

Senate Veterans Affairs Committee
Testimony of Senator Richard Burr (R-NC)
S. 2646 – Veterans Choice Improvement Act of 2016
March 15, 2015

Chairman Isakson and Ranking Member Blumenthal, thank you for holding this hearing and for providing me with the opportunity to testify about the Veterans Choice Improvement Act, which I introduced with Senators Ayotte, Boozman, Crapo, Daines, Hoeven, Moran, and Tillis. I'd also like to thank Senator Tester for his work on this issue as well.

In 2014, when I was the Ranking Member of this committee, Congress passed the Veterans Access, Choice and Accountability Act, which created the Veterans Choice Program to make sure our veterans could get the health care they need when they needed it. This legislation was in response to the systemic problems throughout the VA health care system that had been uncovered in early 2014. We recognized at the time that the only way to make

certain that veterans got the care they needed was to enable them to go to a doctor outside the VA if they were on a waitlist or lived far from a VA facility. I was proud to help author the Veterans Choice Program, and I know that program has helped many veterans get health care without having to wait long or drive far.

However, nearly two years later, veterans are still experiencing serious frustrations and delays in getting health care. Just this October, a CNN reporter found that appointment wait times at the VA were not getting better, even after billions of dollars flowed into the agency. I know every Senator here today is hearing about these problems from veterans living in their state. I certainly do. Let me give you an example:

As recently as last month, Charlotte's WBTV reported that a veteran named Jim Bancroft had waited more than a year to receive a referral from the VA to see a spine specialist. Mr. Bancroft was finally given a referral and allowed to see an outside specialist, but when Mr. Bancroft called to make a second appointment, he was

told he could not see the doctor because the doctor was no longer accepting veterans under the Choice Act. Why? Because the VA had continually failed to pay the doctor for seeing veterans.

This is just one example of thousands and why I introduced the Veterans Choice Improvement Act. We must fix this and get it right for our veterans.

The first problem that the Veterans Choice Improvement Act seeks to fix is the confusing nature of receiving care outside of the VA. Currently, the VA offers care to veterans outside of the VA through a number of different programs and contracts. The laws and regulations that govern these programs differ in substantial ways, and this is confusing to the veteran, confusing to doctors and hospitals, and oftentimes, confusing to the VA itself. That is why the Veterans Choice Improvement Act consolidates all of these programs into one permanent program, the Veterans Choice Program. This program will be the one program for veterans to receive care in their community. It is designed to be easily

understandable by the veteran so that they will know when they are eligible to go outside the VA for care.

The Veterans Choice Improvement Act will also make significant reforms to the VA's medical claims and reimbursement process to make sure medical providers get paid for the services they provide to our veterans. This, in turn, will ensure veterans will be able to get the timely, quality health care they've earned.

In North Carolina, we have already seen hospitals stop seeing veterans under the current Veterans Choice program because the VA has consistently failed to reimburse the hospitals for services rendered. I know this is a problem in other states as well, and that is why we reform the claims reimbursement process in this bill. We have set a standard for how long the VA has to reimburse a claim, and if they fail to meet that standard, interest begins to accrue on the claim. We require the Secretary to notify medical providers of what information a claim must contain for quick reimbursement and also notify providers if that information requires changes. We

also mandate that the VA establish an electronic system to receive medical claims from outside providers, but we give the VA until 2019 to put it into place. That is more than sufficient time to get it right, even for the federal government.

As the Members of this Committee know, the VA has had significant accounting problems as more and more veterans have been allowed to receive care outside the VA. In May 2015, VA came to Congress and told us that they may have a funding problem, but that they were not really sure, and so they had hired outside accounting firms to help them understand what was happening. Then, in late July 2015, the VA came back to Congress and informed us that they were nearly \$3 billion short in their medical services account for that fiscal year. The VA also told us that unless Congress allowed for a reprogramming of funds out of the Veterans Choice Fund, the VA would be forced to close hospitals. Congress, of course, allowed for the reprogramming in order to keep VA

medical facilities open, but to say that such incidents are unacceptable is a gross understatement.

In the Veterans Choice Improvement Act, we make an effort to fix these accounting issues so that incidents like the one I just described do not happen again. The Veterans Choice Program will be funded through a single appropriations account, and that funding will be provided a year in advance. This should help clear up some of the accounting issues and provide more transparency for Congressional and public oversight.

Lastly, I would like to thank Senators Hoeven and Manchin for their legislation on provider agreements, which is part of this bill. I believe this will make a real difference for veterans who live in rural America.

These provider agreements will allow the VA to have a standing agreement with local doctors and hospitals to provide certain medical services to veterans. This will alleviate the burden on veterans who currently have to travel long distances for minor

medical issues that can easily be addressed closer to home. There is simply no reason that veterans are driving four and five hours each way just to get a new pair of eyeglasses. I give a great deal of credit to Senator Crapo for passionately advocating for veterans in Idaho and telling me the story of how veterans there are driving three and four hours to Salt Lake City to get fitted for hearing aids when there is a private hospital just down the road that could easily do the same thing. We can do better for our veterans, and that is why I also give the VA credit for requesting this ability and acknowledging that this is necessary and will help veterans.

I will close by saying that the Veterans Choice Improvement Act will help veterans across America get the best health care we have to offer, and get it without having to wait long or drive far. Regardless of whether they live in an urban center or a rural town, this bill will help them. Thank you again for allowing me to testify today.