

Written Testimony

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Introduction

Chairman Moran, Ranking Member Tester and Distinguished Members of the Committee, it is a privilege to appear before you today as a partner to the Department of Veterans Affairs (VA) for the past 6+ years, working every day to ensure VA has the elasticity in the community to meet the health care needs of Veterans. For all of us associated with TriWest Healthcare Alliance, from our company's non-profit health plan and university health care system owners to our nearly 3,500 employees, many of whom are Veterans or Veteran family members, it is an honor to appear before you and to be engaged in this critical work so that VA might effectively execute the government's commitment to this nation's heroes. We are proud to have earned the opportunity to continue that vital support of VA in 2020 and beyond under the Community Care Network (CCN) contract for Region 4. We appreciate the opportunity to provide a detailed update on our progress partnering with VA to implement CCN in Region 4, as well as our ongoing efforts to meet the current needs of Veterans through our existing Patient-Centered Community Care (PC3) contract and our support of the transition of VA facilities to VA's new partner for CCN Regions 1, 2 and 3.

Thank you for your leadership and complete engagement in making sure we all are focused on the right objectives and are sufficiently stretching ourselves to accomplish that which needs to be done to help reset VA for this generation and the next. It is work worthy of nothing but our very best, and we consider ourselves very fortunate to be a part of the team, led by VA, delivering on this vital mission every day. That team involves dedicated health care providers from both VA and the community, all working together in support of our Nation's heroes!

While we find ourselves at yet another point of transition this year – to the new CCN regions – a transition that will take some time to get right, I would submit that much is moving in the right direction and the system of care that will ultimately exist for all Veterans under the MISSION Act is starting to emerge as we gather here today.

To make my point, I would like to highlight the experiences of two Veterans with whom we recently engaged to demonstrate how this system of care can work well for Veterans using VA. Last summer, one of my staff met a Veteran from Kansas while meeting with Legionnaires at the American Legion National Convention in Indianapolis – a group I was honored to personally address. This Veteran has suffered from severe back pain as a result of a service-related injury and had been dependent on opioid pain medications for over a decade. He had tried several different options to lessen his dependency on these medications, but it wasn't until an encounter with an acupuncturist while on a vacation that he found success in addressing the pain. The Veteran returned to his VA Medical Center and asked about receiving acupuncture through VA and was told that he could be referred out into the community for this treatment. The Veteran

shared that he has since been off ALL opioid pain medications and continues to receive occasional acupuncture treatments. The strongest medication this Veteran now takes for pain is Ibuprofen.

Another example of the effective “team based” effort to serve the needs of Veterans was conveyed to me by a female Veteran who hails from the Phoenix area. Like so many, she epitomizes the greatness of our country and the men and women who wear the uniform. Her father served in the Army and she stated that she was honored to follow in his footsteps. When she came home from her service in Afghanistan, however, she faced many critical health care challenges such as PTSD and Lupus. She proclaimed that “VA saved my life,” and that her team of providers, from VA and the community, are doing an effective job of collaborating to keep her as healthy as she can possibly be. This dedicated Veteran-centric partnership, between VA and community health care professionals, is the heart and soul of the work in which we are all engaged under the VA MISSION Act.

Veterans need a robust VA system of care that includes community care options when necessary. Our role at TriWest is not to replace VA, but rather to strengthen VA and ensure that VA and Veterans are always at the core. Our responsibility is to help strengthen VA by providing it with effective elasticity to ensure that Veteran’s health care needs can be met on a convenient and timely basis. We are not here to privatize VA!

History of Service to Veterans and Service Members

To best understand the nature of our work and the lessons learned regarding community care, I would like to share with you some background on TriWest’s history of service to America’s military and Veterans communities. If we are going to understand where we are going and improve health care services for Veterans, we must understand where we have been, what has worked and what must be improved.

TriWest Healthcare Alliance has been privileged to be engaged in the important work of providing Veterans and military beneficiaries with community care services since being awarded its first contract on June 27, 1996. Our first 18 years were spent helping the Department of Defense stand-up, operate and mature the now very successful TRICARE program. Some would say that was simply to prepare us to effectively come to the side of VA for a moment such as this... prepared to be a full partner at VA’s side as it sought to effectively meet the needs of those who would come to the doorstep of VA after serving in defense of our Nation at home and abroad. In our book, there is no greater privilege than to be doing our part as grateful citizens during this moment.

Supporting VA Community Care Needs Since 2013

In September 2013, VA selected TriWest as the Patient-Centered Community Care (PC3) Third-Party Administrator (TPA) to support VA community care needs in about half of the country... three PC3 regions encompassing all or parts of 28 states and the Pacific. TriWest rose to the occasion by leveraging our existing networks and strong relationships already in place due to our prior work under the TRICARE program.

In April 2014, just a few short months after we had started that work, the wait list crisis was discovered in our hometown of Phoenix. Congress recognized that the problem was

national in scope and further reform was needed to meet Veteran health care needs. This led to enactment of the Veterans Access, Choice and Accountability Act (VACAA), which included the Veterans Choice Program. Congress gave VA 90 days to stand up the program, and VA asked us to assist them in doing so. We worked diligently with VA to implement the Choice Program, and then with VA and Congress to refine it.

Over a period of 5+ years, more than 90 program improvements and contract modifications were made – to refine the PC3 and Choice programs to better serve the needs of Veterans and arm VA with the tools it needed. Among the improvements:

- Adding primary care network services into the PC3 program and enhancing access standards for women’s health.
- Providing IVF case coordination and network practitioners to help wounded Veterans and their spouses start a family.
- Expanding the Choice mental health provider base by eliminating the Medicare participation requirement for psychiatrists, psychologists, Licensed Clinical Social Workers and Advanced Registered Nurse Practitioners.
- Adding outbound calls to Veterans to enable us to proactively reach out to Veterans in need of care rather than having to wait for them to contact us for an appointment, an improvement that increased the timeliness of the appointment making process, thus better ensuring Veterans receive timely care.
- Expanding the provider base for women’s health, audiology, pediatrics and optometry, by eliminating Medicare participation and moving to State licensure requirements.
- Embedding TriWest staff to work on the ground in collaboration with VA Medical Center staff.
- Enhancing the TriWest VA Portal to improve functionality of medical documentation and appointment information sharing between TriWest and VA and to help streamline processes, resulting in increased portal utilization and a better and more efficient end-user experience.
- Developing an entirely new Customer Relationship Management (CRM) system at TriWest that was customized to meet our customer service needs, resulting in improved customer service for Veterans.
- Implementing a Behavioral Analytics Call Monitoring System which helps improve staff interactions with customers, VA staff, providers and Veterans.
- Performing full, collaborative demand capacity assessments to determine VA community care network needs and sizing requirements. Our work surrounding these demand capacity assessments is further explained later in this testimony.
- Expanding women Veterans’ health services to support VA’s fastest growing population.

- Speeding up the payment of provider claims by decoupling the requirement for community providers to deliver medical documentation within specified timelines from claims payment.
- Adding 9 TriWest contact centers/operations hubs within our geographic markets to help better serve local Veterans' needs within their communities.

In the Fall of 2018, VA extended TriWest's initial PC3 contract and asked us if we would agree to stretch ourselves and expand our services in all 50 states, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa and the Northern Mariana Islands until the next generation of VA community care – the Community Care Network (CCN) – could be fully implemented this year. Beginning on December 7, 2018, TriWest expanded services using a phased approach to implementation. We completed the expansion last spring – providing VA with access to a nationwide network of community providers to serve Veterans in all 50 states and territories. In addition to providing VA with a consolidated network of community providers and processing and paying their claims, TriWest also is performing appointment scheduling and providing customer service support in a number of areas as the CCN contracts are implemented. It has been an honor to serve constituents from all of your states and to help stabilize the enterprise across all states as we all awaited the conversion to CCN in Regions 1, 2 and 3... and Optum Public Sector Solutions, Inc. stepped up to join us in this privileged but complicated work.

Stakeholder Communications and Collaboration

As well as working with VA and Congress on program improvements, TriWest also has proactively engaged with Veteran Service Organizations and other Veteran outreach and advocacy groups to gain a better understanding of how we are doing and where refinements might be needed. Examples of the outreach and engagement of TriWest staff – regional directors, operations hub directors, community relations leadership and other TriWest staff – in 2019 include:

- Attendance at over 50 VA Town Halls, with active involvement/outreach to Veterans in attendance.
- Participation in more than 35 Congressional Town Halls/Veteran Resource Fairs/Briefings.
- Distribution of monthly Congressional updates to all congressional (DC) offices across the country with statistical data and general program updates (January 2019 – December 2019).
- Conducting 7 teleconference briefings on expansion efforts with Congressional staff – district/state and DC staff – across 11 VISNs, attended by approximately 350-400 staffers.
- Conducting 7 teleconference briefings on expansion efforts with local and state Veteran Service Organizations, County Veteran Service Officers and Veteran non-profit representatives across 11 VISNs, attended by approximately 300-350 Veteran representatives.

- Participation in Veteran Stand Downs designed to ensure homeless and low-income Veterans are aware of, and educated on, community care benefits.
- Supporting and attending 10 national VSO conventions and VA events between January and December 2019, connecting with thousands of Veterans and providing education and issue support. Events included:
 - Paralyzed Veterans Wheelchair Games
 - VFW, DAV, American Legion and VVA national conventions
 - National Association of State Directors of Veterans Affairs national convention
 - National Veterans Summer Sports Clinic
 - National Disabled Veterans Winter Sports Clinic

Since the beginning of our work on behalf of VA, we also have focused on provider education, seeking to minimize provider confusion and Veterans challenges with community care. In 2019, TriWest has:

- Conducted 526 provider education webinars with a total of 3,911 attendees (April 2019 – December 2019).
- Sent 16 fax blasts to more than 850,000 recipients with topics relating to provider education or provider relations (January 2019 – December 2019).
- Sent 12 monthly Provider Pulse e-newsletters to an average of 50,222 recipients, resulting in an average open rate of 26% (January 2019 – December 2019).

Results to Date

From the beginning of our work in support of VA in 2013, TriWest has worked diligently to approach the work by first understanding and then responding to the specific needs, at all levels – at the local VA medical center, Veterans Integrated Service Network (VISN) and VA central office (VACO). Today, TriWest’s provider network – tailored through use of VA demand and capacity assessments – is comprised of over 685,000 individual providers who represent more than 1.3 million access points. This robust network has helped to ensure that minimal authorizations for care had to be returned for no provider being available... less than 2% in fact. TriWest’s tailored network has delivered more than 20 million total appointments since the start of this privileged work supporting VA community care.

At its apex, with us serving nationwide, we received more than 350,000 requests for Veteran care in the community per month, are handling approximately 650,000 calls per month, and to date, we have processed and paid over 24 million health care claims to community care providers. Up until a complication with the annual fee update file arriving late, which backed up 400,000 claims... and is close to being fully resolved, we had been processing and paying clean claims, on average, within 18 days in our legacy area, and within just 10 days in the expansion states – with an accuracy rate of 96 percent. And, as you know, we still function without access to a federal bank account from which to draw, so we are paying the claims on the front end and then VA is reimbursing us on the back end. That is working much better than it was when we had more than \$200 million being owed our company; however, a few pieces still lack resolution due

to the enormity of VA's list of critical issues to work. We remain hopeful that these pieces still will be resolved, and are enduring and working together in an effort to make things work for Veterans and the providers leaning forward in support of VA.

As TriWest transitions out of CCN Regions 1-3 and ultimately reduces its footprint to CCN Region 4, the volumes of work will re-set accordingly and our focus will be singularly focused on supporting the enterprise and its service to Veterans in that area of the country.

MISSION Act Launch

Thanks in large part to the principled and diligent work of the Senate and House Veterans Affairs Committees in crafting the VA MISSION Act in 2018, you armed VA with the authorities to reset the enterprise and, among other things, move the community care benefit to one that is more streamlined. Shortly after completing our work to expand our services across the country, VA and TriWest turned to collaborating in the implementation of the first community care components of the VA MISSION Act. TriWest and VA program leadership and project management teams met face-to-face on numerous occasions to discuss previous lessons learned and to collaborate on the processes needed for a successful implementation and management of the MISSION Act requirements.

Thanks to the extensive collaboration on VA MISSION Act implementation, this much-needed reform of consolidating VA's various community care programs into a single community care program is now underway and beginning to make a positive difference for Veterans. The consolidation is helping to eliminate redundancies, reduce provider confusion, synchronize standards and rules, streamline processes and innovate vital community care services. Since the launch of the MISSION Act on June 6, over 2.6 million initial appointments have been scheduled with the providers in our community care network.

Urgent Care Benefit

As you well know, one of the most significant new benefits for Veterans contained in the MISSION Act is a new urgent care/retail clinic benefit. Under the law, eligible veterans can now visit an urgent care provider in VA's network for non-emergency yet time-sensitive, pressing health care services if they have received care through VA or a community provider within the past 24 months.

Since the MISSION Act went into effect on June 6, 2019, TriWest has developed a national network of urgent care providers. We also added pharmacy services for urgent medication requirements, created an online urgent care provider locator tool, developed a series of tools and education materials for urgent care providers, and partnered with VA to perform outreach to Veterans to spread awareness of the new benefit. In addition, we proactively sent information packets complete with signage and Frequently Asked Questions (FAQs) to each urgent care facility upon contracting to be in the network. While we continue to work to ensure that Veterans across the country have ready access to urgent care when needed – within 30 minutes of their home – our urgent care network is delivering access to timely care.

Key statistics that demonstrate this fact as of January 2020 include:

- Over 6,500 urgent care and retail locations currently are in our network.
- There have now been more than 175,000 urgent care visits.

- There have been more than 15,000 calls to the Urgent Care support line, which exists to assist Veterans, Urgent Care Centers and Pharmacies that are struggling with the use of the benefit... providing education and technical support at the point of encounter. This was deemed critical by we and VA with a brand new benefit, and with which this population presents differently than any other... given that there is no “card.”
- The “2019 VFW Our Care” report, VFW’s most recent survey on the state of VA health care, notes that “an overwhelming majority of veterans, 89 percent, indicated that they would recommend community urgent care to other veterans.”

Currently, **90 percent of eligible Veterans** have access to at least one urgent care provider within 30 minutes of drive time, access that appropriately and substantially exceeds even Medicare standards (70 percent). That said, we are continuing to add providers until we reach our personal goal of all Veterans having access to an urgent care facility within 30 minutes, if a facility exists in their area and is willing to be available to meet the needs of those heroes who call their community home. For our part, we will continue to stay focused on working at VA’s side in refining processes to ensure that they are simple to execute and that provider bills are processed and paid quickly and accurately.

CCN Region 4 Implementation

On August 6, 2019, VA awarded TriWest Healthcare Alliance a CCN contract to administer VA’s 13-state Region 4 territory. Under the CCN contract, TriWest is responsible for building and maintaining a network of community health care providers, paying claims and providing customer service.

TriWest and VA conducted a CCN Region 4 kickoff meeting in Denver, CO, in early November 2019. At that meeting, TriWest briefed VA on our CCN Region 4 approach for implementation that included a detailed list of contract interdependencies and clarification questions. Subsequent to the kickoff meeting, TriWest and VA have established a number of joint work groups covering key functional areas such as training, claims and invoicing, network adequacy, customer service, clinical quality and systems integration and testing. These work groups are designed to refine processes, achieve decisions and implement solutions.

Under CCN, there are a number of VA community care process changes, as well as the inclusion of a number of services and benefits that were not a part of PC3 or Choice. These changes require us to re-engineer existing solutions and systems, implement new services and review and test revised processes with VA. The work groups allow VA and TriWest to work on these changes collaboratively, ensuring consistent approaches and understanding.

In addition to conducting focused work group sessions and working to re-architect our systems and processes to make them CCN ready, TriWest and VA also have been with the leadership of each VISN and VAMC to assess the Veteran’s community care needs in their respective markets to ensure that we will have a network optimally tailored to support them. Through our years of working in collaboration with VA, we know it is essential to customize the network of community care providers according to the demand and referral patterns of each VA facility. That approach enables the network to effectively supplement VA’s internal capacity, providing VA, and ultimately Veterans, access to the right care at the right time from the right provider.

To develop a customized network sized for VA in each market and tailored to its specific needs, TriWest initiated a process with VA to assess demand and determine the distribution and supply of network that would be needed in the community to support that demand. We call it the “Demand Capacity Assessment Process.” We first leveraged this approach with VA in 2014, for a process over Memorial Day weekend in preparation for assisting the Phoenix VA in working off the backlog of nearly 15,000 Veterans waiting in line for care. This tool allowed us to assess the demand and determine the needed providers and level of staffing to assist the Phoenix VA in successfully eliminating the initial backlog by the end of August 2014.

Beginning the summer of 2016, we conducted demand capacity assessments with nearly every VAMC within our PC3 service area. Armed with the Demand Capacity Assessment Tool, we and the VAMCs in our geographic areas of responsibility worked to assess demand and then mapped the supply of providers that would be needed in each community to supplement VA care. We met one on one with each medical center to assess how many providers of each specialty would be needed in addition to the supply of providers working at the VAMC to meet the needs of Veterans in each geographic area. This included not only a projection of the demand that was already known to exist but also that which was anticipated to materialize. We then took the output of this data-driven process and started to tailor the network on a market-by-market basis to meet demand. We already have begun demand capacity assessments in CCN Region 4, are constructing the network build sheets for each of the markets and have formally launched the CCN Region 4 contracting effort.

TriWest and VA continue to work on implementation schedule details, but have set April 7, 2020, as the start of health care delivery and July 14, 2020, as the date for full healthcare delivery. The sequencing and timing of the deployment for all Region 4 VA facilities has not been finalized, but we do know that Montana and Denver will be first. We are working vigorously to finish the setting of the provider network in those markets for the start of the CCN implementation in Region 4.

Prior to the start of healthcare deliver, TriWest will demonstrate to VA a number of key capabilities, including:

- Appropriate toll-free lines have been established
- A caller can call in to the lines and be routed to the correct call center representative
- Electronic messaging is available
- Website capabilities are available and functioning
- Support for English and Spanish speaking and hearing/vision impaired callers is available both telephonically and online
- Warm Transfer capabilities are available

Deployment will start in the two geographic locations listed above – Montana and Denver – on April 7, 2020. Following the start of healthcare delivery in these two locations, working with VA, we will conduct lessons learned and refine processes, as needed, before continuing deployments across the region.

In addition to our CCN Region 4 transition-in efforts, TriWest also is working with VA and Optum to transition out of community care and urgent care services in CCN Regions 1-3. We have been working closely to ensure this transition is as smooth as possible.

Remaining Focused

As we move forward with CCN implementation, we will remain focused on addressing challenges, refining our processes and approach, and adding manpower where needed. Some early challenges we remain focused on addressing include:

- The volume of care requests being received has greatly exceeded VA projections – by about 20 percent overall, with increased demand for behavioral health being the most substantial. This higher than anticipated volume has resulted in some Veterans seeking community care to experience appointing delays as it takes manpower to appoint and when demand increases substantially without warning, it creates complication.
- The complication to provider network development that comes when there are claims processing challenges. We have worked very hard over the years of this work to get to a place of solid performance, but have recently found ourselves challenged in a few areas:
 - Late arrival of VA fee schedule: Providers are paid in line with Medicare or a VA fee schedule, depending on the service. Each year, we receive an update in the fee schedules. Unfortunately, the one for this year arrived unusually late which necessitated that we pend nearly 400,000 claims. I am pleased to report that due to the hard work of many, this backlog is within days of being completely worked off, and we expect to be back to our solid claims performance within the next few weeks.
 - Emergency Room claims: In an effort to effectively address VA claims payment challenges, we agreed to process and pay emergency room claims for VA. VA notified providers across the country to send emergency room claims to us. However, in order to process these claims, we must first receive an authorization from VA. The relatively short notice in this process change has created some confusion and has resulted in less timely receipt of the authorizations. Hence, we are currently holding emergency room claims for which we had no authorization from VA while we seek to gain them so that we can process and pay the claims. We hope to have this resolved soon so that this backlog can be remedied. This approach seemed preferable to all versus denying claims and creating even more challenge and delay for the provider community as providers had to refile the claims.
 - Urgent care facilities: In processing and paying claims for this new benefit, we have determined that claims will process easier if we use an “exclusion” versus “inclusion” method for the codes used for services. This change is being programmed and will bring the claims processing performance to the high standard we have worked hard to achieve for this critical component of our work. It should be complete in the next couple of weeks.

We are working aggressively to address these challenges, in coordination with VA. Efforts to resolve these issues include:

- Close collaboration with VA to refine volume projections, along with implementation of an aggressive staffing and training plan to address appointing delays.
- A firm commitment to timely claims payment, VA assistance in addressing old/outstanding claims payment issues and engagement of congressional Members and staff to encourage apprehensive providers at the local level to consider participating to serve Veterans. We continue to collaborate very closely with VA to address the claims challenges discussed above, and we also are working very closely with our claims processor to burn down any claims backlogs as quickly as possible.
- TriWest senior leadership engagement and outreach with key VA preferred providers to assist in closing remaining network gaps.

Conclusion

Mr. Chairman, Ranking Member Tester and Members of the committee, I salute you for placing a high priority on the critical issue of ensuring Veterans have access to care – both within VA facilities and in the community – when needed. Our nation’s Veterans risk their lives to protect American values and society, so when their lives are at risk here at home, it is our moral obligation to serve and protect them. They have had our back as a country, so now we should have theirs.

It is the honor of our lives to be engaged in this privileged work on behalf of a grateful nation. The partnership between VA and TriWest has progressed and matured substantially over the past 6+ years. It is a dynamic relationship in which we both continue to refine and strengthen operational processes, efficiencies, and communication. The work is complex and challenging, and there always seems to be more work to be done. Those of us associated with TriWest and in VA all are very focused, and I am very proud of the work we are doing together and all that we have accomplished thus far. And, I am confident that the trajectory on which we all are on will continue to improve this program in CCN Region 4 and provide the high-quality community care Veterans have earned and deserve.

No health care system in the country has more expertise than VA in addressing the health care needs of Veterans. The work ahead should not be to reduce or replace the VA system, but to learn from it and to supplement VA care in the community, when and where necessary. After all, ensuring our nation’s Veterans have access to the full range of timely, high-quality health care services they need must be our collective mission. Meeting our Veterans’ ever-growing demand for care is an urgent, life-saving priority. We owe it to those who have sacrificed so much for us to provide them with the best care humanly possible that affords our Veterans an opportunity to live a healthy, full life.

Through our nearly quarter of a century operation in support of the two systems that exist to serve those who serve, we have developed substantial experience in helping these systems implement and mature their programs to provide timely and convenient access to quality health care services. Just as we have done since 1996, we are committed to providing Congress our full support and cooperation as we continue our work alongside VA on the shared privileged mission of protecting the lives of our nation’s heroes. Helping Veterans access high quality care in the

community is the most sacred work in health care. For us, it is service first and then business. Our mission is to find and serve those in need, ensuring they have access to the right services with the right provider and supporting providers fully as they serve the needs of our nation's heroes.

Together, we can succeed, and we must succeed in this mission, because our Veterans and their families deserve no less! Thank you.