

.....
(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To direct the Secretary of Veterans Affairs to carry out a pilot program to furnish, through eligible hospitals, hospital care and medical services to covered veterans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M____. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To direct the Secretary of Veterans Affairs to carry out a pilot program to furnish, through eligible hospitals, hospital care and medical services to covered veterans, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Veterans Health
5 Desert Reform Act of 2025”.

1 **SEC. 2. DEPARTMENT OF VETERANS AFFAIRS PILOT PRO-**
2 **GRAM TO FURNISH HOSPITAL CARE AND**
3 **MEDICAL SERVICES TO CERTAIN VETERANS**
4 **RESIDING IN RURAL AREAS.**

5 (a) ESTABLISHMENT.—The Secretary of Veterans
6 Affairs, acting through the Center for Innovation for Care
7 and Payment of the Department of Veterans Affairs, shall
8 establish and carry out a pilot program under which the
9 Secretary may enter into agreements with certain hos-
10 pitals selected pursuant to subsection (b) to furnish to cov-
11 ered veterans hospital care and medical services through
12 such hospitals.

13 (b) SELECTION.—

14 (1) IN GENERAL.—The Secretary shall select
15 not fewer than three hospitals with which to seek to
16 enter into an agreement described in subsection (a).

17 (2) PRIORITY.—In selecting hospitals pursuant
18 to paragraph (1), the Secretary shall give priority to
19 hospitals located in rural areas that the Secretary
20 determines—

21 (A) have a high population of covered vet-
22 erans; and

23 (B) are appropriate for participation in the
24 pilot program.

25 (c) SCOPE OF CARE.—Under the pilot program, the
26 Secretary may furnish to a covered veteran to the same

1 hospital care and medical services for which the covered
2 veteran would be eligible under the Veterans Community
3 Care Program established under section 1703 of title 38,
4 United States Code.

5 (d) REIMBURSEMENT RATE; COPAYMENTS.—

6 (1) REIMBURSEMENT.—As part of the pilot
7 program, the Secretary shall develop a process to re-
8 imburse hospitals with which the Secretary enters
9 into an agreement under the pilot program for hos-
10 pital care and medical services furnished to covered
11 veterans. Such process shall ensure—

12 (A) such hospitals are reimbursed at a rate
13 not less than the rate at which the hospital
14 would be reimbursed under the Medicare pro-
15 gram under title XVIII of the Social Security
16 Act (42 U.S.C. 1395 et seq.) for substantially
17 similar hospital care or medical services; and

18 (B) that, except as provided in paragraph
19 (2), covered veterans in receipt of hospital care
20 or medical services under the pilot program are
21 not required to pay a fee for such hospital care
22 or medical services.

23 (2) COPAYMENTS.—The Secretary may require
24 to a covered veteran to make a copayment for the

1 receipt of hospital care and medical services under
2 the pilot program.

3 (3) OTHER PAYMENT MODELS; BEST PRAC-
4 TICES.—In developing the process under paragraph
5 (1), the Secretary shall carry out a review to—

6 (A) identify Government-proven manage-
7 ment and payment best practices used under
8 the Medicare program under title XVIII of the
9 Social Security Act, the Medicare program
10 under title XIX of such Act (42 U.S.C. 1396 et
11 seq.), and the TRICARE program (as defined
12 in section 1072 of title 10, United States
13 Code); and

14 (B) determine which best practices identi-
15 fied under subparagraph (A) could be adopted
16 and implemented by the Secretary for use in
17 the pilot program.

18 (e) OVERSIGHT; REPORT.—

19 (1) OVERSIGHT.—With respect to each hospital
20 with which the Secretary enters into an agreement
21 under the pilot program, the Secretary shall, during
22 the period such agreement is effective, monitor the
23 provision of hospital care and medical services at
24 such hospital, including by tracking—

25 (A) access;

- 1 (B) costs;
- 2 (C) quality; and
- 3 (D) veteran satisfaction.

4 (2) REPORT.—Not later than 180 days after
5 the termination date specified in subsection (g), the
6 Secretary shall submit to Congress a report that in-
7 cludes—

8 (A) a description of all oversight activities
9 conducted pursuant to paragraph (1); and

10 (B) an evaluation of the provision of hos-
11 pital care or medical services at each hospital
12 with which the Secretary enters into an agree-
13 ment under the pilot program.

14 (f) TERMINATION DATE.—The authority of the Sec-
15 retary to carry out the pilot program shall terminate on
16 September 30, 2029.

17 (g) DEFINITIONS.—In this section:

18 (1) The term “covered veteran” has the mean-
19 ing given such term in section 1703(b) of title 38,
20 United States Code.

21 (2) The term “rural” has the meaning given
22 such term in the Rural-Urban Commuting Areas
23 coding system of the Department of Agriculture.