

Calendar No. _____

119TH CONGRESS
2^D SESSION**S. 1868****[Report No. 119-_____]**

To amend title 38, United States Code, to expand access by veterans to critical access hospitals and affiliated clinics under the Veterans Community Care Program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 22, 2025

Mr. CRAMER (for himself and Mr. SHEEHY) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

_____ (legislative day, _____), _____

Reported by _____, with an amendment and an amendment to the title

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

A BILL

To amend title 38, United States Code, to expand access by veterans to critical access hospitals and affiliated clinics under the Veterans Community Care 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Critical Access for Vet-
3 erans Care Act”.

4 **SEC. 2. EXPANSION OF ACCESS BY VETERANS TO CRITICAL**
5 **ACCESS HOSPITALS AND AFFILIATED CLIN-**
6 **ICS UNDER VETERANS COMMUNITY CARE**
7 **PROGRAM.**

8 (a) **IN GENERAL.**—Subsection (d)(1) of section 1703
9 of title 38, United States Code, is amended—

10 (1) in subparagraph (D), by striking “; or” and
11 inserting a semicolon;

12 (2) in subparagraph (E), by striking the period
13 at the end and inserting “; or”; and

14 (3) by adding at the end the following new sub-
15 paragraph:

16 “(F) with respect to care or services sought by a cov-
17 ered veteran at a critical access hospital or provider-based
18 rural health clinic affiliated with such hospital (including
19 any care or services sought from a health care provider
20 specified in subsection (e) located in the surrounding com-
21 munity of such hospital or clinic due to a referral from
22 such hospital or clinic), the veteran resides within 35 miles
23 of such hospital or clinic.”.

24 (b) **PRIOR AUTHORIZATION AND REFERRAL.**—Such
25 section is further amended—

1 (1) in subsection (a)(3), by striking “A covered
2 veteran” and inserting “Except as provided in sub-
3 section (d)(5), a covered veteran”; and

4 (2) in subsection (d), by adding at the end the
5 following new paragraph:

6 “(5) The Secretary may not require a covered veteran
7 to receive authorization or a referral prior to the receipt
8 of care or services under paragraph (1)(F).”.

9 (c) PAYMENT RATE AND CLAIMS FOR CARE AND
10 SERVICES.—Subsection (i) of such section is amended by
11 adding at the end the following new paragraph:

12 “(7)(A) With respect to care or services furnished
13 under this section—

14 “(i) at a critical access hospital, including pur-
15 suant to subsection (d)(1)(F), the critical access
16 hospital rate established under the Medicare pro-
17 gram under title XVIII of the Social Security Act
18 (42 U.S.C. 1395 et seq.) shall apply instead of the
19 service-based rate; and

20 “(ii) at a provider-based rural health clinic af-
21 filiated with such hospital, including pursuant to
22 subsection (d)(1)(F), the rate specified under section
23 1833 of the Social Security Act (42 U.S.C. 1395l)
24 shall apply.

1 “(B) Claims for covered veterans receiving care under
2 subsection (d)(1)(F) shall include an identifier denoting
3 the care or services provided under such subsection and
4 shall be reimbursed at the cost-based level under the Medi-
5 care program.

6 “(C) The Secretary, in consultation with the Admin-
7 istrator of the Centers for Medicare & Medicaid Services,
8 may furnish additional guidance regarding the claims
9 process under this paragraph in accordance with the best
10 practices of medicare administrative contractors (as de-
11 fined in section 1874A(a)(3) of the Social Security Act
12 (42 U.S.C. 1395kk-1(a)(3))) in processing cost-based re-
13 imbursement for services furnished at critical access hos-
14 pitals or provider-based rural health clinics affiliated with
15 such hospitals.

16 “(D) Claims for covered veterans receiving care
17 under subsection (d)(1)(F) shall be reviewed and payment
18 shall be issued in accordance with the findings of such re-
19 view not later than 60 days after the submission of the
20 claim.”.

21 (d) DEFINITIONS.—Subsection (o) of such section is
22 amended—

23 (1) by redesignating paragraph (2) as para-
24 graph (3); and

1 (2) by inserting after paragraph (1) the fol-
2 lowing new paragraph (2):

3 “~~(2)~~ The term ‘critical access hospital’ has the
4 meaning given that term in section 1861(mm) of the
5 Social Security Act (42 U.S.C. 1395x(mm)).”.

6 (c) ~~REPORT.~~—

7 (1) ~~IN GENERAL.~~—Not later than one year
8 after the date of the enactment of this Act, the Sec-
9 retary of Veterans Affairs shall submit to Congress
10 a report on third party administrators and commu-
11 nity care providers concerning the implementation of
12 the amendments made by this section, including
13 timely approval and payment of claims under section
14 1703(d)(1)(F), as added by subsection (a), and over-
15 all user experience associated with care or services
16 provided pursuant to such amendments.

17 (2) ~~DEFINITIONS.~~—In this subsection:

18 (A) ~~COMMUNITY CARE PROVIDER.~~—The
19 term “community care provider” means a
20 health care provider specified in paragraph (1)
21 or (5) of section 1703(e) of title 38, United
22 States Code.

23 (B) ~~THIRD PARTY ADMINISTRATOR.~~—The
24 term “third party administrator” means an en-
25 tity that manages a provider network and per-

1 forms administrative services related to such
2 network within the Veterans Community Care
3 Program under section ~~1703~~ of title 38, United
4 States Code.

5 **SECTION 1. SHORT TITLE.**

6 *This Act may be cited as the “Critical Access for Vet-*
7 *erans Care Act”.*

8 **SEC. 2. PILOT PROGRAM TO IMPROVE CARE COORDINATION**
9 **FOR VETERANS FROM CRITICAL ACCESS HOS-**
10 **PITALS AND AFFILIATED CLINICS.**

11 *(a) IN GENERAL.—Not later than one year after the*
12 *date of the enactment of this Act, the Secretary of Veterans*
13 *Affairs shall commence a five-year pilot program to im-*
14 *prove care coordination for eligible veterans who receive*
15 *care from a critical access hospital or a provider-based*
16 *rural health clinic affiliated with such hospital (in this sec-*
17 *tion referred to as the “pilot program”).*

18 *(b) CONTRACTS, AGREEMENTS, OR OTHER ARRANGE-*
19 *MENTS.—*

20 *(1) IN GENERAL.—In carrying out the pilot pro-*
21 *gram, the Secretary shall enter into contracts, agree-*
22 *ments, or other arrangements with facilities partici-*
23 *pating in the pilot program to reimburse critical ac-*
24 *cess hospitals and affiliated clinics for outpatient*

1 *health care and medical services provided to eligible*
2 *veterans.*

3 (2) *ELEMENTS.—The Secretary, in coordination*
4 *with participating critical access hospitals, shall en-*
5 *sure that any contract, agreement, or other arrange-*
6 *ment entered into under paragraph (1) establishes*
7 *criteria, as the Secretary considers appropriate, to en-*
8 *sure—*

9 (A) *the provision of timely, safe, and high-*
10 *quality health care services to participants in the*
11 *pilot program, including through timely sharing*
12 *of pertinent medical record and other informa-*
13 *tion between medical facilities participating in*
14 *the pilot program and medical facilities of the*
15 *Department of Veterans Affairs;*

16 (B) *the provision of health care services*
17 *through the pilot program is in accordance with*
18 *the medical benefits package of the Department;*

19 (C) *no additional charges are imposed on*
20 *veterans participating in the pilot program or*
21 *the health care insurer of such veterans for any*
22 *medical service for which payment is made by*
23 *the Secretary;*

1 (D) appropriate reimbursement rates, in-
2 cluding through the consideration of cost-based
3 reimbursements; and

4 (E) such other considerations as the Sec-
5 retary considers appropriate.

6 (c) LOCATIONS.—The Secretary shall ensure participa-
7 tion in the pilot program is open to all qualified facilities
8 located in States that are designated by the Centers for
9 Medicare & Medicaid Services as frontier States.

10 (d) AUTHORIZATION FOR CARE.—The Secretary shall
11 provide eligible veterans opting to participate in the pilot
12 program a one-year authorization from the Department to
13 receive outpatient services at facilities participating in the
14 pilot program.

15 (e) OUTREACH.—

16 (1) ELIGIBLE VETERANS.—Not less frequently
17 than annually during each year in which the pilot
18 program is carried out, the Secretary shall conduct
19 direct outreach to eligible veterans in areas in which
20 the pilot program is carried out to notify such vet-
21 erans of their ability to participate in the pilot pro-
22 gram.

23 (2) HOSPITALS.—The Secretary shall conduct di-
24 rect outreach to critical access hospitals in areas in
25 which the pilot program is carried out to notify those

1 *hospitals of their ability to participate in the pilot*
2 *program.*

3 *(f) STAFF.—The Secretary shall ensure that each med-*
4 *ical facility of the Department within the catchment area*
5 *of a location in which the pilot program is carried out has*
6 *sufficient dedicated staff to handle—*

7 *(1) administrative and technical challenges that*
8 *arise from the pilot program;*

9 *(2) care coordination and follow up with the vet-*
10 *eran and the facility participating in the pilot pro-*
11 *gram after an episode of care; and*

12 *(3) timely records return following an episode of*
13 *care.*

14 *(g) LIMITATION.—The Secretary may not extend the*
15 *pilot program beyond the five-year period specified under*
16 *subsection (a) or expand the pilot program to States that*
17 *are not designated by the Centers for Medicare & Medicaid*
18 *Services as frontier States.*

19 *(h) REPORT.—*

20 *(1) IN GENERAL.—Not later than one year after*
21 *the date of the enactment of this Act, and annually*
22 *thereafter for the duration of the pilot program, the*
23 *Secretary shall submit to the Committee on Veterans’*
24 *Affairs of the Senate and the Committee on Veterans*

1 *Affairs of the House of Representatives a report on*
2 *the pilot program.*

3 (2) *ELEMENTS.*—

4 (A) *IN GENERAL.*—*Each report required*
5 *under paragraph (1) shall contain the rec-*
6 *ommendation of the Secretary for the expansion*
7 *or continuation of the pilot program.*

8 (B) *INITIAL REPORT.*—*The initial report*
9 *required under paragraph (1) shall contain—*

10 (i) *a description of the outreach con-*
11 *ducted to critical access hospitals con-*
12 *cerning the pilot program;*

13 (ii) *a list of facilities that have opted*
14 *to participate in the pilot program; and*

15 (iii) *a list of the barriers, if any, cited*
16 *by facilities that opted not to participate in*
17 *the pilot program.*

18 (C) *SUBSEQUENT REPORTS.*—*Each report*
19 *required under paragraph (1) after the initial*
20 *report shall contain—*

21 (i) *an updated list of facilities partici-*
22 *pating in the pilot program;*

23 (ii) *the number of veterans partici-*
24 *pating in the pilot program, disaggregated*
25 *by facility;*

1 (iii) an overview of the types of care
2 received through the pilot program;

3 (iv) feedback from the facilities partici-
4 pating in the pilot program, with identi-
5 fying information removed, regarding the
6 status of the pilot program, challenges in
7 participating in the pilot program, and the
8 interest of the facility in continued partici-
9 pation in such a program; and

10 (v) any additional information that
11 the Secretary determines relevant or nec-
12 essary.

13 (i) *DEFINITIONS.*—*In this section:*

14 (1) *CRITICAL ACCESS HOSPITAL.*—*The term*
15 “critical access hospital” *has the meaning given that*
16 *term in section 1861(mm) of the Social Security Act*
17 *(42 U.S.C. 1395x(mm)).*

18 (2) *ELIGIBLE VETERAN.*—*The term “eligible vet-*
19 *eran” means a veteran—*

20 (A) *enrolled in the patient enrollment sys-*
21 *tem of the Department of Veterans Affairs estab-*
22 *lished and operated under section 1705(a) of title*
23 *38, United States Code;*

24 (B) *who has received care at a facility of*
25 *the Department or in-network provider under the*

1 *Veterans Community Care Program under sec-*
2 *tion 1703 of such title during the previous two-*
3 *year period;*

4 *(C) who lives within 35 miles of a critical*
5 *access hospital; and*

6 *(D) who would be eligible for care or serv-*
7 *ices under the Veterans Community Care Pro-*
8 *gram.*

9 **SEC. 3. ACTION PLAN TO ADDRESS BARRIERS TO CARE FOR**
10 **VETERANS LIVING IN RURAL AREAS.**

11 *(a) IN GENERAL.—Not later than one year after the*
12 *date of the enactment of this Act, the Secretary of Veterans*
13 *Affairs shall develop and submit to the Committee on Vet-*
14 *erans' Affairs of the Senate and the Committee on Veterans'*
15 *Affairs of the House of Representatives a comprehensive ac-*
16 *tion plan to identify, address, and eliminate barriers to ac-*
17 *cessing care for veterans residing in rural, highly rural, and*
18 *frontier areas.*

19 *(b) ELEMENTS.—In developing the action plan re-*
20 *quired under subsection (a), the Secretary shall—*

21 *(1) consult with health care providers that pro-*
22 *vide care in the community under the laws adminis-*
23 *tered by the Secretary, State Offices of Rural Health,*
24 *Tribal health authorities, and other relevant stake-*

1 *holders in rural, highly rural, and frontier areas as*
2 *the Secretary determines appropriate;*

3 (2) *assess barriers to care in the community for*
4 *veterans residing in rural and highly rural areas, in-*
5 *cluding challenges with respect to—*

6 (A) *network adequacy;*

7 (B) *provider participation;*

8 (C) *geographic distance;*

9 (D) *transportation;*

10 (E) *information technology;*

11 (F) *physical infrastructure;*

12 (G) *outreach and understanding of eligi-*
13 *bility for such care;*

14 (H) *timeliness of referrals, authorization,*
15 *and medical documentation exchange; and*

16 (I) *any other matter the Secretary deter-*
17 *mines appropriate;*

18 (3) *list specific and measurable strategies and*
19 *actions to address the barriers and challenges assessed*
20 *under paragraph (2), to include the consideration*
21 *of—*

22 (A) *expanding participation in the Veterans*
23 *Community Care Program under section 1703 of*
24 *title 38, United States Code, among providers in*
25 *rural, highly rural, and frontier areas;*

1 (B) *physically locating health care facilities*
2 *of the Department of Veterans Affairs within the*
3 *same building or on the campuses of other health*
4 *care facilities located in rural, highly rural, or*
5 *frontier areas;*

6 (C) *enhancing transportation assistance;*

7 (D) *increasing reimbursement rates, includ-*
8 *ing through cost-based reimbursements; and*

9 (E) *improving coordination with State,*
10 *Tribal, and local partners; and*

11 (4) *assess legislative and regulatory barriers, if*
12 *any, to addressing the barriers assessed under para-*
13 *graph (2).*

14 (c) **IMPLEMENTATION.**—*Not later than 90 days after*
15 *submitting the action plan under subsection (a), the Sec-*
16 *retary shall begin implementation of the plan and shall en-*
17 *sure full implementation not later than two years after the*
18 *date of the enactment of this Act.*

19 **SEC. 4. OUTREACH.**

20 (a) **OUTREACH TO VETERANS.**—*Not later than one*
21 *year after the date of the enactment of this Act, and annu-*
22 *ally thereafter, the Secretary of Veterans Affairs, through*
23 *the Office of Rural Health (or successor office) and the Of-*
24 *fice of Integrated Veteran Care (or successor office), shall*

1 *conduct outreach to veterans residing in rural, highly rural,*
2 *and frontier areas regarding—*

3 (1) *opportunities to seek care through facilities*
4 *and programs of the Department of Veterans Affairs,*
5 *including via telehealth, existing programs provided*
6 *through grantees or contractors of the Department,*
7 *Vet Centers (as defined in section 1712A of title 38,*
8 *United States Code), and volunteer programs and*
9 *services for transportation;*

10 (2) *opportunities to seek care through the Vet-*
11 *erans Community Care Program under section 1703*
12 *of title 38, United States Code;*

13 (3) *opportunities to seek care at critical access*
14 *hospitals with contracts, partnerships, or agreements*
15 *with the Department of Veterans Affairs; and*

16 (4) *any other matters the Secretary considers ap-*
17 *propriate.*

18 (b) *OUTREACH TO PROVIDERS.—Not later than one*
19 *year after the date of the enactment of this Act, and annu-*
20 *ally thereafter, the Secretary of Veterans Affairs, through*
21 *the Office of Rural Health (or successor office) and the Of-*
22 *fice of Integrated Veteran Care (or successor office), shall—*

23 (1) *conduct outreach to health care facilities and*
24 *critical access hospitals in rural areas regarding—*

1 (A) the Veterans Community Care program
2 under section 1703 of title 38, United States
3 Code, and the pilot program under section 2 of
4 this Act; and

5 (B) any other matters the Secretary con-
6 siders appropriate; and

7 (2) seek to enter into contracts, partnerships,
8 agreements, or other arrangements with health care
9 facilities and critical access hospitals in rural areas.

10 (c) *CRITICAL ACCESS HOSPITAL DEFINED.*—In this
11 section, the term “critical access hospital” has the meaning
12 given that term in section 1861(mm) of the Social Security
13 Act (42 U.S.C. 1395x(mm)).

Amend the title so as to read: “A bill to expand access by veterans to critical access hospitals and affiliated clinics and to address barriers to care in the community for certain veterans, and for other purposes.”.