

PO Box 66353 Washington DC 20035 Web: <u>www.vmfp.org</u>

STATEMENT OF

Thomas Bandzul, Esq.

Legislative Counsel of Veterans and Military Families for Progress

Jack Krueger, President

Veterans and Military Families for Progress

FOR THE

SENATE VETERANS' AFFAIRS COMMITTEE

HEARING:

VA MISSION Act: Assessing Progress Implementing Title I

Date: Wednesday, October 21, 2020

Chairman Moran, Ranking Member Tester, and all the distinguished Senators of this Committee. On behalf of Veterans and Military Families for Progress and our small constituency of Veterans and their families, I wish to thank you for giving us the opportunity to submit our Comments for the Record regarding the Department of Veterans' Affairs (VA) MISSION Act (VA MISSION Act of 2018, Public Law (P.L.) 115-182) to become affective in 2019 and the ensuing problems and issues.

In the past, VMFP has been critical of the overall impact and lack of progress on the MISSION Act, the high cost of the programs and the inability of VA to properly budget, provide oversight, and actually DELIVER care to Veterans on a timely basis for either direct care, exams or any of the other medical needs of Veterans. Our members have seen little improvement since the passage of the MISSION Act and the highly rural Veterans have seen no improvement thru either VA or the Indian Health Services (IHS).

Since the passing of the MISSION Act into law in June of 2018, the VA made



several excuses as to why it wasn't ready; CHOICE was still the law, we have no money, we have no infrastructure, and the list went on to the tune of more than \$93M¹ supplement that was passed to help with the implementation and cost overruns. It's almost two- and one-half years later and it still needs help and has literally unaccounted² billions have been spent with still nothing more to show for it than was available in certain areas for care and access than was available in 2017.

There has been a history of Veterans' complaints regarding simple access to care in recent years. "The GAO found numerous factors adversely affected veterans' timely access to care through the Choice Program."³. The most significant barrier was the inability to find providers willing to take such drastic cuts in per patient payments. Other factors were a combination of the overly burdensome qualification process, administrative burdens in reporting systems and insurance claiming processes along with the low number of Veterans in their community in need of their services. The more rural the community, the more difficult it is to find any kind of provider, regardless of the providers' acceptance of CHOICE or MISSION.

In our view these vast sums of money would have been better spent by VA on in-house VA care rather than outside care. The processes the VA has implemented appear to provide a significant financial windfall for private insurance. In the 2017 Survey of Veteran Enrollees' Health and Use of Health Care Data Findings Report⁴, 5.5% of the Veterans surveyed said they have no plans to use Veterans Health Administration care (VHA) facilities. This potentially represents 555,000 Veterans using something else. At an estimated cost of \$11.3B⁵, this averages out to \$20,400 per patient just to implement MISSION. We do not believe this is a wise use of the taxpayers' dollars.

The Veterans Independent Budget, Special Report on the Status of the Implementation of the MISSION Act – Critical Issues Update; June 18, 2020 cites many failures and omissions on the part of VA to provide the services promised over the several years of discussions it took to write this law. Based on their review and findings, we would suggest a very close look at how the dollars have been spent, since it appears that significant sums have been overspent in the MISSION Act to date. The Office of Inspector General (OIG), the Veterans Service Organizations (VSOs), and I sure, many Senators and Congressman and Congresswomen are wondering where and on what these sums are spent with little return for our Veterans.

VA's award of sole source, no bid contracts, their failure to implement and budget MISSION and the low level of service providers using MISSION or CHOICE would

¹ Congressional Research Service 7-5700 <u>www.crs.gov</u> R45047

² S.2372 - VA MISSION Act of 2018 - (Sec. 512) The budgetary effects of this bill shall not be entered on statutory or Senate PAYGO scorecards

³ GAO-19-507T: Published: April, 2019

⁴ GAO Supplemental Report Potential Spending on Veterans' Health Care, 2018–2028 – Nov. 2019

⁵ The Veterans Affairs Office on Pubs.



suggest the need for careful review of the ability of this organization to properly care for the new Veterans arriving from the Iraq Afghanistan and the other places in the Middle East returning from service in Operation Iraqi Freedom (OIF), Operation Enduring Freedom (OEF) or other specific, un-named operations as part of the Gulf War(s). They are concerned with the inability of VA to either process Disability Claims on a timely and accurate basis or provide proper medical care.

It is a well-established fact that over 75% of the people who use VA as their primary source of health care are more than satisfied. VA's ability to manage and process education claims is superior to any private sector operation processing grants of scholarships. After a Veteran is allowed to have access to health care for psychological or other personal issues, they receive the absolute best care possible. Yet the major problems remaining at VA are interoperability with Department of Defense (DoD), processing a disability claim and obtaining proper local care for a Veteran in their own community. While we are aware that the first two issues, are not a topic of today's hearing, they are a factor in Veterans obtaining the care that they need.

Dr. Deming, an eminent scholar and teacher, was once quoted as saying, "It's the process; not the people" when referring to something in need of correction. It is our belief that the processes used in MISSION are critically flawed and the costs are out of control. We further believe there are not, have not been, nor will be any significant benefits accruing to our Veterans. Once again, the private sector is reaping significant profits while the government is seeing very little in return on their investment. Serious consideration should be given to alternatives as suggested by VHA several years ago as well as providing VHA with funding at a level consistent with the outstanding abilities and performance of its dedicated and professional staff.

In conclusion, VMFP like many other VSOs, has a deep concern about the processes used to provide health care outside of VA to our Veterans. It is unfortunately a problem that continues and seems to be generating problems rather than solving them. We strongly believe the VA can provide services at a much lower cost with the use of greater efficiencies in providing health care claims and adjudicating claims in general. We strongly urge that the Committees in both chambers of Congress move to expeditiously review MISSION and its problems as outlined in the Independent Budget Supplemental Report and give serious considerate to having a complete review by the OIG.

VMFP and all its members are very thankful for the opportunity to voice our concerns and be allowed to submit this statement for the record. As always, we are ready to help in any way we can for easing the needs of our Veterans.



About Veterans and Military Families for Progress

VMFP is organized in the District of Columbia as a not for profit corporation under the laws governed under the Nonprofit Corporation Act.

Our primary objective is to be an advocate on behalf of veterans, military members, and their families for progressive legislation and initiatives that reflect their experience and concerns, and which support the organization's goals. We support candidates for political office who support the organization's goals and educate veterans, military members, their families, and the public-at-large as to the rights and needs of veterans, military members and their families. We also reach out to and support veterans, military members and their families and demand the responsible use of the military in United States Foreign Policy.

VMFPs primary mission is to:

a) Advocate on behalf of veterans, military members, and their families for progressive legislation and initiatives that reflect their experience and concerns, and which support the organization's goals.

b) Support candidates for political office who support the organization's goals.

c) Educate veterans, military members, their families, and the public-at-large as to the rights and needs of veterans, military members and their families.

d) Reach out to and support veterans, military members and their families.

e) Demand the responsible use of the military in United States Foreign Policy.

f) Raise and expend funds and conduct such other activities as may be reasonable and necessary to implement other lawful projects and objectives authorized by the Board of Directors.

g) Have and exercise any and all powers and privileges now or hereafter conferred by formed under such laws.