
Telehealth	• In general, the bills allow for the **provision of telemedicine across state lines**. These provisions allow VA providers to provide telemedicine services to a Veteran, regardless of where the Veteran or the provider are physically located. Also, the bills require the VA to submit a report to Congress within a year of enactment of the telemedicine program.			
Other Key Provisions	• Directs the VA to issue regulations authorizing community-based access to **walk-in care** for Veterans who have use VA health care services in the 24-month period prior to seeking walk-in services. • Proposes **new workforce tools** to assist in maintaining and strengthening VA's medical staff.	• Changes the VA's coverage of ambulance services and transplant operations at non-department facilities. • Ensures Veteran's continued access to prescription drugs via network providers. • Stipulates various reporting requirements of the VA to assess the capacity of these networks (including any potential gaps thereof), as	• Authorizes community-based access to **walk-in care** for Veterans who have used VA health care services in the 24-month period prior to seeking walk-in services. • Includes provisions related to the improved management of **opioid prescriptions** by non-VA providers, among related provisions.	• Calls on the VA to develop procedures to ensure that Veterans can access **walk-in care** from community providers. • Establishes **safe opioid prescribing practices**, including a provision that makes the VA responsible for coordinating the prescription of opioids.

	• Outlines business process enhancements to **improve financial management** of the Community Care program. • Delineates improvements to the VA's real property management authorities; VA's Enhanced-Use Lease (EUL) authority; and expands VA's capacity for planning, design, leasing, and construction of joint facilities in an integrated manner. • Amends provisions related to protected information and the **sharing of health records** with third parties for the purposes of treatment and billing.	well as the rates paid for these services. • Stipulates requirements of the network provider with respect to **furnishing of a Veteran's medical records**. • Requires the **use of a Veteran health ID card** to access such services.	• Requires the VA to monitor **network adequacy** and report to Congress accordingly. Also directs the VA to perform market are assessments at least every four years to assess network capacity. • Strengthens **peer-to-peer support** for Veterans undergoing care for trauma or in rural areas. • Expands access to the **Family Caregivers Program**, which provides financial, training and other support to caregivers of eligible Veterans enrolled in the program (e.g., for assistance with ADLs etc.). • Delineates provisions pertaining to the construction and general **expansion of medical facilities**.	• Authorizes (for a five-year period) the VA to conduct **pilot programs** to develop new, innovative approaches to testing **payment and service delivery models** to reduce expenditures while preserving or enhancing the quality of care provided by the VA. • Includes provisions related to the **sharing of health records** between the VA and non-VA providers to deliver care and enhance the VA's ability to recover funds from other responsible third parties.
Requested Appropriations	• Authorizes appropriations to the Veterans Choice Fund (VCF) of **$4B in mandatory** funds.	• Stipulates that funding for the VA Care in the Community program is to be derived from the VHA's Medical Community Care account, including any unobligated VA Choice program funds.	• **Appropriates $4B** for the Veterans Choice Program and **$1B for educational assistance (e.g., GME)** for VA health professionals.	• **Appropriates $4B** for the Veterans Choice Program, with additional funds for the construction of certain major medical facilities.

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Key Dates	• VA would have authority to authorize care and services under the Veterans Choice Program through September 30, 2018, and would be able to complete all episodes of care authorized on or before that termination date.	• Transition to the new program must occur not later than one year after the date of enactment.	• Requires the VA to submit a budget justification for any new supplemental appropriations request at least 45 days prior to the start of the program/service. • Sunsets the current VCP on Dec. 31, 2018. • Authorizes remaining VCF to pay for community care beginning in FY19.	• Requires the VA to submit a report to Congress – within 120 days of enactment – detailing the access and quality standards it intends to use for Veterans to access community care under the new system. • Directs the VA to promulgate regulations – due within a year of enactment – to carry out the new program.
CBO Score (If Available)	• N/A	• CBO estimates implementing the bill would **cost $38.8B over the 2018-2022 period**, assuming appropriation of the necessary amounts.[15]	• CBO estimates that implementing the bill would **cost $43.3B over the 2018-2022** period, assuming appropriation of the necessary amounts.[16]	• N/A

[15] https://www.cbo.gov/publication/53593

[16] https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/s2193.pdf