WASHINGTON, D.C. UPDATE ON THE VETERANS ACCESS, CHOICE, AND ACCOUNTABILITY ACT OF 2014 (H.R. 3230)

This memorandum is to provide the Board with an update on the Veterans Access, Choice, and Accountability Act of 2014 (H.R. 3230), which is aimed at improving the access of veterans to health care. On July 31, 2014, the Senate adopted the conference agreement on H.R. 3230 on a 91 to 3 vote, sending it to the President, who will sign it into law. The House approved it on a 420 to 5 vote on July 30, 2014.

Bill Highlights

The conference agreement on H.R. 3230 reconciled differences between H.R. 3230, as passed by the Senate on June 11, 2014, and H.R. 4810, the Veteran Access to Care Act of 2014, which the House passed on June 10, 2014. These bills were passed in response to the results of an internal Department of Veterans Affairs (VA) audit, which found systematic problems in the provision of health care to veterans, including lengthy wait-times for medical appointments and falsified wait-time records.

The bill appropriates $10 billion to pay for increasing veterans' access to care at non-VA facilities until the funds are exhausted or three years after the bill's enactment, whichever occurs first. It also appropriates $5 billion to improve the VA's internal capacity to provide health care by hiring more health professionals and improving its health infrastructure. Veterans would be allowed to obtain health care from non-VA providers, including potentially the County, if they cannot be scheduled for an appointment at a VA facility within a wait-time goal of 30 days, or if they live further than 40 miles from the nearest VA facility. Eligibility to use non-VA facilities would also be limited to veterans who are enrolled in the VA's health system as of August 1, 2014 or who later enroll within five years of serving in active duty in a combat theater.
Eligible veterans can receive care from any Federally-Qualified Health Center, Defense Department, Indian Health Service, or Medicare provider which elects to participate under an agreement with the VA which includes negotiated reimbursement rates that do not exceed the Medicare rates.

Besides negotiating care agreements with non-VA providers, the VA also is required to implement procedures to notify veterans of their authorization to receive care at non-VA facilities and to ensure that such facilities meet the 30-day wait-time goal for appointments and submit medical records to the VA on the care provided to veterans. Within 90 days of the bill’s enactment, the VA must provide veterans with a “Veterans Choice Card,” which would be presented to non-VA providers to prove eligibility for VA-reimbursed medical care and to provide information relating to the submission of reimbursement claims. H.R. 3230 also authorizes the VA to change the 30-day wait-time goal if it submits a report to Congress with a different wait-time goal within 60 days of the bill’s enactment.

**Potential Impacts on the County**

Under current law, the VA has the authority to contract with non-VA providers to provide medical care to veterans when its facilities are “not capable of furnishing economical hospital care or medical services because of geographical inaccessibility or are not capable of furnishing the care or services required.” The VA contracted with the County’s Rancho Los Amigos National Rehabilitation Center (RLANRC) for outpatient services from June 2010 to December 2011. The RLANRC sought to continue the contract, but the VA’s Veterans Integrated Service Network 22, which is the VA region that serves all of Southern California, decided not to extend the contract.

For up to three years, H.R. 3230 would require the VA to allow veterans who cannot be scheduled for appointments at a VA facility within the 30-day wait-time goal to receive care from other providers outside of the VA. This could include County health facilities, such as the RLANRC, if the County elects to enter into an agreement with the VA to provide health services to veterans. In a Board memo on Federal VA health legislation, dated July 24, 2014, the Department of Health Services (DHS) indicated that it is ready to enter into a contract with the VA to provide rehabilitation care and outpatient services at RLANRC and that other parts of the DHS system could also be made available depending on existing capacity and the specific needs of the veterans to be served.

If County DHS facilities elect to participate, the programmatic and fiscal impacts would depend on how many eligible veterans elect to receive medical care at DHS facilities rather than at other participating non-VA facilities. The total number of eligible veterans, in turn, will largely depend upon how many local veterans enrolled in the VA health
system cannot receive appointments at VA facilities within wait-time goals and how many other Medicare providers enter into agreements to serve veterans. The bill's potential impacts on the County and other non-VA providers also will be affected by how the VA implements the new option for certain veterans to receive care from non-VA facilities.

We will continue to keep you advised.

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MR:MT:ma

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