

June 24, 2014

Conferees Consider Changes to Veterans Medical Care

In light of recent congressional attention on deficiencies associated with VA medical facilities, both the House and Senate introduced legislation to address wait lists for medical care, as well as broader reforms to the Department of Veterans Affairs. As both bills passed with overwhelming bipartisan support, a congressional conference committee will soon reconcile the bills' differences before final passage. While the policy changes regarding veterans care are similar in both bills, the conferees will most certainly have to contend with the overall cost of the bill and whether to adhere to "pay-as-you-go" rules to offset that cost. Should the legislation require offsets, the implications for stakeholders across the health care spectrum could be significant.

On June 10, the House voted 421-0 to pass H.R.4810, the *Veteran Access to Care Act*. The bill—introduced by Veterans' Affairs Committee Chairman Jeff Miller (R-FL)—enables veterans on wait lists to seek medical care outside of the system established by the Department of Veterans Affairs. Although the Congressional Budget Office (CBO) did not provide a complete cost estimate on the bill, the measure is estimated to cost \$35 billion to \$50 billion dollars. Chairman Miller has said that the final bill must include offsets to account for the costs associated with providing veterans outside care.

Similarly, the Senate voted 93-3 to pass S.2450, the *Veterans' Access to Care through Choice, Accountability and Transparency Act of 2014*, on June 11. In addition to enabling veterans on wait lists to obtain medical care from private physicians, the bill—introduced by Veterans Affairs' Committee Chairman Bernie Sanders (I-VT)—clarifies the VA secretary's ability to terminate executive employees, creates 26 new VA medical facilities throughout the United States, and authorizes \$500 million for the hiring of new doctors and nurses. In an effort to ensure swift passage of the bill, it did not include spending cuts to offset the cost of the program, which CBO estimates would cost \$35 billion over 10 years.

In addition to Chairman Miller's statements regarding offsets, the Committee for a Responsible Federal Budget—a bipartisan, nonprofit organization made up of some of the nation's leading budget experts—has weighed in urging members to handle this crisis in a fiscally responsible manner. The organization has outlined several potential offsets, including changes to TRICARE, Medicare, Medicaid, federal pensions, and other discretionary and mandatory spending. Given the breadth of the legislation and jurisdictional overlap with federal health care programs such as Medicare, political offsets—such as repeal or delay of provisions of the Affordable Care Act—may also be offered. It remains to be seen, however, whether there will be major reforms undertaken to pay for this bill.

Interested parties will have an opportunity to engage conference committee conferees and staff as they consider changes to the legislation. The conferees, selected by the leadership of each party in the House and Senate, will meet to review the legislation and resolve any disagreements or disparate portions of the two bills. Once a compromise is reached, the committee will issue a conference report, expressing in legislation the agreement. The conference report is also subject to a vote in both the

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House and Senate before moving onto the President Obama for his signature. Members hope to have the legislation complete by the Fourth of July recess, though that timeline could be ambitious if the House and Senate negotiators cannot quickly come to an agreement.

Links to the official documents can be found below.

- [House Bill Text](#)
- [Senate Bill Text](#)

This document is intended to provide you with general information regarding two Veterans Affairs bills. The contents of this document are not intended to provide specific legal advice. If you have any questions about the contents of this document or if you need legal advice as to an issue, please contact the attorneys listed or your regular Brownstein Hyatt Farber Schreck, LLP attorney. This communication may be considered advertising in some jurisdictions

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