

Testimony of David A. Joslin
Alaska Field Hearing, Veterans Choice Program
25 August 2015

Good afternoon, my name is David Joslin. I am the Administrator of Diagnostic Health Anchorage and the Manager of Operations for the state of Alaska for Alliance Healthcare Services. I am also a retired Sergeant First Class of our beloved Army, and a 70% service connected disabled veteran and beneficiary of the Alaska VA Health System. Additionally, I hold the position of Post Service Officer for the Veterans of Foreign Wars, Post 9785 here in Eagle River, Alaska. I have the unique perspective of witnessing the compounding issues with regard to the failed implementation strategy of the Veteran's Choice program from both the VA private sector business partner's vantage point, and the personal view of a beneficiary. I am sure you have or will hear countless examples of how this program's implementation has had negative impacts on the Veteran community in Alaska in today's hearing. I too, could provide multiple stories and examples of circumstances and situations reported to me from my members at the VFW, from VA patients that receive healthcare services at my practice locally or even me personally; but I would rather talk to you about another negative impact that this program has had as it relates to me as a contracted business partner of the Alaska VA Health System.

In February of 2013, my company was awarded the Alaska VA Health Systems exclusive private sector contract for diagnostic imaging services for VA Beneficiaries referred through the Integrated Care Services department. This is a one year contract with 4 optional renewal years built into the contract that run from 1 February thru 31 January for each contract term. We are currently operating in year 3 of this contract (option #2), which the current period runs from February 1st of this year to January 31st of 2016. Due to the implementation of the Veterans Choice program and the complete change to the referral management system, as of May of this year, my contract has essentially been nullified even though the Department of Veterans Affairs entered into a binding agreement for service with my organization that has not expired. When I questioned the local program managers at the Alaska VA Integrated Care office, I was told that they no longer have control over the referral of care for Veterans. When I called the Provider Relations line at Tri West, I was very abruptly told that their contract was separate and indifferent from mine, and that they are under no obligation whatsoever to refer any diagnostic imaging business to my practice, regardless of my contract with the VA.

As a publicly traded organization, we pride ourselves on integrity and accountability; they are two of our core corporate values. As such, we prepared our organization for this fiscal year based upon the binding agreement between our organizations and reported these strategies and accountable targets to our Executive Team, our Board of Directors and our Shareholders. As I am sure you would imagine, the change in business volume has gotten the attention of many in my organization, and they want answers. So, could somebody please tell me, how if I have a binding contractual agreement between my organization and the Alaska Veterans Health System, and now, due to your failed implementation plan, that I am no longer guaranteed any business from you? As a Platoon Sergeant in the Army, none of my

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various Commanders would have ever allowed a failure on my part to affect or permanently impact my Platoon and subordinate Soldiers, so why now has this become acceptable for an organization whose very foundation is built upon Veterans and Veteran Leaders, to conduct business in this manner? If your positions were MTOE or TDA assigned military positions in any branch of service, you would have been relieved for cause!

As per section 9, on page 60 of my contract it states specifically *“Only the Contracting Officer is authorized to make commitments or issue changes that will affect price, quantity, or quality of performance of this contract.”* Yet, when I attempted to work with my assigned Contracting Officer, I was informed that she was just as in the dark on the changes as I was, and as such, the VA as a whole, in my opinion, knowingly ignored and disregarded their own contractual obligations and processes.

So, where do we go from here? In my opinion, the VA has the opportunity to make this right. They have the opportunity to make good on their commitments. First, I am requesting that the VA conduct a contractual review to identify just how many private sector business partners were negatively impacted by this failed implementation. The integrity of our entire nation is at stake when you willfully throw your obligations aside with no regard. Second, I am asking that you modify your contract with Triwest mandating that they honor current standing contracts such as mine. Standing behind your commitments and holding yourselves accountable is the first step to regaining the confidence of the American people and our Veterans. Finally, I am asking that to make this right, you automatically honor the final optional years in these contracts. The bottom line is that because of this debacle, fewer and fewer medical providers wish to do business with the VA, so you had better make good use of the ones that still value your relationship!

I would like to thank you all for your time today for this important matter and in closing I would remind you that when dealing with the Veteran population, we will only respect you when you lead from the front.

Thank you!