

ISSUE BRIEF: VA HEALTH CARE REFORM

Situation

- Over the past three years, there has been a vigorous national debate about how best to provide timely, high-quality, comprehensive and veteran-focused health care to our nation's veterans.
- By the end of 2016 virtually all major stakeholders, including DAV and our *Independent Budget* partners (VFW and PVA), VA, and the Congressionally mandated and independent Commission on Care coalesced around a common long-term solution for transforming the veterans health care system: specifically, by creating a high-performing, integrated health care network comprised of VA, military, other federally funded providers, and highly qualified community providers, with VA serving as the coordinator and primary provider of care.
- Congress has held hearings on bills that would reform Choice and consolidate VA's community care programs. However, costs and other considerations are hindering efforts to enact legislation.

Challenge

Despite remarkably broad agreement, some politicians and political organizations continue to promote proposals offering veterans an unlimited private sector "choice" option, regardless of the costs or potential consequences of greatly diminishing the VA health care system. Unfortunately, the failure to identify a common definition of "choice" has confused the debate.

- Some have said "choice" would allow veterans to select their own doctors, lead to better quality health care and expand access for veterans. However, many doctors don't choose to participate in Choice. VA already provides equal or better care than the private sector and if too many veterans use "choice" and leave VA, it would force VA to close facilities and curtail medical services, thereby actually limiting "choice" for veterans who choose and rely on the VA for all or most of their care.
- Expanding "choice" would have enormous costs and consequences for veterans and the VA health care system; economists estimate it would require new funding of between \$5 to \$35 billion in the first year, and potentially up to \$2 trillion over ten years for a completely unfettered "choice" program.

Solution

- VA, in consultation with Congress and VSO stakeholders, should move forward with developing a high performing integrated health care network comprised of VA, other federal health services and highly qualified community providers to create seamless health care access for enrolled veterans.
- Health information technology is critical to a seamless transition of patient records between health providers. Therefore, it is essential Congress fund and VA purchase an electronic health records system that ensures interoperability between VA, DOD and other systems commonly used in the health care industry. VA must also remain the primary provider of care for most veterans, serving as the care coordinator and ensuring the quality of services obtained when veterans must access care through community partners in its network.
- Congress must provide VA with legislative authorities and appropriations necessary to move forward with their community care consolidation plan, including provider agreement authority.