STATEMENT FOR THE RECORD OF

PARALYZED VETERANS OF AMERICA

BEFORE THE

HOUSE COMMITTEE ON VETERANS' AFFAIRS

CONCERNING

COLLABORATION BETWEEN

THE DEPARTMENT OF VETERANS' AFFAIRS

AND AFFILIATED MEDICAL INSTITUTIONS

AND THE DEPARTMENT OF DEFENSE

MARCH 8, 2006

Mr. Chairman and members of the Committee, Paralyzed Veterans of America (PVA) would like to thank you for the opportunity to testify today on collaboration between the Department of Veterans Affairs (VA) health care system and affiliated medical institutions and the Department of Defense (DOD). We recognize the importance of such relationships in providing a broad range of services to veterans.

PVA stands committed to finding workable solutions for the delivery of veterans' health care in the areas where there are significant access challenges. We understand that in many locations, collaboration between VA, DOD, and other institutions is essential to providing high quality health care services.

The relationship that VA medical facilities have developed with local medical schools and colleges and universities is essential to the training of professional medical staff. In fact, VA is currently partnered with more than 100 medical schools and more than 1,000 colleges and universities. Each year, about 83,000 health professionals are trained in VA medical centers. More than half of the physicians practicing in the United States had some of their professional education in the VA health care system. Through this collaboration veterans get excellent care, society gets well-trained doctors and nurses, and the American taxpayer pays a fraction of the market value for the expertise that academic affiliates bring to the VA.

However, we still have some concerns about any collaborative efforts that the VA undertakes with non-VA entities. We are adamantly opposed to any agreement that would essentially integrate VA medical center patients into the patient population of facilities that it has established agreements with. We are open to the many collaborative opportunities between VA and other entities, but integrating veteran patients in this manner would fundamentally change the way VA provides care. Since its inception, VA has functioned as a self-contained system providing all aspects of care within its own facilities and with its own employees. Integration could ultimately lead to VA becoming a payer rather than a provider of health care. To this end,

the VA facility should have dedicated space specifically for the veteran population it serves and there should be an open VA presence in any joint facility.

With regards to governance, we believe that VA leadership should have direct line authority and accountability for veterans' health care. The leadership at a VA medical center engaging in a collaborative effort with an outside entity should not be placed in a minority position as a part of this venture. If such an instance occurred, the interests of veterans receiving care through the facility could be marginalized by the other provider. Furthermore, there needs to be a clear understanding of how an integrated system will deal with system-wide directives, handbooks, manuals, and other documents specific to the VA facility. At no time should the activities or information provided through these forms be overlooked by the private or DOD facility.

Similar to this issue is direct management of the system. Currently, line authority exists from the Secretary of Veterans Affairs, through the Under Secretary for Health, to Veterans Integrated Service Network (VISN) directors, and finally down to individual medical center directors. This authority should not be usurped by placing management of a VA medical facility under the control of the affiliated partner.

Likewise, collaborative agreements should ensure that VA facility staff remain federal (VA) medical center employees. If staff were removed from this role, their ability to provide direct inpatient care to veterans would be threatened. They could be transferred to some other assignment within the joint venture.

In any collaborative relationship, the VA must maintain current procedures and policies for the provision of appropriate pharmaceuticals, supplies and prosthetics. Although we do not think this will be a major problem in the relationship between VA and DOD medical facilities, it could be much more challenging with private entities. Because VA and DOD serve very similar patient populations, they already maintain similar policies and procedures in this area. However, private sector policies run the gamut of possibilities.

We have always maintained concerns about joint ventures between VA and DOD facilities. This is not to say that we disagree with the concept because we recognize the value in the departments sharing services and resources. However, although they serve the same basic population, their missions are distinctly different. In any collaborative effort between VA and DOD, the VA must have a fully independent operating status to avoid the problems that develop when a military medical facility finds itself deploying large numbers of its staff to war.

VA also has a responsibility to serve as the backup to the DOD health care system in times of war or national emergencies declared by the President or Congress. The fourth mission also authorizes the VA to serve as support for local communities during emergencies. It is important that any integration between VA and DOD or a private facility address this role to ensure that the VA is able to fulfill its requirements when called to do so.

PVA also has concerns about how veterans could be impacted if they receive services in an integrated facility. Currently, veterans treated in a VA facility have certain recourse and access to benefits if they experience an adverse outcome due to VA treatment. Specifically, 38 U.S.C. §

1151 authorizes monetary benefits to veterans injured during treatment. Additionally, these veterans have legal access through the Federal Torts Claim Act. In an integrated system, there is no guarantee that a veteran receiving treatment from one of the collaborative services provided by the private entity would have these same benefits or rights. He or she would be forced to rely upon the local courts or insurance settlements. This could potentially work to the detriment of the veteran and create a situation where they are precluded from accessing intended benefits.

It is also important that any collaborative agreement establish the role that non-VA physicians and staff will play in performing compensation and pension (C&P) evaluations. The preponderance of C&P exams are conducted in VA medical facilities. Furthermore, the relationship between an integrated system and the Veterans Benefits Administration must be clearly spelled out.

Collaborative activities should also take into consideration plans developed through the Capital Asset Realignment for Enhanced Services (CARES) process. We believe it would be a great waste of valuable resources for the VA to engage in a joint venture contrary to what the CARES plan may already have spelled out for a given area.

Finally, PVA believes that veterans service organizations should be given a role when the VA seeks to establish a relationship with another entity. We have representatives on the ground that see the true effects that decisions made by the VA have on veterans seeking care. We also always keep the interests of the veteran in mind first. Furthermore, the VA and veterans service organizations have traditionally maintained relationships that include office space, site visits and

access for our service officers. We would hate to see this relationship deteriorate or vanish altogether as a result of a joint venture.

Mr. Chairman, we would like to thank you again for the opportunity to submit a statement for the record. We look forward to working with the Committee to ensure that the best services are available to all veterans seeking care. We would be happy to answer any questions that you might have. Thank you.

Information Required by Rule XI 2(g)(4) of the House of Representatives

Pursuant to Rule XI 2(g)(4) of the House of Representatives, the following information is provided regarding federal grants and contracts.

Fiscal Year 2006

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program— $252,000 (estimated).

Fiscal Year 2005

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program— $245,350.

Paralyzed Veterans of America Outdoor Recreation Heritage Fund – Department of Defense – $1,000,000.

Fiscal Year 2004

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program— $228,000.