

Union Calendar No. 444

115TH CONGRESS
2D SESSION

H. R. 4242

[Report No. 115–585]

To amend title 38, United States Code, to establish a permanent VA Care in the Community Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 2017

Mr. ROE of Tennessee (for himself, Mr. COFFMAN, Mr. WENSTRUP, Mrs. RADEWAGEN, Mr. BOST, Mr. POLIQUIN, Mr. ARRINGTON, Mr. RUTHERFORD, Mr. HIGGINS of Louisiana, Mr. BERGMAN, Mr. BANKS of Indiana, Miss GONZÁLEZ-COLÓN of Puerto Rico, Mr. BILIRAKIS, Mr. DUNN, Mr. WALZ, Ms. KUSTER of New Hampshire, Miss RICE of New York, Mr. CORREA, Mr. SABLAN, Ms. ESTY of Connecticut, Mr. PETERS, Mr. O’ROURKE, Mr. TAKANO, and Ms. BROWNLEY of California) introduced the following bill; which was referred to the Committee on Veterans’ Affairs

MARCH 5, 2018

Additional sponsors: Mr. EMMER, Mr. STEWART, Mr. MESSER, Mr. HUDSON, Mr. JOHNSON of Ohio, and Mr. WEBSTER of Florida

MARCH 5, 2018

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on November 3, 2017]

A BILL

To amend title 38, United States Code, to establish a permanent VA Care in the Community Program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the “VA*
 5 *Care in the Community Act”.*

6 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 7 *this Act is as follows:*

Sec. 1. Short title; table of contents.

**TITLE I—IMPROVED ACCESS FOR VETERANS TO NON-DEPARTMENT
 OF VETERANS AFFAIRS MEDICAL CARE**

Sec. 101. Assignment of veterans to primary care providers.

Sec. 102. Establishment of VA Care in the Community Program.

Sec. 103. Veterans Care Agreements.

*Sec. 104. Modification of authority to enter into agreements with State homes to
 provide nursing home care.*

*Sec. 105. Department of Veterans Affairs electronic interface for processing of
 medical claims.*

Sec. 106. Funding for VA Care in the Community Program.

*Sec. 107. Termination of certain provisions authorizing medical care to veterans
 through non-Department of Veterans Affairs providers.*

Sec. 108. Implementation and transition.

Sec. 109. Transplant procedures with live donors and related services.

TITLE II—OTHER ADMINISTRATIVE MATTERS

Sec. 201. Reimbursement for emergency ambulance services.

*Sec. 202. Improvement of care coordination for veterans through exchange of cer-
 tain medical records.*

Sec. 203. Elimination of copayment offset.

*Sec. 204. Use of Department of Veterans Affairs Medical Care Collections Fund
 for certain improvements in collections.*

Sec. 205. Department of Veterans Affairs health care productivity improvement.

*Sec. 206. Licensure of health care professionals of the Department of Veterans Af-
 fairs providing treatment via telemedicine.*

*Sec. 207. Establishment of processes to ensure safe opioid prescribing practices by
 non-Department of Veterans Affairs health care providers.*

*Sec. 208. Assessment of health care furnished by the Department to veterans who
 live in the territories.*

*Sec. 209. Oversight and accountability of financial processes of Department of
 Veterans Affairs.*

*Sec. 210. Authority for Department of Veterans Affairs Center for Innovation for
 Care and Payment.*

TITLE III—IMPROVEMENTS TO RECRUITMENT OF PHYSICIANS

Sec. 301. Designated scholarships for physicians and dentists under Department of Veterans Affairs Health Professional Scholarship Program.

Sec. 302. Establishment of Department of Veterans Affairs Specialty Education Loan Repayment Program.

Sec. 303. Veterans healing veterans medical access and scholarship program.

1 ***TITLE I—IMPROVED ACCESS FOR***
 2 ***VETERANS TO NON-DEPART-***
 3 ***MENT OF VETERANS AFFAIRS***
 4 ***MEDICAL CARE***

5 ***SEC. 101. ASSIGNMENT OF VETERANS TO PRIMARY CARE***
 6 ***PROVIDERS.***

7 *Section 1706 of title 38, United States Code, is amend-*
 8 *ed by adding at the end the following new subsection:*

9 *“(d)(1) Except as provided in section 1703A of this*
 10 *title, in furnishing primary care under this chapter, the*
 11 *Secretary shall assign each eligible veteran to—*

12 *“(A) a patient-aligned care team of the Depart-*
 13 *ment; or*

14 *“(B) a dedicated primary care provider of the*
 15 *Department as a part of any other model of pro-*
 16 *viding consistent primary care determined appro-*
 17 *priate by the Secretary.*

18 *“(2) Each patient-aligned care team of the Depart-*
 19 *ment shall consist of a team of health care professionals of*
 20 *the Department who—*

1 “(A) provide to each eligible veteran comprehen-
2 sive primary care in partnership with the veteran;
3 and

4 “(B) manage and coordinate comprehensive hos-
5 pital care and medical services consistent with the
6 goals of care agreed upon by the veteran and team.

7 “(3) The Secretary shall ensure that an eligible veteran
8 is not simultaneously assigned to more than one patient-
9 aligned care team or dedicated primary care provider
10 under this subsection at a single location, including by es-
11 tablishing procedures in the event a primary care provider
12 retires or is otherwise no longer able to treat the veteran.
13 In the case of an eligible veteran who resides in more than
14 one location, the Secretary may assign such veteran to a
15 patient-aligned care team or dedicated primary care pro-
16 vider at each such location.

17 “(4) The term ‘eligible veteran’ means a veteran who—

18 “(A) is enrolled in the patient enrollment system
19 of the Department established and operated under sec-
20 tion 1705(a) of this title; and

21 “(B) has—

22 “(i) been furnished hospital care or medical
23 services at or through a Department facility on
24 at least one occasion during the two-year period

1 *preceding the date of the determination of eligi-*
2 *bility; or*

3 *“(i) requested a first-time appointment for*
4 *hospital care or medical services at a Depart-*
5 *ment facility.”.*

6 **SEC. 102. ESTABLISHMENT OF VA CARE IN THE COMMUNITY**
7 **PROGRAM.**

8 *(a) ESTABLISHMENT OF PROGRAM.—*

9 *(1) IN GENERAL.—Chapter 17 of title 38, United*
10 *States Code, is amended by inserting after section*
11 *1703 the following new section:*

12 **“§ 1703A. VA Care in the Community Program**

13 *“(a) PROGRAM.—(1) Subject to the availability of ap-*
14 *propriations for such purpose, hospital care, medical serv-*
15 *ices, and extended care services under this chapter shall be*
16 *furnished to an eligible veteran through contracts or agree-*
17 *ments authorized under subsection (d), or contracts or*
18 *agreements, including national contracts or agreements, au-*
19 *thorized under section 8153 of this title or any other provi-*
20 *sion of law administered by the Secretary, with network*
21 *providers for the furnishing of such care and services to vet-*
22 *erans.*

23 *“(2) Subject to subsection (b), an eligible veteran may*
24 *select a provider of such care or services from among net-*
25 *work providers.*

1 “(3) *The Secretary shall coordinate the furnishing of*
2 *care and services under this section to eligible veterans.*

3 “(4)(A) *In carrying out this section, the Secretary*
4 *shall establish regional networks of network providers. The*
5 *Secretary shall determine, and may modify, such regions*
6 *based on the capacity and market assessments of Veterans*
7 *Integrated Service Networks conducted under subsection (k)*
8 *or upon recognized need.*

9 “(B) *The Secretary may enter into one or more con-*
10 *tracts for the purposes of managing the operations of the*
11 *regional networks and for the delivery of care pursuant to*
12 *this section.*

13 “(C) *The Secretary shall—*

14 “(i) *verify upon enrollment, and annually there-*
15 *after, that network providers have not been excluded*
16 *from participation in other federally funded health*
17 *care programs; and*

18 “(ii) *submit to the Committees on Veterans’ Af-*
19 *airs of the House of Representatives and the Senate*
20 *an annual report on the results of such verifications.*

21 “(b) *PRIMARY AND SPECIALTY CARE.—(1)(A) If the*
22 *Secretary is unable to assign an eligible veteran to a pa-*
23 *tient-aligned care team or dedicated primary care provider*
24 *under section 1706(d) of this title because the Secretary de-*

1 *termines such a care team or provider at a Department*
2 *facility is not available—*

3 “(i) *the Secretary shall consult with the veteran*
4 *regarding available primary care providers from*
5 *among network providers that are located in the re-*
6 *gional network in which the veteran resides or a re-*
7 *gional network that is adjacent to the regional net-*
8 *work in which the veteran resides; and*

9 “(ii) *the veteran may select one of the available*
10 *primary care providers to serve as the dedicated pri-*
11 *mary care provider of the veteran.*

12 “(B) *In determining whether a patient-aligned care*
13 *team or dedicated provider under section 1706(d) of this*
14 *title is available for assignment to a veteran, the Secretary*
15 *shall take into consideration each of the following:*

16 “(i) *Whether the veteran faces an unusual or ex-*
17 *cessive burden in accessing such patient-aligned care*
18 *team or dedicated provider at a medical facility of*
19 *the Department including with respect to—*

20 “(I) *geographical challenges;*

21 “(II) *environmental factors, including roads*
22 *that are not accessible to the general public, traf-*
23 *fic, or hazardous weather;*

24 “(III) *a medical condition of the veteran; or*

1 “(IV) such other factors as determined by
2 the Secretary.

3 “(ii) Whether the veteran reasonably believes that
4 the assignment of a particular care team or provider
5 to the veteran would detrimentally affect the patient-
6 provider relationship and result in sub-optimal care
7 to the veteran.

8 “(iii) Whether the panel size of the care team or
9 provider is at such a number that it would result in
10 difficulty for the veteran in accessing timely care or
11 in sub-optimal care to the veteran.

12 “(iv) Whether the veteran resides in a State
13 where the Department does not operated a full-service
14 medical facility.

15 “(C) If the Secretary determines that a patient-aligned
16 care team or dedicated primary care provider at a Depart-
17 ment facility has become available for assignment to an eli-
18 gible veteran who had been assigned to a network provider
19 under subparagraph (A), the Secretary shall provide the
20 veteran with the option of reassignment to the team or pro-
21 vider at the Department facility.

22 “(D) In the case of an eligible veteran who is assigned
23 to a network provider under subparagraph (A), the Sec-
24 retary shall reevaluate such assignment not earlier than one

1 *year after a veteran makes a selection under subparagraph*
2 *(A)(ii), and on an annual basis thereafter, to—*

3 *“(i) determine whether the Secretary is able to*
4 *assign to the veteran a patient-aligned care team or*
5 *dedicated primary care provider under section*
6 *1706(d) of this title; and*

7 *“(ii) in consultation with and upon approval of*
8 *the veteran, make such assignment if able.*

9 *“(2)(A)(i) Except as provided in clause (ii), the Sec-*
10 *retary may only furnish specialty hospital care, medical*
11 *services, or extended care services to an eligible veteran*
12 *under this section pursuant to a referral for such specialty*
13 *care or services made by the primary care provider of the*
14 *veteran.*

15 *“(ii) The Secretary may designate specialties which*
16 *shall be exempt from the requirement under clause (i).*

17 *“(B) The Secretary shall determine whether to furnish*
18 *specialty hospital care, medical services, or extended care*
19 *services to an eligible veteran pursuant to subparagraph*
20 *(A)—*

21 *“(i) at a medical facility of the Department that*
22 *is within a reasonable distance of the residence of the*
23 *veteran, as determined by the Secretary;*

24 *“(ii) by a network provider that, to the greatest*
25 *extent practicable, is located in the regional network*

1 *in which the veteran resides or a regional network*
2 *that is adjacent to the regional network in which the*
3 *veteran resides; or*

4 *“(iii) pursuant to an agreement described in*
5 *subparagraph (C).*

6 *“(C) An agreement described in this subparagraph is*
7 *an agreement entered into by the Secretary with a network*
8 *provider under which—*

9 *“(i) specialty hospital care, medical services, or*
10 *extended care services are furnished to an eligible vet-*
11 *eran pursuant to subparagraph (A)—*

12 *“(I) at a medical facility of the Department*
13 *by a network provider possessing the appropriate*
14 *credentials, as determined by the Secretary; or*

15 *“(II) at a facility of a network provider by*
16 *a health care provider of the Department; and*

17 *“(ii) such specialty care or services are so fur-*
18 *nished either—*

19 *“(I) in accordance with this section with re-*
20 *spect to fees and payments for care and services*
21 *furnished under subsection (a); or*

22 *“(II) at no cost to the United States.*

23 *“(D) In making the determination under subpara-*
24 *graph (B), the Secretary shall give priority to medical fa-*

1 *cilities and health care providers of the Department but*
2 *shall take into account—*

3 “(i) *whether the veteran faces an unusual or ex-*
4 *cessive burden in accessing such specialty hospital*
5 *care, medical services, or extended care services at a*
6 *medical facility of the Department, including with re-*
7 *spect to—*

8 “(I) *geographical challenges;*

9 “(II) *environmental factors, such as roads*
10 *that are not accessible to the general public, traf-*
11 *fic, or hazardous weather;*

12 “(III) *a medical condition of the veteran; or*

13 “(IV) *such other factors as determined by*
14 *the Secretary;*

15 “(ii) *whether the primary care provider of the*
16 *veteran recommends that such specialty hospital care,*
17 *medical services, or extended care services should be*
18 *furnished by a network provider;*

19 “(iii) *whether the veteran resides in a State*
20 *where the Department does not operate a full-service*
21 *medical facility; and*

22 “(iv) *in the case of a veteran who requires an*
23 *organ or bone marrow transplant, whether the veteran*
24 *has, in the opinion of the primary care provider of*
25 *the veteran, a medically compelling reason to travel*

1 *outside the region of the Organ Procurement and*
2 *Transplantation Network, established under section*
3 *372 of the National Organ Transplantation Act (Pub-*
4 *lic Law 98–507; 42 U.S.C. 274), in which the veteran*
5 *resides, to receive such transplant.*

6 “(E) *The Secretary shall ensure that each medical fa-*
7 *cility of the Department processes referrals for specialty*
8 *hospital care, medical services, or extended care services in*
9 *a standardized manner, including with respect to the orga-*
10 *nization of the program office responsible for such referrals.*

11 “(F) *In carrying out this section, the Secretary shall*
12 *establish a process to review any disagreement between an*
13 *eligible veteran and the Department, or between an eligible*
14 *veteran and a health care provider of the Department, re-*
15 *garding the eligibility of the veteran to receive care or serv-*
16 *ices from a network provider under this section or the as-*
17 *signment of a primary care provider of the Department to*
18 *the veteran. In reviewing a disagreement under such process*
19 *with respect to the availability of and assignment to a pa-*
20 *tient aligned care team or dedicated primary care provider,*
21 *the Secretary may give deference to the veteran with respect*
22 *to any determination under subsection (b)(1)(B)(ii).*

23 “(G)(i) *The Secretary shall develop procedures to en-*
24 *sure that assigning a veteran to a patient-aligned care team*
25 *or dedicated primary care provider under subparagraph*

1 (A), (C), or (D) does not adversely affect the continuity or
2 quality of care for the veteran during the transition.

3 “(ii) Procedures under clause (i) shall provide for—

4 “(I) the appointment of a contact in the Depart-
5 ment for the veteran who shall provide information to
6 the veteran and resolve issues regarding the transi-
7 tion;

8 “(II) the transfer of relevant medical records;

9 “(III) coordination of care between providers;

10 “(IV) the continued treatment of chronic or cur-
11 rent episodes of care (by means including medication,
12 subspecialty care, and ancillary services); and

13 “(V) any other action the Secretary determines
14 is necessary.

15 “(c) EPISODES OF CARE.—(1) The Secretary shall en-
16 sure that, at the election of an eligible veteran who receives
17 hospital care, medical services, or extended care services
18 from a network provider in an episode of care under this
19 section, the veteran receives such care or services from that
20 network provider, another network provider selected by the
21 veteran, or a health care provider of the Department,
22 through the completion of the episode of care, including all
23 specialty and ancillary services determined necessary by the
24 provider as part of the treatment recommended in the
25 course of such care or services. In making such determina-

1 *tion with respect to necessary specialty and ancillary serv-*
2 *ices provided by a network provider, the network provider*
3 *shall consult with the Secretary, acting through the pro-*
4 *gram office of the appropriate medical facility.*

5 “(2) *In cases of episodes of care that the Secretary de-*
6 *termines case management to be appropriate, the Secretary*
7 *shall provide case management to an eligible veteran who*
8 *receives hospital care, medical services, or extended care*
9 *services from a network provider for such episodes of care.*
10 *The Secretary may provide such case management through*
11 *the Veterans Health Administration or through an entity*
12 *that manages the operations of the regional networks pursu-*
13 *ant to subsection (a)(4)(B).*

14 “(d) *CARE AND SERVICES THROUGH CONTRACTS AND*
15 *AGREEMENTS.—(1) The Secretary shall enter into contracts*
16 *or agreements, including national contracts or agreements*
17 *for, but not limited to, dialysis, for furnishing care and*
18 *services to eligible veterans under this section with network*
19 *providers.*

20 “(2)(A) *In entering into a contract or agreement under*
21 *paragraph (1) with a network provider, the Secretary*
22 *shall—*

23 “(i) *negotiate rates for the furnishing of care and*
24 *services under this section; and*

1 “(ii) reimburse the provider for such care and
2 services at the rates negotiated pursuant to clause (i)
3 as provided in such contract or agreement.

4 “(B)(i) Except as provided in paragraph (3), rates ne-
5 gotiated under subparagraph (A)(i) shall not be more than
6 the rates paid by the United States to a provider of services
7 (as defined in section 1861(u) of the Social Security Act
8 (42 U.S.C. 1395x(u))) or a supplier (as defined in section
9 1861(d) of such Act (42 U.S.C. 1395x(d))) under the Medi-
10 care Program under title XVIII of the Social Security Act
11 (42 U.S.C. 1395 et seq.) for the same care or services.

12 “(ii) In determining the rates under the Medicare Pro-
13 gram under title XVIII of the Social Security Act (42
14 U.S.C. 1395 et seq.) for purposes of clause (i), in the case
15 of care or services furnished by a provider of services with
16 respect to which such rates are determined under a fee
17 schedule to which the area wage index under section
18 1886(d)(3)(E) of the Social Security Act (42 U.S.C.
19 1395ww(d)(3)(E)) applies, such area wage index so applied
20 to such provider of services may not be less than 1.00.

21 “(C) In carrying out paragraph (2), the Secretary
22 may incorporate the use of value-based reimbursement mod-
23 els to promote the provision of high-quality care.

24 “(3)(A) With respect to the furnishing of care or serv-
25 ices under this section to an eligible veteran who resides

1 *in a highly rural area (as defined under the rural-urban*
2 *commuting area codes developed by the Secretary of Agri-*
3 *culture and the Secretary of Health and Human Services),*
4 *the Secretary of Veterans Affairs may negotiate a rate that*
5 *is more than the rate paid by the United States as described*
6 *in paragraph (2)(B).*

7 “(B) *With respect to furnishing care or services under*
8 *this section in Alaska, the Alaska Fee Schedule of the De-*
9 *partment of Veterans Affairs will be followed, except for*
10 *when another payment agreement, including a contract or*
11 *provider agreement, is in place.*

12 “(C) *With respect to furnishing care or services under*
13 *this section in a State with an All-Payer Model Agreement*
14 *under the Social Security Act that became effective on or*
15 *after January 1, 2014, the Medicare payment rates under*
16 *paragraph (2)(B) shall be calculated based on the payment*
17 *rates under such agreement, or any such successor agree-*
18 *ment.*

19 “(D) *With respect to furnishing care or services under*
20 *this section in a location in which the Secretary determines*
21 *that adjusting the rate paid by the United States as de-*
22 *scribed in paragraph (2)(B) is appropriate, the Secretary*
23 *may negotiate such an adjusted rate.*

24 “(E) *With respect to furnishing care or services under*
25 *this section in a location or in a situation in which an*

1 *exception to the rates paid by the United States under the*
2 *Medicare Program under title XVIII of the Social Security*
3 *Act (42 U.S.C. 1395 et seq.) for the same care or services*
4 *applies, the Secretary may follow such exception.*

5 “(F) *With respect to furnishing care or services under*
6 *this section for care or services not covered under the Medi-*
7 *care Program under title XVIII of the Social Security Act*
8 *(42 U.S.C. 1395 et seq.), the Secretary shall establish a*
9 *schedule of fees for such care or services.*

10 “(G) *With respect to furnishing care or services under*
11 *this section pursuant to an agreement with a tribal or Fed-*
12 *eral entity, the Secretary may negotiate a rate that is more*
13 *than the rate paid by the United States as described in*
14 *paragraph (2)(B).*

15 “(4) *For the furnishing of care or services pursuant*
16 *to a contract or agreement under paragraph (1), a network*
17 *provider may not collect any amount that is greater than*
18 *the rate negotiated pursuant to paragraph (2)(A).*

19 “(5)(A) *If, in the course of an episode of care under*
20 *this section, any part of care or services is furnished by*
21 *a medical provider who is not a network provider, the Sec-*
22 *retary may compensate such provider for furnishing such*
23 *care or services.*

24 “(B) *The Secretary shall make reasonable efforts to*
25 *enter into a contract or agreement under this section with*

1 *any provider who is compensated pursuant to subpara-*
2 *graph (A).*

3 “(e) *PROMPT PAYMENT STANDARD.—(1) The Sec-*
4 *retary shall ensure that claims for payments for hospital*
5 *care, medical services, or extended care services furnished*
6 *under this section are processed in accordance with this sub-*
7 *section, regardless of whether such claims are—*

8 “(A) *made by a network provider to the Sec-*
9 *retary;*

10 “(B) *made by a network provider to a regional*
11 *network operated by a contractor pursuant to sub-*
12 *section (a)(4)(B); or*

13 “(C) *made by such a regional network to the*
14 *Secretary.*

15 “(2) *A covered claimant that seeks payment for hos-*
16 *pital care, medical services, or extended care services fur-*
17 *nished under this section shall submit to the covered payer*
18 *a claim for payment not later than—*

19 “(A) *with respect to a claim by a network pro-*
20 *vider, 180 days after the date on which the network*
21 *provider furnishes such care or services; or*

22 “(B) *with respect to a claim by a regional net-*
23 *work operated by a contractor, 180 days after the*
24 *date on which the contractor pays the network pro-*
25 *vider for furnishing such care or services.*

1 “(3) Notwithstanding chapter 39 of title 31 or any
2 other provision of law, the covered payer shall pay a covered
3 claimant for hospital care, medical services, or extended
4 care services furnished under this section—

5 “(A) in the case of a clean claim submitted to
6 the covered payer on paper, not later than 45 cal-
7 endar days after receiving the claim; or

8 “(B) in the case of a clean claim submitted to
9 the covered payer electronically, not later than 30 cal-
10 endar days after receiving the claim.

11 “(4)(A) If the covered payer denies a claim submitted
12 by a covered claimant under paragraph (1), the covered
13 payer shall notify the covered claimant of the reason for
14 denying the claim and the additional information, if any,
15 that may be required to process the claim—

16 “(i) in the case of a clean claim submitted to the
17 covered payer on paper, not later than 45 calendar
18 days after receiving the claim; or

19 “(ii) in the case of a clean claim submitted to
20 the covered payer electronically, not later than 30 cal-
21 endar days after receiving the claim.

22 “(B) Upon receipt by the covered payer of additional
23 information specified under subparagraph (A) relating to
24 a claim, the covered payer shall pay, deny, or otherwise

1 *adjudicate the claim, as appropriate, not later than 30 cal-*
2 *endar days after receiving such information.*

3 “(5)(A) *If the covered payer has not paid a covered*
4 *claimant or denied a clean claim for payment by the cov-*
5 *ered claimant under this subsection during the appropriate*
6 *period specified in this subsection, such clean claim shall*
7 *be considered overdue.*

8 “(B) *If a clean claim for payment by a covered claim-*
9 *ant is considered overdue under subparagraph (A), in addi-*
10 *tion to the amount the covered payer owes the covered*
11 *claimant under the claim, the covered payer shall owe the*
12 *covered claimant an interest penalty amount that shall—*

13 “(i) *be prorated daily;*

14 “(ii) *accrue from the date the payment was over-*
15 *due;*

16 “(iii) *be payable at the time the claim is paid;*
17 *and*

18 “(iv) *be computed at the rate of interest estab-*
19 *lished by the Secretary of the Treasury, and published*
20 *in the Federal Register, for interest payments under*
21 *subsections (a)(1) and (b) of section 7109 of title 41*
22 *that is in effect at the time the covered payer accrues*
23 *the obligation to pay the interest penalty amount.*

1 “(6)(A) *If the covered payer overpays a covered claim-*
2 *ant for hospital care, medical services, or extended care*
3 *services furnished under this section—*

4 “(i) *the covered payer shall deduct the amount of*
5 *any overpayment from payments due to the covered*
6 *claimant after the date of such overpayment; or*

7 “(ii) *if the covered payer determines that there*
8 *are no such payments due after the date of the over-*
9 *payment, the covered claimant shall refund the*
10 *amount of such overpayment not later than 30 days*
11 *after such determination.*

12 “(B)(i) *Before deducting any amount from a payment*
13 *to a covered claimant under subparagraph (A), the covered*
14 *payer shall ensure that the covered claimant is provided*
15 *an opportunity—*

16 “(I) *to dispute the existence or amount of any*
17 *overpayment owed to the covered payer; and*

18 “(II) *to request a compromise with respect to*
19 *any such overpayment.*

20 “(ii) *The covered payer may not make any deduction*
21 *from a payment to a covered claimant under subparagraph*
22 *(A) unless the covered payer has made reasonable efforts*
23 *to notify the covered claimant of the rights of the covered*
24 *claimant under subclauses (I) and (II) of clause (i).*

1 “(iii) Upon receiving a dispute under subclause (I) of
2 clause (i) or a request under subclause (II) of such clause,
3 the covered payer shall make a determination with respect
4 to such dispute or request before making any deduction
5 under subparagraph (A) unless the time required to make
6 such a determination would jeopardize the ability of the
7 covered payer to recover the full amount owed to the covered
8 payer.

9 “(7) Notwithstanding any other provision of law, the
10 Secretary may, except in the case of a fraudulent claim,
11 false claim, or misrepresented claim, compromise any claim
12 of an amount owed to the United States under this section.

13 “(8) This subsection shall apply only to payments
14 made on a claims basis and not to capitation or other forms
15 of periodic payments to network providers.

16 “(9) A network provider that provides hospital care,
17 medical services, or extended care services to an eligible vet-
18 eran under this section may not seek any payment for such
19 care or services from the eligible veteran.

20 “(10) With respect to making a payment for hospital
21 care or medical services furnished to an eligible veteran by
22 a network provider under this section—

23 “(A) the Secretary may not require receipt by
24 the veteran or the Department of a medical record
25 under subsection (g) detailing such care or services be-

1 *fore a covered payer makes a payment for such care*
2 *or services; and*

3 *“(B) the Secretary may require that the network*
4 *provider attests to such care or services so provided*
5 *before a covered payer makes a payment for such care*
6 *or services.*

7 *“(f) COST-SHARING.—(1) The Secretary shall require*
8 *an eligible veteran to pay a copayment for the receipt of*
9 *care or services under this section only if such eligible vet-*
10 *eran would be required to pay a copayment for the receipt*
11 *of such care or services at a medical facility of the Depart-*
12 *ment or from a health care provider of the Department*
13 *under this chapter.*

14 *“(2) The amount of a copayment charged under para-*
15 *graph (1) may not exceed the amount of the copayment that*
16 *would be payable by such eligible veteran for the receipt*
17 *of such care or services at a medical facility of the Depart-*
18 *ment or from a health care provider of the Department*
19 *under this chapter.*

20 *“(3) In any case in which an eligible veteran is fur-*
21 *nished hospital care or medical services under this section*
22 *for a non-service-connected disability described in sub-*
23 *section (a)(2) of section 1729 of this title, the Secretary shall*
24 *recover or collect reasonable charges for such care or services*

1 *from a health-plan contract described in section 1705A in*
2 *accordance with such section 1729.*

3 “(g) *MEDICAL RECORDS.*—(1) *The Secretary shall en-*
4 *sure that any network provider that furnishes care or serv-*
5 *ices under this section to an eligible veteran—*

6 “(A) *upon the request of the veteran, provides to*
7 *the veteran the medical records related to such care or*
8 *services; and*

9 “(B) *upon the completion of the provision of*
10 *such care or services to such veteran, provides to the*
11 *Department the medical records for the veteran fur-*
12 *nished care or services under this section in a time-*
13 *frame and format specified by the Secretary for pur-*
14 *poses of this section, except the Secretary may not re-*
15 *quire that any payment by the Secretary to the eligi-*
16 *ble provider be contingent on such provision of med-*
17 *ical records.*

18 “(2) *To the extent practicable, the Secretary shall sub-*
19 *mit to a network provider that furnishes care or services*
20 *under this section to an eligible veteran the medical records*
21 *of such eligible veteran that are maintained by the Depart-*
22 *ment and are relevant to such care or services.*

23 “(3) *To the extent practicable, the Secretary shall—*

24 “(A) *ensure that the medical records shared*
25 *under paragraphs (1) and (2) are shared in an elec-*

1 *tronic format accessible by network providers and the*
2 *Department through an Internet website; and*

3 *“(B) provide to network providers access to the*
4 *electronic patient health record system of the Depart-*
5 *ment, or successor system, for the purpose of fur-*
6 *nishing care or services under this section.*

7 *“(h) USE OF CARD.—The Secretary shall ensure that*
8 *the veteran health identification card, or such successor*
9 *identification card, includes sufficient information to act*
10 *as an identification card for an eligible entity or other non-*
11 *Department facility. The Secretary may not use any*
12 *amounts made available to the Secretary to issue separate*
13 *identification cards solely for the purpose of carrying out*
14 *this section.*

15 *“(i) PRESCRIPTION MEDICATIONS.—(1) With respect*
16 *to requirements relating to the licensing or credentialing*
17 *of a network provider, the Secretary shall ensure that the*
18 *network provider is able to submit prescriptions for phar-*
19 *maceutical agents on the formulary of the Department to*
20 *pharmacies of the Department in a manner that is substan-*
21 *tially similar to the manner in which the network provider*
22 *submits prescriptions to retail pharmacies.*

23 *“(2) Nothing in this section shall be construed to affect*
24 *the process of the Department for filling and paying for*
25 *prescription medications.*

1 “(j) *QUALITY OF CARE.*—*In carrying out this section,*
2 *the Secretary shall use the quality of care standards set*
3 *forth or used by the Centers for Medicare & Medicaid Serv-*
4 *ices or other quality of care standards, as determined by*
5 *the Secretary.*

6 “(k) *CAPACITY AND COMMERCIAL MARKET ASSESS-*
7 *MENTS.*—(1) *On a periodic basis, but not less often than*
8 *once every three years, the Secretary shall conduct an as-*
9 *essment of the capacity of each Veterans Integrated Service*
10 *Network and medical facility of the Department to furnish*
11 *care or services under this chapter. Each such assessment*
12 *shall—*

13 “(A) *identify gaps in furnishing such care or*
14 *services at such Veterans Integrated Service Network*
15 *or medical facility;*

16 “(B) *identify how such gaps can be filled by—*

17 “(i) *entering into contracts or agreements*
18 *with network providers under this section or*
19 *with entities under other provisions of law;*

20 “(ii) *making changes in the way such care*
21 *and services are furnished at such Veterans Inte-*
22 *grated Service Network or medical facility, in-*
23 *cluding but not limited to—*

24 “(I) *extending hours of operation;*

25 “(II) *adding personnel; or*

1 “(III) expanding space through con-
2 struction, leasing, or sharing of health care
3 facilities; and

4 “(iii) the building or realignment of De-
5 partment resources or personnel;

6 “(C) forecast, based on future projections and
7 historical trends, both the short- and long-term de-
8 mand in furnishing care or services at such Veterans
9 Integrated Service Network or medical facility and
10 assess how such demand affects the needs to use such
11 network providers;

12 “(D) include a commercial health care market
13 assessment of designated catchment areas in the
14 United States conducted by a nongovernmental enti-
15 ty; and

16 “(E) consider the unique ability of the Federal
17 Government to retain a presence in an area otherwise
18 devoid of commercial health care providers or from
19 which such providers are at a risk of leaving.

20 “(2) The Secretary shall submit each assessment under
21 paragraph (1) to the Committees on Veterans’ Affairs of the
22 House of Representatives and the Senate and shall make
23 each such assessment publicly available.

1 “(l) *ALLOCATION OF FUNDS.*—*The Secretary shall de-*
2 *velop a plan for the allocation of funds in the Medical Com-*
3 *munity Care account.*

4 “(m) *REPORTS ON RATES.*—*Not later than December*
5 *31, 2019, and annually thereafter during each of the subse-*
6 *quent three years, the Secretary shall submit to the Commit-*
7 *tees on Veterans’ Affairs of the House of Representatives*
8 *and the Senate a report detailing, for the fiscal year pre-*
9 *ceding the fiscal year during which the report is submitted,*
10 *the rates paid by the Secretary for hospital care, medical*
11 *services, or extended care services under this section that,*
12 *pursuant to subsection (d)(3), are more than the rates de-*
13 *scribed in subsection (d)(2)(B) for the same care or services.*

14 “(n) *DEFINITIONS.*—*In this section:*

15 “(1) *The term ‘clean claim’ means a claim sub-*
16 *mitted—*

17 “(A) *to the covered payer by a covered*
18 *claimant for purposes of payment by the covered*
19 *payer of expenses for hospital care or medical*
20 *services furnished under this section;*

21 “(B) *that contains substantially all of the*
22 *required elements necessary for accurate adju-*
23 *dication, without requiring additional informa-*
24 *tion from the network provider; and*

1 “(C) *in such a nationally recognized format*
2 *as may be prescribed by the Secretary for pur-*
3 *poses of paying claims for hospital care or med-*
4 *ical services furnished under this section.*

5 “(2) *The term ‘covered claimant’ means—*

6 “(A) *a network provider that submits a*
7 *claim to the Secretary for purposes of payment*
8 *by the Secretary of expenses for hospital care or*
9 *medical services furnished under this section; or*

10 “(B) *a regional network operated by a con-*
11 *tractor pursuant to subsection (a)(4)(B) that*
12 *submits a claim to the Secretary for purposes of*
13 *reimbursement for a payment made by the con-*
14 *tractor to a network provider for hospital care or*
15 *medical services furnished under this section.*

16 “(3) *The term ‘covered payer’ means—*

17 “(A) *a regional network operated by a con-*
18 *tractor pursuant to subsection (a)(4)(B) with re-*
19 *spect to a claim made by a network provider to*
20 *the contractor for purposes of payment by the*
21 *contractor of expenses for hospital care or med-*
22 *ical services furnished under this section; or*

23 “(B) *the Secretary with respect to—*

24 “(i) *a claim made by a network pro-*
25 *vider to the Secretary for purposes of pay-*

1 *ment by the Secretary of expenses for hos-*
2 *pital care or medical services furnished*
3 *under this section; and*

4 *“(ii) a claim made by a regional net-*
5 *work operated by a contractor pursuant to*
6 *subsection (a)(4)(B) for purposes of reim-*
7 *bursement for a payment described by sub-*
8 *paragraph (A).*

9 *“(4) The term ‘eligible veteran’ means a veteran*
10 *who—*

11 *“(A) is enrolled in the patient enrollment*
12 *system of the Department established and oper-*
13 *ated under section 1705(a) of this title; and*

14 *“(B) has—*

15 *“(i) been furnished hospital care or*
16 *medical services at or through a Depart-*
17 *ment facility on at least one occasion dur-*
18 *ing the two-year period preceding the date*
19 *of the determination of eligibility; or*

20 *“(ii) requested a first-time appoint-*
21 *ment for hospital care or medical services at*
22 *a Department facility.*

23 *“(5) The term ‘fraudulent claim’ means a claim*
24 *by a network provider for reimbursement under this*
25 *section that includes an intentional and deliberate*

1 *misrepresentation of a material fact or facts that is*
2 *intended to induce the Secretary to pay an amount*
3 *that was not legally owed to the provider.”.*

4 (2) *CLERICAL AMENDMENT.—The table of sec-*
5 *tions at the beginning of chapter 17 of such title is*
6 *amended by inserting after the item relating to sec-*
7 *tion 1703 the following new item:*

“1703A. VA Care in the Community Program.”.

8 (b) *CONFORMING AMENDMENTS.—The Veterans Access,*
9 *Choice, and Accountability Act of 2014 (Public Law 113–*
10 *146) is amended—*

11 (1) *in section 101(p)(1) (38 U.S.C. 1701 note),*
12 *by inserting before the period at the end the following:*
13 *“or the date on which the Secretary certifies to the*
14 *Committees on Veterans’ Affairs of the House of Rep-*
15 *resentatives and the Senate that the Secretary is fully*
16 *implementing section 1703A of title 38, United States*
17 *Code, whichever occurs first”;* and

18 (2) *in section 208(1), by striking “section 101”*
19 *and inserting “section 1703A of title 38, United*
20 *States Code”.*

21 (c) *DEFINITIONS.—Section 1701 of title 38, United*
22 *States Code, is amended by adding at the end the following*
23 *new paragraphs:*

24 (11) *The term ‘network provider’ means any of*
25 *the following health care providers that have entered*

1 *into a contract or agreement under which the pro-*
2 *vider agrees to furnish care and services to eligible*
3 *veterans under section 1703A of this title:*

4 *“(A) Any health care provider or supplier*
5 *that is participating in the Medicare Program*
6 *under title XVIII of the Social Security Act (42*
7 *U.S.C. 1395 et seq.), including any physician*
8 *furnishing services under such program.*

9 *“(B) Any provider of items and services re-*
10 *ceiving payment under a State plan under title*
11 *XIX of such Act (42 U.S.C. 1396 et seq.) or a*
12 *waiver of such a plan.*

13 *“(C) Any Federally-qualified health center*
14 *(as defined in section 1905(l)(2)(B) of the Social*
15 *Security Act (42 U.S.C. 1396d(l)(2)(B))).*

16 *“(D) The Department of Defense.*

17 *“(E) The Indian Health Service.*

18 *“(F) Any health care provider that is an*
19 *academic affiliate of the Department.*

20 *“(G) Any health care provider not otherwise*
21 *covered under any of subparagraphs (A) through*
22 *(F) that meets criteria established by the Sec-*
23 *retary for purposes of such section.*

24 *“(12) The term ‘VA Care in the Community Pro-*
25 *gram’ means the program under which the Secretary*

1 *furnishes hospital care or medical services to veterans*
2 *through network providers pursuant to section 1703A*
3 *of this title.”.*

4 *(d) TRANSITION OF PROVISION OF CARE.—This Act,*
5 *and the amendments made by this Act, may not be con-*
6 *strued to affect the obligations of the Secretary of Veterans*
7 *Affairs under contracts and agreements for the provision*
8 *of hospital care, medical services, and extended care services*
9 *entered into before the date of the enactment of this Act at*
10 *the terms and rates contained in such contracts and agree-*
11 *ments.*

12 **SEC. 103. VETERANS CARE AGREEMENTS.**

13 *(a) IN GENERAL.—Subchapter I of chapter 17 of title*
14 *38, United States Code, is further amended by inserting*
15 *after section 1703A, as added by section 102, the following*
16 *new section:*

17 **“§ 1703B. Veterans Care Agreements with non-network**
18 **providers**

19 *“(a) VETERANS CARE AGREEMENTS.—(1) In addition*
20 *to furnishing hospital care, medical services, or extended*
21 *care services under this chapter at facilities of the Depart-*
22 *ment or under contracts or agreements entered into pursu-*
23 *ant to section 1703A of this title or any other provision*
24 *of law other than this section, the Secretary may furnish*
25 *such care and services to eligible veterans through the use*

1 *of agreements, to be known as ‘Veterans Care Agreements’,*
2 *entered into under this section by the Secretary with eligible*
3 *non-network providers.*

4 “(2) *The Secretary may enter into a Veterans Care*
5 *Agreement under this section with an eligible non-network*
6 *provider if the Secretary determines that—*

7 “(A) *the provision of the hospital care, medical*
8 *services, or extended care services at a Department fa-*
9 *ility is impracticable or inadvisable because of the*
10 *medical condition of the veteran, the travel involved,*
11 *or the nature of the care or services required, or a*
12 *combination of such factors; and*

13 “(B) *such care or services are not available to be*
14 *furnished by a non-Department health care provider*
15 *under a contract or agreement entered into pursuant*
16 *to a provision of law other than this section.*

17 “(3)(A) *In accordance with subparagraphs (C) and*
18 *(D), the Secretary shall review each Veterans Care Agree-*
19 *ment with a non-network provider to determine whether it*
20 *is practical or advisable to, instead of carrying out such*
21 *agreement—*

22 “(i) *provide at a Department facility the hos-*
23 *pital care, medical services, or extended care services*
24 *covered by such agreement; or*

1 “(i) enter into an agreement with the provider
2 under section 1703A of this title to provide such care
3 or services.

4 “(B) If the Secretary determines pursuant to a review
5 of a Veterans Care Agreement under subparagraph (A) that
6 it is practical or advisable to provide hospital care, medical
7 services, or extended care services at a Department facility,
8 or enter into an agreement under section 1703A of this title
9 to provide such care or services, as the case may be, the
10 Secretary—

11 “(i) may not renew the Veterans Care Agree-
12 ment; and

13 “(ii) shall take such actions as are necessary to
14 implement such determination.

15 “(C) This paragraph shall apply with respect to Vet-
16 erans Care Agreements entered into with a non-network
17 provider whose gross annual revenue, as determined under
18 subsection (b)(1), exceeds—

19 “(i) \$3,000,000, in the case of a provider that
20 furnishes homemaker or home health aide services; or

21 “(ii) \$1,000,000, in the case of any other pro-
22 vider.

23 “(D) The Secretary shall conduct each review of a Vet-
24 erans Care Agreement under subparagraph (A) as follows:

1 “(i) Once during the 18-month period beginning
2 on the date that is six months after date on which the
3 agreement is entered into.

4 “(ii) Not less than once during each four-year
5 period beginning on the date on which the review
6 under subparagraph (A) is conducted.

7 “(b) *ELIGIBLE NON-NETWORK PROVIDERS.*—A pro-
8 vider of hospital care, medical services, or extended care
9 services is eligible to enter into a Veterans Care Agreement
10 under this section if the Secretary determines that the pro-
11 vider meets the following criteria:

12 “(1) The gross annual revenue of the provider
13 under contracts or agreements entered into with the
14 Secretary in the year preceding the year in which the
15 provider enters into the Veterans Care Agreement does
16 not exceed—

17 “(A) \$5,000,000 (as adjusted in a manner
18 similar to amounts adjusted pursuant to section
19 5312 of this title), in the case of a provider that
20 furnishes homemaker or home health aide serv-
21 ices; or

22 “(B) \$2,000,000 (as so adjusted), in the case
23 of any other provider.

24 “(2) The provider is not a network provider and
25 does not otherwise provide hospital care, medical serv-

1 *ices, or extended care services to patients pursuant to*
2 *a contract entered into with the Department.*

3 *“(3) The provider is—*

4 *“(A) a provider of services that has enrolled*
5 *and entered into a provider agreement under sec-*
6 *tion 1866(a) of the Social Security Act (42*
7 *U.S.C. 1395cc(a));*

8 *“(B) a physician or supplier that has en-*
9 *rolled and entered into a participation agree-*
10 *ment under section 1842(h) of such Act (42*
11 *U.S.C. 1395u(h));*

12 *“(C) a provider of items and services receiv-*
13 *ing payment under a State plan under title XIX*
14 *of such Act (42 U.S.C. 1396 et seq.) or a waiver*
15 *of such a plan;*

16 *“(D) an Aging and Disability Resource*
17 *Center, an area agency on aging, or a State*
18 *agency (as defined in section 102 of the Older*
19 *Americans Act of 1965 (42 U.S.C. 3002)); or*

20 *“(E) a center for independent living (as de-*
21 *finied in section 702 of the Rehabilitation Act of*
22 *1973 (29 U.S.C. 796a)).*

23 *“(4) The provider is certified pursuant to the*
24 *process established under subsection (c)(1).*

1 “(5) *Any additional criteria determined appro-*
2 *priate by the Secretary.*

3 “(c) *PROVIDER CERTIFICATION.—(1) The Secretary*
4 *shall establish a process for the certification of eligible pro-*
5 *viders to enter into Veterans Care Agreements under this*
6 *section that shall, at a minimum, set forth the following:*

7 “(A) *Procedures for the submission of applica-*
8 *tions for certification and deadlines for actions taken*
9 *by the Secretary with respect to such applications.*

10 “(B) *Standards and procedures for the approval*
11 *and denial of certifications and the revocation of cer-*
12 *tifications.*

13 “(C) *Procedures for assessing eligible providers*
14 *based on the risk of fraud, waste, and abuse of such*
15 *providers similar to the level of screening under sec-*
16 *tion 1866(j)(2)(B) of the Social Security Act (42*
17 *U.S.C. 1395(j)(2)(B)) and the standards set forth*
18 *under section 9.104 of title 48, Code of Federal Regu-*
19 *lations, or any successor regulation.*

20 “(D) *Requirement for denial or revocation of cer-*
21 *tification if the Secretary determines that the other-*
22 *wise eligible provider is—*

23 “(i) *excluded from participation in a Fed-*
24 *eral health care program (as defined in section*
25 *1128B(f) of the Social Security Act (42 U.S.C.*

1 1320a–7b(f)) under section 1128 or 1128A of the
2 Social Security Act (42 U.S.C. 1320a–7 and
3 1320a–7a); or

4 “(ii) identified as an excluded source on the
5 list maintained in the System for Award Man-
6 agement, or any successor system.

7 “(E) Procedures by which a provider whose cer-
8 tification is denied or revoked under the procedures
9 established under this subsection will be identified as
10 an excluded source on the list maintained in the Sys-
11 tem for Award Management, or successor system, if
12 the Secretary determines that such exclusion is appro-
13 priate.

14 “(2) To the extent practicable, the Secretary shall es-
15 tablish the procedures under paragraph (1) in a manner
16 that takes into account any certification process adminis-
17 tered by another department or agency of the Federal Gov-
18 ernment that an eligible provider has completed by reason
19 of being a provider described in any of subparagraphs (A)
20 through (E) of subsection (b)(4).

21 “(3) The Secretary shall—

22 “(A) verify upon enrollment, and annually
23 thereafter, that eligible providers have not been ex-
24 cluded from participation in other federally funded
25 health care programs; and

1 “(B) *submit to the Committees on Veterans’ Af-*
2 *fairs of the House of Representatives and the Senate*
3 *an annual report on the results of such verifications.*

4 “(d) *TERMS OF AGREEMENTS.—Subsections (d), (e),*
5 *(f), and (g) of section 1703A of this title shall apply with*
6 *respect to a Veterans Care Agreement in the same manner*
7 *such subsections apply to contracts and agreements entered*
8 *into under such section.*

9 “(e) *EXCLUSION OF CERTAIN FEDERAL CONTRACTING*
10 *PROVISIONS.—(1) Notwithstanding any other provision of*
11 *law, the Secretary may enter into a Veterans Care Agree-*
12 *ment using procedures other than competitive procedures.*

13 “(2)(A) *Except as provided in subparagraph (B) and*
14 *unless otherwise provided in this section, an eligible non-*
15 *network provider that enters into a Veterans Care Agree-*
16 *ment under this section is not subject to, in the carrying*
17 *out of the agreement, any provision of law that providers*
18 *of services and suppliers under the original Medicare fee-*
19 *for-service program under parts A and B of title XVIII of*
20 *the Social Security Act (42 U.S.C. 1395 et seq.) or the Med-*
21 *icaid program under title XIX of such Act (42 U.S.C. 1396*
22 *et seq.) are not subject to.*

23 “(B) *In addition to the provisions of laws covered by*
24 *subparagraph (A), an eligible non-network provider shall*
25 *be subject to the following provisions of law:*

1 “(i) Any applicable law regarding integrity, eth-
2 ics, or fraud, or that subject a person to civil or
3 criminal penalties.

4 “(ii) Section 1352 of title 31, except for the fil-
5 ing requirements under subsection (b) of such section.

6 “(iii) Section 4705 or 4712 of title 41, and any
7 other applicable law regarding the protection of whis-
8 tleblowers.

9 “(iv) Section 4706(d) of title 41.

10 “(v) Title VII of the Civil Rights Act of 1964 (42
11 U.S.C. 2000e et seq.) to the same extent as such title
12 applies with respect to the eligible non-network pro-
13 vider in providing care or services through an agree-
14 ment or arrangement other than under a Veterans
15 Care Agreement.

16 “(f) *TERMINATION OF A VETERANS CARE AGREE-*
17 *MENT.—(1) An eligible non-network provider may termi-*
18 *nate a Veterans Care Agreement with the Secretary under*
19 *this section at such time and upon such notice to the Sec-*
20 *retary as the Secretary may specify for purposes of this sec-*
21 *tion.*

22 “(2) *The Secretary may terminate a Veterans Care*
23 *Agreement with an eligible non-network provider under this*
24 *section at such time and upon such notice to the provider*

1 *as the Secretary may specify for the purposes of this section,*
2 *if the Secretary determines necessary.*

3 “(g) *DISPUTES.—(1) The Secretary shall establish ad-*
4 *ministrative procedures for providers with which the Sec-*
5 *retary has entered into a Veterans Care Agreement to*
6 *present any dispute arising under or related to the agree-*
7 *ment.*

8 “(2) *Before using any dispute resolution mechanism*
9 *under chapter 71 of title 41 with respect to a dispute aris-*
10 *ing under a Veterans Care Agreement under this section,*
11 *a provider must first exhaust the administrative procedures*
12 *established by the Secretary under paragraph (1).*

13 “(h) *AUTHORITY TO PAY FOR OTHER AUTHORIZED*
14 *SERVICES.—(1) If, in the course of an episode of care for*
15 *which hospital care, medical services, or extended care serv-*
16 *ices are furnished to an eligible veteran pursuant to a Vet-*
17 *erans Care Agreement, any part of such care or services*
18 *is furnished by a medical provider who is not an eligible*
19 *non-network provider or a network provider, the Secretary*
20 *may compensate such provider for furnishing such care or*
21 *services.*

22 “(2) *The Secretary shall make reasonable efforts to*
23 *enter into a Veterans Care Agreement with any provider*
24 *who is compensated pursuant to paragraph (1).*

1 “(i) *ANNUAL REPORTS.*—(1) *Not later than December*
2 *31 of the year following the fiscal year in which the Sec-*
3 *retary first enters into a Veterans Care Agreement under*
4 *this section, and each year thereafter, the Secretary shall*
5 *submit to the appropriate congressional committees an an-*
6 *nual report that includes a list of all Veterans Care Agree-*
7 *ments entered into as of the date of the report.*

8 “(2) *The requirement to submit a report under para-*
9 *graph (1) shall terminate on the date that is five years after*
10 *the date of the enactment of this section.*

11 “(j) *QUALITY OF CARE.*—*In carrying out this section,*
12 *the Secretary shall use the quality of care standards set*
13 *forth or used by the Centers for Medicare & Medicaid Serv-*
14 *ices or other quality of care standards, as determined by*
15 *the Secretary.*

16 “(k) *DELEGATION.*—*The Secretary may delegate the*
17 *authority to enter into or terminate a Veterans Care Agree-*
18 *ment to an official of the Department at a level not below*
19 *the Director of a Veterans Integrated Service Network or*
20 *the Director of a Network Contracting Office.*

21 “(l) *DEFINITIONS.*—*In this section:*

22 “(1) *The term ‘appropriate congressional com-*
23 *mittees’ means—*

24 “(A) *the Committees on Veterans’ Affairs of*
25 *the House of Representatives and the Senate; and*

1 “(B) the Committees on Appropriations of
2 the House of Representatives and the Senate.

3 “(2) The term ‘eligible veteran’ has the meaning
4 given such term in section 1703A(m) of this title.”.

5 (b) CLERICAL AMENDMENT.—The table of sections at
6 the beginning of such chapter is amended by inserting after
7 the item relating to section 1703A, as added by section 102,
8 the following new item:

 “1703B. Veterans Care Agreements with non-network providers.”.

9 **SEC. 104. MODIFICATION OF AUTHORITY TO ENTER INTO**
10 **AGREEMENTS WITH STATE HOMES TO PRO-**
11 **VIDE NURSING HOME CARE.**

12 (a) USE OF AGREEMENTS.—

13 (1) IN GENERAL.—Paragraph (1) of section
14 1745(a) of title 38, United States Code, is amended,
15 in the matter preceding subparagraph (A), by strik-
16 ing “a contract (or agreement under section
17 1720(c)(1) of this title)” and inserting “an agree-
18 ment”.

19 (2) PAYMENT.—Paragraph (2) of such section is
20 amended by striking “contract (or agreement)” each
21 place it appears and inserting “agreement”.

22 (b) TREATMENT OF CERTAIN LAWS.—Such section is
23 amended by adding at the end the following new paragraph:

24 “(4)(A) An agreement under this section may be en-
25 tered into without regard to any law that would require

1 *the Secretary to use competitive procedures in selecting the*
2 *party with which to enter into the agreement.*

3 “(B)(i) *Except as provided in clause (ii) and unless*
4 *otherwise provided in this section or in regulations pre-*
5 *scribed pursuant to this section, a State home that enters*
6 *into an agreement under this section is not subject to, in*
7 *the carrying out of the agreement, any law to which pro-*
8 *viders of services and suppliers are not subject under the*
9 *original Medicare fee-for-service program under parts A*
10 *and B of title XVIII of the Social Security Act (42 U.S.C.*
11 *1395 et seq.) or the Medicaid program under title XIX of*
12 *such Act (42 U.S.C. 1396 et seq.).*

13 “(ii) *The exclusion under clause (i) does not apply to*
14 *laws regarding integrity, ethics, fraud, or that subject a per-*
15 *son to civil or criminal penalties.*

16 “(C) *Title VII of the Civil Rights Act of 1964 (42*
17 *U.S.C. 2000e et seq.) shall apply with respect to a State*
18 *home that enters into an agreement under this section to*
19 *the same extent as such title applies with respect to the*
20 *State home in providing care or services through an agree-*
21 *ment or arrangement other than under this section.”.*

22 (c) *EFFECTIVE DATE.—*

23 (1) *IN GENERAL.—The amendments made by*
24 *this section shall apply to agreements entered into*
25 *under section 1745 of such title on and after the date*

1 *on which the regulations prescribed by the Secretary*
2 *of Veterans Affairs to implement such amendments*
3 *take effect.*

4 (2) *PUBLICATION.*—*The Secretary shall publish*
5 *the date described in paragraph (1) in the Federal*
6 *Register not later than 30 days before such date.*

7 **SEC. 105. DEPARTMENT OF VETERANS AFFAIRS ELEC-**
8 **TRONIC INTERFACE FOR PROCESSING OF**
9 **MEDICAL CLAIMS.**

10 (a) *ELECTRONIC INTERFACE.*—*Not later than the im-*
11 *plementation date specified in section 108(a), the Chief In-*
12 *formation Officer of the Department of Veterans Affairs*
13 *shall ensure that the information technology system used*
14 *by the Department to receive, process, and pay claims*
15 *under the VA Care in the Community Program established*
16 *in section 1703A of title 38, United States Code, as added*
17 *by section 102, and under Veterans Care Agreements estab-*
18 *lished in section 1703B of such title, as added by section*
19 *103, includes the following:*

20 (1) *A function through which a covered non-De-*
21 *partment health care provider may submit all re-*
22 *quired data and supporting information required for*
23 *claims reimbursement through electronic data inter-*
24 *changes.*

1 (2) *An ability to automatically adjudicate*
2 *claims.*

3 (3) *A centralized claims database that is acces-*
4 *sible nationwide.*

5 (4) *Integration with the relevant eligibility and*
6 *authorization information technology systems of the*
7 *Department.*

8 (5) *Ability for a covered non-Department health*
9 *care provider to ascertain the status of a pending*
10 *claim submitted by the provider, receive information*
11 *regarding missing documentation or discrepancies*
12 *that may impede claim processing timelines or result*
13 *in rejection, and receive notification when such claim*
14 *is accepted for reimbursement or rejected.*

15 (6) *A claim review system similar to that used*
16 *by the Centers for Medicare & Medicaid Services, as*
17 *of the date of the enactment of this Act, including the*
18 *use of contractors to perform audits through data*
19 *analytics, to determine the appropriateness and accu-*
20 *racy of claims of providers and to ensure program in-*
21 *tegrity and oversight.*

22 (b) *SECURITY AND PRIVACY.—The Chief Information*
23 *Officer shall also ensure that the information technology*
24 *system covered under subsection (a) meets the following cri-*
25 *teria:*

1 (1) *Such system shall be developed and imple-*
2 *mented in compliance with all applicable laws, regu-*
3 *lations and Federal Government standards regarding*
4 *information security, privacy, and accessibility.*

5 (2) *Such system shall provide for the elicitation,*
6 *analysis, and prioritization of functional and non-*
7 *functional information security and privacy require-*
8 *ments for such system, including security and privacy*
9 *services and architectural requirements relating to se-*
10 *curity and privacy based on a thorough risk assess-*
11 *ment of all reasonably anticipated cyber and*
12 *noncyber threats to the security and privacy of elec-*
13 *tronic protected health information made available*
14 *through such interface.*

15 (3) *Such system shall provide for the elicitation,*
16 *analysis, and prioritization of secure development re-*
17 *quirements relating to such system.*

18 (4) *Such system shall provide assurance that the*
19 *prioritized information security and privacy require-*
20 *ments of such system—*

21 (A) *are correctly implemented in the design*
22 *and implementation of such system through the*
23 *systems development lifecycle; and*

1 (B) satisfy the information objectives of
2 such system relating to security and privacy
3 throughout the systems development lifecycle.

4 (c) *CONTRACT AUTHORITY.*—The Chief Information
5 Officer may enter into a contract for purposes of carrying
6 out this section.

7 (d) *DEFINITIONS.*—In this section:

8 (1) The term “electronic protected health infor-
9 mation” has the meaning given that term in section
10 160.103 of title 45, Code of Federal Regulations, as
11 in effect on the date of the enactment of this Act.

12 (2) The term “covered non-Department health
13 care provider” means—

14 (A) a network provider (as defined by sec-
15 tion 1701(11) of title 38, United States Code, as
16 added by section 102);

17 (B) a non-network provider with which the
18 Secretary has entered into a Veterans Care
19 Agreement under section 1703B of such title, as
20 added by section 103; or

21 (C) any other non-Department eligible pro-
22 vider or non-Department health care provider
23 that furnishes hospital care or medical services
24 pursuant to chapter 17 of such title.

1 (A) *The date that is one year after the date*
2 *of the enactment of this Act.*

3 (B) *The date on which the Secretary of Vet-*
4 *erans Affairs submits to the Committees on Vet-*
5 *erans' Affairs of the Senate and the House of*
6 *Representatives the certification required by sec-*
7 *tion 107(c).*

8 (2) *CONFORMING REPEAL.—*

9 (A) *IN GENERAL.—Effective immediately*
10 *following the transfer of amounts under para-*
11 *graph (1), section 802 of the Veterans Access,*
12 *Choice, and Accountability Act of 2014 (Public*
13 *Law 113–146; 38 U.S.C. 1701 note) is repealed.*

14 (B) *CONFORMING AMENDMENT.—Section*
15 *4003 of the Surface Transportation and Veterans*
16 *Health Care Choice Improvement Act of 2015*
17 *(Public Law 114–41; 38 U.S.C. 1701 note) is*
18 *amended by striking “for non-Department pro-*
19 *vider programs (as defined in section 2(d))” and*
20 *all that follows through “1802)” and inserting*
21 *the following: “for the VA Care in the Commu-*
22 *nity Program (as defined in section 1701(12) of*
23 *title 38, United States Code) and Veterans Care*
24 *Agreements under section 1703B of title 38,*
25 *United States Code”.*

1 (c) *VA CARE IN THE COMMUNITY PROGRAM DE-*
2 *FINED.*—*In this section, the term “VA Care in the Commu-*
3 *nity Program” has the meaning given that term in section*
4 *1701(12) of title 38, United States Code, as added by section*
5 *102.*

6 **SEC. 107. TERMINATION OF CERTAIN PROVISIONS AUTHOR-**
7 **IZING MEDICAL CARE TO VETERANS**
8 **THROUGH NON-DEPARTMENT OF VETERANS**
9 **AFFAIRS PROVIDERS.**

10 (a) *TERMINATION OF AUTHORITY TO CONTRACT FOR*
11 *CARE IN NON-DEPARTMENT FACILITIES.*—

12 (1) *IN GENERAL.*—*Section 603 of title 38, United*
13 *States Code, is amended by adding at the end the fol-*
14 *lowing new subsection:*

15 “(e) *The authority of the Secretary to carry out this*
16 *section terminates on the date on which the Secretary cer-*
17 *tifies to the Committees on Veterans’ Affairs of the House*
18 *of Representatives and the Senate that the Secretary is fully*
19 *implementing section 1703A of this title.”.*

20 (2) *CONFORMING AMENDMENTS.*—

21 (A) *DENTAL CARE.*—*Section 1712(a) of*
22 *such title is amended—*

23 (i) *in paragraph (3), by striking*
24 *“under clause (1), (2), or (5) of section*
25 *1703(a) of this title” and inserting “under*

1 *the VA Care in the Community Program*”;

2 *and*

3 (ii) *in paragraph (4)(A), in the first*

4 *sentence—*

5 (I) *by striking “and section 1703*

6 *of this title” and inserting “and the*

7 *VA Care in the Community Program*

8 *(with respect to such a year beginning*

9 *on or after the date on which the Sec-*

10 *retary commences implementation of*

11 *the VA Care in the Community Pro-*

12 *gram)”*; and

13 (II) *by striking “in section 1703*

14 *of this title” and inserting “under the*

15 *VA Care in the Community Program”.*

16 (B) *READJUSTMENT COUNSELING.—Section*

17 *1712A(e)(1) of such title is amended by striking*

18 *“(under sections 1703(a)(2) and 1710(a)(1)(B)*

19 *of this title)” and inserting “(under the VA Care*

20 *in the Community Program)”.*

21 (C) *DEATH IN DEPARTMENT FACILITY.—*

22 *Section 2303(a)(2)(B)(i) of such title is amended*

23 *by striking “in accordance with section 1703 of*

24 *this title” and inserting “under the VA Care in*

25 *the Community Program”.*

1 (D) *MEDICARE PROVIDER AGREEMENTS.*—
2 Section 1866(a)(1)(L) of the Social Security Act
3 (42 U.S.C. 1395cc(a)(1)(L)) is amended—

4 (i) by striking “under section 1703 of
5 title 38” and inserting “under the VA Care
6 in the Community Program (as defined in
7 section 1701(12) of title 38, United States
8 Code)”; and

9 (ii) by striking “such section” and in-
10 serting “such program”.

11 (b) *REPEAL OF AUTHORITY TO CONTRACT FOR*
12 *SCARCE MEDICAL SPECIALISTS.*—

13 (1) *IN GENERAL.*—Section 7409 of title 38,
14 United States Code, is repealed.

15 (2) *CLERICAL AMENDMENT.*—The table of sec-
16 tions at the beginning of chapter 74 of such title is
17 amended by striking the item relating to section 7409.

18 (c) *EFFECTIVE DATE.*—The amendments made by sub-
19 sections (a) and (b) shall take effect on the date on which
20 the Secretary certifies to the Committees on Veterans’ Af-
21 fairs of the House of Representatives and the Senate that
22 the Secretary is fully implementing section 1703A of title
23 38, United States Code, as added by section 102.

1 **SEC. 108. IMPLEMENTATION AND TRANSITION.**

2 (a) *IMPLEMENTATION.*—*The Secretary of Veterans Af-*
3 *fairs shall commence the implementation of section 1703A*
4 *of title 38, United States Code, as added by section 102,*
5 *and section 1703B of such title, as added by section 103,*
6 *and shall make the transfer under section 106(b), by not*
7 *later than one year after the date of the enactment of this*
8 *Act. The Secretary shall prescribe interim final regulations*
9 *to implement such sections and publish such regulations in*
10 *the Federal Register.*

11 (b) *TRAINING.*—*Before commencing the implementa-*
12 *tion of sections 1703A and 1703B of title 38, United States*
13 *Code, as added by sections 102 and 103, respectively, the*
14 *Secretary of Veterans Affairs shall—*

15 (1) *certify to the Committees on Veterans' Affairs*
16 *of the House of Representatives and the Senate that—*

17 (A) *each network provider (as defined by*
18 *section 1701(11) of title 38, United States Code)*
19 *and eligible non-network provider that furnishes*
20 *care or services under such section 1703A or sec-*
21 *tion 1703B is trained to furnish such care or*
22 *services under such sections; and*

23 (B) *each employee of the Department that*
24 *refers, authorizes, or coordinates such care or*
25 *services is trained to carry out such sections; and*

1 (2) *establish standard, written guidance for net-*
2 *work providers, non-Department health care pro-*
3 *viders, and any non-Department administrative enti-*
4 *ties acting on behalf of such providers, with respect to*
5 *the policies and procedures for furnishing care or*
6 *services under such sections.*

7 **SEC. 109. TRANSPLANT PROCEDURES WITH LIVE DONORS**
8 **AND RELATED SERVICES.**

9 (a) *IN GENERAL.*—*Subchapter I of chapter 17 of title*
10 *38, United States Code, is further amended by inserting*
11 *after section 1703B, as added by section 103, the following*
12 *new section:*

13 **“§ 1703C. Transplant procedures with live donors and**
14 **related services**

15 “(a) *IN GENERAL.*—*Subject to subsections (b) and (c),*
16 *in a case in which a veteran is eligible for a transplant*
17 *procedure from the Department, the Secretary may provide*
18 *for an operation on a live donor to carry out such procedure*
19 *for such veteran, notwithstanding that the live donor may*
20 *not be eligible for health care from the Department.*

21 “(b) *OTHER SERVICES.*—*Subject to the availability of*
22 *appropriations for such purpose, the Secretary shall furnish*
23 *to a live donor any care or services before and after con-*
24 *ducting the transplant procedure under subsection (a) that*
25 *may be required in connection with such procedure.*

1 “(c) *USE OF NON-DEPARTMENT FACILITIES.—(1) In*
2 *carrying out this subsection, the Secretary may provide for*
3 *the operation described in subsection (a) on a live donor*
4 *and furnish to the live donor the care and services described*
5 *in subsection (b) at a non-Department facility pursuant to*
6 *an agreement entered into by the Secretary under this sec-*
7 *tion. The live donor shall be deemed to be an individual*
8 *eligible for hospital care and medical services at a non-De-*
9 *partment facility pursuant to such an agreement solely for*
10 *the purposes of receiving such operation, care, and services*
11 *at the non-Department facility.*

12 “(2) *The Secretary may only provide for an operation*
13 *at a non-Department of Veterans Affairs transplant center*
14 *pursuant to paragraph (1) if the center is in compliance*
15 *with regulations prescribed by the Centers for Medicare &*
16 *Medicaid Services applicable to transplant centers.”.*

17 “(b) *CLERICAL AMENDMENT.—The table of section at*
18 *the beginning of such chapter is further amended by insert-*
19 *ing after the item relating to section 1703B, as added by*
20 *section 103, the following new item:*

“1703C. Transplant procedures with live donors and related services.”.

1 **TITLE II—OTHER**
2 **ADMINISTRATIVE MATTERS**

3 **SEC. 201. REIMBURSEMENT FOR EMERGENCY AMBULANCE**
4 **SERVICES.**

5 (a) *IN GENERAL.*—Section 1725(c) of title 38, United
6 States Code, is amended by adding at the end the following
7 new paragraph:

8 “(5) *In delineating the circumstances under which re-*
9 *imbursement may be made under this section for ambulance*
10 *services for an individual, the Secretary shall treat such*
11 *services as emergency services for which reimbursement may*
12 *be made under this section if the Secretary determines*
13 *that—*

14 “(A) *the request for ambulance services was*
15 *made as a result of the sudden onset of a medical con-*
16 *dition of such a nature that a prudent layperson who*
17 *possesses an average knowledge of health and medi-*
18 *cine—*

19 “(i) *would have reasonably expected that a*
20 *delay in seeking immediate medical attention*
21 *would have been hazardous to the life or health*
22 *of the individual; or*

23 “(ii) *could reasonably expect the absence of*
24 *immediate medical attention to result in placing*
25 *the health of the individual in serious jeopardy,*

1 *the serious impairment of bodily functions, or*
2 *the serious dysfunction of any bodily organ or*
3 *part; and*

4 “(B) *the individual is transported to the most*
5 *appropriate medical facility capable of treating such*
6 *medical condition.”.*

7 ***(b) EFFECTIVE DATE.***—*The amendment made by sub-*
8 *section (a) shall take effect on the date of the enactment*
9 *of this Act and shall apply with respect to ambulance serv-*
10 *ices provided on or after January 1, 2019.*

11 **SEC. 202. IMPROVEMENT OF CARE COORDINATION FOR**
12 **VETERANS THROUGH EXCHANGE OF CERTAIN**
13 **MEDICAL RECORDS.**

14 *Section 7332(b) of title 38, United States Code, is*
15 *amended—*

16 (1) *in paragraph (2), by adding at the end the*
17 *following new subparagraphs:*

18 “(I) *To a public or private health care pro-*
19 *vider in order to provide treatment or health*
20 *care to a shared patient.*

21 “(J) *To a third party in order to recover or*
22 *collect reasonable charges for care furnished to a*
23 *veteran for a non-service-connected disability*
24 *pursuant to section 1729 of this title or section*
25 *1 of Public Law 87–693 (42 U.S.C. 2651).”; and*

1 (2) *by adding at the end the following new para-*
2 *graph:*

3 “(4) *Nothing in this section shall be construed to au-*
4 *thorize any provision of records in violation of relevant*
5 *health record privacy laws, including the Health Insurance*
6 *Portability and Accountability Act of 1996 (Public Law*
7 *104–191).”.*

8 **SEC. 203. ELIMINATION OF COPAYMENT OFFSET.**

9 (a) *IN GENERAL.*—*Section 1729(a) of title 38, United*
10 *States Code, is amended by adding at the end the following*
11 *new paragraph:*

12 “(4) *Notwithstanding any other provision of law,*
13 *any amount that the United States may collect or re-*
14 *cover under this section shall not affect any copay-*
15 *ment amount a veteran is otherwise obligated to pay*
16 *under this chapter.”.*

17 (b) *EFFECTIVE DATE.*—*The amendment made by sub-*
18 *section (a) shall take effect on the date of the enactment*
19 *of this Act and apply with respect to a copayment obliga-*
20 *tion that arises on or after the date of the enactment of*
21 *this Act.*

1 **SEC. 204. USE OF DEPARTMENT OF VETERANS AFFAIRS**
2 **MEDICAL CARE COLLECTIONS FUND FOR**
3 **CERTAIN IMPROVEMENTS IN COLLECTIONS.**

4 *Section 1729A(c)(1)(B) of title 38, United States Code,*
5 *is amended by inserting “(including with respect to auto-*
6 *matic data processing or information technology improve-*
7 *ments)” after “collection”.*

8 **SEC. 205. DEPARTMENT OF VETERANS AFFAIRS HEALTH**
9 **CARE PRODUCTIVITY IMPROVEMENT.**

10 *(a) IN GENERAL.—Subchapter I of chapter 17 of title*
11 *38, United States Code, is further amended by inserting*
12 *after section 1705A the following new section:*

13 **“§ 1705B. Management of health care: productivity**

14 *“(a) RELATIVE VALUE UNIT TRACKING.—The Sec-*
15 *retary shall track relative value units for all Department*
16 *providers.*

17 *“(b) CLINICAL PROCEDURE CODING TRAINING.—The*
18 *Secretary shall require all Department providers to attend*
19 *training on clinical procedure coding.*

20 *“(c) PERFORMANCE STANDARDS.—(1) The Secretary*
21 *shall establish for each Department facility—*

22 *“(A) in accordance with paragraph (2), stand-*
23 *ardized performance standards based on nationally*
24 *recognized relative value unit production standards*
25 *applicable to each specific profession in order to*

1 *evaluate clinical productivity at the provider and fa-*
2 *cility level;*

3 *“(B) remediation plans to address low clinical*
4 *productivity and clinical inefficiency; and*

5 *“(C) an ongoing process to systematically review*
6 *the content, implementation, and outcome of the plans*
7 *developed under subparagraph (B).*

8 *“(2) In establishing the performance standards under*
9 *paragraph (1)(A), the Secretary may—*

10 *“(A) incorporate values-based productivity mod-*
11 *els; and*

12 *“(B) take into account non-clinical duties, in-*
13 *cluding with respect to training and research.*

14 *“(d) DEFINITIONS.—In this section:*

15 *“(1) The term ‘Department provider’ means an*
16 *employee of the Department whose primary respon-*
17 *sibilities include furnishing hospital care or medical*
18 *services, including a physician, a dentist, an optom-*
19 *etrist, a podiatrist, a chiropractor, an advanced prac-*
20 *tice registered nurse, and a physician’s assistant act-*
21 *ing as an independent provider.*

22 *“(2) The term ‘relative value unit’ means a unit*
23 *for measuring workload by determining the time,*
24 *mental effort and judgment, technical skill, physical*
25 *effort, and stress involved in delivering a procedure.”.*

1 (b) *CLERICAL AMENDMENT.*—*The table of sections at*
 2 *the beginning of such chapter is further amended by insert-*
 3 *ing after the item relating to section 1705A the following*
 4 *new item:*

 “1705B. *Management of health care: productivity.*”.

5 (c) *REPORT.*—*Not later than one year after the date*
 6 *of the enactment of this Act, the Secretary shall submit to*
 7 *Congress a report on the implementation of section 1705B*
 8 *of title 38, United States Code, as added by subsection (a).*
 9 *Such report shall include, for each professional category of*
 10 *Department providers, the relative value unit of such cat-*
 11 *egory of providers at the national, Veterans Integrated*
 12 *Service Network, and facility levels.*

13 **SEC. 206. LICENSURE OF HEALTH CARE PROFESSIONALS OF**
 14 **THE DEPARTMENT OF VETERANS AFFAIRS**
 15 **PROVIDING TREATMENT VIA TELEMEDICINE.**

16 (a) *IN GENERAL.*—*Chapter 17 of title 38, United*
 17 *States Code, is further amended by inserting after section*
 18 *1730A the following new section:*

19 **“§ 1730B. *Licensure of health care professionals pro-***
 20 ***viding treatment via telemedicine***

21 “(a) *IN GENERAL.*—*Notwithstanding any provision of*
 22 *law regarding the licensure of health care professionals, a*
 23 *covered health care professional may practice the health*
 24 *care profession of the health care professional at any loca-*
 25 *tion in any State, regardless of where the covered health*

1 *care professional or the patient is located, if the covered*
2 *health care professional is using telemedicine to provide*
3 *treatment to an individual under this chapter.*

4 “(b) *PROPERTY OF FEDERAL GOVERNMENT.—Sub-*
5 *section (a) shall apply to a covered health care professional*
6 *providing treatment to a patient regardless of whether the*
7 *covered health care professional or patient is located in a*
8 *facility owned by the Federal Government during such*
9 *treatment.*

10 “(c) *CONSTRUCTION.—Nothing in this section may be*
11 *construed to remove, limit, or otherwise affect any obliga-*
12 *tion of a covered health care professional under the Con-*
13 *trolled Substances Act (21 U.S.C. 801 et seq.).*

14 “(d) *COVERED HEALTH CARE PROFESSIONAL DE-*
15 *FINED.—In this section, the term ‘covered health care pro-*
16 *fessional’ means a health care professional who—*

17 “(1) *is an employee of the Department appointed*
18 *under the authority under section 7306, 7401, 7405,*
19 *7406, or 7408 of this title, or title 5;*

20 “(2) *is authorized by the Secretary to provide*
21 *health care under this chapter;*

22 “(3) *is required to adhere to all quality stand-*
23 *ards relating to the provision of telemedicine in ac-*
24 *cordance with applicable policies of the Department;*
25 *and*

1 “(4) has an active, current, full, and unrestricted
2 license, registration, or certification in a State to
3 practice the health care profession of the health care
4 professional.”.

5 (b) *CLERICAL AMENDMENT.*—*The table of sections at*
6 *the beginning of chapter 17 of such title is further amended*
7 *by inserting after the item relating to section 1730A the*
8 *following new item:*

 “1730B. *Licensure of health care professionals providing treatment via telemedi-*
 cine.”.

9 (c) *REPORT ON TELEMEDICINE.*—

10 (1) *IN GENERAL.*—*Not later than one year after*
11 *the date of the enactment of this Act, the Secretary of*
12 *Veterans Affairs shall submit to the Committee on*
13 *Veterans’ Affairs of the Senate and the Committee on*
14 *Veterans’ Affairs of the House of Representatives a re-*
15 *port on the effectiveness of the use of telemedicine by*
16 *the Department of Veterans Affairs.*

17 (2) *ELEMENTS.*—*The report required by para-*
18 *graph (1) shall include an assessment of the following:*

19 (A) *The satisfaction of veterans with tele-*
20 *medicine furnished by the Department.*

21 (B) *The satisfaction of health care providers*
22 *in providing telemedicine furnished by the De-*
23 *partment.*

1 (C) *The effect of telemedicine furnished by*
2 *the Department on the following:*

3 (i) *The ability of veterans to access*
4 *health care, whether from the Department*
5 *or from non-Department health care pro-*
6 *viders.*

7 (ii) *The frequency of use by veterans of*
8 *telemedicine.*

9 (iii) *The productivity of health care*
10 *providers.*

11 (iv) *Wait times for an appointment for*
12 *the receipt of health care from the Depart-*
13 *ment.*

14 (v) *The reduction, if any, in the use by*
15 *veterans of in-person services at Depart-*
16 *ment facilities and non-Department facili-*
17 *ties.*

18 (D) *The types of appointments for the re-*
19 *ceipt of telemedicine furnished by the Depart-*
20 *ment that were provided during the one-year pe-*
21 *riod preceding the submittal of the report.*

22 (E) *The number of appointments for the re-*
23 *ceipt of telemedicine furnished by the Depart-*
24 *ment that were requested during such period,*

1 *disaggregated by Veterans Integrated Service*
2 *Network.*

3 *(F) Savings by the Department, if any, in-*
4 *cluding travel costs, of furnishing health care*
5 *through the use of telemedicine during such pe-*
6 *riod.*

7 **SEC. 207. ESTABLISHMENT OF PROCESSES TO ENSURE**
8 **SAFE OPIOID PRESCRIBING PRACTICES BY**
9 **NON-DEPARTMENT OF VETERANS AFFAIRS**
10 **HEALTH CARE PROVIDERS.**

11 *(a) RECEIPT AND REVIEW OF GUIDELINES.—The Sec-*
12 *retary of Veterans Affairs shall ensure that all covered*
13 *health care providers are provided a copy of and certify*
14 *that they have reviewed the evidence-based guidelines for*
15 *prescribing opioids set forth by the Opioid Safety Initiative*
16 *of the Department of Veterans Affairs under sections*
17 *911(a)(2) and 912(c) of the Jason Simcakoski Memorial*
18 *and Promise Act (Public Law 114–198; 38 U.S.C. 1701*
19 *note) before first providing care under the laws adminis-*
20 *tered by the Secretary and at any time when those guide-*
21 *lines are modified thereafter.*

22 *(b) INCLUSION OF MEDICAL HISTORY AND CURRENT*
23 *MEDICATIONS.—The Secretary shall implement a process to*
24 *ensure that, if care of a veteran by a covered health care*
25 *provider is authorized under the laws administered by the*

1 *Secretary, the document authorizing such care includes the*
2 *relevant medical history of the veteran and a list of all*
3 *medications prescribed to the veteran.*

4 *(c) SUBMITTAL OF PRESCRIPTIONS.—*

5 *(1) IN GENERAL.—Except as provided in para-*
6 *graph (3), the Secretary shall require, to the max-*
7 *imum extent practicable, each covered health care*
8 *provider to submit prescriptions for opioids—*

9 *(A) to the Department for prior authoriza-*
10 *tion for the prescribing of a limited amount of*
11 *opioids under contracts the Department has with*
12 *retail pharmacies; or*

13 *(B) directly to a pharmacy of the Depart-*
14 *ment for the dispensing of such prescription.*

15 *(2) DEPARTMENT RESPONSIBILITY.—In carrying*
16 *out paragraph (1), upon receipt by the Department of*
17 *a prescription for opioids for a veteran under the*
18 *laws administered by the Secretary, the Secretary*
19 *shall—*

20 *(A) record such prescription in the elec-*
21 *tronic health record of the veteran; and*

22 *(B) monitor such prescription as outlined*
23 *in the Opioid Safety Initiative of the Depart-*
24 *ment.*

25 *(3) EXCEPTION.—*

1 (A) *IN GENERAL.*—A covered health care
2 provider is not required under paragraph (1)(B)
3 to submit an opioid prescription directly to a
4 pharmacy of the Department if—

5 (i) the health care provider determines
6 that there is an immediate medical need for
7 the prescription, including an urgent or
8 emergent prescription or a prescription dis-
9 pensed as part of an opioid treatment pro-
10 gram that provides office-based medications;
11 and

12 (ii)(I) following an inquiry into the
13 matter, a pharmacy of the Department no-
14 tifies the health care provider that it cannot
15 fill the prescription in a timely manner; or

16 (II) the health care provider deter-
17 mines that the requirement under para-
18 graph (1)(B) would impose an undue hard-
19 ship on the veteran, including with respect
20 to travel distances, as determined by the
21 Secretary.

22 (B) *NOTIFICATION TO DEPARTMENT.*—If a
23 covered health care provider uses an exception
24 under subparagraph (A) with respect to an
25 opioid prescription for a veteran, the health care

1 *provider shall, on the same day the prescription*
2 *is written, submit to the Secretary for inclusion*
3 *in the electronic health record of the veteran a*
4 *notice, in such form as the Secretary may estab-*
5 *lish, providing information about the prescrip-*
6 *tion and describing the reason for the exception.*

7 *(C) REPORT.—*

8 *(i) IN GENERAL.—Not less frequently*
9 *than quarterly, the Secretary shall submit*
10 *to the Committee on Veterans' Affairs of the*
11 *Senate and the Committee on Veterans' Af-*
12 *airs of the House of Representatives a re-*
13 *port evaluating the compliance of covered*
14 *health care providers with the requirements*
15 *under this paragraph and setting forth data*
16 *on the use by health care providers of excep-*
17 *tions under subparagraph (A) and notices*
18 *under subparagraph (B).*

19 *(ii) ELEMENTS.—Each report required*
20 *by clause (i) shall include the following*
21 *with respect to the quarter covered by the*
22 *report:*

23 *(I) The number of exceptions used*
24 *under subparagraph (A) and notices*
25 *received under subparagraph (B).*

1 (II) *The rate of compliance by the*
2 *Department with the requirement*
3 *under subparagraph (B) to include*
4 *such notices in the health records of*
5 *veterans.*

6 (III) *The identification of any*
7 *covered health care providers that,*
8 *based on criteria prescribed the Sec-*
9 *retary, are determined by the Secretary*
10 *to be statistical outliers regarding the*
11 *use of exceptions under subparagraph*
12 *(A).*

13 (d) *USE OF OPIOID SAFETY INITIATIVE GUIDE-*
14 *LINES.—*

15 (1) *IN GENERAL.—If a director of a medical cen-*
16 *ter of the Department or a Veterans Integrated Serv-*
17 *ice Network determines that the opioid prescribing*
18 *practices of a covered health care provider conflicts*
19 *with or is otherwise inconsistent with the standards*
20 *of appropriate and safe care, as that term is used in*
21 *section 913(d) of the Jason Simcakoski Memorial and*
22 *Promise Act (Public Law 114–198; 38 U.S.C. 1701*
23 *note), the director shall take such action as the direc-*
24 *tor considers appropriate to ensure the safety of all*
25 *veterans receiving care from that health care provider,*

1 *including removing or directing the removal of any*
2 *such health care provider from provider networks or*
3 *otherwise refusing to authorize care of veterans by*
4 *such health care provider in any program authorized*
5 *under the laws administered by the Secretary.*

6 (2) *INCLUSION IN CONTRACTS.—The Secretary*
7 *shall ensure that any contracts entered into by the*
8 *Secretary with third parties involved in admin-*
9 *istering programs that provide care in the community*
10 *to veterans under the laws administered by the Sec-*
11 *retary specifically grant the authority set forth in*
12 *paragraph (1) to such third parties and to the direc-*
13 *tors described in that paragraph, as the case may be.*

14 (e) *DENIAL OR REVOCATION OF ELIGIBILITY OF NON-*
15 *DEPARTMENT PROVIDERS.—The Secretary shall deny or re-*
16 *voke the eligibility of a non-Department health care pro-*
17 *vider to provide health care to veterans under the laws ad-*
18 *ministered by the Secretary if the Secretary determines that*
19 *the opioid prescribing practices of the provider—*

20 (1) *violate the requirements of a medical license*
21 *of the health care provider; or*

22 (2) *detract from the ability of the health care*
23 *provider to deliver safe and appropriate health care.*

24 (f) *COVERED HEALTH CARE PROVIDER DEFINED.—*
25 *In this section, the term “covered health care provider”*

1 *means a non-Department of Veterans Affairs health care*
2 *provider who provides health care to veterans under the*
3 *laws administered by the Secretary of Veterans Affairs.*

4 **SEC. 208. ASSESSMENT OF HEALTH CARE FURNISHED BY**
5 **THE DEPARTMENT TO VETERANS WHO LIVE**
6 **IN THE TERRITORIES.**

7 (a) *IN GENERAL.*—Not later than 180 days after the
8 date of the enactment of this Act, the Secretary of Veterans
9 Affairs shall submit to the Committees on Veterans' Affairs
10 of the Senate and the House of Representatives a report re-
11 garding health care furnished by the Department of Vet-
12 erans Affairs to veterans who live in the territories.

13 (b) *ELEMENTS.*—The report under subsection (a) shall
14 include assessments of the following:

15 (1) *The ability of the Department to furnish to*
16 *veterans who live in the territories the following:*

17 (A) *Hospital care.*

18 (B) *Medical services.*

19 (C) *Mental health services.*

20 (D) *Geriatric services.*

21 (2) *The feasibility of establishing a medical facil-*
22 *ity of the Department in any territory that does not*
23 *contain such a facility.*

1 (c) *DEFINITION.*—*In this section, the term “terri-*
2 *ories” means the Northern Mariana Islands, Puerto Rico,*
3 *American Samoa, Guam, and the Virgin Islands.*

4 **SEC. 209. OVERSIGHT AND ACCOUNTABILITY OF FINANCIAL**
5 **PROCESSES OF DEPARTMENT OF VETERANS**
6 **AFFAIRS.**

7 (a) *SENSE OF CONGRESS.*—*It is the sense of Congress*
8 *that—*

9 (1) *the normal budget process for the Department*
10 *of Veterans Affairs should be grounded in sound actu-*
11 *arial analysis based on accurate demand forecasting;*

12 (2) *the regular budget process for the Department*
13 *should be the norm;*

14 (3) *supplemental requests for appropriations*
15 *should be used sparingly and for unforeseen demand*
16 *or natural occurrences; and*

17 (4) *upon receipt of the financial audit of the Of-*
18 *fice of Inspector General of the Department, the Com-*
19 *mittee on Veterans’ Affairs of the Senate and the*
20 *Committee on Veterans’ Affairs of the House of Rep-*
21 *resentatives shall give due consideration to the report,*
22 *including by holding hearings as appropriate*

23 (b) *PLANS FOR USE OF SUPPLEMENTAL APPROPRIA-*
24 *TIONS REQUIRED.*—*Whenever the Secretary submits to ad-*
25 *dress a budgetary issue affecting the Department of Vet-*

1 *erans Affairs to Congress a request for supplemental appro-*
2 *priations or any other appropriation when the request is*
3 *submitted outside the standard budget process, the Secretary*
4 *shall, not later than 45 days before the date on which such*
5 *budgetary issue would start affecting a program or service,*
6 *submit to Congress a justification for the request, including*
7 *a plan that details how the Secretary intends to use the*
8 *requested appropriation and how long the requested appro-*
9 *priation is expected to meet the needs of the Department*
10 *and certification that the request was made using an up-*
11 *dated and sound actuarial analysis.*

12 *(c) ANNUAL ATTESTATION REGARDING FINANCIAL*
13 *PROJECTIONS.—Concurrent with the President’s annual*
14 *budget request submitted to Congress under section 1105 of*
15 *title 31, United States Code, for fiscal year 2019 and each*
16 *fiscal year thereafter, the Chief Financial Officer of the De-*
17 *partment of Veterans Affairs shall submit to the Committee*
18 *on Veterans’ Affairs of the Senate and the Committee on*
19 *Veterans’ Affairs of the House of Representatives the fol-*
20 *lowing:*

21 *(1) A statement of assurance that financial pro-*
22 *jections included in such budget or the supporting*
23 *materials submitted along with such budget for the*
24 *Department of Veterans Affairs are sufficient to pro-*

1 *vide benefits and services under laws administered by*
2 *the Secretary of Veterans Affairs.*

3 (2) *A certification of the Chief Financial Offi-*
4 *cer's responsibility for internal financial controls of*
5 *the Department.*

6 (3) *An attestation that the Chief Financial Offi-*
7 *cer has collaborated sufficiently with the financial of-*
8 *ficers of the facilities and components of the Depart-*
9 *ment to be confident in such financial projections.*

10 **SEC. 210. AUTHORITY FOR DEPARTMENT OF VETERANS AF-**
11 **FAIRS CENTER FOR INNOVATION FOR CARE**
12 **AND PAYMENT.**

13 (a) *IN GENERAL.*—*Subchapter I of chapter 17, as*
14 *amended by section 103, is further amended by inserting*
15 *after section 1703C, as added by section 109, the following*
16 *new section:*

17 **“§ 1703D. Center for Innovation for Care and Payment**

18 *“(a) IN GENERAL.—(1) There is established within the*
19 *Department a Center for Innovation for Care and Payment*
20 *(in this section referred to as the ‘Center’).*

21 *“(2) The Secretary, acting through the Center, may*
22 *carry out such pilot programs the Secretary determines to*
23 *be appropriate to develop innovative approaches to testing*
24 *payment and service delivery models in order to reduce ex-*

1 *penditures while preserving or enhancing the quality of care*
2 *furnished by the Department.*

3 “(3) *The Secretary, acting through the Center, shall*
4 *test payment and service delivery models to determine*
5 *whether such models—*

6 “(A) *improve access to, and quality, timeliness,*
7 *and patient satisfaction of care and services; and*

8 “(B) *create cost savings for the Department.*

9 “(4)(A) *The Secretary shall test a model in a location*
10 *where the Secretary determines that the model will address-*
11 *es deficits in care (including poor clinical outcomes or po-*
12 *tentially avoidable expenditures) for a defined population.*

13 “(B) *The Secretary shall focus on models the Secretary*
14 *expects to reduce program costs while preserving or enhanc-*
15 *ing the quality of care received by individuals receiving*
16 *benefits under this chapter.*

17 “(C) *The models selected may include those described*
18 *in section 1115A(b)(2)(B) of the Social Security Act (42*
19 *U.S.C. 1315a(b)(2)(B)).*

20 “(5) *In selecting a model for testing, the Secretary may*
21 *consider, in addition to other factors identified in this sub-*
22 *section, the following factors:*

23 “(A) *Whether the model includes a regular proc-*
24 *ess for monitoring and updating patient care plans*
25 *in a manner that is consistent with the needs and*

1 *preferences of individuals receiving benefits under this*
2 *chapter.*

3 *“(B) Whether the model places the individual re-*
4 *ceiving benefits under this chapter at the center of the*
5 *care team (including family members and other care-*
6 *givers) of such individual.*

7 *“(C) Whether the model uses technology or new*
8 *systems to coordinate care over time and across set-*
9 *tings.*

10 *“(D) Whether the model demonstrates effective*
11 *linkage with other public sector payers, private sector*
12 *payers, or statewide payment models.*

13 *“(6)(A) Models tested under this section may not be*
14 *designed in such a way that would allow the United States*
15 *to recover or collect reasonable charges from a Federal*
16 *health care program for care or services furnished by the*
17 *Secretary to a veteran under pilot programs carried out*
18 *under this section.*

19 *“(B) In this paragraph, the term ‘Federal health care*
20 *program’ means—*

21 *“(i) an insurance program described in section*
22 *1811 of the Social Security Act (42 U.S.C. 1395c) or*
23 *established by section 1831 of such Act (42 U.S.C.*
24 *1395j); or*

1 “(ii) a State plan for medical assistance ap-
2 proved under title XIX of such Act (42 U.S.C. 1396
3 et seq.); or

4 “(iii) a TRICARE program operated under sec-
5 tions 1075, 1075a, 1076, 1076a, 1076c, 1076d, 1076e,
6 or 1076f of title 10.

7 “(b) DURATION.—Each pilot program carried out by
8 the Secretary under this section shall terminate no later
9 than five years after the date of the commencement of the
10 pilot program.

11 “(c) LOCATION.—The Secretary shall ensure that each
12 pilot program carried out under this section occurs in an
13 area or areas appropriate for the intended purposes of the
14 pilot program.

15 “(d) BUDGET.—Funding for each pilot program car-
16 ried out by the Secretary under this section shall come from
17 appropriations—

18 “(1) provided in advance in appropriations acts
19 for the Veterans Health Administration; and

20 “(2) provided for information technology sys-
21 tems.

22 “(e) NOTICE.—The Secretary shall—

23 “(1) publish information about each pilot pro-
24 gram under this section in the Federal Register; and

1 “(2) take reasonable actions to provide direct no-
2 tice to veterans eligible to participate in such pilot
3 programs.

4 “(f) *WAIVER OF AUTHORITIES.*—(1) Subject to report-
5 ing under paragraph (2) and approval under paragraph
6 (3), in implementing a pilot program under this section,
7 the Secretary may waive such requirements in subchapters
8 I, II, and III of this chapter as the Secretary determines
9 necessary solely for the purposes of carrying out this section
10 with respect to testing models described in subsection (a).

11 “(2) Before waiving any authority under paragraph
12 (1), the Secretary shall submit a report to the Speaker of
13 the House of Representatives, the minority leader of the
14 House of Representatives, the majority leader of the Senate,
15 the minority leader of the Senate, and each standing com-
16 mittee with jurisdiction under the rules of the Senate and
17 of the House of Representatives to report a bill to amend
18 the provision or provisions of law that would be waived
19 by the Department describing in detail the following:

20 “(A) The specific authorities to be waived under
21 the pilot program.

22 “(B) The standard or standards to be used in the
23 pilot program in lieu of the waived authorities.

24 “(C) The reasons for such waiver or waivers.

1 “(D) A description of the metric or metrics the
2 Secretary will use to determine the effect of the waiver
3 or waivers upon the access to and quality, timeliness,
4 or patient satisfaction of care and services furnished
5 through the pilot program.

6 “(E) The anticipated cost savings, if any, of the
7 pilot program.

8 “(F) The schedule for interim reports on the
9 pilot program describing the results of the pilot pro-
10 gram so far and the feasibility and advisability of
11 continuing the pilot program.

12 “(G) The schedule for the termination of the pilot
13 program and the submission of a final report on the
14 pilot program describing the result of the pilot pro-
15 gram and the feasibility and advisability of making
16 the pilot program permanent.

17 “(H) The estimated budget of the pilot program.

18 “(3)(A) Upon receipt of a report submitted under
19 paragraph (2), each House of Congress shall provide copies
20 of the report to the chairman and ranking member of each
21 standing committee with jurisdiction under the rules of the
22 House of Representatives or the Senate to report a bill to
23 amend the provision or provisions of law that would be
24 waived by the Department under this subsection.

1 “(B)(i) *The waiver requested by the Secretary under*
2 *paragraph (2) shall be considered approved under this*
3 *paragraph if there is enacted into law a bill or joint resolu-*
4 *tion approving such request in its entirety. Such bill or*
5 *joint resolution shall be passed by recorded vote to reflect*
6 *the vote of each member of Congress thereon.*

7 “(ii) *The provisions of this paragraph are enacted by*
8 *Congress—*

9 “(I) *as an exercise of the rulemaking power of*
10 *the Senate and the House of Representatives and as*
11 *such shall be considered as part of the rules of each*
12 *House of Congress, and shall supersede other rules*
13 *only to the extent that they are inconsistent therewith;*
14 *and*

15 “(II) *with full recognition of the constitutional*
16 *right of either House of Congress to change the rules*
17 *(so far as they relate to the procedures of that House)*
18 *at any time, in the same manner, and to the same*
19 *extent as in the case of any other rule of that House.*

20 “(C) *During the 60-calendar-day period beginning on*
21 *the date on which the Secretary submits the report described*
22 *in paragraph (2) to Congress, it shall be in order as a mat-*
23 *ter of highest privilege in each House of Congress to consider*
24 *a bill or joint resolution, if offered by the majority leader*

1 of such House (or a designee), approving such request in
2 its entirety.

3 “(g) *LIMITATIONS.*—(1) *The waiver provisions in sub-*
4 *section (f) shall not apply unless the Secretary, in accord-*
5 *ance with the requirements in subsection (f), submits the*
6 *first proposal for a pilot program not later than 18 months*
7 *after the date of the enactment of the VA Care in the Com-*
8 *munity Act.*

9 “(2) *Notwithstanding section 502 of this title, decisions*
10 *by the Secretary under this section shall, consistent with*
11 *section 511 of this title, be final and conclusive and may*
12 *not be reviewed by any other official or by any court, wheth-*
13 *er by an action in the nature of mandamus or otherwise.*

14 “(3)(A) *If the Secretary determines that the pilot pro-*
15 *gram is not improving the quality of care or producing cost*
16 *savings, the Secretary shall—*

17 “(i) *propose a modification to the pilot program*
18 *in the interim report that shall also be considered a*
19 *report under subsection (f)(2)(A) and shall be subject*
20 *to the terms and conditions of subsection (f)(2); or*

21 “(ii) *terminate such pilot program not later*
22 *than 30 days after submitting the interim report to*
23 *Congress.*

24 “(B) *If the Secretary terminates the pilot program*
25 *under subparagraph (A)(ii), for purposes of clauses (vi) and*

1 *(vii) of subsection (f)(2)(A), such interim report will also*
2 *serve as the final report for that pilot program.*

3 *“(h) EVALUATION AND REPORTING REQUIREMENTS.—*

4 *(1) The Secretary shall conduct an evaluation of each model*
5 *tested, which shall include, at a minimum, an analysis of—*

6 *“(A) the quality of care furnished under the*
7 *model, including the measurement of patient-level*
8 *outcomes and patient-centeredness criteria determined*
9 *appropriate by the Secretary; and*

10 *“(B) the changes in spending by reason of that*
11 *model.*

12 *“(2) The Secretary shall make the results of each eval-*
13 *uation under this subsection available to the public in a*
14 *timely fashion and may establish requirements for other en-*
15 *tities participating in the testing of models under this sec-*
16 *tion to collect and report information that the Secretary*
17 *determines is necessary to monitor and evaluate such mod-*
18 *els.*

19 *“(i) COORDINATION AND CONSULTATION.—(1) The*
20 *Secretary shall consult with the Under Secretary for Health*
21 *and the Special Medical Advisory Group established pursu-*
22 *ant to section 7312 of this title in the development and im-*
23 *plementation of any pilot program operated under this sec-*
24 *tion.*

1 “(2) *In carrying out the duties under this section, the*
2 *Secretary shall consult representatives of relevant Federal*
3 *agencies, and clinical and analytical experts with expertise*
4 *in medicine and health care management. The Secretary*
5 *shall use appropriate mechanisms to seek input from inter-*
6 *ested parties.*

7 “(j) *EXPANSION OF SUCCESSFUL PILOT PROGRAMS.—*
8 *Taking into account the evaluation under subsection (f), the*
9 *Secretary may, through rulemaking, expand (including im-*
10 *plementation on a nationwide basis) the duration and the*
11 *scope of a model that is being tested under subsection (a)*
12 *to the extent determined appropriate by the Secretary, if—*

13 “(1) *the Secretary determines that such expan-*
14 *sion is expected to—*

15 “(A) *reduce spending without reducing the*
16 *quality of care; or*

17 “(B) *improve the quality of patient care*
18 *without increasing spending; and*

19 “(2) *the Secretary determines that such expan-*
20 *sion would not deny or limit the coverage or provi-*
21 *sion of benefits for individuals receiving benefits*
22 *under this chapter.”.*

23 “(b) *CONFORMING AMENDMENT.—The table of sections*
24 *at the beginning of such chapter, as amended by section*

1 109, is further amended by inserting after the item relating
 2 to section 1703C the following new item:

“1703D. Center for Innovation for Care and Payment.”.

3 **TITLE III—IMPROVEMENTS TO**
 4 **RECRUITMENT OF PHYSICIANS**

5 **SEC. 301. DESIGNATED SCHOLARSHIPS FOR PHYSICIANS**
 6 **AND DENTISTS UNDER DEPARTMENT OF VET-**
 7 **ERANS AFFAIRS HEALTH PROFESSIONAL**
 8 **SCHOLARSHIP PROGRAM.**

9 (a) *SCHOLARSHIPS FOR PHYSICIANS AND DEN-*
 10 *TISTS.*—Section 7612(b) of title 38, United States Code, is
 11 amended by adding at the end the following new paragraph:

12 “(6)(A) *Of the scholarships awarded under this sub-*
 13 *chapter, the Secretary shall ensure that not less than 50*
 14 *scholarships are awarded each year to individuals who are*
 15 *accepted for enrollment or enrolled (as described in section*
 16 *7602 of this title) in a program of education or training*
 17 *leading to employment as a physician or dentist until such*
 18 *date as the Secretary determines that the staffing shortage*
 19 *of physicians and dentists in the Department is less than*
 20 *500.*

21 “(B) *After such date, the Secretary shall ensure that*
 22 *of the scholarships awarded under this subchapter, a num-*
 23 *ber of scholarships is awarded each year to individuals re-*
 24 *ferred to in subparagraph (A) in an amount equal to not*
 25 *less than ten percent of the staffing shortage of physicians*

1 *and dentists in the Department, as determined by the Sec-*
2 *retary.*

3 “(C) *Notwithstanding subsection (c)(1), the agreement*
4 *between the Secretary and a participant in the Scholarship*
5 *Program who receives a scholarship pursuant to this para-*
6 *graph shall provide the following:*

7 “(i) *The Secretary’s agreement to provide the*
8 *participant with a scholarship under this subchapter*
9 *for a specified number (from two to four) of school*
10 *years during which the participant is pursuing a*
11 *course of education or training leading to employ-*
12 *ment as a physician or dentist.*

13 “(ii) *The participant’s agreement to serve as a*
14 *full-time employee in the Veterans Health Adminis-*
15 *tration for a period of time (hereinafter in this sub-*
16 *chapter referred to as the ‘period of obligated service’)*
17 *of 18 months for each school year or part thereof for*
18 *which the participant was provided a scholarship*
19 *under the Scholarship Program.*

20 “(D) *In providing scholarships pursuant to this para-*
21 *graph, the Secretary may provide a preference for appli-*
22 *cants who are veterans.*

23 “(E) *On an annual basis, the Secretary shall provide*
24 *to appropriate educational institutions informational ma-*

1 *terial about the availability of scholarships under this para-*
2 *graph.”.*

3 (b) *BREACH OF AGREEMENT.*—Section 7617(b) of such
4 *title is amended—*

5 (1) *by redesignating paragraphs (4) and (5) as*
6 *paragraphs (5) and (6), respectively; and*

7 (2) *by inserting after paragraph (3) the fol-*
8 *lowing new paragraph (4):*

9 “(4) *In the case of a participant who is enrolled*
10 *in a program or education or training leading to em-*
11 *ployment as a physician, the participant fails to suc-*
12 *cessfully complete post-graduate training leading to*
13 *eligibility for board certification in a specialty.”.*

14 (c) *EXTENSION OF PROGRAM.*—Section 7619 of such
15 *title is amended by striking “December 31, 2019” and in-*
16 *serting “December 31, 2033”.*

17 **SEC. 302. ESTABLISHMENT OF DEPARTMENT OF VETERANS**

18 **AFFAIRS SPECIALTY EDUCATION LOAN RE-**

19 **PAYMENT PROGRAM.**

20 (a) *IN GENERAL.*—Chapter 76 of title 38, United
21 *States Code, is amended by inserting after subchapter VII*
22 *the following new subchapter:*

1 “(2) owes any amount of principal or interest
2 under a loan, the proceeds of which were used by or
3 on behalf of that individual to pay costs relating to
4 a course of education or training which led to a de-
5 gree that qualified the individual for the position re-
6 ferred to in paragraph (1); and

7 “(3) is—

8 “(A) recently graduated from an accredited
9 medical or osteopathic school and matched to an
10 accredited residency program in a medical spe-
11 cialty described in section 7692 of this title; or

12 “(B) a physician in training in a medical
13 specialty described in section 7692 of this title
14 with more than two years remaining in such
15 training.

16 “(b) *PREFERENCE FOR VETERANS.*—In selecting indi-
17 viduals for participation in the Specialty Education Loan
18 Repayment Program under this subchapter, the Secretary
19 may give preference to veterans.

20 “(c) *COVERED COSTS.*—For purposes of subsection
21 (a)(2), costs relating to a course of education or training
22 include—

23 “(1) tuition expenses;

1 “(2) *all other reasonable educational expenses,*
2 *including expenses for fees, books, equipment, and lab-*
3 *oratory expenses; and*

4 “(3) *reasonable living expenses.*

5 **“§ 7694. *Specialty education loan repayment***

6 “(a) *IN GENERAL.—Payments under the Specialty*
7 *Education Loan Repayment Program shall consist of pay-*
8 *ments for the principal and interest on loans described in*
9 *section 7682(a)(2) of this title for individuals selected to*
10 *participate in the Program to the holders of such loans.*

11 “(b) *FREQUENCY OF PAYMENT.—The Secretary shall*
12 *make payments for any given participant in the Specialty*
13 *Education Loan Repayment Program on a schedule deter-*
14 *mined appropriate by the Secretary.*

15 “(c) *MAXIMUM AMOUNT; WAIVER.—(1) The amount of*
16 *payments made for a participant under the Specialty Edu-*
17 *cation Loan Repayment Program may not exceed \$160,000*
18 *over a total of four years of participation in the Program,*
19 *of which not more than \$40,000 of such payments may be*
20 *made in each year of participation in the Program.*

21 “(2)(A) *The Secretary may waive the limitations*
22 *under paragraph (1) in the case of a participant described*
23 *in subparagraph (B). In the case of such a waiver, the total*
24 *amount of payments payable to or for that participant is*

1 *the total amount of the principal and the interest on the*
2 *participant's loans referred to in subsection (a).*

3 “(B) *A participant described in this subparagraph is*
4 *a participant in the Program who the Secretary determines*
5 *serves in a position for which there is a shortage of qualified*
6 *employees by reason of either the location or the require-*
7 *ments of the position.*

8 **“§ 7695. Choice of location**

9 “*Each participant in the Specialty Education Loan*
10 *Repayment Program who completes residency may select,*
11 *from a list of medical facilities of the Veterans Health Ad-*
12 *ministration provided by the Secretary, at which such facil-*
13 *ity the participant will work in a medical specialty de-*
14 *scribed in section 7692 of this title.*

15 **“§ 7696. Term of obligated service**

16 “(a) *IN GENERAL.—In addition to any requirements*
17 *under section 5379(c) of title 5, a participant in the Spe-*
18 *cialty Education Loan Repayment Program must agree, in*
19 *writing and before the Secretary may make any payment*
20 *to or for the participant, to—*

21 “(1) *obtain a license to practice medicine in a*
22 *State;*

23 “(2) *successfully complete post-graduate training*
24 *leading to eligibility for board certification in a spe-*
25 *cialty;*

1 “(3) *serve as a full-time clinical practice em-*
2 *ployee of the Veterans Health Administration for 12*
3 *months for every \$40,000 in such benefits that the em-*
4 *ployee receives, but in no case for fewer than 24*
5 *months; and*

6 “(4) *except as provided in subsection (b), to*
7 *begin such service as a full-time practice employee by*
8 *not later than 60 days after completing a residency.*

9 “(b) *FELLOWSHIP.—In the case of a participant who*
10 *receives an accredited fellowship in a medical specialty*
11 *other than a medical specialty described in section 7692*
12 *of this title, the Secretary, on written request of the partici-*
13 *pant, may delay the term of obligated service under sub-*
14 *section (a) for the participant until after the participant*
15 *completes the fellowship, but in no case later than 60 days*
16 *after completion of such fellowship.*

17 “(c) *PENALTY.—(1) An employee who does not com-*
18 *plete a period of obligated service under this section shall*
19 *owe the Federal Government an amount determined in ac-*
20 *cordance with the following formula: $A=B\times((T-S)\div T)$.*

21 “(2) *In the formula in paragraph (1):*

22 “(A) *‘A’ is the amount the employee owes the*
23 *Federal Government.*

1 “(6) the specialty education loan repayment pro-
2 gram provided for in subchapter VIII of this chap-
3 ter.”.

4 (B) Section 7603(a)(1) of title 38, United
5 States Code, is amended by striking “or VI” and
6 inserting “VI, or VIII”.

7 (C) Section 7604 of title 38, United States
8 Code, is amended by striking “or VI” each place
9 it appears and inserting “VI, or VIII”.

10 (D) Section 7631 of title 38, United States
11 Code, is amended—

12 (i) in subsection (a)(1)—

13 (I) by striking “and” after “schol-
14 arship amount,”; and

15 (II) by inserting “, and the max-
16 imum specialty education loan repay-
17 ment amount” after “reduction pay-
18 ments amount”; and

19 (ii) in subsection (b) by adding at the
20 end the following new paragraph:

21 “(7) The term ‘specialty education loan repayment
22 amount’ means the maximum amount of specialty edu-
23 cation loan repayment payments payable to or for a partic-
24 ipant in the Department of Veterans Affairs Specialty Edu-
25 cation Loan Repayment Program under subchapter VIII of

1 *this chapter, as specified in section 7694(c)(1) of this title*
 2 *and as previously adjusted (if at all) in accordance with*
 3 *this section.”.*

4 (E) *Section 7632 of title 38, United States*
 5 *Code, is amended—*

6 (i) *in paragraph (1), by striking “and*
 7 *the Education Debt Reduction Program”*
 8 *and inserting “the Education Debt Reduc-*
 9 *tion Program, and the Specialty Education*
 10 *Loan Repayment Program”; and*

11 (ii) *in paragraph (4), by striking “and*
 12 *per participant in the Education Debt Re-*
 13 *duction Program” and inserting “per par-*
 14 *ticipant in the Education Debt Reduction*
 15 *Program, and per participant in the Spe-*
 16 *cialty Education Loan Repayment Pro-*
 17 *gram”.*

18 (2) *TABLE OF SECTIONS.—The table of sections*
 19 *at the beginning of chapter 76 of such title is amend-*
 20 *ed by inserting after the items relating to subchapter*
 21 *VII the following:*

“SUBCHAPTER VIII—SPECIALTY EDUCATION LOAN REPAYMENT PROGRAM

“7691. *Establishment.*

“7692. *Purpose.*

“7693. *Eligibility; preference; covered costs.*

“7694. *Specialty education loan repayment.*

“7695. *Choice of location.*

“7696. *Term of obligated service.*

“7697. *Relationship to Educational Assistance Program.”.*

1 (c) *NEEDS OF THE VHA.*—*In making determinations*
2 *each year under section 7692 of title 38, United States*
3 *Code, as enacted by subsection (a), the Secretary of Veterans*
4 *Affairs shall consider the anticipated needs of the Veterans*
5 *Health Administration during the period two to six years*
6 *in the future.*

7 (d) *OFFER DEADLINE.*—*In the case of an applicant*
8 *who applies before receiving a residency match and whom*
9 *the Secretary of Veterans Affairs selects for participation*
10 *in the Specialty Education Loan Repayment Program es-*
11 *tablished by subsection (a), the Secretary shall offer partici-*
12 *pation to the applicant not later than 28 days after—*

13 (1) *the applicant matches with a residency in a*
14 *medical specialty described in section 7692 of title 38,*
15 *United States Code, as enacted by subsection (a); and*

16 (2) *such match is published.*

17 (e) *PUBLICITY.*—*The Secretary of Veterans Affairs*
18 *shall take such steps as the Secretary determines are appro-*
19 *priate to publicize the Specialty Education Loan Repay-*
20 *ment Program established under subchapter VIII of chapter*
21 *76 of title 38, United States Code, as enacted by subsection*
22 *(a).*

1 **SEC. 303. VETERANS HEALING VETERANS MEDICAL ACCESS**
2 **AND SCHOLARSHIP PROGRAM.**

3 (a) *ESTABLISHMENT.*—*The Secretary of Veterans Af-*
4 *fairs, acting through the Office of Academic Affiliations of*
5 *the Department of Veterans Affairs, shall carry out a pilot*
6 *program under which the Secretary shall provide funding*
7 *for the medical education of a total of 18 eligible veterans.*
8 *Such funding shall be provided for two veterans enrolled*
9 *in each covered medical schools in accordance with this sec-*
10 *tion.*

11 (b) *ELIGIBLE VETERANS.*—*To be eligible to receive*
12 *funding for medical education under this section, a veteran*
13 *shall—*

14 (1) *have been discharged from the Armed Forces*
15 *not more than ten years before the date of application*
16 *for admission to a covered medical school;*

17 (2) *not be entitled to educational assistance*
18 *under chapter 30, 31, 32, 33, 34, or 35 of title 38,*
19 *United States Code, or chapter 1606 or 1607 of title*
20 *10, United States Code;*

21 (3) *apply for admission to a covered medical*
22 *school for the entering class of 2019;*

23 (4) *indicate on such application for admission*
24 *that the veteran would like to be considered for an*
25 *award of funding under this section;*

1 (5) *meet the minimum admissions criteria for*
2 *the covered medical school to which the veteran ap-*
3 *plies; and*

4 (6) *enter into an agreement described in sub-*
5 *section (e).*

6 (c) *AWARD OF FUNDING.—*

7 (1) *IN GENERAL.—Each covered medical school*
8 *that opts to participate in the program under this*
9 *section shall reserve two seats in the entering class of*
10 *2019 for eligible veterans who receive funding under*
11 *such program. Such funding shall be awarded to the*
12 *two eligible veterans with the highest admissions*
13 *rankings for such class at such school.*

14 (2) *AMOUNT OF FUNDING.—Each eligible veteran*
15 *who receives funding under this section shall receive*
16 *an amount equal to the actual cost of—*

17 (A) *tuition at the covered medical school at*
18 *which the veteran enrolls for four years;*

19 (B) *books, fees, and technical equipment;*

20 (C) *fees associated with the National Resi-*
21 *dency Match Program;*

22 (D) *two away rotations performed during*
23 *the fourth year at a Department of Veterans Af-*
24 *airs medical facility; and*

1 (E) a monthly stipend for the four-year pe-
2 riod during which the veteran is enrolled in
3 medical school in an amount to be determined by
4 the Secretary.

5 (3) *DISTRIBUTION OF FUNDING.*—In the event
6 that two or more eligible veterans do not apply for
7 admission at one of the covered medical schools for the
8 entering class of 2019, the Secretary shall distribute
9 the available funding to eligible veterans who applied
10 for admission at other covered medical schools.

11 (d) *AGREEMENT.*—

12 (1) *TERMS OF AGREEMENT.*—Each eligible vet-
13 eran who accepts funding for medical education
14 under this section shall enter into an agreement with
15 the Secretary that provides that the veteran agrees—

16 (A) to maintain enrollment and attendance
17 in the medical school;

18 (B) while enrolled in such medical school, to
19 maintain an acceptable level of academic stand-
20 ing (as determined by the medical school under
21 regulations prescribed by the Secretary);

22 (C) to complete post-graduate training lead-
23 ing to eligibility for board certification in a spe-
24 ciality applicable to the Department of Veterans
25 Affairs, as determined by the Secretary;

1 (D) after completion of medical school, to
2 obtain a license to practice medicine in a State;
3 and

4 (E) after completion of medical school and
5 post-graduate training, to serve as a full-time
6 clinical practice employee in the Veterans Health
7 Administration for a period of four years.

8 (2) *BREACH OF AGREEMENT.*—If an eligible vet-
9 eran who accepts funding under this section breaches
10 the terms of the agreement described in paragraph
11 (1), the United States shall be entitled to recover
12 damages in an amount equal to the total amount of
13 such funding received by the veteran.

14 (e) *RULE OF CONSTRUCTION.*—Nothing in this section
15 shall be construed to prevent any covered medical school
16 from accepting more than two eligible veterans for the enter-
17 ing class of 2019.

18 (f) *REPORT TO CONGRESS.*—Not later than December
19 31, 2020, and annually thereafter for the subsequent three
20 years, the Secretary shall submit to Congress a report on
21 the pilot program under this section. Such report shall in-
22 clude the evaluation of the Secretary of the success of the
23 pilot program, including the number of veterans who re-
24 ceived funding under the program who matriculated and
25 an evaluation of the academic progress of such veterans.

1 (g) *COVERED MEDICAL SCHOOLS.*—*In this section, the*
2 *term “covered medical school” means any of the following.*

3 (1) *The Teague-Cranston medical schools, con-*
4 *sisting of—*

5 (A) *Texas A&M College of Medicine;*

6 (B) *Quillen College of Medicine at East*
7 *Tennessee State University;*

8 (C) *Boonshoft School of Medicine at Wright*
9 *State University;*

10 (D) *Joan C. Edwards School of Medicine at*
11 *Marshall University; and*

12 (E) *University of South Carolina School of*
13 *Medicine.*

14 (2) *Charles R Drew University of Medicine and*
15 *Science.*

16 (3) *Howard University College of Medicine.*

17 (4) *Meharry Medical College.*

18 (5) *Morehouse School of Medicine.*

Union Calendar No. 444

115TH CONGRESS
2D SESSION

H. R. 4242

[Report No. 115-585]

A BILL

To amend title 38, United States Code, to establish a permanent VA Care in the Community Program, and for other purposes.

MARCH 5, 2018

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed