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before the
Senate Committee on Veterans' Affairs

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Chairman Isakson, Ranking Member Blumenthal and Distinguished Members of the Committee:

On behalf of Iraq and Afghanistan Veterans of America (IAVA) and our more than 425,000 members and supporters, thank you for the opportunity to share our views on the recently released Commission on Care Report. The Commission on Care was created by the Veterans Choice, Accountability and Access Law of 2014 and was charged with providing a framework for designing the Veterans Health Administration (VHA) for the next 20 years. IAVA appreciates the opportunity to have the voices of this nation's newest veterans heard as we discuss the long term future of veteran health care.

Overall the Commission on Care report has put forward thoughtful analyses and recommendations for reforming VHA. IAVA broadly agrees with many of the recommendations, but also has reservations with a few, which are outlined in detail in this testimony. Further, we have an overarching concern with the lack of consideration for how these recommended changes to VHA will impact the Department of Veterans Affairs (VA) as a whole, particularly VHA's ability to continue coordinating with the Veteran Benefits Administration (VBA) and National Cemetery Administration (NCA) as well as its ability to continue leading in health research and clinician training.

Regardless of the specifics of each recommendation, one thing is certain: Reforming VHA into a truly 21st century healthcare system will require significant coordination

between VA, the larger administration, Congress, VSO partners, and the veterans we all serve. This coordination must be done in a bipartisan, veteran-centric manner that understands transformative change requires resources. IAVA encourages Congress to listen to the needs of the VA and fund any necessary changes at adequate levels without cutting existing critical benefits, like the GI Bill.

General Analyses

1. **The report fails to consider how these recommendations to VHA will impact the VA as a whole, particularly VHA's ability to continue coordinating with the the VBA and NCA.** One of the most unique aspects of the VA is its ability to offer wrap-around services to the veterans in its care. VHA is not only responsible for health care, but also oversees critical programs like suicide prevention and veteran homelessness. Over the years, the necessary coordination between VHA, VBA and NCA has continually improved. While not perfect, the cross-coordination of the these administrations is critical in maintaining VA's ability to provide these wrap-around services and fully support the veteran. This report does not address this critical need for coordination and how coordination would be impacted if these recommendations to VHA were implemented, but it must.

2. **The report fails to analyze the impact of recommended VHA reforms on VHA's ability to conduct research and train future clinicians.** Seventy percent of physicians receive some level of professional training from the VA. VA also trains over 20,000 nurses and nearly 35,000 people in other health related fields annually. This, combined with the robust research program that has led to groundbreaking discoveries in prosthetic development, spinal cord injuries, mental health injuries and burn care, expands VHA's impact in the community beyond any simple health care provider. These additional roles are critical aspects of the VHA footprint that were not accounted for in the development of the Commission on Care report. The impact of implementing these recommendations on these additional critical VHA roles must be taken into account.

3. **The report does not acknowledge the challenges faced by VA due to the misalignment of demand, resourcing and authorities.** The Independent

Assessment of VA conducted by the Mitre Corporation found that a misalignment between demand, resourcing and authorities is one of the critical challenges of the VA to execute effectively on its mission. This report does not address this challenge. As the writers of the *Independent Budget* point out, at its current state VA is underfunded and cannot meet demand. Budget approval rests with Congress; only they can properly align demand and resources. And such substantial reform efforts, while needed, will require proper and realistic resourcing. IAVA would again echo our concern of recent Congressional efforts to pay for new services and benefits at the VA by cutting existing benefits and make a strong recommendation that this method not be used to fund transformative change within VHA.

4. **The report is presented as a series of independent recommendations; it fails to acknowledge that the success of implementing a single recommendation likely depends on the execution of others and will also require extensive time and resources to execute effectively.** The Commission on Care report puts forward a number of recommendations that will require time and resources to implement, and yet the challenges inherent to such a long-term, resource-intensive process are not addressed. Further, the report outlines a series of independent recommendations, but does a poor job of showing their interconnectedness. For example, an integrated network of care cannot be built without an updated technology platform and infrastructure to support the network. Yet these, and the costs associated with them, are not mentioned in the recommendation to create an integrated network of care. This lack of integration gives a false sense of overall cost of implementing this plan. It also fails to emphasize that in many cases, if one recommendation is adopted without others, the overall plan to improve VHA will fail. It is critical to recognize that while these recommendations are presented as stand-alones, many will be intertwined and one cannot be fully achieved without others.

5. **The report failed to take into account reforms and programs that the current VA Secretary has already planned and/or implemented.** The Secretary conducted an extensive internal assessment of the VA when he was initially appointed to the position in 2014. As a result, he has put into action the myVA initiative, which addresses many of the points raised by the Commission on Care report. The report does not specifically address this initiative or take

under consideration potential redundancies of the recommendations of the Commission report.

6. **The report recommendations are broad, contradictory at times, and can be left somewhat open to interpretation.** This presents a challenge as leadership and the makeup of Congress changes. The broad and contradictory nature of the report does not provide clear and concise direction and the intent of the Commission in making these recommendations might be lost to political leanings.

Analyses of Report Recommendations

Recommendation #1: Across the United States, with local input and knowledge, VHA should establish high-performing, integrated community-based health care networks, to be known as VHA Care Systems, from which veterans will access high-quality health services.

IAVA Analysis: IAVA recognizes that the VA cannot fulfill its mission alone and a fully integrated network of care that includes community providers will be essential to achieving this mission. We also agree with the need for an integrated model that requires patients to consult with a primary care provider to receive specialty care services and removes the arbitrary eligibility criteria enacted by the Choice Program. However, we disagree with primary care services being available outside of the VA, even if it is limited to within the community network. While well-intentioned, IAVA is concerned that a broad interpretation of this recommendation creates a framework whereby VHA as an institution can slowly be phased out. Furthermore, IAVA is not convinced the primary care providers outside the VA could effectively treat the whole veteran and effectively help veterans navigate the VA. A veteran's primary care provider needs to be the quarterback of their care; they've got to be central and fully integrated into the team.

Additionally, the budget assessment for this recommendation makes a number of assumptions that may or may not hold true. First, the economic analysis does not include cost assessments for upgrading the IT platforms to support a truly integrated network, costs associated with the needs of the physical infrastructure of facilities nor additional administrative costs to support this new model.

Although not specifically addressed, this recommendation also assumes that community providers will be available and able to absorb the demand created by integrating this network. The model estimates as much as 60 percent of VA care shifting to the community network (from 34 percent currently). This will likely create a large demand on a community medical system already struggling to meet the demand of existing civilian patients (a challenge already realized by VA Choice providers). Finally the implementation of such a system does not take into account the impact on research and training, and could have a severe negative economic impact if not mitigated.

Overall, IAVA supports an integrated network of care that includes community providers, with integration of VA primary care providers managing the patient care and an overall resource estimate that considers additional costs needed for administrative support, IT systems and infrastructure required to support the network. We find this recommendation well intentioned, but too broad, lacking critical pieces of analysis, and with a fatal flaw: the external primary care provider.

Recommendation #2: Enhance clinical operations through more effective use of providers and other health professionals, improved data collection and management.

IAVA Analysis: There is a growing shortage of physicians and the healthcare community will need to be open to expanding responsibilities for all health professionals. IAVA agrees with the need for VHA to more effectively engage its professional staff and ensure that clinicians have the support staff, both clerical and clinical, they need to use their time more efficiently and effectively to treat patients. We also agree that data integrity and collection must be a priority.

Recommendation #3: Develop a process for appealing clinical decisions that provides the veterans protections at least comparable to those afforded under other federally-supported programs.

IAVA Analysis: IAVA has no strong opinion on this recommendation. IAVA does support the intent to convene an interdisciplinary panel to further assess and offer recommendations regarding revising the clinical appeals process to ensure the veteran is receiving a judicious and uniform process when appealing a clinical decision.

Recommendation #4: Adopt a continuous improvement methodology to support VHA transformation, and consolidate best practices and continuous improvement efforts under the Veterans Engineering Resource Center.

IAVA Analysis: IAVA has continually recognized that one of the challenges at VHA is sharing best practices across the VHA system of care. Under the leadership of Secretary McDonald and the Undersecretary for Health, Dr. Shulkin, VHA continues to try and identify innovative solutions at the local level and bring these to the greater VHA community. However, streamlining these practices has been a challenge. We concur with the intent of this recommendation, VHA must establish an effective way to identify these transformative programs and share them across the VA in a streamlined and efficient way. However, we are not confident that the Veterans Engineering Resource Center is the appropriate entity to meet this intent.

Recommendation #5: Eliminate health care disparities among veterans treated in the VHA Care System by committing adequate personnel and monetary resources to address the cause of the problem and ensuring VHA Health Equity Action Plan is fully implemented.

IAVA Analysis: IAVA agrees that VHA should adopt as a primary mission the elimination of health care disparities among the veterans it serves. As the report states, minority populations are growing in the U.S. as a whole, and also within the veteran community. For VA to fully recognize its mission to serve veterans, it must be focused on serving *all* veterans.

IAVA has recently focused on improving services to women veterans. Women veterans are a minority group, but they are not homogeneous. Women veterans are a very diverse population. We agree with the report's findings that the VA prioritize and fully resource serving minority populations. Additionally, we agree that while VA has improved its focus on understanding these populations through research, more must be done. There is an overall lack of data on vulnerable populations and a lack of data on how VA is doing to support these populations. This data gap must be closed. In doing so, VA will have the tools to finally address the needs of these populations in a data-informed way.

Recommendation #6: Develop and implement a robust strategy for meeting and managing VHA's facility and capital-asset needs.

IAVA Analysis: As the Commission on Care report recognizes, the VHA infrastructure is in dire need of attention. The average facility is 50 years old, resources for updates are nowhere near adequate and the ability for VA to conduct needs assessments of its facilities and act on those assessments are hindered by Congressional oversight. IAVA agrees that the VA must have more flexibility to meet its facility needs. We also recognize the growing importance of ambulatory care needs, while balancing the availability of inpatient facilities

Additionally, we feel it is imperative to recognize the current challenges for VA to enter into agreements with health care partners to share space, equipment or personnel. Current law makes it nearly impossible for these private-public partnerships to be entered into, and in order for VA to implement recommendation one of this report, an integrated network of care, this capability is essential.

IAVA also agrees that there could be resources gained by empowering VA to make these critical facilities decisions. There are a number of legislative changes that can be made to address the critical infrastructure needs of the VA. It will be imperative that Congress work with the VA to make these needed changes a reality.

Recommendation #7: Modernize VA's IT systems and infrastructure to improve veterans' health and well-being and provide the foundation needed to transform VHA's clinical and business practices.

IAVA Analysis: IAVA recognizes the VA IT system will be a critical component of an integrated system of VA care. Currently, the IT system is woefully outdated and does not afford the possibility of this integrated system. The current care in the community programs and providers do not interface with VA in a streamlined manner, making care disjointed. Further, the report points out that a lack of standard clinical documentation and a standardized electronic health records (EHR) across all facilities makes record sharing across facilities and from facility to veteran very difficult. IAVA agrees with these findings. In order for VHA to provide a streamlined, high quality and timely level of care, the IT system must be brought into the 21st century. VHA must have a detailed strategy

and roadmap to achieve this level of IT and it will require the support of Congress to fulfill its vision.

IAVA has advocated not only for an update to the VHA IT system, but also the development of an interoperable EHR between Department of Defense (DoD) and VA and within VA. This is critical to providing patient service to the military/veteran population. It is is also required by law and past due. However, with an integrated network, the need for interoperability will go beyond the VA and DoD and include its community partners.

We are concerned that the priorities of VHA's IT needs are getting lost in the Office of Information and Technology and agree VHA needs an IT advocate working to meet the IT needs of VHA. However, we believe this would also benefit VBA and NCA and they too should have IT advocates.

Finally, we agree that the budget cycle as it stands now makes it very difficult for VHA to plan for and execute on IT needs, and concur that VHA's IT budget needs should also be on a two year cycle with VHA's advance appropriations cycle.

Recommendation #8: Transform the management of the supply change in VHA.

IAVA Analysis: This is beyond the scope of IAVA's expertise and therefore we take no position. However, we support any mechanisms that could improve efficiencies and allow for resources to be reallocated elsewhere in VHA with these improved efficiencies.

Recommendation #9: Establish a board of directors to provide overall VHA Care System governance, set long-term strategy and direct and oversee the transformation process.

IAVA Analysis: IAVA understands the reasoning behind this recommendation and agrees that continuity in leadership is critical to long term reform. However, it can be very difficult to impose private sector practices (Board of Directors) on a public sector entity (VHA) because of the nature of that public sector entity.

In an attempt to increase accountability in VHA, establishing a board runs the risk of the opposite effect. Particularly with the establishment of the board through various political appointees, the board risks becoming another entity where inaction becomes the norm because of opposing viewpoints. Additionally, as described the board has no fiduciary control; Congress will continue to be the final oversight authority. IAVA is concerned that the addition of the board adds another layer to the already burdensome bureaucracy. A board of directors without fiduciary responsibility effectively becomes an advisory board, and VA already has one, and arguably multiple, of those established through the myVA Board and the VSO community.

We understand the Commission's concerns over continuity of senior leadership roles such as the Undersecretary of Health and are willing to consider a longer term of appointment for the Undersecretary of Health, but believe that this requires further analysis on the impact on VBA and NCA. More generally, with a change in governance structure such as this recommendation, there must be considerations as to how this impacts the coordination between VHA, VBA and NCA.

There is also further consideration to be made as to the role that VSOs, Congress and other informal advisors already play in this capacity.

Recommendation #10: Require leaders at all levels of the organization to champion a focused, clear, benchmarked strategy to reform VHA culture and sustain staff engagement.

IAVA Analysis: As the report recognizes, the cultural and organizational health of VHA must be positively transformed before the VHA can function at its greatest potential. IAVA strongly agrees that in order to build a healthy culture, VHA must instil greater collaboration, ownership, and accountability among its employees. We applaud the strong dedication found among VHA employees and continue to advocate for policies and opportunities that best strengthen and support the VA's workforce.

We agree with the report's recommendations that stress a systems-oriented, leadership-supported, and flexible approach to cultural transformation. However, IAVA is concerned that this cultural transformation must be conducted throughout all of the VA and not exclusively siloed within VHA. Given the strong inter-agency cooperation at the VA and the need for VA leadership at its highest levels to support these goals, implementing the changes suggested by the report must be done across the whole VA.

Additionally, the concept of the transformation office has the potential to help drive and focus the suggested cultural changes. However, we would need to understand the specifics of how the transformation office would function, how it would disseminate policies and training, and how it would be able to support local and national change to understand if such an office would be a more effective model of change than the current system. Since the report also directs this new transformation office to report directly to the suggested governing board, we would echo here our concerns detailed under the analysis of recommendation nine.

Recommendation #11: Rebuild a system for leadership succession based on a benchmarked health care competency model that is consistently applied to recruitment, development, and advancement within the leadership pipeline.

IAVA Analysis: IAVA overall agrees that VHA does not have a strong plan in place for leadership development and growth and this is critical for the continued success of VHA. Under Secretary McDonald, the need for leadership development has been recognized and is one of many areas where IAVA is excited to see progress already being made.

Recommendation #12: Transform organizational structures and management processes to ensure adherence to national VHA standards, while also promoting decision making at the lowest level of the organization, eliminating waste and redundancy, promoting innovation, and fostering the spread of best practices.

IAVA Analysis: IAVA supports streamlining VHA and empowering staff to make decisions, but in empowering the staff VA must ensure they have the right tools and metrics to make informed decisions. IAVA supports reducing redundancies and simplifying organizational structure, but also want to ensure that in simplifying vital processes are not lost.

We have also supported the VA Secretary's request for more budgetary authority to make these critical decisions and route resources to where the need rests. We understand the need for a health care system to have that additional flexibility, but that must be carefully balanced with ensuring vital programs continue to be funded.

Recommendation #13: Streamline and focus organizational performance measurement in VHA using core metrics that are identical to those used in the private sector, and establish a personnel performance management system for health care leaders in VHA that is distinct from performance measurement, is based on the leadership competency model, assesses leadership ability, and measures the achievement of important organizational strategies.

IAVA Analysis: IAVA broadly agrees with the need for VHA to streamline and focus its organizational performance measures and establish the same in a personnel performance measure system. These metrics must be clearly defined, measurable, and speak more to the need for meaningful measures tied to safety, quality, patient experience, operational efficiency, finance and human resources (as indicated in the Independent Assessments). We also see value to tying these metrics to private sector measures given recommendation one to create and integrate the network of care, but hesitate to rely too much on the private sector measures given that VHA also has its own unique aspects that might warrant some measures outside of the private sector. Additionally, this is another area being addressed by the VA Secretary's myVA transformation plan.

Recommendation #14: Foster cultural and military competence among all VHA Care System leadership, providers and staff to embrace Diversity, promote cultural sensitivity and improve veteran health outcomes.

IAVA Analysis: IAVA completely agrees that military cultural competence is critical for all who provide care to veterans. A recent RAND report that looked at military cultural competence among community mental health providers defined this not just as knowledge and comfort with the military culture, but also knowledge of evidence-based practices to treat mental health injuries and ability to practice these techniques. It's

critical to recognize that competence applies at all levels, from the individual greeting as the veteran walks in the door, to the provider treating the patient. All VA staff must be trained in this. Additionally, providers and their support staff must understand the specific health indicators for this population to better serve them. IAVA supports all of the recommendations in this section specific to asking about military health history and awareness of all veteran groups, including providing quality care for women veterans and the LGBT community. This will be a critical requirement for any community providers that are adopted into the VHA network, whether it be the current care in the community programs, or some future iteration.

Recommendation #15: Create a simple to administer alternative personnel system, in law and regulation, which governs all VHA employees, applies best practices from the private sector to human capital management and supports pay and benefits that are competitive with the private sector.

IAVA Analysis: IAVA is an active advocate for a dedicated focus on VA staffing. Specifically at VHA, we agree that attracting talent to VHA will be critical at all levels of the staffing hierarchy, and so competitive salaries and hiring incentives will be critical in doing this, as well as expediting the hiring process. We also recognize the tradeoff of moving from a Title 5 to a Title 38 hiring structure, including potential impacts on the diversity of the hiring pool. We recommend that should this recommendation be considered, this concern be addressed and then monitored if the recommendation is implemented. Given that VA serves a unique and diverse population, we want to be sure that the staff that serves this population maintains that same diversity.

We also agree that VA HR should take a more proactive approach in developing leaders within VHA. We encourage VA to consider how VA HR can balance the needs to meet regulatory requirements, but more importantly emphasize professional development and fostering leaders among the VA ranks, as well as improving morale and hopefully as a result, retention.

Any discussion on improving VA personnel systems must also include a discussion on increasing accountability at the VA. While a vast majority of VA employees serve veterans in an exemplary way, there are also those who discredit the VA through underperforming or plain negligent acts. Being able to jettison these employees in an

expedited manner while also protecting whistleblowers and rewarding those that do serve in an exemplary way are the keys to restoring VA morale.

Recommendation #16: Require VA and VHA executives to lead the transformation of HR, commit funds and assign expert resources to achieve an effective human capital management system.

IAVA Analysis: In order to achieve recommendation 15, recommendation 16 must also be a priority. To reform the personnel hiring and HR administrative systems, leadership must be in support and must prioritize it.

Recommendation #17: Provide a streamlined path to eligibility for health care for those with an other-than-honorable discharge who have substantial honorable service.

IAVA Analysis: IAVA agrees with this recommendation. Those with Other-Than-Honorable (OTH) discharges can be among the most vulnerable in our veteran population. They are at a higher risk for suicide and homelessness, and often as a result of their discharge status may have no VA resources available to them. Community programs often mirror the eligibility criteria of the VA, and so even these resources may not be available to them. They become stuck in limbo, possibly needing help for an injury sustained while in service, but not able to obtain that help because they are not eligible due to their discharge status. For some, the injury obtained during service might have even contributed to the OTH discharge received.

Awarding temporary eligibility to these individuals will allow for access to critical services without delay in health care due to the current process for determining eligibility. However, it's important to stress that with this change will be a resource burden on the VA that will require Congress to support. With increased demand comes increased need for resources.

Recommendation #18: Establish an expert body to develop recommendations for VA care eligibility and benefit design.

IAVA Analysis: This remains a critical issue within the veteran community and updates to VA eligibility have not been addressed in 20 years. It is past time to do so. IAVA agrees with the recommendations to form a body to review these criteria and develop recommendations to meet the needs of all veterans.

Again, IAVA appreciates the opportunity to outline our review of the Commission on Care. Change is necessary, and working together we know the VA and the health care it provides can be strengthened to provide the highest quality care for veterans in this nation's history. IAVA looks forward to continuing to work alongside this committee, Secretary McDonald and our fellow VSO partners to evaluate and implement changes necessary to best achieve this goal.

Biography Of Jacqueline Maffucci, Ph.D.
Research Director, Iraq and Afghanistan Veterans of America

Jacqueline Maffucci is the Research Director for Iraq and Afghanistan Veterans of America. She holds a Bachelor of Science from Cornell University and a Doctorate of Philosophy in Neuroscience from The University of Texas at Austin. Prior to her position at IAVA, Dr. Maffucci spent nearly four years as a consultant to the Pentagon focusing on behavioral health policy for the Army. This included over two years spent on the Army Suicide Prevention Task Force. Among other responsibilities, she acted as the liaison to the Department of Defense research community working to translate research into policy. Additionally, she was Editor in Chief for The Journal of Washington Academy of Sciences from 2010-2013.

Dr. Maffucci currently serves on the National Center for PTSD Education Advisory Board and the Department of Veterans Affairs Women's Health CREATE Veterans Council and the National Academic Affiliations Council. In her free time, she also works as a professional dog trainer in the community and has recently expanded to volunteer with Pets4Vets to identify companion animals for veterans and paws4ves as a puppy raiser for service dogs in training.

Dr. Maffucci has contributed to the Chicago Tribune , Yahoo! News , The Baltimore Sun, as well as other television, print and radio outlets.

Biography of Lauren Augustine
Senior Legislative Associate, Iraq and Afghanistan Veterans of America

Lauren served in the US Army as an unmanned aircraft systems operator and deployed with the Big Red One, 1st Infantry Division, to Taji, Iraq providing surveillance and reconnaissance for central Iraq and Baghdad. Lauren is currently a Senior Legislative Associate for IAVA, where she advocates Congress to improve the lives of veterans and their families through legislation. Prior to joining the military, Lauren received a Bachelor's Degree in international studies and Russian language from Virginia Tech in 2009. In addition to her work with IAVA, she is the co-owner of a small business in Woodbridge, Virginia and was recently appointed to the Virginia Joint Leadership Council of Veteran Service Organizations.

Statement on Receipt of Grants or Contract Funds

Neither Dr. Maffucci, Ms. Augustine nor the organization they represents, Iraq and

Afghanistan Veterans of America, has received federal grant or contract funds relevant to the subject matter of this testimony during the current or past two fiscal years.