## STATEMENT OF THE HONORABLE BETO O'ROURKE (TX-16) BEFORE THE SUBCOMMITTEE ON HEALTH COMMITTEE ON VETERANS' AFFAIRS U.S. HOUSE OF REPRESENTATIVES

## **April 17, 2018**

Chairman Wenstrup, Ranking Member Brownley, honorable Members of the Committee it is my pleasure today to present to the House Committee on Veterans Affairs Subcommittee on Health H.R. 1506 –VA Health Care Provider Education Debt Relief Act of 2017. Thank you for this opportunity. I introduced H.R. 1506 on March 10, 2017 to address serious staffing shortages throughout the Department of Veterans Affairs (VA) and to increase the VA's recruitment and retention capacity for high need and difficult to fill medical provider positions. It is my hope we can work together to ensure talented medical professional remain in the VA to deliver quality care to our veterans.

H.R. 1506 increases the maximum amount of education debt reduction available for health care professionals employed by the Veterans Health Administration (VHA) participating in certain education reimbursement programs. The bill also makes clear the definition of a provider shortage so that VA facilities can better address their efforts to fill the highest need provider positions.

Colleagues, you are well aware of the enduring provider shortage at the VA. When this bill was introduced, the VA reported a shortage of 43,000 medical providers nationally. This number remains in the tens of thousands. Last week, VA spokesman, Mark Cashour, reported, as of early March 2018, there are more than 33,000 full-time vacancies at the VA. At the February 15<sup>th</sup> Full Committee VA budget hearing, we learned from then Secretary Shulkin that the VA has approximately 2,800 vacant mental health provider positions. These are positions critical for ensuring veterans get the care they need – care they have earned through their service – in a timely fashion.

In many cases, timely care can save lives. Currently, veterans are waiting approximately four days for primary care and mental health care appointment. In some regions, this can be upwards of 7-10 days.<sup>2</sup> A 2016 report from the RAND Corporation states "only about half of veterans reported getting care "as soon as needed.""<sup>3</sup> Today, mental health care providers at the VA are doing their best to serve veterans, however, their case loads are much too large and they report "burn out" and frustration.

Staffing shortages also hurt retention. Medical providers, specifically, mental health care providers cite being overworked and underpaid as one of the top reasons they seek positions in the private sector. In February, I met with a nurse from the Houston VA who shared his

<sup>&</sup>lt;sup>1</sup> Washington Post, 10 April 2018.

<sup>&</sup>lt;sup>2</sup> VA, Report: Pending Appointments as of 1 April 2018.

<sup>&</sup>lt;sup>3</sup> "Balancing Demand and Supply for Veterans' Health Care," <u>RAND Corporation</u>, 2016, pg. 9.

experience in this kind of work environment; he also impressed upon me the importance of recruitment and retention efforts focused on specialty providers. This reinforces the importance of H.R. 1506. According to the 2016 Commission on Care Report, medical providers at the VA make an average \$74,631 less than those in the private sector, while the long-term earning potential differential at the top of the salary range can be as much as \$310,000. Furthermore, the report explains, "lower salaries reduce VHA's competitive edge [...] when trying to attract top talent."

H.R. 1506 bill seeks to make the VA a more attractive employer by increasing the benefit available for a VA medical professional who is part of the Education Debt Reduction Program (EDRP). The EDRP is a student loan reimbursement program for employees with qualifying student loans in provider positions that are difficult to recruit and retain as determined by each VHA facility. The VA estimated there are about 3,000 medical professionals participating in this program. In accordance with 38 U.S. Code Section §7683(d) and under the EDRP, an employee with student loans for a degree program that qualified the individual for their position at the VA is eligible for a maximum benefit of \$120,000 over the course of five years as reimbursement for their proven student loan payments.

H.R. 1506 increases the total amount of reimbursement eligible from \$120,000 to \$150,000 keeping in place the five year time frame. Accordingly, the bill would increase the total amount of debt reduction possible per year from \$24,000 to \$30,000. Keeping in mind the average long-term earning difference between medical professional at the VHA and their counterparts in the private sector is estimated at \$74,631, this bill provides a modest increase in the benefit available for a VA professional by \$30,000.

H.R. 1506 is both relevant and important. At a time when the collective student debt held by Americans is around \$1.3 trillion dollars,<sup>6</sup> making loan repayment possible for those who serve in high need and critical public service positions could not be more important. For the 2017-2018 academic year, the Association of American Medical Colleges (AAMC) reports the average cost of attendance (tuition fees, and health insurance) for an in-state student at a public medical school was \$53,327 per year, while the average cost per year for a private medical school (all nonresident) was about \$67,000 per year.<sup>7</sup> The cost of attendance estimates show a 3.5% increase from 2016. At the least, H.R. 1506 will provide additional support for the rising cost of attendance for medical school. And, I hope this bill will help further recruitment and retention for critical medical professional and specialists at VA.

Finally, this bill more clearly defines what it means to have a provider shortage, thus allowing for the waiver of reimbursement caps for certain positions at VA facilities in Health Professional Shortage Areas (HPSA) set annually by the Department of Health and Human Services (HHS). This bill would encourage the Secretary of Veterans Affairs to exercise the authority to waive provider education debt reimbursement limits to fill provider vacancies with a focus on geographic locations as having shortage areas in primary care.

<sup>&</sup>lt;sup>4</sup> Commission on Care Report, 2016, VA.

<sup>&</sup>lt;sup>5</sup> VA, Education Debt Reduction Program (EDRP).

<sup>&</sup>lt;sup>6</sup> "Student Loan Debt In 2017, A\$1.3 Trillion Crisis," Forbes, 21 February 2017.

<sup>&</sup>lt;sup>7</sup> Association of American Medical Colleges, "Tuition and Student Fees for First-Year Students," 2017-2018.

I remain dedicated to ensuring the brave men and women who have served this country receive excellent care. To do this, we must provide the VA resources necessary to recruit and retain the best and the brightest in the field of medicine. I look forward to working with my colleagues to ensure the VA is equipped with the resources needed to take care of our nation's heroes. Again, it is my pleasure to lead on this legislation and look forward to working with everyone here to close the provider gap, retain talented and motivated VA professions, and, most importantly, care for our veterans. Thank you to all Members of the Committee, Ranking Member Brownley, and Chairman Wenstrup for your time and attention.