

## Truth in Testimony Disclosure Form

In accordance with Rule XI, clause 2(g)(5)\* of the *Rules of the House of Representatives*, witnesses are asked to disclose the following information. Please complete this form electronically by filling in the provided blanks.

Committee: Veterans' Affairs

Subcommittee: Technology Modernization

Hearing Date: 03/07/2023

Hearing Title :

" VistA: the Good, the Bad, and the Misunderstood "

Witness Name: James P. Gfrerer

Position/Title: former Assistant Secretary for Information & Technology and CIO, US Dept of VA

Witness Type:  Governmental  Non-governmental

Are you representing yourself or an organization?  Self  Organization

If you are representing an organization, please list what entity or entities you are representing:

N/a

### **FOR WITNESSES APPEARING IN A NON-GOVERNMENTAL CAPACITY**

Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

Are you a fiduciary—including, but not limited to, a director, officer, advisor, or resident agent—of any organization or entity that has an interest in the subject matter of the hearing? If so, please list the name of the organization(s) or entities.

Yes, consultant to some vendors in GovCon space with interest in the hearing subject matter.

**Please list any federal grants or contracts (including subgrants or subcontracts) related to the hearing's subject matter that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the source and amount of each grant or contract.**

None

**Please list any contracts, grants, or payments originating with a foreign government and related to the hearing's subject that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the amount and country of origin of each contract or payment.**

None

**Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.**

- I have attached a written statement of proposed testimony.
- I have attached my curriculum vitae or biography.

\* Rule XI, clause 2(g)(5), of the U.S. House of Representatives provides:

(5)(A) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof.

(B) In the case of a witness appearing in a non-governmental capacity, a written statement of proposed testimony shall include— (i) a curriculum vitae; (ii) a disclosure of any Federal grants or contracts, or contracts, grants, or payments originating with a foreign government, received during the past 36 months by the witness or by an entity represented by the witness and related to the subject matter of the hearing; and (iii) a disclosure of whether the witness is a fiduciary (including, but not limited to, a director, officer, advisor, or resident agent) of any organization or entity that has an interest in the subject matter of the hearing.

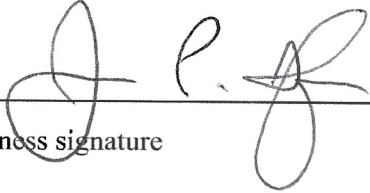
(C) The disclosure referred to in subdivision (B)(ii) shall include— (i) the amount and source of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) related to the subject matter of the hearing; and (ii) the amount and country of origin of any payment or contract related to the subject matter of the hearing originating with a foreign government.

(D) Such statements, with appropriate redactions to protect the privacy or security of the witness, shall be made publicly available in electronic form 24 hours before the witness appears to the extent practicable, but not later than one day after the witness appears.



**False Statements Certification**

Knowingly providing material false information to this committee/subcommittee, or knowingly concealing material information from this committee/subcommittee, is a crime (18 U.S.C. § 1001). This form will be made part of the hearing record.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Witness signature

3/6/23

Date



**Statement of  
The Honorable James P. Gfrerer  
Before the House Veterans Affairs Committee  
Subcommittee on Technology Modernization  
March 7, 2023**

Chairman Rosendale, Ranking Member Cherfilus-McCormick, thank you for the opportunity today to appear before the Technology Modernization Subcommittee with my fellow former VA Technology Panelists to address the VA's current Electronic Health Record.

As a Veteran, I am a patient in the VA health system, and a beneficiary in the VA benefits system, and now pre-registered for VA burial benefits. And as a more-than 28-year career Marine Infantry Officer with 4 combat deployments, I fully empathize with all our Veteran men and women who endure both the visible and invisible wounds of military service.

There is much misunderstanding around VA health care in general. VA Health care is unlike commercial systems. VA is funded by government appropriation versus commercial health systems who operate on a business revenue model. In commercial health care, each patient is eligible for all services, where in VA eligibility is based-on complex service-connected conditions. VA health care is more specialized and expansive than commercial systems comprising unique clinical services such as prosthetics, long term care, and dental among others. These are substantial differences, even as compared to Department of Defense Health care, and are the first set of challenges for any commercial EHR to be successfully implemented in the Veterans Health Administration (VHA).

The bottom line is that Federal law, regulation, and policy have created this unique health system – and the Veteran Health Information and Technology System Architecture (VistA) Electronic Health Record is representative of those complex and unique business rules. So it may come as no surprise that when a commercial EHR programmed for different financial frameworks, with significantly different eligibility rules, and not addressing unique VA clinical services, that there are problems – and problems that can't be overcome by "change management." Without substantial customization, no commercial EHR could address the business rules that law, regulation, and policy mandate for Veteran Health care. So, if you didn't have a business system configured like VistA, you'd have to create or heavily-customize a system to perform just like it.

In the remainder of this Hearing, we will get into greater detail about VistA, its modernization efforts, and some additional facts and misconceptions, but allow me to offer some highlights as a capstone to the larger conversation:

- First, VistA is more than an EHR. It is what professionals term an Enterprise Resource Planning or "ERP" system, which has grown over the years to encompass

many administrative, financial, and other modules. A number of these will live-on, past any end of service date for VistA.

- Second, it is not – I repeat – not an “IT system” but rather a BUSINESS/MISSION system. Why does this matter? First, because the “Business” – in this case, VHA – must take prime ownership, to include the lifecycle management, capital investment, and change management, with OIT playing a continue supporting and technical role.
- Third, some would have you believe that VistA has not been modernized, but that assertion is predicated on the fallacy that modernization can only occur by replacement. Tech modernization as defined by Gartner, Forrester, and others, can be achieved in a myriad of other ways from rehosting (e.g., moving to the Cloud), refactoring (optimizing the existing code), and encapsulating (exposing to APIs) – all of which were done to VistA during my VA tenure.

Also, let me offer that in many respects Veteran Health Care business and technology discussions remain mired in 2017. It was in this time frame that the pursuit of a fully longitudinal health record was revalidated with the assumption that it must be on the same platform in order for this to be achieved. In 2023, with the maturity and adoption of Health Information Exchanges and Health data standards such as HL7 and FHIR, that is no longer the case, which raises another topline business issue. Which is the greater challenge for VA presently – is it DoD/VA interoperability – or is it VA/Community Care interoperability?

In an era of increasing technical debt and mounting technology modernization cost, the Congress must determine where the greatest need is for precious technology budget. Presently there are roughly 300,000 active-duty members annually who matriculate from DoD to VA. Last year on the Community Care side, VA saw 6 million referrals out of network for 36 million episodes of care. To recap – a one-time transfer of 300K servicemember records as compared to 6 million referrals with 36 million appointments – there is no doubt that the latter is the substantially larger problem, across thousands of Community Care providers, who are on every available EHR, not one single EHR on which DoD and/or VA are operating. Community Care is only anticipated to grow larger every year, so VA must address it soon.

Finally, in an era where technology plays an increasingly mainstream and critical role in healthcare delivery, VA must begin to operate more efficiently and effectively, as do its Commercial and Non-Profit Health System counterparts, who are well on their way in this regard. These systems understand that technology and information technology is the success path, and reciprocally, Health Systems can't hire their way out of the problem, much as VHA attempts to do every year.

Mr. Chairman, thank you and the Subcommittee for your interest in this vital topic, and I look forward to our discussion.