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BEFORE THE SUBCOMMITTEE ON HEALTH
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES**

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Good afternoon, Congressman Allred, Ranking Member Bergman and distinguished Members of the Subcommittee. Thank you for the opportunity to testify today and discuss the innovative approaches VA uses to address its physical infrastructure needs and clinical workforce shortages. I am accompanied today by Mr. Robert P. McDivitt, Director, Veterans Integrated Service Network (VISN) 23.

The Department, under the direction of Secretary McDonough is seeking to develop new partnerships to better serve the Nation's Veterans. Partnerships exist in several forms across VA. This includes partnerships with veteran serving organizations, academic medical institutions, and other entities that can help VA ensure we are meeting the needs of Veterans. In a recent speech, the Secretary mentioned the need to build a "health care network with the right facilities, in the right places, to provide the right care for Veterans in every part of the country." He went on to say that our infrastructure should reflect "the needs of 21st century Veterans—not the needs and challenges of a health care system that was built, in many cases, 80 years ago."

We are using all the tools and authority provided to the Department to fulfil this goal. VA builds its infrastructure in many ways. We self-execute and partner with the U.S. Army Corps of Engineers and the General Services Administration for construction and lease projects through the VA's major medical facility authority under 38 USC 8103/8104 general authorities for major construction and leasing. We accept donations from third parties under 38 USC 8301 and the Communities Helping Invest through Property and Improvements Needed for Veterans Act of 2016. We partner with academic affiliates under 38 USC 8153 that authorizes the VA to share health care resources. While VA has the authorities just mentioned, new strategic collaborations, to include much broader private or public partnerships than we currently have authority for would require additional consideration. For example, VA has current limited authority to share space with private partners, but we do not have authority for joint development. Once the AIR Commission develops final recommendations receiving Presidential approval and Congressional consideration, VA will need to engage with potential partners to evaluate and negotiate the nature of the proposed strategic collaboration.

The 2022 National Defense Authorization Act provides the Secretary of Veterans Affairs and Secretary of Defense authority to enter into agreements for planning, design and construction of facilities to be operated as shared medical facilities. The VA and DoD have started initial dialog to collaborate on identifying opportunities to use the new authority to mutual benefit. Currently, the only VA/Department of Defense (DoD) shared facility is the Captain James A. Lovell Federal Health Care Center (FHCC) in North Chicago. The partnership began in 2002

with the consolidation of services to the North Chicago site. VA and DoD have both initiated renovations and construction projects on this site to meet the needs of both Active Duty and Veteran patients. These projects, that were part of the initial partnership vision, were completed in 2010.

The Garland, Texas facility is an example of VA acquiring a facility that was donated to VA to provide care to Veterans. We would like to especially thank Congressman Allred for his efforts in helping us acquire the Garland, Texas facility. VA is renovating the space to meet the needs of the local Veteran community and began using the facility for outpatient services in Spring 2020.

Partnerships with private-sector entities can be accomplished under the Communities Helping Invest through Property and Improvements Needed for Veterans Act of 2016. This is commonly referred to as CHIP-IN. CHIP-IN established a 5-year pilot program where up to five private entities could submit proposals for health care-related capital projects. During this initial period, two projects were accepted. The Omaha, Nebraska project for an Ambulatory Care Center is complete, and the Tulsa, Oklahoma project for a new 58-bed inpatient facility is in the planning/design phase. In 2021, the Congress extended the CHIP-IN authority for an additional 5 years, through 2026.

VA recently published in the Federal Register recommendations for the modernization and realignment of VA facilities pursuant to the Asset and Infrastructure Review (AIR) process. This process was required by the VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act of 2018. VA conducted market assessments across the country, studies of facility conditions, local partnerships and most importantly, the makeup of the Nation's Veterans by health care needs, by age, race, gender, era they served and where they live. From those market assessments, we developed recommendations for the future of VA's health care infrastructure—our medical centers, hospitals and clinics. Final recommendations will be reviewed by the AIR Commission, the President and Congress to determine the path forward.

To implement the final recommendations of the AIR Commission and to meet the needs of Veterans today and in the future, VA may implement innovative strategic collaborations with DoD, other Federal health care organizations, academic affiliates and/or quality commercial providers. These strategic collaborations will be pursued only if they improve VA care coordination; expand Veteran access to care; advance research in clinical areas including service-connected conditions; and enable education of health professionals.

Strategic collaborations include any cooperative arrangement, including sharing agreements, joint ventures, public-private partnerships, exchanges and conveyances of property or similar actions for which VA has authority, between VA and both Federal and non-Federal entities, including Tribal organizations, that facilitate the Department's implementation of the Commission's recommendations.

No matter the venue in which they receive care, VA will work to ensure that Veterans enrolled in VA health care have access to high-quality, convenient care in modern facilities. VA's strategies in the AIR report propose strengthening or establishing strategic collaborations in five VISN 17 Texas markets: North (Dallas), Central (Austin and Temple), Valley Coastal

Bend (Corpus Christi), Northwest Texas (Amarillo) and Southwest Texas (El Paso).

Thank you for the opportunity to provide information on how VA is innovating in infrastructure. My colleague and I are happy to respond to any questions you may have.