

**PARTNERING, PAYMENT, AND PROVIDER ACCESS:  
VA COMMUNITY CARE IN NORTH CAROLINA**

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**FIELD HEARING  
Fayetteville, NC**

BEFORE THE

**COMMITTEE ON VETERANS' AFFAIRS  
U.S. HOUSE OF REPRESENTATIVES**

ONE HUNDRED FIFTEENTH CONGRESS

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## **PARTNERING, PAYMENT, AND PROVIDER ACCESS: VA COMMUNITY CARE IN NORTH CAROLINA**

**Friday, March 23, 2018**

COMMITTEE ON VETERANS' AFFAIRS,  
U. S. HOUSE OF REPRESENTATIVES,  
*Washington, D.C.*

The Committee met, pursuant to notice, at 10:00 a.m., at the Fayetteville Technical Community College, General Classroom Building Rooms 108 and 114, 2817 Fort Bragg Road, Fayetteville, NC, Hon. Phil Roe [Chairman of the Committee] presiding.

Present: Representatives Roe and Dunn.

Also present: Representatives Hudson and Pittenger.

### **OPENING STATEMENT OF DAVID P. ROE, CHAIRMAN**

The CHAIRMAN. The Committee will come to order.

Good morning. I want to thank all of you all for being here. I want to give a special shout-out to Dr. Larry Keen, who is President of the community college here, for allowing us to use this great facility, and I want to thank all of you all who are here.

This is an official hearing of the Veterans' Affairs Committee, and I really enjoy these because it is actually where we bring the government to the people, not the other way around. I have done many of these around the country and have found them very beneficial.

My name is Dr. Phil Roe, and I represent Tennessee's 1st Congressional District, which is just across the line from you guys. I am a taxpayer in North Carolina, so I think I feel welcome here.  
[Laughter.]

The CHAIRMAN. I have a condo in Banner Elk, so I pay taxes in your great state.

Tennessee's 1st Congressional District is a very historic district. It is the only district in America that has had two presidents, Andrew Jackson and Andrew Johnson. Andrew Johnson was the first person to hold my seat, and we had one other famous Tennessean who held my seat, and we have all watched him on TV. Davy Crockett was a congressman from the 1st District, and I am honored to serve as the Chairman of this great Committee, the Veterans' Affairs.

I would like to start today by thanking Congressman Hudson for his enthusiasm for hosting this veteran-specific hearing today. We have been forced to reschedule this hearing a couple of times, and I told Richard on Monday, I said this looks like another train wreck

that is about to happen with the budget. But, Richard, thank you for hosting this.

He has been a true champion for veterans in Washington, D.C., and I am honored to be here with you today and to deep dive into the issues and problems.

I also want to thank Congressman Dr. Neal Dunn, who is a veteran, as I am, who serves on the Veterans' Affairs Committee. Neal is a pretty old looking freshman, but this is his first term.

[Laughter.]

The CHAIRMAN. I, too, was a very old freshman. And also, one of your own, Robert Pittenger, who is also joining us. Robert and I have been great friends since he has come to Washington.

Dr. Dunn is both a surgeon, as I said, and a veteran, and he serves along with me. He shares my desire to bring both private-sector efficiencies and high-quality health care to the VA to our veterans.

Congressman Pittenger represents North Carolina's nearby 9th Congressional District and literally jumped at the opportunity to join us at this field hearing for nearly 150,000 veterans living in this area, and I thank both of you all for joining us.

In this part of the country, as is the case in my backyard, over the mountains, veterans often face extraordinary burdens in receiving VA health care, whether at VA facilities or through an overly complex administrative system of non-VA authorizations.

My goal for this hearing is to identify opportunities for VA to build and improve upon its relationship with local health care entities and hopefully reduce the burden we ask these veterans and local providers to endure.

I also hope to gain a better understanding of what resources and support of VA facilities and staffing requirements are needed for the provisions of appropriate and timely care in this part of North Carolina. Let's take this opportunity to look towards the future needs of veterans who live here to improve the access to and the quality of their care, and discuss what steps VA can take today to strengthen community partnerships and team with providers who are also eager to serve veterans in this catchment area.

Before we begin, I ask unanimous consent that Congressmen Hudson and Pittenger be allowed to join our Committee proceedings today.

Without objection, so ordered.

With that, I will yield to Dr. Dunn of Florida for 5 minutes for any opening remarks that he may have.

You are recognized.

#### **OPENING STATEMENT OF HONORABLE NEAL DUNN**

Mr. DUNN. Thank you very much, Mr. Chairman. I will not consume 5 minutes. I just want to say and also convey a thank-you to my friend and colleague, Representative Hudson, for inviting me back to Fayetteville. I have known Rich as a very strong advocate for the active-duty troops and for the veterans in his district, and indeed across the country in the time I have been in Washington, and I thank you very much for your tireless efforts. Rich took me to Afghanistan a few months ago, and we spent Thanksgiving there serving the troops, and it was a great experience for me.

I was stationed here at Bragg twice in my military career, and it is great to come back. It seems like you always come back to Fort Bragg. There is something funny about that.

I do also want to say thank you to the House Veterans' Affairs staff that has worked very hard to put this together. It is always a little extra work to put together a hearing on the road, but it is worth it. We absolutely know, we have demonstrated time and time again that we have to come out here and listen to you, we can't just have people come to Washington and talk to us. So I am very, very grateful for that opportunity.

With that, I will also say thank you to my good friend, Robert Pittenger, who is a local congressman right here.

With that, I will yield back my time.

The CHAIRMAN. I thank the gentleman for yielding.

I now recognize Representative Hudson for any opening remarks he may have.

#### **OPENING STATEMENT OF HONORABLE RICHARD HUDSON**

Mr. HUDSON. Well, thank you, Chairman. I appreciate this opportunity and welcome everyone here today. I want to particularly thank the Chairman for agreeing to host this hearing here in our community. We have no stronger advocate on behalf of our veterans than Dr. Phil Roe, Chairman of the Veterans' Committee. He is just tireless, he himself, for being a Vietnam-era veteran, and he has been very successful in getting legislation to President Trump to help our veterans. He is a tremendous leader, and it is just an honor to have you here with us, Mr. Chairman.

I also want to thank Congressman Dunn for being here. As he said, he and I traveled to Afghanistan over Thanksgiving, where we spent some time with folks from 82nd Airborne down to Kandahar and some other places we can't tell you about, but it was really an honor to be there with the troops. Dr. Dunn has a real heart for our soldiers, and welcome back after serving two tours here himself as an Army surgeon.

I also want to thank Congressman Pittenger for being here. Robert Pittenger works hand in hand representing this community. Robert Pittenger cares deeply about our veterans. I have seen the work he does on veterans' behalf, and I am proud to stand shoulder to shoulder with Robert, and I appreciate you being here with us today.

We also have two outstanding senators here in North Carolina, Senator Burr and Senator Tillis, who I lean on all the time to help me with veterans' cases. When they get tough and I run into a roadblock, I call one of the two senators and they usually break it for me. They are represented today. Austin Sheer is here from Senator Tillis' office, and Janet Bradbury representing Senator Burr, and we appreciate you all being here with us.

Each and every one of us is here today because we truly care about our Nation's veterans. It is impossible to ever repay our veterans for the service and the sacrifice, so ensuring that we keep our promises that every veteran is provided with the care they deserve is the most sacred responsibility I have.

My greatest honor in life is I represent 54,000 men and women at Fort Bragg and the families and the veterans in this community.

Simply put, these individuals represent the best among us, the best our Nation has to offer. Every year, more and more veterans are choosing to relocate or stay right here in North Carolina after their service, and I think that is a good thing, but it is also a challenge. We have the fastest growing veteran population, the fastest growing VA in the country. That brings us both opportunities and challenges, but it is something that we are proud of.

But veterans have been provided opportunities to interact with a very tight-knit military community here, and businesses are able to capitalize on the expertise of hiring veterans. So I think it is a tremendous opportunity. However, the challenges that come along with this rapidly growing veteran population, one of these challenges is meeting the unique needs of veterans when it comes to health care.

Generally speaking, I believe the Fayetteville VA Medical Center does an exceptional job at taking care of the veterans who seek treatment there. Many of the folks who work there are veterans themselves. However, there is no way that they alone can provide all the care in a timely fashion to the veterans of this community and meet this growing population. That is why it is critical we continue to work to improve the relationship between the VA and medical providers in the community, so veterans have the choice to receive care within the VA system if they choose, or from a community provider that may better suit their unique needs.

Every case is different, which is why a one-size-fits-all approach will never work. Since coming to Congress, I have worked to expand the ability of veterans to choose their health care provider, whether that be within the VA or in the surrounding community. I have legislation called The Care Veterans Deserve Act that does just that, and many of the same principles have been incorporated in the Chairman's legislation, the VA Care in the Community Act, which I am very proud to have supported.

I am encouraged by the Committee's efforts to simplify and expand opportunities for programs, and I look forward to continuing to work to pass meaningful reforms in Congress on behalf of our veterans. I am excited to hear from our witnesses today. I want to thank each one of you for making the time to be here. It is very important.

Mr. Chairman, with that, I will yield back the balance of my time.

The CHAIRMAN. I thank the gentleman for yielding.

I will now yield 5 minutes to Representative Pittenger for any comments that he may wish to make.

#### **OPENING STATEMENT OF HONORABLE ROBERT PITTENGER**

Mr. PITTENGER. Thank you, Chairman Roe. I certainly appreciate and respect your leadership for the veterans. You are doing an extraordinary job.

I spent a little bit of time with him in the Congress, a little bit of time off Congress. We played a game of golf together.

The CHAIRMAN. I am not very good, either.

[Laughter.]

Mr. PITTENGER. The thing of it is, he never left the fairway, and I never got in the fairway.



[Laughter.]

Mr. PITTENGER. But Richard Hudson, what a remarkable leader you are for veterans. Thank you for all the efforts that you have been through to organize this meeting; Chris, your man right over here, who really did the work. I have a similar man, Bob Becker, who is here, who serves about 400 to 500 veterans at any given time. So we are very much acclimated to the concerns.

Dr. Dunn, thank you for making your way up here from Florida, and I hope you enjoy our weather.

To each of you all, we are not coming here with an ax to grind. The old adage of Sergeant Friday, "Just the facts, ma'am, just the facts," that is all we want today are facts. We want to know what is best for our veterans. We do believe that the Veterans' Accountability Act can improve that process, giving more authority to the director. We certainly have a good director here. I met him over at Landstuhl in Germany when they released the hostages. I was sent over there by the White House to greet them, and he is remarkable. I know you are going to have great leadership here. I think he is going to do a great job.

But this is important for this community. It is important for our veterans. Each of us who represent them and represent you are here to want the best, and I know that is the interest of all of us. So I thank all of you for being here, for your expertise, for what you bring to the table, and what you will mean to the lives of those who served our country with distinction, with a great labor of love and commitment, and they deserve the best from us.

God bless you.

The CHAIRMAN. Thank you, Robert. Thanks very much.

Before I introduce our witnesses, can you all hear in the back? Are we loud enough? I got an open "yes." We will try, when the witnesses speak, we will try to speak up. I don't know if you can turn the mics up a little bit or not, because it is a large room. We will try to get where you can hear us, and I apologize if you cannot.

But I want to remind everyone today that this is a formal, official congressional hearing. It will go into the Congressional Record.

We have one panel of witnesses, and only those invited to testify will be permitted to speak. Each panelist will have 5 minutes for their opening remarks, and I respectfully ask that our panelists keep an eye on the timer that we set for you here. The green light goes on, amber light at 1 minute, and then the red light when your time has expired.

There will be an opportunity after the hearing for those of you in the audience who want to come up and speak with myself or other Members of our staff if you have questions or need assistance. We will be glad to do that.

Joining us on our first and only panel this morning is Mr. David Catoe, the Assistant Vice President of Patient Financial Services for Atrium Health; Mrs. Sarah Verardo, Executive Director for The Independence Fund. We first met, I believe, at the White House. Is that correct?

Ms. VERARDO. Yes, correct.

The CHAIRMAN. I appreciate you being here.

Staff Sergeant Gary B. Goodwin, retired, U.S. Army veteran. Thank you, Sergeant.

Chief Master Sergeant Daryl Cook. When I went in the infantry, it was explained to me this way, that the command structure was God, command in general, and the Chief Master Sergeant, but not necessarily in that order.

[Laughter.]

The CHAIRMAN. I am not sure whether that is still the case or not, but I suspect that it is.

He is the Chief of Fire Emergency Services for the 145th Civil Engineering Squadron and Civil Engineering Flight of the North Carolina Air National Guard. Welcome.

Mrs. DeAnne Seekins, Network Director for the Mid-Atlantic Health Care Network, or VISN 6, for the Veterans Health Administration. Thank you so much for being here.

Ms. Seekins is accompanied by Dr. Carl Bazemore, who is the Acting Chief Medical Officer for VISN 6 for the Veterans Health Administration. Also accompanying Ms. Seekins is Joseph Enderle, the Program Manager for Veterans Choice and VA Timely Payment Initiative, Delivery Operations of the Veterans Health Administration.

I thank all of you all for being here today and for all the good work that each of you do to serve our veteran neighbors here in North Carolina across VISN 6.

Mr. Catoe, we will begin with you. You are now recognized for 5 minutes.

#### **STATEMENT OF DAVID W. CATOE, FHFMA**

Mr. CATOE. Good morning. As a veteran retired Air Force officer, I want to thank this Committee for the opportunity to speak on behalf of Atrium Health, formerly known as Carolinas Healthcare System. Atrium Health has always had an outstanding relationship with our veterans in all the communities that we serve, and we consider it a privilege to provide their medical care. In fact, going back to January 2016 through February 2018, or the past 26 months, Atrium Health has provided care on approximately 33,000 occasions or times that veterans have visited our health care system. Our health system has been recognized numerous times for supporting military personnel and veterans through awards such as the Secretary of Defense Freedom Award, the Secretary of Defense Patriot Award, and being a Top 10 Military Friendly Employer. As we work to further support our military veterans, I would like to take a few minutes to highlight some of the issues that Atrium Health is working to overcome in coordinating claims administration with the VA programs.

First of all, medical records. Atrium Health often submits multiple hard-copy medical records to the VA for the same patient encounter due to VA being unable to locate and match records with the claims. This burdens hospitals administratively and presents potential HIPAA privacy concerns. However, hospitals have no other option but to continue this process to receive payment. In a recent random sample of 19 claims, on average, Atrium Health had to submit medical records two-and-a-half times per claim. Sixteen of the 19 claims required records to be sent at least twice, one was sent five times, and four were sent four times. Other commercial payers have portals through which medical records and other docu-

mentation are uploaded to attach the claims, and this helps avoid printing and mailing sensitive medical record information. We believe it would be beneficial for VA to implement a HIPAA-compliant system like the other payers for this process.

Second, authorizations. During the period of January 2016 through February 2018, Atrium Health received over 2,458 denials for claims totaling \$24 million relating to authorization issues. As recently as two days ago, I received a congressional inquiry regarding an unpaid VA Choice claim dating back to March 2017 for a missing authorization number.

When veterans present for medical care at Atrium Health, we treat them as our priority. Most veterans do not have the authorization number when they present, and so we have to try to obtain the number after the fact. Because there is both a clinical and claims component in the authorization process, there are often handoffs occurring which have led to trouble during claims administration. For example, VA faxes authorizations to a fax number in Clinical Case Management at our hospital. When we call the VA to obtain an authorization number, they often cannot provide us that number. It would be much more efficient and convenient for everyone if the VA could establish a payer portal so that authorizations could be pulled by the provider electronically and added to the claim. This would eliminate unnecessary calls to the VA for the authorization number and improve the service to our veterans.

Third, excessive hold times. Atrium Health claims specialists experience excessive hold times when calling for claims status. It is not uncommon to be on hold from 25 minutes to three hours before reaching a claims representative. For VA Choice claims, we are only allowed to ask about three claims at a time before having to hang up and call back and repeat the entire waiting process to follow up on additional claims. We have also had to leave phone messages and emails with provider relations in the past since we could not contact a live person, but rarely do we ever receive a reply call. The claims specialists at Atrium Health who work VA claims are often frustrated and demoralized due to the stress encountered as their productivity diminishes when spending so much time waiting for assistance. More VA claims representatives are needed to eliminate the volume of calls and the excessive wait times. The average wait time for a VA claims specialist is 60 minutes on 10 accounts reviewed in February and March. The longest was 110 minutes, while the shortest was 25 minutes.

Education. VA needs to provide better education to the providers and veterans in explaining the different requirements and programs available. Currently, these programs are very confusing to even an experienced VA claims specialist. I cannot imagine the confusion that many veterans experience in trying to coordinate their care within the VA. An excellent example is the Other Health Insurance amended regulation dated January 9th, wherein VA advised that providers must bill other health insurance before the VA, and then the VA may be billed secondary to the other health insurance for emergency services.

VA is an entitlement and not an insurance program. By law, it is prohibited from paying deductibles, co-insurance, and co-payments incurred by billing the other health insurance. Yes, veterans

still believe the hospital has the option to bill VA over other health insurance, and they blame us, of course, when the veteran is required to pay a \$1,000-plus deductible when we bill the other health insurance, saying we should have billed VA first. With more communication, awareness, and education about the programs, there should be less confusion and more efficiencies in place to better serve our veterans.

Again, thank you for allowing me the privilege to discuss some of the opportunities that our health system believes can improve our veterans' experience as we provide medical care and the subsequent filing of claims with the VA. We are pleased to work with you and the VA to make the claims process more streamlined, efficient, and friendlier. Thank you.

[THE PREPARED STATEMENT OF DAVID N. CATOE APPEARS IN THE APPENDIX]

The CHAIRMAN. Thank you, Mr. Catoe.

Ms. Verardo, you are recognized for 5 minutes.

#### STATEMENT OF SARAH VERARDO

Ms. VERARDO. Thank you for having me, Chairman Roe, and providing the opportunity to testify. I am Sarah Verardo, Executive Director of The Independence Fund. Our national headquarters are here in Charlotte, North Carolina.

I want to give special thanks to Representative Hudson for recommending that we testify today. He is an amazing friend to The Independence Fund and the strongest of champions for veterans here in North Carolina, and likewise I would say the same about Representative Pittenger. Both men have been incredible friends to my family, to my husband. Representative Hudson has followed his journey since Walter Reed, and I think few people were more excited to see my husband walking than Representative Hudson, so I sincerely thank all of you.

Mr. Chairman, I have submitted a much more extensive written testimony to your staff, and I ask, sir, that it be entered into the record in its entirety, please.

The CHAIRMAN. Without objection.

Ms. VERARDO. On April 24th, 2010, my husband, Michael Verardo, was catastrophically wounded by an IED in southern Afghanistan. His left leg and arm were immediately blown off. While he was dragged to the casualty collection point, the IED continued to detonate daisy-chain style, resulting in a large area of third-degree burns over 30 percent of his body. He suffered a lot of facial trauma. The IED was an old Russian landmine that the Taliban had connected to two 15-gallon jugs of homemade high explosive. The debris within the IED blew out his eardrums, caused severe facial damage, and he wasn't expected to survive. He had a field non-FDA-approved blood transfusion to stay alive.

When a servicemember is injured, there are several classifications of the medical evacuation: not seriously injured, seriously injured, or very seriously injured. Mike's Medevac was called in as very seriously injured, expected dead on arrival. He was not expected to live. He remained in a coma, but he is a fighter, and for the next five weeks he was listed as death imminent.

Through incredible efforts of Army medical teams, not only did Mike survive, his left arm was reattached partially and reconfigured. He eventually learned to walk on a prosthetic leg, and now we live outside of Charlotte, North Carolina with our three young daughters.

While Mike was not retired from the Army until 2013, I must say the Army medical care and the DoD care within the Warrior Transition Battalion at both Walter Reed and Fort Sam Houston was incredible. He endured over 100 surgeries and years of speech, visual, physical, and occupational therapies, and he thrived. There were no bureaucratic hurdles within our DoD process.

Unfortunately, the same cannot be said for our transition to VA care. While most of the medical providers we have had have been exceptional, first rate, the medical administration staff with whom we usually deal appeared disinterested, skeptical of medical requests, more concerned with preventing fraud than allowing common sense to prevail, and not interested in optimizing veteran health care.

For example, after Mike retired from the Army, we moved back to our home state of Rhode Island, and despite being rated by the VA with the highest possible rating and being enrolled in VA health care, no one in VA knew we were coming back to Rhode Island or who Mike was, and we had to wait seven weeks for our first appointment even though he still had open wounds, a poly-trauma case, and exceptionally complex medical regimes. I went on YouTube to learn how to re-pack his wound dressings myself, and I had a fire department bring him in and out of the home because we had not been set up with any type of specially adaptive housing from VA.

In the same vein, Mike's prosthetic leg was damaged, and we waited 57 days for a signature on a form authorizing it. In the meantime, I duct-taped his leg back together.

The catastrophically wounded and disabled veterans we serve at The Independence Fund have similar stories of the VA health care system. We believe much of this is because VA standards of care and formularies do not take into account the complex issues of the catastrophically wounded. Therefore, Mr. Chairman, we recommend any future legislation to define when and where veterans are eligible for non-VA care. They should establish separate specific access and quality standards for catastrophically disabled, where they qualify for non-VA care, even if the standard access and quality standards are otherwise met.

Mr. Chairman, we share your disappointment. The compromise VA and caregiver reform legislation you helped negotiate and you championed was rejected by the minority Members of the Committee. However, we were concerned that both bills originally passed by the House and Senate Veterans' Affairs Committees still relied on VA to determine when and where veterans can access non-VA care. Again, our experience is the medical administration bureaucracy will block most attempts of medical providers to prescribe non-VA care and only will authorize it if forced to do so.

I would like to give you another example about my husband for that point. His residual left leg suffers numerous skin injections that make the prolonged use of prosthetic sleeves extremely dan-

gerous for him. Because of that, his VA surgeon prescribed within her own hospital system a specialized prosthetic sleeve nine different times, and nine times VA's medical administrators, who have never met or treated my husband, denied those prescriptions because they were not formulary.

Mr. Chairman, we cannot rely on VA health care providers being able to prescribe non-VA care when needed. Those VA health care providers are powerless to provide non-VA care when the bureaucrats have every incentive to deny the care and have every power to do so, far more than the actual providers who are taking care of these heroes. Only when individual veterans have the authority to choose their own health care provider will veterans be able to access optimal care in a timely fashion.

Finally, we believe that VA's prosthetic and wheelchair repair/replacement program should be out-sourced to non-VA providers. Our experience and that of our clients is that the VA doesn't deliver or make attempts to deliver wheelchair and prosthetic repairs in a timely manner. For example, we have requested wheelchair and prosthetic repairs and replacements from VA, and I have been told four different times within this VISN that I must bring my husband three hours round trip so that they can confirm that he does, in fact, still have his injuries, as though limb loss would be anything other than permanent. Delays of seven to ten weeks are not unusual for these requests.

We note the Inspector General report released a week ago detailing similar problems with wheelchair and prosthetic repairs in VISN 7. That report noted the VA has no standard for how long it should take to repair wheelchairs or scooters, no standard at all. It also found the average wait time was 99 days. Some of these veterans were bedridden for more than 100 days while waiting.

The report detailed an unnecessarily complex repair authorization process. We recently had the opportunity to meet with VA Central Office, and we are looking to enter into a Memorandum of Understanding with VA to help them improve those processes, and we would love your support, sir, in doing so.

We do not believe that VA will ever be able to adequately respond to veterans' prosthetic and wheelchair replacement needs in a timely manner. The rules are simply too cumbersome and limiting, and we recommend that veterans be allowed immediate access to non-VA care for the repair or replacement of prosthetics, wheelchairs, and scooters.

I would like to end, sir, by telling all of you that you will notice how often in society people say that something costs an arm and a leg, and my husband's military service actually did. I will live forever with the consequence of him raising his hand and saying, "Send me." My children will live with that consequence of him giving almost everything he has of himself at 25 years old, becoming eligible for nursing home care, and here we are nearly eight years later, and our days will never be normal, they will never be stable. The terrorist enemy took so much from my entire family and our future.

So, sir, I am not only here as the Executive Director of a very large national veteran service organization but as a military spouse

and veteran caregiver, begging all of you to please keep pushing until we get it right for heroes like my husband, and I thank you.

[THE PREPARED STATEMENT OF SARAH VERARDO APPEARS IN THE APPENDIX]

The CHAIRMAN. Thank you for your very compelling testimony, Ms. Verardo.

Sergeant Goodwin, you are recognized for 5 minutes.

**STATEMENT OF STAFF SERGEANT GARY B. GOODWIN**

Sergeant Goodwin. Thank you, Mr. Chairman and Members of the Committee present today. It really is an honor for me to be here today to offer testimony. I previously offered written testimony, and I ask that be entered in the Congressional Record.

The CHAIRMAN. Without objection.

Sergeant GOODWIN. Thank you, sir.

My name is Gary Goodwin. I am a veteran of the United States Army, having retired in 2009 after 23 years of service. Before I offer brief testimony, I want you all to know that my issues today are in no way with the quality medical care that I receive from the Fayetteville VA Medical Center. For those representatives of the VA Medical Center, and I know our new director is present as well, I want to say thank you. I am 100 percent happy with the quality care that I receive from that facility. I think it is a shame that the media tends to zero in on the negative and not accentuate the positive.

I also want to say, Ms. Verardo, thank you so much for you and your family. I almost feel ashamed to be here today—

Ms. VERARDO. No, please.

Sergeant GOODWIN [continued].—to offer my testimony, having heard your compelling story. My heart goes out to you and your family. It really, really does.

Also, I want to thank my primary care provider here at the VA Health Care Center, Dr. Abul Azad. Dr. Azad has been my primary care provider for several years now. He is a great man, he is a wonderful physician, and he provides me with care and compassionate service every time I am there, as well as two of his nurses who I became very familiar with, Ms. Lillian Figueroa and Ms. Tracy Ford. I always enjoy seeing them whenever I go to the VA Health Care Center for my care.

The past four years have been kind of medically challenging for me. I underwent three major surgeries, two minor procedures, numerous hospitalizations, and countless ER and urgent care visits. This includes experiences not only directly with the VA Health Care Center here in Fayetteville, but I have also received services through Veterans Choice, as well as non-VA care. So I do have a familiarity with those programs as well.

But I was asked to speak to you today by Congressman Hudson—and thank you, sir, for asking me to come today—regarding a specific issue that has not yet been 100 percent resolved. If you will bear with me, I will just go ahead and read from my documentation.

I have encountered an issue with the VA that I have been unable to resolve on my own after repeated attempts to do so, and this is

regarding non-payment of non-VA medical expenses that have been approved by the VA for payment. I am offering testimony regarding this issue as I can only imagine that I am probably not the only veteran who has ever encountered this problem.

On July 22, 2016, a Friday evening, I sought ER care at a non-VA facility for issues related to a recent thoracic surgery. I followed the appropriate procedures and notified the Fayetteville VA Medical Center the following Monday, July 25th, to let them know that I had this non-VA care, that it was follow-up care within the 90-day global window of the thoracic surgery that I recently had that had been—I had been sent out to a local hospital from the VA to have that procedure. After several inquiries to the VA, I finally received a letter from the Fayetteville VA, dated January 13, 2017, stating that my ER visit, that that had been verified as an episode of care, which is the kind of language that they use, and also that my claim had been approved by Salem, referring to the Salem VA office where the payment was coming from, and that payment was pending.

Well, I can tell you, as of last Friday, after several inquiries, the bills for the emergency room, the emergency room physician, and the emergency room radiology service have finally been paid. That just occurred within the last week and a half to two weeks. The bill that is outstanding, the one that I contacted Mr. Hudson's office about, was the EMS bill. The EMS provider had never been paid by the VA. They took my account to collections. From there, they initiated garnishment against any North Carolina tax refund. And when they sent me to collections, all of a sudden, my credit score with the credit reporting bureaus went from 820 to 670. In today's world, credit makes the world go around, and you can't get a loan for a box of doughnuts when you have a credit score of 670.

I have made repeated contact attempts. I have my file documentation here of all the phone calls, emails, face-to-face meetings with personnel at the Fayetteville VA Medical Center, and the non-VA care office regarding this issue, and they have all been very helpful. I think it is really the bureaucracy that has kind of tied their hands.

Last Friday, I had a conversation with the VA representative in the non-VA care department, and they were telling me that that bill had been approved for payment, but it was sent to Texas. When I inquired, "What do you mean by sent to Texas?" nobody could offer me any type of an explanation. As a matter of fact, the gentleman I was speaking to got rather frustrated with me, as though my inquiries were kind of hitting the hot button with him.

So, in a nutshell, that is what I am here about today, just to offer you testimony regarding my personal experience. I look forward to working with the VA regarding this issue, and I am hopeful that in the very near future the VA is going to attend to the EMS bill that they previously told me in writing they were going to pay for, and I hope they are going to stand by me to help restore my good credit.

Mr. Chairman, with that, thank you.

[THE PREPARED STATEMENT OF SERGEANT GARY B. GOODWIN APPEARS IN THE APPENDIX]



The CHAIRMAN. Thanks, Sergeant Goodwin.  
Sergeant Cook, you are recognized.

**STATEMENT OF CHIEF MASTER SERGEANT DARYL D. COOK**

Master Sergeant COOK. Good morning, Chairman Roe, Dr. Dunn, Congressman Hudson, Congressman Pittenger, and Members of the Committee on Veterans' Affairs. It is truly a pleasure to be provided with the opportunity to share experiences as it relates to the Veterans Administration and, more importantly, share many positive experiences. I will also provide some issues within the program I feel are recommended areas of improvement. While I continue to serve as the Installation Fire Chief assigned to the 145th, my testimony is my views and not those of the 145th Airlift Wing or the North Carolina National Guard.

As mentioned, I serve as the Installation Fire Chief to the 145th Airlift Wing in Charlotte, where we respond mutually with Charlotte Fire Department to emergencies at Charlotte Douglas International Airport, the sixth busiest airport in the country. Additionally, our mission includes providing emergency services for Stanly County Airport near Albemarle, North Carolina. I have 32 drill status Guardsmen and 24 North Carolina state employees to assist in providing coverage for these locations.

With varying personnel between military and civilians, I have the opportunity to serve with many individuals who deal with the Veterans Affairs, and typically information I receive is positive in nature. Close to 100 percent of my personnel have deployed, so many have direct interaction with the VA prior to and after their deployments. Most of the information I receive is positive, but as with any program, improvement in the process and the overall goal of providing the best care to our veterans can always get better.

I would like to just highlight a few of the folks that I have dealt directly with on their experiences. And again, most of these are positive in nature, but I will highlight a few issues that we have had in the system.

Master Sergeant Chris Johnson, who is actively a member of the 145th Airlift Wing, when asked about his interaction with the VA, he had nothing but favorable comments about his experiences. Staff were very friendly and professional and informative with the services they provide. The facilities used were clean and in good condition, and he was able to receive referrals for things like a nutritionist and eye doctor in a timely fashion, and when he needed services from the Emergency Department in Charleston, South Carolina, they were both prompt and excellent in service.

Retired Chief Master Sergeant Pete Hazleton, previously assigned to 145th Airlift Wing, now assigned as one of my state firefighters with the Air National Guard, utilizes the VA's medication program and primary physician program with positive success. He actually uses the VA there in Charlotte that is new and very up to date. There are difficulties and concerns in scheduling appointments. It takes excessive time to get appointments, sometimes months out, and the process for making appointments and getting referrals is not an easy one. When directed to have lab work done, it typically takes an extended period of time, and many times orders are not there when you arrive to have the labs taken.

Finally, Master Sergeant, retired, Donald Willis, previously assigned to the 145th Airlift Wing, now assigned as one of my state Assistant Fire Chiefs with the Air National Guard, originally contacted the VA in January of 2017. He contacted the Catawba office and asked what services he could obtain upon his retirement. He was formally informed by them that finances made him ineligible for VA medical benefits. He retired from the North Carolina Air National Guard in June of 2017 and went to the VA office in Charlotte in September of 2017 and asked about retiring services for related injuries. He filled out paperwork, and the VA representative made an appointment at the VA clinic on 26 October 2017. He went to the appointment with his medical records that were transferred to the VA. He started the paperwork for the services related to his disability. The VA clinic made his next appointment for 26 October 2018.

Last week, he received a letter from the VA indicating that the appointment had been cancelled and provided some numbers for him to call to find out why. He then called VA at the 800-number given and spoke to a representative who indeed verified that his appointment had been cancelled. He asked for what reason the cancellation, and she checked the system and said that it was probably because he made too much money. He did receive a letter from the VA telling him they were looking into it and would get back to him.

In closing, I want to thank you for your concerns and efforts you have put forth in ensuring our veterans receive the best care available. I appreciate the House Veterans' Affairs Committee being proactive and seeking out ways to better serve our Nation's best. Additionally, I would like to thank those who have served before me, those who I have had the opportunity to serve with, and those who will serve after me. It is truly an honor to serve this great Nation. God bless this Committee, and God bless the United States of America.

[THE PREPARED STATEMENT OF MASTER SERGEANT DARYL COOK APPEARS IN THE APPENDIX]

The CHAIRMAN. Thank you, Sergeant Cook.  
Ms. Seekins, you are recognized.

#### **STATEMENT OF DEANNE M. SEEKINS, MBA**

Ms. SEEKINS. Yes. Good morning, Chairman Roe and gentlemen. Thank you for inviting me here today to have the opportunity to speak with you about veterans' health care, specifically about the Fayetteville, North Carolina health care system.

I assumed the role as Network Director in July of 2017, and I have had the great honor of serving veterans for 34 years throughout this Nation at various medical facilities and network offices.

The VISN 6 encompasses all of Virginia and North Carolina, as you may know. In this health care system we have seven medical centers, we have 30 outpatient clinics, we have five health care systems, and also two free-standing dialysis units.

Today I would like to share with you, which Congressman Hudson already has, that we are the fastest growing VISN in the country. We have in the last 10 years, VISN 6 alone has grown by 118

percent, and Fayetteville has grown by 70 percent in the last 10 years, and those are veterans seeking treatment.

VISN 6 also has many veterans who live in a rural setting, and out of the 19 counties that are served by Fayetteville, 17 of those counties are deemed rural or highly rural. So to meet the demand, VISN 6 has had the opportunity to open five new health care centers in the past four years. All of these health care centers have been within North Carolina.

Fayetteville alone has added 420,000 square feet to its existing space and also hired 841 new staff members. So we are making all the attempts that we can to meet the growing demand of our veterans.

I would be remiss if I didn't thank each and every one of you. It is your support that has allowed us to have the appropriate approvals so that we could open these health care centers in this highly populated and growing veteran population.

We also, with your support, have been given approval to open three additional health care centers, and one of those in North Carolina.

To provide the needed care to our veterans, we rely heavily on our partnerships, and those partnerships include our DoD partners, our academic affiliations, as well as our community providers. For the VISN, we have 642 provider agreements, which means we can refer directly to those providers. For Fayetteville, they have 98 active provider agreements.

VISN 6 also remains on the cutting edge of telemedicine, and Fayetteville alone provides 11 percent of their care through telemedicine. So this is something that we will continue to grow. We will continue to strive so that veterans may receive their care in their home through what we call Connect. So VA Connect will allow us to provide those telemedicine services to our veterans in their home or in their rural communities.

Through all of these efforts, the VISN is currently, for a new patient appointment, at 12.8 days. Fayetteville, by having the opportunity to open our health care center and add the additional space and staff, has gone from 20.5 days for a new patient appointment a year ago to 9.3 days, and this is the best in the VISN. So Fayetteville is doing a very, very nice job of decreasing their time by adding staff and space.

We were the first network to participate in what is called a market analysis. The market analysis was conducted by a third-party contractor. This third-party contractor looked at Fayetteville/Durham as one market, which is how can we take both of these facilities and expand our services in the community, as well as with our DoD partners, so that we can provide the needed care to this growing population?

Our first expansion will be with Womack. We are currently doing surgeries. Our VA staff actually go to the Womack Medical Center and do surgery at that site. So that is just one leg of our partnership.

Our next leg is also to work with our community partners to have a stronger partnership and bring services closer to our veterans.

I have had the opportunity to brief our delegates on the market analysis, and as we move forward with these initiatives I plan on working very closely with both of these gentlemen and others so that we can have the needed services where the veterans live.

I would also like to take a moment to introduce our new incoming medical center Director, Mr. James Laterza.

James, if you would stand?

[Applause.]

Ms. SEEKINS. James is here with his wife, Christie, who is also a veteran. James served 32 years in the Army as a colonel at Landstuhl. He was also a former commander here at the Womack Medical Center in Fayetteville. So the VISN 6 leadership team is excited to get Mr. Laterza on board, and I will tell you he has been doing his pre-work and already working with us, but his first official day is April 2nd. So we are very pleased to have him join our team.

I want to thank you for this opportunity for us to share with you the magnificent work that has been going on in VISN 6 and hearing from our panel the work that has yet to happen. So, thank you again today for allowing us to be here.

[THE PREPARED STATEMENT OF DEANNE M. SEEKINS APPEARS IN THE APPENDIX]

The CHAIRMAN. Thank you all. I appreciate everyone's testimony.

I will now just yield 5 minutes, and we may have a second round if the panel wishes to do that.

Mr. Goodwin, we need to repair your good credit. I had cancer surgery the 31st of July this past year, and by the 15th of August all the bills were paid in the private sector, and here you are going on two years with your credit destroyed. We can do better, and we have to do better. This is not isolated. I can tell you that I have seen the very same thing in my own district.

I am going to talk at the 30,000-foot level for just a minute and sort of give you all an idea about the direction that we are trying to take at the Veterans' Committee and the Veterans Department, the VA health care.

The VA is made up of three components. One is disability claims, two is VA health care, and three is cemeteries. When I got to Congress in 2009, when I was first on the Committee, we spent \$93.5 billion on all of those three services.

As you all know, in 2011 we passed a bill called the Budget Control Act, which created the sequester. But during that time when the military lost a considerable amount of their funding, the VA funding went from \$93.5 billion to the President's request this year of \$198 billion. It has doubled during that time. So we as a country have stepped up.

Now, I think a lot of the problems have been in administration and bureaucracy, as Ms. Verardo mentioned, things that are easily solved with just common sense. But this country spends more on its veterans than any country in the world; as a matter of fact, in all of the countries in the world put together. And for that, I think I am proud that the American people have never, ever busted me for supporting our Nation's veterans. I wanted to say that to start with.

The VA has gone from 250,000 employees when I first got there, and they are now authorized for over 370,000. VA staff is now larger than the U.S. Navy. So we have got to do better. Just getting bigger doesn't make you better.

Our vision in the Committee is this, and I know Dr. Dunn certainly shares this vision, is I really don't care where you get the care; as a veteran, I want you to get the absolute best care that this country can give you. I provided that care for patients for our local VA at home, and what we want to do is have these provider agreements that she mentioned so that a veteran can go and get the care, the quickest and the best care they can get. If the VA can provide it, great. If that is where the veteran wants to go, great. That is what our Choice bill is trying to do, is to allow the veteran to have more access.

She mentioned something extremely important, that our country is changing, the demographics of the country are changing, and that is one of the reasons why I want the asset review done, because what she mentioned is look how much growth there is in this area of North Carolina and Virginia, whereas the Northeast is actually shrinking. What we want is a nimble VA, and I think there is no question in my mind from watching health care over the 40 years, more than 40 years that I have been a physician, is that we have gone from inpatient care to outpatient care, and the VA is making that change. There are over 800 outpatient clinics in the VA around the country.

I was in Medford, Oregon not too long ago. The Congressman there, Greg Walden, his congressional district has more square miles than the state of Tennessee does. So that is a different issue. You have to go across mountain chains to get there. So you have to have a choice system where veterans can go outside there if they choose to do so. In a more urban—even though this may not seem urban, this is compared to that part of Oregon. Even though this is more urban and growing, we need to provide more services here, not less.

So the VA needs to be more nimble, and by doing leases with these CBOCs, you can do that. In 20 years of health care changes, you can move away. I will promise you that 20 years from now, health care is going to look much different than it does today. And I will tell you this, an amazing statistic to me, hospitalizations maximized in America in 1981. We now have a 40 percent growth in population, and yet in-hospital care is down 10 percent. The reason for that is all the advances in technology that we have had. Look, my cancer surgery, I had never had an operation in my life, and I have had two major surgeries in the last 18 months. I have done thousands of operations. I got on the cutting end this time, the knife end. I spent less than 48 hours in the hospital for both of them, which is unheard of, and that is why we have to change the model, and we are going to do that.

The other thing I want to bring up before my time expires, incredibly important to do what we are working on now, is this transformation to a new electronic health record. We have a system in the whole country, not just the VA, where one system can't speak to another, and we spend millions of dollars, and these two systems can't communicate to each other.

So what we are doing now, I talked to a physician in Seattle, Washington that had acquired some medical practices, and they had 11 different health record systems in the same practice. So what we are trying to do is transform the VA from the system they have, which was cutting-edge many years ago. They have 130 different health record systems in the VA now. They are siloed in each medical center. With the new system—and please, you veterans, be patient, because I put in an electronic health record system before. It is very difficult to do. But when we transform that, the goal is to get to the point where a veteran can leave DoD and seamlessly go to the VA and their records will be transferred.

I am out in private practice. I have to have a Cloud-based system where that information goes from VA to the Cloud and then to me, and then I can send it back seamlessly to the VA. Until we get that kind of system, you are going to have these foul-ups that Sergeant Goodwin was talking about.

Lastly, before I turn it over to Dr. Dunn, prompt payment. Medicare pays 95 percent of claims in less than 30 days, pays claims in less than 30 days. The VA is way out past that, and only about 60 percent of their claims are adjudicated in that same time.

What we have to do to keep providers in the system—Sergeant Goodwin, the very fine doctors that you saw are going to get out of the system if you don't pay them, and the EMS people can't operate an ambulance if they can't buy gasoline to go in the ambulance.

So that is part of the new electronic health system so that that system will work better, and be patient, because it is a huge undertaking and a very expensive one.

I have done something I never do, which is go over my own time. I usually gavel myself down, and I yield to Dr. Dunn. Sorry.

Mr. DUNN. No, no. Thank you very much.

He is quite right. He is very careful with the time, and I owe him a whole bunch of time.

Thank you very much, Mr. Chairman.

Ms. Verardo, let me say thank you for your testimony. I read it on the flight down, and I was grieving for you. Stories like yours are the ones that cause us to volunteer to be on the Veterans' Committee to try to tackle these problems, and let me offer you my apology for a very embarrassed United States Government and VA system for your travails.

I want to get you on record as agreeing with me on something, I hope. Do you believe that specialty medical needs such as prosthetic care or transplant care are essential to include in the future legislation for veterans seeking care outside the VA?

Ms. VERARDO. I do, sir, yes.

Mr. DUNN. Thank you.

Mr. Catoe, what are your thoughts on making these specialty needs a priority in the future to the Choice system? Do you think this would be an improvement for veterans?

Mr. CATOE. Yes, I think so. I actually used to work for a DME company. I was the Vice President of Reimbursement for a national company several years ago and I am quite familiar with—

Mr. DUNN. Was that during the Choice program time?

Mr. CATOE. No, sir, it is before that.

Mr. DUNN. I will tell you, my practice was in the Choice program. Our experience was very, very similar in terms of the payments.

Let me turn my next question to Ms. Seekins. I appreciate the opportunity to hear from the regional VISNs and what the local problems are. Clearly, Mr. Goodwin has indicated great satisfaction with the medical care that he received at the Fayetteville Veterans Administration hospital, specifically singling out Dr. Azad, and I hope you will recognize Dr. Azad for that. His experience does, however, underline that the payment system is way behind. In my own experience, the average payment reimbursement to my practice averaged well over 120 days from the VA. Can you address that?

Ms. SEEKINS. Yes. Thank you for that question. First, I want to say to Mr. Goodwin that I followed up as soon as I was aware of your case, and I believe that your payment is being made.

Mr. DUNN. Now we just have to fix his credit.

Ms. SEEKINS. Yes, and they are working on that as well, a credit letter and getting that taken care of. I apologize for that.

I have Mr. Enderle here, who is our expert with VA regarding payment, so I am going to defer the question to Mr. Enderle.

Mr. DUNN. Can you tell us what you are going to do to remedy this situation? And you are going to give me a level of confidence in the answer?

Mr. ENDERLE. Yes, sir, I hope so.

Mr. DUNN. And all in about a minute or so, all right?

[Laughter.]

Mr. ENDERLE. Thank you, and good morning. This is a great opportunity to be here to talk to you today. I also want to apologize to Mr. Goodwin for the difficulties he has been dealing with with his claim's payment.

The VA realizes that many community providers have significant challenges with VA payment. Of course, we want to rectify that situation. Unlike Medicare and unlike Tricare, and even the TMTA program, unfortunately we have challenges that we need to overcome, one of those being—

Mr. DUNN. We know you have challenges. We want to hear how you are going to fix it.

Mr. ENDERLE. Yes, sir. How we are going to fix it is we are dedicating additional resources to address the claims processing time limits. We recently are sending additional claims to a staffing contract that is supporting us in processing claims. We expect that over the next—by the end of September, our claims backlogs will be addressed and resolved.

To address the Choice claims, we are working with third-party administrators to address their timeliness with the claim's payments, in addition to the waiting times with the call center for providers.

Mr. DUNN. Because we are on the clock here, can you give me a sense of when you think this is all going to be made just right so the VA acts like Medicare in compensation times?

Mr. ENDERLE. As soon as the VA has some relief with legislative changes.

Mr. DUNN. We need that offline, because legislative language takes a long time to talk about, but we need it. If you think the legislative changes will fix that, I think I can guarantee you that the Committee would be very interested in hearing what those proposals are, real specifically how we are in the way, because we don't think we are in the way.

Mr. ENDERLE. Currently, the VA has to pre-authorize care for veterans who are seen in the community. Because of that authorization process, we subsequently then process the claims that come in. We have to match those claims against those authorizations. So it is important that we ensure that veterans have authorizations in advance so that we can then seamlessly process those claims as they come electronically.

Also recently—

Mr. DUNN. So, our time is winding down. I am going to hope that the Chairman will get us through this and we will have a second round of questioning.

Mr. Chairman, I yield back.

The CHAIRMAN. Thank you, Dr. Dunn.

Mr. HUDSON, you are recognized.

Mr. HUDSON. Thank you, Mr. Chairman.

As a follow-up to this line of questioning, I think this deserves a lot more time. Mr. Chairman, I actually have legislation I am talking with you about a number of times.

My solution to this problem is if you are 50 percent or more service-connected, the VA will pay for anything whether it is connected with your injury or not. So if you are 50 percent or more service-connected, my legislation says you are automatically into us. That is one solution.

Mr. CATOE, I was really interested in your testimony talking about the difficulties Atrium Health encounters when attempting to submit medical records to the VA and when you are seeking authorization for claims. There is a lot of difficulty dealing with the VA system, but you said in the private sector that you have these payer portals that process these much quicker.

Could you maybe talk through that, exactly how those payer portals work in the private sector and maybe give us some advice about how we might use those in the VA system?

Mr. CATOE. I can certainly try. Some of the major payers that we deal with, you can imagine who they are, but the larger payers, commercial payers, they have what we call payer portals where they have a system that we can actually scan records into our scanners, electronically transmit those records directly to them so that they can then take that transmission and attach it to the claim when it arrives and marry the two up. It is a much quicker process, much more secure. Of course, it is all HIPAA-compliant and all that, and it just makes it a much easier process. Plus, we don't have the issue with losing medical records through the mail, mailing them to the wrong location, or them ending up being lost at the payer, which used to happen quite frequently, just like it does with the VA today.

Mr. HUDSON. Makes a lot of sense. I can go on my iPhone with an app and order a pizza, it shows up at my door. I don't even have to go to the bank to deposit a check anymore; I take a photo of it.



We ought to be able to do payer portals with the VA and get these records, so you don't have to worry about them getting lost in the mail and having to re-submit it, you said sometimes five times.

Mr. CATOE. That is correct.

Mr. HUDSON. Absolutely.

Ms. Seekins, I appreciate your time here today, and I want to thank you for the way you have communicated with our delegation. Before you arrived, I reached out to the VISN several times and asked for briefings on some of the concerns, some that were highlighted here today. But when you first came into this position, you reached out to us and asked us to meet with you in open dialogue, and I really appreciate that approach. I think that is really important.

I know of several companies right here in North Carolina that would be both willing and able to set up a payer portal type of system that could streamline this issue for the VA. Can you shed some light on maybe the VA's efforts to modernize, and is there a hold up? Is there some resistance within the VA system to this type of idea?

Ms. SEEKINS. Thank you, Congressman Hudson. Again, I have Mr. Enderle here. We at the VISN side and at the Medical Center side coordinate the clinical care, and then Mr. Enderle's shop actually handles all of the payments. So again, I am going to defer to Mr. Enderle.

Mr. ENDERLE. Thank you. As was explained, the medical record documentation and being able to transfer to the payer is complicated, and typically providers have to send that paper via the mail. It comes through the mailroom, goes to the medical records, and it is subsequently scanned.

Mr. HUDSON. Why can't we go to the payer portal? Do you not have the authority to do it? Is it someone higher up than you resistant to the change? What is the hold up?

Mr. ENDERLE. Actually, we are taking steps to make sure that we are able to implement a process where those medical records can be submitted electronically. We currently have rolled out what we call the referral document tool. It is an online system where scanned electronic versions of medical records can be submitted to us electronically. We also have a tool called—

Mr. HUDSON. When you say rolled that out, what do you mean?

Mr. ENDERLE. It is actually operational now.

Mr. HUDSON. So vendors like Atrium Health, are they now using it?

Mr. ENDERLE. Some vendors are using it. However, we are working with the vendors through provider education to share the process with them so that they can begin using this tool.

Mr. HUDSON. It sounds like we have a communications problem between vendors and—

Mr. ENDERLE. It has been available for the last probably 60 days. We are still trying to educate providers on that tool and how to utilize it.

In addition to that tool, we also have what they call Virtual Probe. It is a mechanism where we can exchange electronic information via email. It is also encrypted. So we can reach out to pro-

viders and ask them for their clinical documentation. Once we receive it, then we can load it up into the medical record at the VA.

There is another system being put into place where probably over the next three months we will actually be able to accept clinical documents electronically to a contractor where they will submit paper documents to the contractor if they don't have the ability to be able to transfer electronically. We will be able to scan those clinical documents and then subsequently turn them into electronic documents, and then release them to the payment centers to process claims against them.

So we are active in trying to resolve that issue, which we recognize is a problem.

Mr. HUDSON. I appreciate that.

Mr. Chairman, I am over time, but this is breaking news. I hope maybe we can delve into this a little more and see how this is being applied.

The CHAIRMAN. We will, and it is a system-wide problem. The VA doesn't need to reinvent the wheel. The systems are out there now, but the Secretary is very well aware of it, and it is one of the things that he has committed to get done. This is something if we don't do, we are going to have good providers peel off and not see our veterans. We don't want that.

Mr. Pittenger, you are recognized.

Mr. PITTENGER. Thank you, Mr. Chairman.

Again, I thank each of you all.

Ms. Verardo, as you may be aware, this past fall the VA published a rule that restricted the ability for those requiring prosthetic limbs to seek access to the treatment outside of the VA. We have a bill that I am a co-sponsor of, and I think Mr. Hudson is too, the Bill of Rights for Injured and Amputee Veterans. What impact would that have upon you in terms of this new rule that is being imposed by the VA restricting the access?

Ms. VERARDO. Sir, our current situation with the VA to obtain any type of prosthetic device is archaic, at best. It goes through many channels of both approval, which I understand must happen when it is over \$3,000, and it has to go through a secondary approval process, of course. But most recently, given my profile, I decided to go through my husband's most recent wheelchair issue kind of as a Jane Doe to see what it was really like, and it was horrifying. It took 18 days—this was recently, within the last couple of months—18 days for it to go just from my case management in PCP to the vendor. Had I had the opportunity to simply call the vendor and say, hey, this chair is broken, can you guys come on out, the vendor was incredibly responsive. They were at my house within 12 hours.

So meanwhile I have three very small children, and I have a husband who is recovering from surgery. I had to basically stand backwards to push him while holding our children so that I could get him out of our house.

The amputee clinic at VA also will withhold payment. Right now they have withheld payment to our vendor. We use hanger prosthetics because Mike is still in surgical recovery right now, so he is not weight-bearing, and they won't pay the vendor for this pros-

thetic until he puts it on, which is in direct defiance of his surgeon's orders to not weight bear.

So we are very concerned about having a more streamlined process right now, integrating community care, but integrating it directly with the veteran, specifically with the caregiver, because we don't have that option to go direct to vendor right now for repair or authorization. We have to go through several channels within VA, including proving that the servicemember still requires some of these devices.

Mr. PITTENGER. Ms. Seekins, would you like to respond to that?

Ms. SEEKINS. I will need to take this for the record to look into this case specifically. It is very hard for me to answer that question in a general form.

I know that prosthetics is one of our foundational services, as you know. The Secretary has asked that we all focus on our foundational services, and within VISN 6, specifically at Fayetteville, we have made great progress in prosthetics with same-day services. I have had the opportunity to work with Ms. Verardo on specific cases, so we are making improvements.

Are we where we want to be? No. We are looking at an orthotics lab. We are moving forward with many things so that we can provide those services to our veterans in a more timely manner. But as far as this case, I would need to look into that specifically.

Mr. PITTENGER. Again, Mr. Laterza, we are really grateful to have you here. Your leadership is extraordinarily important. The 200,000 servicemen and women who are entrusted to you, the dedicated professionals there to address their needs is really of great merit.

Ms. Verardo, I would like for you to take the last minute or so to give any candid, thoughtful, concerned advice to Mr. Laterza on what you would hope to see and what you think could be done to better assist him to do what I know he wants to do.

Ms. VERARDO. Thank you. I am very encouraged by new leadership. Ms. Seekins has been truly a breath of fresh air, and she and I have a shared goal. Although we are a national organization, I want VISN 6 to be the best in the country, and I think we are going to work together to make that happen.

As a caregiver to a catastrophically wounded veteran, empowering the caregivers is vital. I have had to place my power of attorney—I make my husband's medical decisions for the most part. I have had to place power of attorney on file with each individual different provider within VA. There is no consistency. Some providers will demand to still speak to my husband. I explain that it is very difficult for him to speak by phone or to understand some of the complex medical issues. So I think empowering the caregiver is vital and really working with the right community providers for actual choice and much quicker integration for cases like ours and the clients we represent at The Independence Fund. We represent thousands of those that are catastrophically disabled. We have awarded more than \$50 million in direct support to these families.

The catastrophically disabled, something can become—what is routine for another person is a life or death issue very quickly. So we would like that special classification and the formularies that reflect that. Thank you.

Mr. PITTENGER. Thank you very much.

My time has expired.

The CHAIRMAN. I think we will have enough time for, let's say, 3 minutes each, if there are any further questions.

I do want to—I know that you have been at Landstuhl. I will be making my fourth trip there in about a month. For those of you all who are not familiar, the reason what Ms. Verardo is saying is so important is all of us have been to Afghanistan. I have been multiple times. During the Vietnam War, from the time you were injured until you got to a Level 3 center was 21 days. It took us that long.

If you are injured on the battlefield today, and I have been all over Afghanistan, you can go from battlefield injury to reaching out to Bagram, then a regional surgical hospital, like in Jalalabad or wherever, to Landstuhl, to Walter Reed, and you can make that trip sometimes in less than 72 hours.

If you see the flag, the American flag at Bagram, you have a 95 percent chance of surviving your injury. It is remarkable what we have done and the improvements that have been made in care. But it only begins there. We owe these veterans, like Mrs. Verardo, who is a true hero for me—I want to tell you that right now. What you have done to advocate, this is a lifetime commitment. This is not when we get you. This is a lifetime commitment we have, and I think your special category that you mentioned is something we can look at.

There are some other things that just make common sense. If you are a veteran and you have lost a leg, you have lost a leg and you are not going to have that leg back. And if you need a wheelchair and it needs to be repaired, why don't we just have one there for you while your wheelchair is getting repaired? We should be able to fix that pretty easy, just here is another one to use, a loaner, just like when you take your car to get the oil changed sometimes you get a loaner. You do that. So there are some things we can definitely do that will alleviate these simple things that you bring up that the bureaucracy gets hung up on, just little common-sense things.

I want to thank you specifically, because the first time I met you was at the White House, and then later at our caregiver roundtable.

Folks, you have a real champion sitting in North Carolina here, I want to tell you that. She is not just for catastrophically wounded veterans but just veterans in general.

Mr. Hudson?

Dr. Dunn, I'm sorry.

Mr. DUNN. Thank you very much, Mr. Chairman.

I want to focus on some of the niche areas of medical care. Sometimes that is internal medicine, like a specialized neurological problem or an immunological problem or a radiation treatment problem, or a surgical problem. Since I am a surgeon, I am going to stick to that area.

Currently, any veteran who goes on the organ transplant list has to go to one of the 13 Veterans Affairs transplant centers. There is a rule that compels that on them. And none of those 13 centers performs all the different types of transplants. So we have veterans

from Fayetteville who have to go to Michigan or Pittsburgh, or maybe farther than that, to get transplants.

Now, we know that the veterans who go on the transplant waiting list, on the veterans list, wait on average 32 to 34 percent longer than people on civilian lists. In fact, they have higher mortality rates because of that. They fail to get the transplant and die on the list, if you will.

I am going to ask you about including transplants in the Choice program. Let the veterans go to a transplant center that is near them. Transplants are a unique form of surgery, very time dependent. So we know that the closer you are to the transplant center where you are being treated, the much better chance you get the transplant, but also it involves multiple trips to that transplant center. So if I have to go to Detroit again and again and again, both pre- and post-op, my chances of doing well are going downhill.

So I am going to ask you about what do you think the chances are that we can include or remove this rule to compel them to stay in the transplant program in the VA and let them use the transplant centers, the Medicare-approved transplant centers that are near them. You have two right up the road here.

Ms. SEEKINS. Yes. Thank you. This has been in place for many years, and you are correct, sometimes you have to go to Minneapolis, sometimes you have to go to Kentucky.

Mr. DUNN. In the winter.

[Laughter.]

Ms. SEEKINS. They are known as Centers of Excellence for the transplants. We also have many of our hospitals that have strong affiliations such as Richmond and VCU, where the transplants are coordinated between the two.

Dr. Bazemore is our physician on the panel, and I am going to ask Dr. Bazemore to comment on that, please.

Dr. BAZEMORE. We do have these Centers of Excellence which perform transplants, and we had this discussion recently at a surgical summit in Durham, and the actual surgery office chair was there. The subject of transplantation came up, is it good for the VA to be in the transplant business, and it was a resounding yes. The reason being is that not only is it providing the care for our veterans, but also the accompanying services that support a transplant program in these Centers of Excellence also are being sharpened by having this service available.

That being said—

Mr. DUNN. We are constrained by the clock again. I want to talk to you afterwards, but I will point out for the audience in general that at least one of the Centers of Excellence does not meet the criteria to be reimbursed under Medicare for transplants. But we will talk about that after this because my time has expired.

I yield back, Mr. Chair.

The CHAIRMAN. Dr. Dunn mentioned that he was going to poke around. He is a neurologist, so be careful when—

[Laughter.]

The CHAIRMAN. Anyway, Mr. Hudson, you are recognized.

Mr. HUDSON. Mr. Chairman, we almost made it through the whole hearing without you saying something like that.

[Laughter.]

The CHAIRMAN. I couldn't help myself.

[Laughter.]

Mr. HUDSON. I appreciate that, and I appreciate the focus Dr. Dunn has on transplants. I just dealt with a soldier, or a sailor that we were able to get to Duke University to get a transplant, and he was very close to not making it. He is now taking 57 pills a day just to not reject that. But it is a very tough surgery. But being close to your base of support and your family, your friends, is really important. So I think your work to keep folks near where their support system is is really critical, so thank you for that.

This may be the last chance I get to talk, so let me just say also thank you to Dr. Larry Keen for hosting us here at the college, one of the best colleges in the country. Certainly, no college does more for our soldiers and our veterans. Thank you for all the great programs you have here.

[Applause.]

Mr. HUDSON. I also want to introduce my staff, because I see a lot of folks here and I appreciate you all being here today. If anyone needs help with an issue with the VA, please see one of my rock star staff members here. I am going to introduce them.

I will introduce the general, Chris Carter, but we know the sergeants do all the work.

[Laughter.]

Mr. HUDSON. Chris Johnson, raise your hand. He works here in our Fayetteville office.

George Lozier, raise your hand. He is the head of our case work operation across the district.

[Applause.]

Mr. HUDSON. These two ladies, they make me look really good because they do a lot of great work on behalf of our veterans. If you are here today and you need assistance, please see one of them before you leave. Don't leave without doing that.

Billy Costand, my district director; and then the bearded one behind the cameras, Chris Maples, also works here in the Fayetteville office and also in the Moore County office. Please see one of these folks if we can assist you in any way.

I wanted to go to Ms. Verardo. Thank you so much for being here. I kind of choked up a little bit during your testimony, to be honest with you. When I first met you and Mike was in a wheelchair and could barely communicate, he was in tough shape. And then when you walked into my office, it is an emotional thing. But thank you for what you do and your advocacy. It is incredible.

In your written testimony you talked a little bit about the flexibility that the catastrophically wounded have in terms of being able to choose your provider. Could you talk a little bit about that?

Ms. VERARDO. Absolutely. We think it is vital. We are insured, of course, through Medicare and Tricare for my husband. In those systems, he is deemed competent to choose his own provider, and then suddenly he is in the VA system and he is deemed incompetent to choose his provider. These are veterans, active military, that we are trusting to make tremendous decisions for national security purposes, and then we are telling them as soon as they enter the VA system that we deem them incompetent to even see who they can go to, the doctor of their choice.

We would like to see major reform around that certainly, but a special category and designation for catastrophically wounded so that in terms of wait times, priority lists—the VA, of course, has priority lists and systems that we don't feel—and I can tell you personally for me, they are not utilized properly. We would like to see real change around that.

Mr. HUDSON. Great. I appreciate that.

Mr. Chairman, I believe I am out of time again, so thank you.

The CHAIRMAN. Thank you.

Mr. Pittenger?

Mr. PITTENGER. Thank you, Mr. Chairman.

I would like to also introduce Bob Becker. Bob is our expert who has dealt with these issues for the last 15 years, and we really appreciate his work.

Tom Guthrie is with my team, as well as Jake Caldwell is here in the Fayetteville office, and he will be responsive to you.

Mr. Chairman, you mentioned that there are around 350,000 individuals who work with the VA around the country. In any organization you have an A team and a B team, a C team, various groups of people who respond in a different manner perhaps. Some are more responsive, more capable, than others.

I would ask you this, Ms. Seekins. Does the Director, Mr. Shulkin, Mr. Laterza, do they have the adequate authority to keep the right people, to promote the right people, to fire the right people, to make sure that we have the best folks? There have been so many GAO reports, 60 Minutes, so much that has been done to characterize, maybe good and bad, the VA and the quality of the care and the quality of the people in VA. That is really the bottom line to our veterans. Have we done enough legislatively to enable Mr. Laterza to be the effective leader that he needs to be?

Ms. SEEKINS. Thank you for that question. And, yes, the new legislation, the accountability bill, has given us much more authority. I have not worked with Mr. Laterza yet as a senior leader to senior leader, but I have no doubt that he is going to be a person who holds his staff accountable.

Mr. PITTENGER. I wouldn't question him, his ability, but the appeals process could go on for years sometimes. Have we streamlined it enough? Have we given it enough teeth for him to do what he needs to be able to do? He is extremely capable.

Ms. SEEKINS. Yes. There is only one loophole in the accountability bill that I have found challenging, and that is I can hold my staff, I can hold leaders accountable, but if they file a whistleblower, then any action against them goes on hold until that case is resolved. So I cannot remove them. It goes on hold.

Mr. PITTENGER. Thank you very much.

I yield back.

The CHAIRMAN. I thank you for yielding, and I appreciate very much everyone being here. To both the Carolina congressmen, thank you very much for inviting us down, and thank all of you all. My goodness, I didn't expect a room full of people. I thank the veteran service organizations who are here. It is great work you guys do and gals do advocating for veterans. You do an incredible job. We just finished five hearings listening to all the veteran service organizations in the country just in the last week.

Does anyone have any closing comments they would like to make?

Mr. DUNN. I would just say thank you to both Robert and to Rich, and to the college president, and to our panel.

Mr. HUDSON. I would just like to thank the panel for being here and giving your testimony. It is very important that we continue to get this on the record so that we understand. There has been a lot of work done, but there is a lot of work left to do, and we have a lot of challenges we continue to face, and it is important that we not only understand the challenges but understand how to fix them and where do we need to go to make this right and get the best care for our veterans that we can possibly get. I think everyone in this room agrees with that. That is our end goal.

I want to thank the Chairman again for bringing the Committee here. I go to Washington every week we are in session and take your interests and try to represent you the best I can. In this case, I get to bring Washington to you and let your voice be heard in that way, too. So I appreciate that opportunity.

The CHAIRMAN. Thank you.

Mr. PITTENGER. Mr. Chairman, I would like to say thank you as well. This means so much to the veterans. And, Richard, the same to you.

I would say to those of you in a position to lead, I believe your hearts are in the right place. It is a big bureaucracy. We need to streamline it down so that it takes care of that individual person. You don't walk over people to affect the world. It is one person at a time. So, thank you very much.

The CHAIRMAN. Thank you all.

I want to give a shout out to my team. I would like for them to stand up. They are a part of my staff in Washington, D.C. on the Veterans' Affairs Committee.

Alex Larch. Alex has been with me since back at day 1 I have been in Congress.

Alex?

And Samantha Gonzales, and Christine Hill. Christine is a—we were driving down the 405 in Los Angeles rather briskly, and I said, "Christine, what did you do in the military, in the Air Force?" She said, "I was a B-1 bomber pilot."

[Laughter.]

The CHAIRMAN. And I said, "Well, maybe we can slow it down a little bit."

[Laughter.]

The CHAIRMAN. Anyway, thank you all. They have done a great job of putting all this together.

[Applause.]

The CHAIRMAN. I think I can speak for all of us. Truly, you don't know what you are going to do with your life when you finally grow up, practice medicine for 31 years. But it is a true privilege to serve our Nation's veterans.

I had someone text me today about what an awful job we are doing in Washington, and I said, you know, we are doing some things that I probably don't agree with, but we are doing some things right. And the old statement that freedom isn't free is correct. I think I speak for every one of us up here.



There are a couple of things I never apologize for spending money on, and we did it yesterday. Number one, if you are a warfighter, I want you to have whatever you need to take care of yourself and carry out your mission, number one.

[Applause.]

The CHAIRMAN. I have been at the tip of the spear. I know what that is like.

Number two, I want you to have, when you come home, whether you have been injured or not, I want this country to provide for you the things we promised you we would do in a timely fashion. That is our job here today. It will never be done. We will never get it all right.

I am a category 8. I am blessed. I have great health insurance. That category means I make too much money to go to the VA. I wouldn't want to be in front of a disabled veteran. I have care outside the VA. I think many of us feel like that. I speak to veterans every day who feel like that.

But I want to thank everybody. I know this community. I grew up in Clarksville, Tennessee, which was the home of the 101st Airborne Division. They don't have necessarily good things to say about here—

[Laughter.]

The CHAIRMAN. But anyway, I will keep that to myself. What happens in Clarksville stays there.

But seriously, I grew up in a community like this, and I know how important the military, the culture is for this part of North Carolina, and how deeply the people care about the active-duty military and veterans in Fayetteville and this whole region of the country. Thank you for that. That wasn't the case always. At the end of Vietnam, that was not the case.

I want to thank you for how you treat our veterans today. It is very much appreciated by this old veteran, I can tell you that.

If there are no further questions, I want to once again thank our witnesses for all you said here today, and all the audience members who have taken your morning to be here with us. It has been a great pleasure to be in North Carolina where I don't need a translator to understand everybody. In California that is not the case, or New York. And I look forward to taking back these things. I made a few notes, and so have my staff, and suggestions of little things that maybe we can get done right quickly.

I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks, including extraneous material.

Without objection, so ordered.

The hearing is adjourned.

[Whereupon, at 11:28 a.m., the Committee was adjourned.]

## A P P E N D I X

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### Prepared Statement of David W. Catoe

Good Morning. I want to thank this committee for the opportunity to speak on behalf of Atrium Health system, formerly known as Carolinas Healthcare System. Atrium Health has always had an outstanding relationship with our Veterans in all communities we serve and we consider it a privilege to provide medical care to them. In fact, our health system has been recognized numerous times for supporting military personnel and Veterans through awards such as the Secretary of Defense Freedom Award, the Secretary of Defense Patriot Award, and being a Top 10 Military Friendly Employer. As we work to further support our Military Veterans, I would like to take a few minutes to highlight some of the issues Atrium Health is working to overcome in coordinating claims administration with the VA programs.

**1. Medical Records** - Atrium Health often submits hard copy medical records multiple times to the VA for the same patient encounter because the VA is unable to locate and match up the records with the claims. This not only places a burden on the hospitals administratively, it also presents potential HIPAA/Privacy concerns since the VA appears to be unable to account for all the medical records that it has received from Atrium Health. Since VA will not pay a claim without the medical records - hospitals have no option but to continue sending records when requested time after time again. Our other commercial payers have payer portals through which we can upload medical records and other required documents directly to the payer for attachment to the claim - avoiding the printing and mailing of sensitive medical record information. VA should implement a HIPAA-compliant system for the electronic transfer of medical records and other documents needed for payment, similar to other payers who adjudicate claims.

**2. Authorizations** - When Veterans present for medical care at Atrium Health, we treat them as our first priority - regardless of the administrative workings going on in the background. Most Veterans don't know the authorization number when they present and we often must obtain the number after the fact. Because there is both a clinical and claims component in the authorization process, there are hand-offs occurring which often leads to trouble during claims administration. For example, VA faxes authorizations to a fax number in Clinical Case Management (CCM) at our hospital. This can be problematic to ensure that number also appears on the claim form days or weeks later. VA Choice often cannot provide us the authorization number when we call for it. Without this authorization, the claim will not be paid. It would be much more efficient and convenient for everyone if the VA could establish a portal so that authorizations could be pulled by the provider electronically and added to the claim as needed. This would eliminate unnecessary calls to the VA for the authorization number and improve the service provided to the Veteran.

**3. Excessive Hold Times** - Atrium Health claims specialists experience excessive hold times when calling into the claims center to check on the status of claims. It is not uncommon to be on hold from 30 minutes to three hours before reaching a VA or VA Choice claims representative. For VA Choice claims, we are only allowed to ask about three claims at a time before having to call back and go through the entire waiting process again to follow-up on additional claims. This is extremely problematic when we have thousands of outstanding claims with the VA and VA Choice at any point in time. We have also had to leave phone messages and emails with provider relations in the past since we could not contact a live person - but rarely do we ever receive a reply. The claims specialists at Atrium Health who work VA claims are often frustrated and demoralized due to the stress encountered as their productivity is hard to achieve when spending so much time waiting for assistance. More VA claims representatives are needed to handle the volume of calls received to avoid these excessive wait times for assistance.

**4. Education** - VA needs to provide better education to the providers as well as the Veterans in explaining the different programs available for their care and the requirements for each program. Currently, these programs are very confusing to even an experienced VA claims specialist. I cannot imagine the confusion that many Veterans experience in trying to coordinate their care with VA. For example, many Veterans believe VA acts like an insurance policy when it in fact does not. An excellent example is the Other Health Insurance (OHI) amended regulation dated January 9th, 2018 wherein VA advised that providers should bill any available health insurance before VA and VA would be secondary to OHI for emergency services. However, VA is an entitlement and not an insurance program, thus they do not pay deductibles, co-insurance, or co-payments incurred by billing the OHI. Veterans still believe the hospital has the option to bill VA over OHI and we are at fault when the Veteran has a \$1,000 plus deductible to meet - stating we should have billed VA first. The more communication and awareness there is on how these various programs work, the less confusion and more efficient processes we can have in place to serve our Veterans.

Again, thank you for allowing me the privilege to discuss some of the opportunities our health system believes can improve our Veterans' experience as we provide medical care and the subsequent filing of claims with VA, VA Choice, and ChampVA. We are pleased to work with you and the VA to make the claims process more streamlined, efficient and friendlier to our Veterans.

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#### **Prepared Statement of Sarah Verardo**

Dear Chairman Roe, Representative Walz, and Members of the Committee, thank you very much for inviting me, as Executive Director of The Independence Fund, to testify before your Committee here today. I am Sarah Verardo, Executive Director of The Independence Fund, headquartered here in North Carolina, in Charlotte. I also wish to give special thanks to Representative Hudson of North Carolina for recommending The Independence Fund testify today in this field hearing. Representative Hudson has been an amazing friend to The Independence Fund, and the strongest of champions for Veterans here in North Carolina.

Only 10 years old, we were founded in 2007 with the very specific purpose of assisting the most catastrophically wounded veterans from the Iraq and Afghanistan conflicts with adaptive mobility devices, and returning to them, at least in part, their independence. Since those humble beginnings, The Independence Fund's grown to also provide assistance for the caregivers of the catastrophically wounded and disabled, assistance to adaptive athletes and teams, wellness programs to combat the scourge of veteran suicide and post-traumatic stress disorder, veteran service programs to navigate the overly complex VA health care and benefit systems, advocacy programs to change the laws and regulations that unnecessarily limit veterans access to their earned benefits, and our newest program, Heroes at Home, which will assist the children of the catastrophically wounded and disabled.

To date, The Independence Fund's provided more than \$50 million in assistance to the catastrophically wounded and disabled and their Caregivers. This includes more than 2,200 motorized cross-country wheelchairs, 1,500 adaptive bicycles, and more than 150 Caregiver support retreats.

#### **The Problem: An Unresponsive VA Health Care System**

But throughout those last 10 years, we've repeatedly found our best efforts hamstrung by a VA health care system that systematically and repeatedly fails to serve the very Veterans it was established to assist. While the medical care given by the individual medical providers is usually superb, that care is far too difficult to access and we find the medical care providers repeatedly thwarted by a medical administration bureaucracy seemingly more intent on preventing fraud and cutting costs than in optimizing care delivery for Veterans.

#### **The Promises of Health Care Choice**

Mr. Chairman, The Independence Fund was heartened by the President's campaign promises to finally allow Veterans to be the masters of their own health care choices. Many of our clients are medically retired from the military due to their catastrophic wounds, and as such receive Tricare health care benefits. They can choose their health care providers, both at military treatment facilities and outside the Department of Defense. Similarly, many of these catastrophically wounded are eligible for Medicare, where they can choose pretty much any health care provider they want that participates in the Medicare program. Finally, the Caregivers under

CHAMPVA are given wide latitude to choose their health care providers within the CHAMPVA system. In all these systems, the federal government finds the individual patient fully competent to make their own health care choices.

But for veteran within the VA health care system alone, none of those choices are available. The veteran is considered incompetent to make any of their own health care choices and must rely on the beneficence of the VA bureaucracy to make proper medical choices for them. This, despite the stacks of Inspector General reports that finds that same bureaucracy engaged in deception to hide unqualified doctors committing malpractice; that details how that same bureaucracy is unable to deliver mandated health care on anything approaching a medically indicated schedule; and reveals a repeated unwillingness of that bureaucracy to critically examine its own practices or procedures, nor to explore the root causes of its multiple failures.

This year, this Session of Congress, is the time to deliver on the President's campaign promise and deliver true and real VA health care choice. All parties involved in this debate understand the current VA Choice program is a stop gap measure until a consolidated, robust, system wide network of community care is provided to Veterans. While we supported the compromise proposal to the recent Omnibus Appropriations Act - which combined a version of consolidated, expanded access to non-VA community care, and expansion of the Caregiver program, and a review process for the VA's capital assets - as of the writing of this testimony, we joined many other Veteran Service Organizations in our disappointment that the final deal was not agreed to for lack of universal agreement amongst all Congressional leaders.

#### **Limiting Non-VA Care to Only That Prescribed by VA Doctors Will Not Work**

Mr. Chairman, we cannot give up on passing real VA choice legislation. Veterans cannot wait any longer. While we appreciate the work the House and Senate Veterans Affairs Committees accomplished with their respective Committee passed bills, we are concerned both bills continue to rely on the VA to determine when and where Veterans can access non-VA care.

Again, while the health care providers will usually seek optimal care for the Veteran, our experience is they are usually thwarted by the medical administration bureaucracy seemingly more intent on stopping perceived fraud by the very Veterans who defended this country, or to save money on the backs of the Veterans whose doctors believe they need this non-VA care.

Let me give you an example. My husband, Mike Verardo, lost his left leg and much of his left arm in an IED explosion in Southern Afghanistan. His residual left leg suffers numerous skin infections that make the prolonged use of prosthetic sleeves dangerous and expose him to potential reinfection. Unfortunately, until recently the VA medical administrators refused to issue Mike more than two prosthetic sleeves every six months. VA has repeatedly cited this as policy to me and other amputee Caregivers, and our workaround included numerous direct appeal from Mike's own VA doctor to others within the same VA system and Congressional intervention. Mike's VA surgeon has prescribed a specialized prosthetic sleeves nine times, and each of those nine times, the VA's medical administrators denied those prescriptions. His surgeon was never consulted or notified that her prescription was rejected, it simply was never sent to us.

This, Mr. Chairman, is why we cannot continue to rely on limiting access to non-VA care to that which is prescribed by a VA health care provider. Experience has shown the VA health care providers are powerless to prescribe non-VA care when VA medical administration bureaucrats have every incentive to deny that care and have every power to do so. Only when individual veterans have the authority to choose their own health care provider, whether that be within the VA or be non-VA care, will Veterans be able to access optimal care in a timely fashion.

#### **Wheelchairs and Prosthetics**

This brings me to the specific issue of wheelchairs and prosthetics. Mike's and my personal experience, and the experience of our clients, is that the VA cannot deliver wheelchair and prosthetic repairs and replacements in a timely manner.

For example, when Mike was retired from the military and we moved back to Rhode Island, his prosthetic leg was damaged, but we had to wait 57 days for a VA medical administrator to sign a form authorizing the repair of the prosthetic. Eventually, the prosthetic vendor grew disgusted with the VA and provided a new prosthetic without authorization, risking non-payment. In the meantime, I was forced to duct tape Mike's leg to keep it even somewhat operational. More recently when I requested a wheelchair repair or replacement from VA, I was told that they'd need to evaluate if Mike still had injuries that required wheelchair use. Please keep in mind that limb loss is permanent.

The VA Inspector General released a report last week detailing similar problems with wheelchair and prosthetic repairs in VISN 7. The first remarkable item in this report is that the VA apparently has no standard for how long it should take to repair wheelchairs and scooters. Second, the VA IG found the average wait time was 99 days. Some of the Veterans researched in this study were bedridden for more than 100 days while their wheelchairs were being repaired.

Lastly, the VA IG detailed the repair administrative process. That process seems incredibly complex and unnecessarily duplicative. A simple process review would likely be able to trim substantial time and steps from this process. The Independence Fund recently met with the Central Office Prosthetics and Wheelchairs Department, and we are hoping to enter some Memorandum of Understanding with the VA to help them improve those processes. We request your support with the VA to enter into such an agreement with us.

But again, Mr. Chairman, we do not believe there are any circumstances where the VA will be able to adequately respond to Veterans' prosthetic and wheelchair repair and replacement needs. Having to wait until the point of failure for the VA to even initiate repair or replacement action and having no spares available for the Veteran to use in the interim, highlights a system unresponsive to the basic needs of disabled Veterans. Even the 30-day repair standard the VA IG arbitrarily applied in their report (since the VA does not have its own repair/replacement standard), is unacceptably long. Therefore, we recommend Veterans be allowed immediate access to non-VA care for the repair or replacement of prosthetics, wheelchairs, and scooters.

#### **Standards of Care and Formularies for the Catastrophically Disabled**

There is, unfortunately, a broader issue at hand which we see with many of our catastrophically disabled clients, Mr. Chairman. For the catastrophically disabled, even minor delays in accessing medical care can quickly devolve into life threatening emergencies. What would be a minor inconvenience for a Veteran suffering from one or two isolated disabilities, can be a matter of life or death for a catastrophically disabled Veteran.

Like the example with the prosthetic sleeves, most formularies and standards of care appear to be designed in isolation for that one specific malady and fail to consider the interaction of multiple traumatic wounds and injuries sustained by the catastrophically wounded and disabled. In such situations, the catastrophically disabled Veteran finds themselves unable to receive the care they need in time to prevent additional maladies from occurring which exacerbate the Veteran's illnesses and disabilities.

The VA community care expansion legislation you recently negotiated, Mr. Chairman, to provide automatic access to non-VA care where VA facilities fail to meet established access standards, and to provide access at the discretion of the Secretary where VA facilities fail to meet VA established quality standards, may also be insufficient to protect the health of the catastrophically disabled. The medical needs of the catastrophically wounded and disabled are far different than those with non-catastrophic disabilities. Hence the special VA classification for the catastrophically disabled. But access and quality standards must also consider the special requirements of the catastrophically disabled.

Therefore, Mr. Chairman, we recommend any future legislation to define when and where Veterans are eligible for non-VA care should establish separate, specific access and quality standards for the catastrophically disabled which will be applied, and under which catastrophically disabled Veterans can qualify for non-VA care, even if the standard access and quality standards are otherwise met. Similarly, we believe the VA should be directed to establish separate formularies specifically for the catastrophically disabled that consider the unique and complex nature of their disabilities.

Thank you again, Mr. Chairman, for the opportunity to appear before this Committee today. I look forward to answering any questions you may have.

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#### **Prepared Statement of Staff Sergeant (SSG) Retired Gary B. Goodwin**

Mr Chairman, House Veterans' Affairs Committee Members present, Congressman Richard Hudson, other Invitees and Guests. I am humbled that you have invited me to this field hearing today and welcome you all to the great city of Fayetteville, North Carolina. Our city motto is History, Heroes, and a Hometown Feeling and that can be seen anywhere you travel in Fayetteville. I am proud to call Fay-

etteville my home for the past 30 years. Fayetteville is the home of Fort Bragg where duty, sacrifice and love of our great country is on display 365 days a year.

Before I offer my testimony, I want to make clear to the Committee and all in attendance that any issue(s) I currently have with the Fayetteville VA Medical Center (FVAMC) are administrative in nature. I have been receiving 100% of my medical care thru the FVAMC since 1994 (24 years) and am 100% satisfied with the EXCELLENT level of care provided to me. I often tell people not to believe all the negative press they hear about the VA in general. Why? If my experiences with the FVAMC are any indication of what the VA offers, I am hard pressed to believe every negative story in the media today. Is the VA system perfect? No. Show me any large scale medical system in the world that is!

In that vein, I would like to offer my personal thanks and recognize my Primary Care Provider Dr Abul K. Azad, MD and his Staff Nurses Lillian Figueroa and Tracy Ford for all they have done for me. Time constraints do not allow me to also thank countless FVAMC Staff Members who have also offered me quality care and compassion. I am thankful for what they do for this Veteran!!

The past four years have been medically challenging for me. Three major surgeries, two minor surgical procedures, numerous hospitalizations and countless ER/Urgent Care visits. This includes experiences with the FVAMC, Veterans' Choice and Non-VA Care.

I was asked to speak to with the Committee regarding a specific issue that, as of today, has not been 100% resolved.

I have encountered an issue with the VA that I have been unable to resolve on my own after repeated attempts to do so. Non-payment of Non-VA medical expenses that have been approved by the VA for payment. I offer my testimony regarding this issue as I imagine I can not be the only Veteran this has happened to.

On July 22, 2016 (Friday), I sought ER care at a Non-VA Facility for issues related to a recent thoracic/chest surgery. I followed the appropriate procedure(s) and notified the FVAMC of same the following Monday (July 25, 2017). After several inquiries, I finally received a letter from the FVAMC, dated January 13, 2017, stating this episode of care has been verified, claim approved by "Salem" and pending payment.

I learned recently that the VA has finally began making payments to the ER providers now 24 months post dates of service. It remains unknown to me if the VA has communicated with the providers to advise of payment delays or specific reasons for payment delays. I have previously made repeated inquiries to the Fayetteville Non-VA Care Office and the Fayetteville VA Director's Office without success.

I contacted the VA Office of the Inspector General (OIG) and received a response stating they do not investigate these matters. The OIG urged me to contact the VA Compliance and Business Integrity Office (CBI) regarding this matter and provided a name and e-mail address for contact. I sent an e-mail to the named CBI official seeking assistance. I have not received an acknowledgement or response to date.

I contacted my Congressional Representative Mr. Hudson on November 6, 2017 for assistance. Mr. Hudson's Deputy District Direct, Georgia Lozier, has been very helpful in seeking a resolution on my behalf.

I have also been in contact with our local ABC television affiliate ABC 11 WTVD, in Raleigh. Their Trouble Shooter has been in contact with the VA on my behalf and is preparing a televised report about their efforts to assist.

I have extensive documentation/names/dates to support my claimed inquiries.

The ER providers have been contacting me with threats of lawsuit(s) or collections. I have provided each ER provider with a copy of the VA payment letter mentioned above. One provider has now attached a negative balance due to my credit report with Equian. This has resulted in my rejection for a home equity loan that was submitted to my mortgage company in November 2017. Additionally, my credit score has dropped from 820 to 670 as a result of non-payment by the VA.

The EMS provider turned my account over to collections and posted a negative balance due to my credit report with Equian. This has resulted in significant damage to my ability to gain credit for home improvements, new household furniture and co-signing for my son on his recent new vehicle purchase. My 25 year old son's credit score is 780. How does my 25 year old son achieve a greater score than me?? I have preached to him over the years regarding the importance of financial responsibility as a good credit standing "makes the world go around".

The EMS provider, Brunswick County EMS, is now attaching a garnishment to any tax refund I may receive from the State of North Carolina? I am attaching a copy of their letter to me dated 11/30/17 for your review.

I contacted each provider in January 2018 for status:

Brunswick County EMS - Called provider and offered my private health insurance, United Healthcare (UHC), information for payment. Same was declined as provider will not bill insurance for services > 1 year old. I submitted a manual claim to UHC for consideration and pending. UHC will likely not cover as claim filed > 1 year post date of service 7/22/16.

Novant Health (ER) - Called and spoke to Financial Services Representative. Novant has written off my entire bill as uncollectable and the current balance due is \$0.

Carolina Health Specialists (ER MD) - Called and spoke to Representative, provided my private health insurance information. Provider will file claim with UHC.

Delaney Radiologists PA (ER Radiology) - Called and spoke to representative, I paid \$46 balance due out of pocket.

On February 15, 2018, I received an update from Ms. Lozier and was advised that an un-named VA Representative providing her the following statement:

“Good morning Ms. Lozier, Our apologies for the delay in processing this claim. Our payment center had previously suspended the claim for Pending VA/Office General Counsel Millennium Health Care Act decision (Emergent care for a non-service connected condition) because the Veteran had other insurance and after clinical review it was deemed that it was unrelated to his service connected condition. The letter dated 1/23/17 was subsequently sent to the Veteran from the Fayetteville VAMC, our payment center office was not aware of the letter, nor was aware that the VAMC had authorized the emergent care as a result of complications to previous authorized surgery. However, the VAMC did not enter the authorization into their system until 2/7/18.

The following claims, UB #600609 and HCFAs 2296422, 2306945, 3539367 for providers Novant Health, Delaney Radiologist, and Strand Physician Specialists were processed immediately after authorization entry and were sent to payment on 2/9/18. The claims associated to the hospital are in batches pending release for payment. The ambulance claim will be processed by the VAMC Beneficiary Travel Office since the transport is authorized.

We have reached out to the VAMC to share this example with them and we will make every effort to improve communication between the VAMC Fayetteville and our payment center office so this issue does not happen again.

Again, we apologize for the delay in processing payment and the inconvenience caused to Mr. Goodwin. Please let us know if additional information is needed”.

On March 3, 2018, I received written notification from the FVAMC that the ER, ER MD and ER Radiology services have been paid and in what amounts. There was no mention in the letter that the EMS provider has been paid and what, if any action(s), the FVAMC would take to assist me with removing the negative post to my credit report.

On March 15, 2018, I e-mailed a local FVAMC Non-VA Care Supervisor about the pending payment to the EMS Provider and a conversation that I just had with member of the FVAMC Beneficiary Travel Office. I have redacted names and phone numbers due to privacy issues.

“Paragraph 2 from the February 15, 2018 update states the EMS bill to be paid by VAMC Beneficiary Travel Office. Correspondence I have received, from other sources regarding the EMS bill, indicated a person named “X” was the point of contact. So, I just called the FVAMC and asked to speak to “X” in the VAMC Beneficiary Travel Office. I then spoke to “X”. He stated payment for EMS transport was “sent to Texas” and became somewhat frustrated when I asked for clarification. He could not or would not say if payment has been made or when?

I asked for his Supervisor’s contact information, called “Supervisor Y” and left a message for callback regarding payment of the EMS bill from 7/22/2016 and assistance with removing the negative entry from my credit report.

The FVAMC Non-VA Care Supervisor called me later in the afternoon and advised the authorization for payment of the EMS bill was approved and payment would be forthcoming from a VA Payment Center in Texas. She could not definitively say when payment would be made or what action the FVAMC would take to assist me with the removing the negative credit report posting.

I have yet to receive a response from “Supervisor Y”.

As of today, and a full 24 months after my ER visit on 7/22/16, I remain hopeful that the EMS payment in question will be paid and the FVAMC will offer its full assistance in repairing the damage to my credit report. I will happily provide the Committee with any documents they require.

Thank you, Mr. Chairman, the Committee and Mr. Hudson for all you do to support our nation’s great Veterans.

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### **Prepared Statement of CMSgt Daryl Cook**

Good morning Chairman Roe, Dr. Dunn, Congressman Hudson and Members of the Committee on Veterans' Affairs. It is truly a pleasure to be provided the opportunity to share my experiences as it relates to the Veterans Administration and more importantly share many positive experiences. I will also provide some issues within the program I feel are recommended areas of improvement. While I currently serve as the Installation Fire Chief assigned to the 145th Airlift Wing my testimony are my views and not those of the 145th Airlift Wing or the North Carolina National Guard.

#### **Introduction**

As mentioned, I serve as the Installation Fire Chief to the 145th Airlift Wing in Charlotte where we mutually respond with Charlotte Fire Department to emergencies at Charlotte Douglas International Airport, the sixth busiest airport in the country. Additionally, our mission includes providing emergency services support for Stanly County Airport. I have 32 Drill Status Guardsmen and 24 North Carolina State Employees to assist in providing coverage to these locations.

#### **Background**

With a varying number of personnel between military and civilians I have the opportunity to serve with many individuals who deal with the Veterans' Administration and typically information I receive is positive in nature. Close to 100% of my personnel have deployed so many have direct interaction with the VA prior to and after their deployment. Most of the information I provide is positive in nature but as with any program, improvement to the process and overall goal of providing the best care to our veterans can always get better.

#### **Input from the Field**

MSgt Christopher Johnson is also assigned to the 145th Airlift Wing and when asked about his interaction and service with the VA, he had nothing but favorable comments about his experience: staff was very friendly/professional and informative with the services they provide; facilities utilized were clean and in good condition; was able to get referred to a nutritionist and eye doctor in a timely fashion and when he needed services from the Emergency Department in Charleston, SC he received prompt and excellent service.

CMSgt (R) Pete Hazleton previously assigned to 145th Airlift Wing now assigned as a State Firefighter with the Air National Guard utilizes the VA's medication program and primary physician program with positive success. There are difficulties and concerns in scheduling appointments; it takes excessive time to get an appointment, may be months out, and the process for making the appointment and getting a referral is not an easy one. When directed to have lab work done it typically takes an extended period of time and many times orders are not there when you arrive to have the labs.

MSgt (R) Donald Willis previously assigned to the 145th Airlift Wing now assigned as a State Assistant Fire Chief with the Air National Guard. In January of 2017, he contacted the Veteran's Administrator of Catawba County to ask questions about the VA benefits that came with retirement. He was informed by them that his finances made me ineligible for the VA medical care benefits.

He retired from the NC Air National Guard on 10 Jun 2017. He went to the VA office in Charlotte in September 2017 to ask about applying for service related injuries. He filled out the paperwork and the VA representative made him an appointment with the VA clinic in Charlotte on 26 October 2017. He went to the appointment and his medical records were transferred to the VA. He started his paperwork for the service related disability. The VA clinic made his next appointment for one year later, 26 October 2018 at 1000 hours.

He received a letter in the mail on 19 March 2018 from the VA advising him that his appointment for 26 October 2018 had been cancelled, and providing him some numbers to call and find out why. He called the 800 number given and spoke to a representative who looked up his appointment. The representative stated that his appointment was in fact cancelled. He asked her what the reason was for the cancellation. She checked the system and stated that it was probably because he made too much money. He did receive letters from the VA telling him they were looking into how much he made annually.

#### **Conclusion**



In closing I want to thank you for the concern and the effort you've put forth in ensuring our veterans receive the best care available. I appreciate the House Veterans Affairs Committee being proactive and seeking out ways to better serve our nation's veterans. Additionally, I would like to thank those who have served before me, those I've had the opportunity to serve with, and those who will serve after me. It is truly an honor to serve this great nation. God Bless this committee and God Bless the United States of America.

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### **Prepared Statement of Deanne M. Seekins, MBA**

Good morning Chairman Roe, Ranking Member Walz and Members of the Committee. I appreciate the opportunity to discuss the Department of Veterans Affairs' (VA) Fayetteville VA Medical Center (VAMC) and the partnership with the community to provide quality and accessible healthcare. I am accompanied today by Dr. Mark Shelhorse, Veterans Integrated Service Network (VISN) 6 Chief Medical Officer and Interim Medical Center Director at the Fayetteville VA Medical Center, and Joseph Enderle, Choice Program Manager, Office of Community Care.

#### **Introduction**

The Fayetteville VAMC is a Complexity Level 1C facility that consists of a 58-bed general medicine, surgery and mental health facility located in the North Carolina Sand Hills within 10 miles of Fort Bragg and Pope Air Field. The Medical Center also maintains a 69-bed long-term care Community Living Center (CLC) to care for Veteran residents and adjacent to the Medical Center is the North Carolina State Veterans home, a 150-bed long-term nursing home facility. The Fayetteville VAMC serves 74,000 patients in 19 southeastern North Carolina counties, which is one of the largest catchment areas in VISN 6. The Fayetteville VAMC operates two Health Care Centers: one in Fayetteville and one in Wilmington, along with community-based outpatient clinics (CBOC) in Brunswick, Goldsboro, Hamlet, Jacksonville, Robeson, and Sanford. The CBOCs provide Primary and Mental Health Care and offer Tele-health services for other specialties. Located offsite in Fayetteville, the healthcare system opened the first freestanding community Dialysis Center in the VA health system nationwide in 2011. This unit has the capacity to treat 64 dialysis patients daily. In addition, Marine Corps Base Camp Lejeune and Seymour Johnson Air Force Base are located within the facility's catchment area.

#### **Growth in North Carolina**

Overall, North Carolina's population has grown by 611,000 since 2010, an increase of 6.4 percent. North Carolina is the fifth largest state for relocation. During this time frame, VISN 6 has led the Nation in Veteran population growth with a 118 percent increase, and this trend is expected to continue.

While North Carolina boasts several universities with top-tier medical and nursing schools and allied health programs, not all North Carolina residents have ready access to urban or academic-affiliated health care. The surrounding communities are notably rural, especially those surrounding Fayetteville, NC. According to the North Carolina Department of Health and Human Services, between 70 and 80 of the 100 counties in North Carolina are underserved in terms of primary care, mental health and/or dental resources. As of September 30, 2017, 42 percent of those Veterans receiving services in North Carolina are deemed rural. In the Fayetteville catchment area 17 of 19 counties are considered rural.

It is a challenge to provide healthcare in this environment because there often are not enough providers to meet the demand for care. To address this challenge, VISN 6 has fully embraced VA's modernization efforts and is actively focusing on providing exceptional foundational services while expanding partnerships with community and Department of Defense (DoD) health care systems to ensure world-class care to all Veterans, including those residing in rural areas. VISN 6 and the Fayetteville VAMC have focused heavily on addressing the access concerns related to the rural nature of the location and the population growth by making meaningful changes in both VA-provided services as well as those delivered in partnership with DoD and the community.

#### **Improving Access within the Health Care System**

As has been the case across VA, improving access to care has been among Fayetteville's top priorities for several years, but the efforts have recently intensified resulting in considerable improvements. Specifically, 96 percent of time sensitive appointments have been completed on or before the patient indicated date. Fayette-

ville's leadership has been taking steps to improve access using a broad variety of strategies, including the following:

- Partnered with community providers, DoD facilities and other VA facilities to provide services;
- Built internal capacity and access by adding 420,000 new square feet of clinical space in the past 4 years with a corresponding increase of 841 new staff;
- Established a Patient Aligned Care Team working at Camp Lejeune;
- Expanded hours during the week using 10-hour shifts and implemented evening and weekend clinics as well as extended hours for diagnostic radiology;
- Increased efficiency by 25 percent in the Fayetteville Health Care Center primary care by redesigning the clinical area to accommodate 5 teams in the same space previously designated for 4 teams;
- Utilized partnerships with other VAMCs to maximize the use of telehealth in the areas of primary care, mental health, and specialty care;
- Increased the use of registered nurse clinics and secure messaging to supplement face-to-face visits with providers;
- Implemented Clinical Practice Management guidelines to promote optimal resource use and maximize the clinical time available for staff to see Veterans;
- Expanded the number of academic affiliations and established a recent agreement with the School of Osteopathic Medicine at Campbell University; and
- Initiated construction projects to renovate operating rooms, inpatient units and the Community Living Center.

In addition, Fayetteville is working to provide greater flexibility and alleviate bottlenecks that potentially impact access by maximizing its use of community care. Services available to Veterans through community providers include physical therapy, pain management, audiology, dermatology, optometry, neurology, obstetrics, cardiology, orthopedics, rheumatology, podiatry, primary care, sleep medicine, chiropractic services, and in-patient hospitalization.

#### **Major DoD Sharing Agreements**

The VA Mid-Atlantic Health Care Network and the Fayetteville VAMC consider their partnerships with DoD to be a critical aspect of providing care to Veterans. Resource sharing agreements are in place with Womack Army Medical Center on Fort Bragg, the Naval Medical Center Camp Lejeune, and Seymour Johnson Air Force Base's 4th Medical Group.

The agreement with Womack Army Medical Center provides access to many specialty services currently not available at the VAMC. Specifically, VA surgeons are using Womack's operating room suites during the VA Medical Center's operating room renovation project. In addition, the Fayetteville Rehabilitation Clinic, a Joint Incentive Fund initiative with the Womack Army Medical Center, opened in May 2017, and provides physical medicine and rehabilitation services to both Veterans and active duty Servicemembers. The Naval Medical Center at Camp Lejeune provides Veterans with access to emergent and inpatient care while the Fayetteville VAMC provides care for active duty Servicemembers. Finally, the Seymour Johnson Air Force Base partnership provides opportunities to share services such as diagnostic x-ray, physical therapy, mental health, and anti-coagulation clinics.

The Fayetteville VAMC is currently working with the Womack Army Medical Center to expand their current agreement to create a more robust and innovative partnership. A final agreement is expected during the 3rd quarter of fiscal year 2018.

#### **Timeliness of Community Care Payments**

On January 3, 2018, VA announced a series of immediate actions to improve the timeliness of payments to community providers when VA has purchased community care. In addition, VA's contractors for the Veterans Choice Program, Health Net Federal Services and TriWest Healthcare Alliance, are committed to working with VA to improve the timeliness of payments to community providers and are working diligently with VA, VISNs and facilities to accomplish that goal.

VA realizes that many community providers have challenges with the VA payment process, and VA wants to improve its service. Over the past 2 months, VA has focused on the top 20 providers nationally with the highest dollar value of unpaid claims and created rapid response teams that are currently working with those providers to resolve those claims. In addition, VA is increasing the number of claims processed within 30 days of submission through use of additional contractor support. Through these efforts, the number of claims processed in the last 2 months has increased substantially, and we are well on our way to our goal of eliminating our claims backlog by September 2018.

VA is aware that smaller providers play key roles in more rural communities in providing continuity of care for our Veterans. Because of their smaller size and the lower volume of care furnished, the total value of these providers' unpaid claims would also be less, but VA is working with facilities to identify smaller providers who are important providers of Veteran care and will also be working with them. Lastly, VA realizes that provider education about claims processing is important in assisting providers in submitting their bills accurately. VA has been providing education to the providers with the highest dollar value of unpaid claims as part of the outreach. We have seen the value of this outreach and will begin offering monthly training calls in April for the entire provider community. This will allow any provider to join in and learn about VA processes.

**Conclusion**

The Fayetteville VAMC has made significant improvements to meet the needs of our Veterans. In order to sustain these efforts, we ask Congress' continued support of VA modernization by investing attention and financial resources into the following: streamlining leasing process, recruitment and retention incentives for hard-to-hire occupations and locations, and flexible funding models to improve the speed and efficiency in which medical centers need to respond to challenges. These are in addition to improving VA's community care authorities.

It is critical that we continue to move forward with the current momentum and preserve the gains made thus far. Your continued support is essential to providing care for Veterans and their families.

Mr. Chairman, this concludes my testimony. Thank you very much for your attention. My colleagues and I are prepared to answer any questions.

