Mr. Chairman and Members of the Committee:

Thank you for this opportunity to submit The American Legion’s views on improving access to quality care for this nation’s veterans through collaboration with affiliated medical institutions and other venues.

The Department of Veterans Affairs (VA) has been recognized on numerous occasions as a leader in providing safe, high-quality health care to the nation’s veterans. In addition to setting the public and private sector benchmark for health care satisfaction for the sixth consecutive year, VA has also received accolades on patient safety and quality of care and is considered by many to be the health care model others in the health care field should look to.

While VA has made great strides over the last few decades in improving the quality of care provided to America’s veterans, the problem now is timely access to that care. Not only are veterans experiencing long waiting times again, but new Priority Group 8 veterans have not been allowed to enroll since January 2003. Priority Group 8 veterans of all conflicts, who have served their country proudly, are being denied access to the
very health care system created to treat their unique needs even if they have the ability to reimburse VA for the care and treatment received.

Veterans serving in Iraq, Afghanistan and all corners of the globe are returning home with severely debilitating injuries and are now faced with new challenges they never considered before. Loss of limb(s), traumatic brain injury, mental conditions, stress reactions, post-traumatic stress disorder, spinal cord injury and blindness are now realities to these young heroes. VA must be there, leading the way, to help heal them and rehabilitate them. VA must be capable of providing the programs and services needed to help all qualified veterans lead the most productive and healthy lives possible.

Medical School Affiliations

The Veterans Health Administration (VHA) and its medical school affiliates have enjoyed a long-standing and exemplary relationship for nearly 60 years that continues to thrive and evolve to the present day. Currently, there are 126 accredited medical schools in the United States. Of these, 107 have formal affiliation agreements with VA Medical Centers (VAMCs). More than 30,000 medical residents and 22,000 medical students receive a portion of their medical training in VA facilities annually. VA estimates that 70 percent of its physician workforce has university appointments.

VHA conducts the largest coordinated education and training program for health care professions in the nation and medical school affiliations allow VA to train new health professionals to meet the health care needs of veterans and the nation. Medical school affiliations have been a major factor in VA’s ability to recruit and retain high quality physicians and to provide veterans access to the most advanced medical technology and cutting edge research; VHA research has made countless contributions to improve the quality of life for veterans and the general population.

Collaborations with Affiliated Medical Institutions

For several years VA has used many different types of arrangements to enhance services provided to veterans. These include Outleases, Enhanced Use (EU) leases, Sharing Agreements, which include “selling” space or buying space and sharing of VA and the Department of Defense (DoD) health-care resources.

On December 7, 2005, the Ralph H. Johnson Veterans Affairs Medical Center (VAMC) and the Medical University of South Carolina released the Collaborative Opportunities Steering Group Final Report. The group’s charge was to conduct a preliminary analysis of potential mutually beneficial sharing options and to consider sharing of health care services between the VAMC and DoD.

The group was formed in August 2005 and met throughout the latter part of 2005 on a regular basis. Veterans’ service organization (VSO) representation was notably absent from these meetings. In fact, VSOs had no voice at the table throughout the process.
Instead, stakeholders were “updated” through brief presentations over the ensuing months.

In Fiscal Year (FY) 2005, the VAMC paid Medical University of South Carolina (MUSC) over $13 million for services rendered. The two organizations are currently working on contracts to buy costly equipment to share. The report specifically mentions the tomotherapy equipment and two angiography suites for installation in the MUSC facilities. The plan is that once this is negotiated, these items will be purchased this fiscal year and owned by VA, installed in MUSC space in 2007, operated by MUSC, and VA will receive services or billing credit through a sharing agreement in return for the purchase of the equipment. Additionally, the equipment will make state of the art cardiac and cancer care available to veterans, as well as other South Carolinians, treated through MUSC. The American Legion questions the actual benefit this agreement will provide to veterans seeking care. VA foots the bill and MUSC benefits from the state-of-the-art equipment and veterans get to wait their “turn” to use VA health care equipment.

While there haven’t been any decisions made as to which model out of the six proposed is going to be selected, Model A got most of the attention. As stated in the report Model A represents building a new VA facility as the next phase of local construction. In addition to replacing all clinical services in the existing VA facility, inpatient capacity constructed would accommodate additional beds needed by MUSC that had been planned for inclusion in later phases of MUSC’s construction. The beds in excess to current VA need would then be leased to MUSC under a long-term agreement. The model also assumed that some VAMC specialty care would be delivered at MUSC through contracts and that MUSC would purchase some services from VAMC.

The two bed towers would be connected by a shared support services building. This connected space would contain support services like radiology and surgery. The report does not define who would operate the support services. The organization that does not operate it receives their services for their patrons through a contractual arrangement. The thinking is that the sharing would avoid redundant construction of the same space for VA and MUSC in separate locations. So far the price tag is estimated at $546 million plus activation costs.

The American Legion supports sharing agreements, EU’s and leasing. However, this “model” goes a step further in that the distinction between the VAMC and MUSC becomes blurred. The American Legion’s concerns include:

- Veterans were shut out of the process. They must have a voice in any discussion involving the delivery of their health care.
- VA must maintain control of the facility and veterans must be given priority when seeking services.
- VA has a unique identity and in this model, is in danger of being swallowed up becoming a mere shadow of the bigger facility. The personal touch afforded the veteran through VA will be lost.
Thousands of soldiers are returning from Iraq, Afghanistan and other places. VA was established to treat the very unique health needs of the veteran population. The private sector cannot even come close to providing needed mental health services to combat veterans. VA must maintain their visibility and expertise in all areas of health care concerning veterans.

Specialty services such as blind rehabilitation, domiciliary, substance abuse and homelessness are practically nonexistent in the private sector.

Private sector health care does not have the interdisciplinary teams it takes to handle poly-trauma cases.

The private sector is far behind VA in terms of electronic health care recordkeeping.

VA represents a familiarity to veterans who seek care at the VAMC. They are comfortable and enjoy being around fellow veterans.

Services will be reduced and healthcare needs will go unmet for veterans.

**VA and the Department of Defense**

Recently, DoD and VA signed an agreement fully integrating the North Chicago VAMC (NCVAMC) and Naval Hospital Great Lakes (NHGL), the first such agreement of its kind. The American Legion is concerned that this is just another step toward making it tougher to distinguish the VA health care system from any other health care system. The lines are blurring rapidly and soon there will not be a VA in North Chicago, rather it will be a “Federal facility” located in North Chicago.

Ostensibly, the planning for the operation of this facility is ongoing. Six national VA/DoD joint work groups will develop working plans and contingencies for the facility through the coming years. They will focus on Human Resources, Information Management and Technology, Leadership, Clinical, Finance and Budget, and Administration functions.

Leadership will be fully integrated. There will be an interagency Board of Directors, Advisory Board, a VA Medical Center Director and a Navy Deputy Director. Their task will be to improve access, patient satisfaction, and timely delivery of services for both VA and DoD patrons. The expected outcomes are improved efficiencies and reducing costs. VA and DoD estimate that this new Federal health care system will be fully integrated by 2010.

Lessons learned over the past 20 plus years about VA and DoD sharing seem to have fallen on deaf ears. There has been minimal success with this type of arrangement. DoD and VA serve very different populations. Force readiness is the number one priority for DoD while VA treats a much older, sicker and poorer population. Concerns about long-term care, mental health capacity and domiciliary are hardly on DoD’s radar screen. Similar to the collaboration efforts between the affiliates and VA, The American Legion is concerned that veterans will be the losers in this type of proposition.
Mr. Chairman, while we support the relationship that VA enjoys with both the affiliates and DoD, the American Legion believes, above all else, that VA must remain a separate and distinct health care system.

Thank you again for this opportunity to present the views of The American Legion on the quality of care provided to America’s veterans. I look forward to working with you and all of the members of the committee to ensure VA is capable of providing quality health care in a timely manner.