



DEPARTMENT OF VETERANS AFFAIRS
Under Secretary for Health
Washington DC 20420

June 28, 2016

The Honorable Patrick E. Murphy
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Murphy:

This is in response to your April 28, 2016, letter to the Department of Veterans Affairs (VA) in support of a recently resubmitted grant application for the Copas Veterans Nursing Home in St. Lucie County by the Florida Department of Veterans Affairs. I am responding on behalf of the Department.

VA State Home Construction Grants are awarded each year to States for projects in the order of their priority on the VA Priority List up to the limit of available VA funds. Upon confirmation of fiscal year appropriations, VA grant funding letters are sent to States for projects in the order listed on the priority list for that fiscal year. VA cannot fund projects out of order of the Priority List because doing so would violate Title 38, United States Code, Section 8135(c)(4) and 38 Code of Federal Regulations (CFR), Part 59.

On April 12, 2016, the Florida Department of Veterans Affairs withdrew its fiscal year (FY) 2016 grant application for a State Home in St. Lucie County; the Florida Department of Veterans Affairs subsequently submitted a new application to build the St. Lucie Home at a higher Federal matching cost. This new application was accepted as an initial application under 38 CFR 59.10 and was approved for inclusion on the FY 2017 Priority List by VA on April 14, 2016. We believe this new application most likely will be funded due to Florida being a "great need for new beds" State in the project ranking criteria for new State home applications. Once VA is able to provide the State of Florida a VA funding letter, the State can finish any remaining checklist items for a final grant award.

The small house model is the design and construction component of a state-of-the-art, person-centered approach to nursing home care, which VA supports. The small house model establishes an environment that creates a dramatic shift in how care and services are provided in nursing homes. Institutional environments are exchanged for residential, home settings with inviting open spaces, communal dining tables, functional kitchens, and private bedrooms and bathrooms that enhance rehabilitation and socialization. This model represents 21st century care for the most frail and vulnerable Veterans who rely on nursing home care, often for the remainder of their lives. The details of the model are in the VA Community Living Center Design Guide available at <http://www.cfm.va.gov/til/dGuide/dgCLC.pdf>.

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VA is grateful for your continuing support of Veterans and appreciates your efforts to pass legislation enabling VA to provide Veterans with the high-quality care they have earned and deserve. As the Department focuses on ways to help provide access to health care in your district or state and across the country, we have identified a number of necessary legislative items that require action by Congress in order to best serve Veterans.

Flexible budget authority would allow VA to avoid artificial restrictions that impede our delivery of care and benefits to Veterans. Currently, there are over 70 line items in VA's budget that dedicate funds to a specific purpose without adequate flexibility to provide the best service to Veterans. These include limitations within the same general areas, such as health care funds that cannot be spent on health care needs and funding that can be used for only one type of Care in the Community program, but not others. These restrictions limit the ability of VA to deliver Veterans with care and benefits based on demand, rather than specific funding lines.

VA also requests your support for the Purchased Health Care Streamlining and Modernization Act. This legislation would allow VA to contract with providers on an individual basis in the community outside of Federal Acquisition Regulations, without forcing providers to meet excessive compliance burdens. Already, we have seen certain nursing homes not renew their agreements with VA because of these burdens, requiring Veterans to find new facilities for residence. VA further requests your support for our efforts to recruit and retain the very best clinical professionals. These include, for example, flexibility for the Federal work period requirement, which is not consistent with private sector medicine, and special pay authority to help VA recruit and retain the best talent possible to lead our hospitals and health care networks.

Thank you for your continued support of our mission.

Sincerely,

A handwritten signature in black ink that reads "David J. Shulkin, M.D." The signature is written in a cursive style.

David J. Shulkin, M.D.