

**Written Testimony of
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**Before the United States House of Representatives
Committee on Veterans Affairs, Subcommittee on Health**

September 25, 2019

Introduction

Chairwoman Brownley, Ranking Member Dunn, and members of the Subcommittee, I am Patty Horoho, Chief Executive Officer of OptumServe and I am honored to be here today to discuss our role in the implementation of the U.S. Department of Veterans Affairs (VA) Community Care Network.

On behalf of the more than 335,000 men and women of Optum and UnitedHealth Group who work every day to help people live healthier lives and to make the health system work better for everyone, thank you for the opportunity to discuss our partnership with the VA to ensure that our nation's Veterans have timely access to the best care available.

OptumServe is the federal health services business of Optum and UnitedHealth Group. We bring together the unique capabilities of Optum, UnitedHealth Group, and its partners and subsidiaries with broad and deep experience in health care consulting, data and technology, and delivering clinical care and health services. We partner with the U.S. Departments of Veterans Affairs, Defense, Health & Human Services, and other agencies to modernize the U.S. health system and improve the health and well-being of those they serve.

Leading our efforts to care for our nation's Veterans is the privilege of a lifetime. As a Veteran, retired Soldier, Army Surgeon General, Commanding General of the U.S. Army Medical Command, wife of a Veteran, daughter of a Veteran who served honorably in World War II, Korea and Vietnam, and now the proud mother of an Army Infantry Officer, I am committed to the success of the VA Community Care program and OptumServe's role in ensuring access to care for our nation's Veterans.

My leadership team at OptumServe, which is comprised of Veterans from every branch of service, and our Community Care program office staff, where 43% are Veterans, is equally committed. Our commitment is demonstrated not only by meeting our contractual requirements, but also through the deep partnership we have fostered with the VA to not only build strong relationships with our client, but to gain a deep and broad understanding of them, their systems and processes, providers and the Veterans we are honored to serve.

At the outset, we recognized the need to incorporate the voice of the Veteran in our efforts to ensure we were well-positioned to meet their needs. Well before we were awarded this contract, we conducted one-on-one interviews with Veterans, as well as a national survey of Veterans with a large sample size. This enabled us to gain a foundational understanding of the experience and mindset of Veterans, and how Veteran status impacts health and health-seeking behaviors.

We have spent considerable time with our VA partners and within Optum to better understand the processes and potential abrasion points. Through a process called journey mapping, we are gaining insights into the process of getting care, how the process could work better for Veterans, VA staff and community providers. We then use those insights to prioritize and take action. This work is critical to our combined success because we are looking at the whole system through the eyes of the Veteran. We also performed journey mapping for health care providers to develop similar insights.

We have learned a great deal through this process and better understand how every component of the program works together. This is critically important because the experience a Veteran has while seeking and receiving care is just as important as the quality of care they receive. From the very first contact, the experience of care has to be positive, both for our Veterans and for providers.

Partnering with the Federal Government and Private Sector

While I have served as CEO of Optum's federal health services business since 2017, both Optum and UnitedHealth Group have long histories of partnering with the federal government to help them accomplish their missions to serve and meet the health care needs of the American people. This includes serving individuals in our armed forces, their families, and Veterans.

Today, we are honored to support programs that touch virtually every point in a Veteran's journey. It starts from when a son or daughter steps up to raise their right hand, to ensuring a reservist is medically ready for deployment, to a disability exam when a service member transitions from active duty, and, now, to the Veteran receiving care through the VA from a community provider.

And we do this by:

- Ensuring service members are medically ready for deployment through our network of providers on behalf of the U.S. Military Entrance Processing Command;
- Supporting the VA and the Department of Defense's effort to update clinical care guidelines;
- Operating the Military Health System's nurse advice line, which provides timely access to health care services for more than 9 million active duty service members and their families worldwide;

- Administering health assessments, dental, audiology, vision, radiology, laboratory, immunization and physical exam services to U.S. service members on behalf of the Reserve Health Readiness Program;
- Performing hundreds of thousands of medical disability examinations on behalf of the Veterans Benefits Administration;
- Partnering with the Veterans Health Administration to provide a telephone lifestyle coaching program to help Veterans strive for a healthy weight, eat wisely, be physically active, manage stress and limit alcohol; and
- Standing up the VA Community Care Network in three community care regions that encompass 36 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.

Overall, our enterprise is focused on working across the health care system to deliver the Quadruple Aim – improved outcomes, lower costs, and enhanced consumer and provider experiences.

More broadly, Optum works with health care providers and facilities across the country, serving a broad cross section of the health care system – and the people who depend on it – to deliver better experiences and quality outcomes. You can find us in 4 out of 5 hospitals, serving 4 out of 5 *Fortune* 100 companies, and providing health care services to 128 million individuals who need and deserve the best care.

Optum also leverages diverse capabilities to meet our clients' and patients' needs:

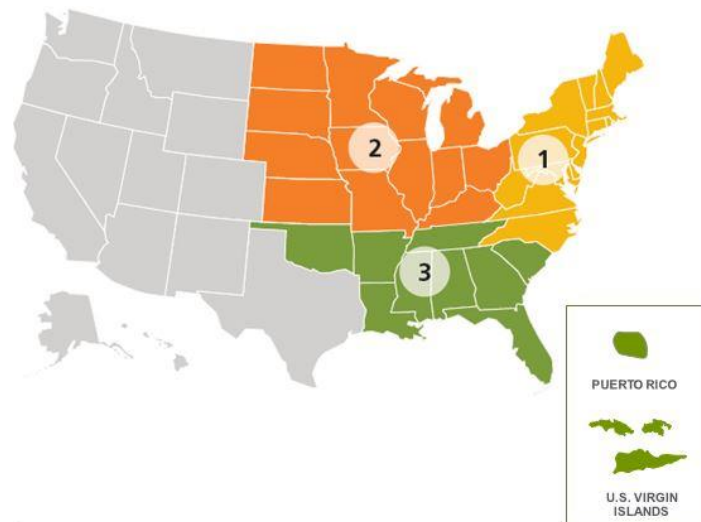
- We currently process more than 2.8 billion claims a year with 99.5% accuracy, representing approximately \$174 billion in claims paid.
- We invest approximately \$3.5 billion annually in technology and innovation;
- We manage one of the largest behavioral health networks in the United States, with more than 200,000 clinicians; and
- With our partners at UnitedHealthcare, we work with a vast nationwide network of medical, behavioral, specialty and other providers and health care facilities that includes 1.3 million physicians and other health care professionals and approximately 6,250 hospitals and other facilities.

VA Community Care Network

Through the Community Care Network, VA medical staff authorize and schedule care with a community care provider if the Veteran so chooses. In addition, VA staff manage customer service for Veterans who are receiving care from a community provider. The network of community care providers and provider billing are managed by third-party administrators (TPAs) in each region. With the VA Community Care Network, Veterans will have better access to, and greater choice in, their health care, whether at a VA facility or through a community provider. At all times, VA staff and Veterans are the decision makers when it comes to the course of care, whether it be in a VA Medical Center (VAMC), care in the community, or a combination thereof.

Optum's Role as the VA Community Care Third-Party Administrator

Optum was proud to be named as the TPA for the VA Community Care Network for Regions 1, 2 and 3 on December 28, 2018, which include 36 states, the District of Columbia, the U.S. Virgin Islands and Puerto Rico.



VA Community Care Network Regions Where Optum is the TPA

Under these contracts, Optum is responsible for:

- **Community care network of providers.** Optum is leveraging its broad network and relationships across UnitedHealth Group and beyond to provide a robust provider network representing the full breadth of health and wellness services for the VA.
- **Claims processing.** Optum processes claims from providers who see Veterans as part of the VA Community Care Network.
- **Call center for VA staff and providers.** VA staff and providers can contact the Optum call center to get questions answered about authorizations, claims and other issues. Calls or questions from Veterans are handled by VA staff.
- **A portal for providers, VA staff and Veterans.** Optum operates an online portal where users can find additional resources including claims and referral information. Individuals can access the portal at www.vacommunitycare.com.
- **Community Care Experience Team.** This Optum team provides on-the-ground support and resources to VA Medical Centers and staff.

We appreciate that Congress and the VA have envisioned a program that provides a phased approach in implementation in order to ensure a successful transition for VA staff, contractors, providers, and most importantly, our nation's Veterans. We understand that health care is local and this phased approach enables us to work closely with the VA, VA Medical Centers, TriWest, CVS Caremark and others to deploy

our network and capabilities, and ensures success based on readiness of particular sites, while accounting for relevant local factors.

This is similar to what those of us who have served on the battlefield call a “Left Seat, Right Seat” transition where the redeploying unit overlaps for a time with the incoming unit in order to share lessons learned from the battlefield, minimizing gaps during the transition.

Optum is on track with our phased deployment plan and is currently providing the Community Care Network and billing operations in the Philadelphia area and in White River Junction, Vermont, which have been fully operational since July 29, 2019. Last week, we deployed seven additional VAMC sites in Connecticut, Delaware, Massachusetts, Pennsylvania and Rhode Island. This cadence will increase over the weeks and months to come to include additional regions in coordination with the VA and local Medical Centers.

At every stage of deployment, we have dedicated staff either on the ground, virtually or both, to train and assist VA Medical Center staff as questions arise. We also use a command center approach in close collaboration with the VA to monitor the progress of each deployment. The command center allows Optum and the VA to jointly manage issues, ensure consistent and frequent communication with the VAMC sites, and provide continued education and feedback to ensure the system tools and network are performing as intended and to make necessary adjustments.

The transition for each area to Optum as the TPA is deliberate and collaborative, with open lines of communication from the leadership level to local VAMC employees.

- Deployment preparation consists of twice monthly meetings with the VA Office of Community Care and the transitioning sites to ensure site-level and Optum provider network readiness;
- 45 days prior to a go-live date, we have initial planning meetings with VAMC leadership;
- 14 days from the go-live date, our advance parties increase the intensity of training and communications;
- In the week leading up to deployment, we create a joint command center and provide site-level support teams consisting of both Optum and local VA staff, and have three stand-up meetings a day to review the status; and
- On the day a VA Medical Center goes live, our command center monitors progress in real time and works with local support teams to ensure a smooth transition.

Network Strategy

Central to the Community Care Network is a robust network of quality health care providers from which VA medical staff and Veterans are able to choose. Optum’s

provider network team leverages our enterprise to build a robust Community Care Network that meets the health care needs of the Veteran population. These include:

Health Care Services Network:

- UnitedHealthcare (UHC): Medical network
- Optum: Physical therapy, occupational therapy, speech therapy, chiropractic, acupuncture, skilled nursing facilities
- Optum Behavioral Health: Psychiatry, behavioral facilities, other behavioral health practitioners
- UnitedHealthcare Vision: Routine eye examination and refractions

Pharmacy:

- CVS: All CVS Caremark and partner pharmacies

Complementary & Integrative Health Services:

- Optum Behavioral Health: Hypnotherapy, biofeedback, relaxation techniques, Native American healing services
- Optum: Tai Chi, massage therapy

Dental:

- Logistics Health Incorporated: General and specialty dental services

We are also working closely with our VA partners, TriWest and others to identify those community providers who have a history of working closely with VA Medical Centers and Veterans in order to give these providers an opportunity to continue to care for Veterans in their community by joining our new network. Eight weeks into providing health care to Veterans under this contract, we have already recruited more than 308,000 providers in Region 1. Because we recognize that network management is a dynamic process and networks evolve over time, we will continue to actively monitor the needs of the VA and Veterans and make adjustments based on our experiences and feedback on the ground.

By leveraging the broad and deep resources across our enterprise, we will support the 6.2 million Veterans the VA has estimated who may need a community care health care provider across the three regions we serve. When we complete the deployment over the next nine months, we expect to partner with more than 900,000 providers to serve Veterans in the areas of medical, surgical, dental, complementary and integrative health and pharmacy services.

As of September 19, 2019, we are pleased to report the following progress and milestones in our deployment of the VA Community Care program:

- 4,460 referrals for care have been made by the VA
 - 4,288 referrals for medical services;
 - 172 referrals for dental services.
 - Top three referral categories are:
 - Physical therapy
 - Skilled nursing
 - Orthopedics
- 248 claims have been paid
 - 60% within 10 days and 100% within 30 days.

We appreciate the opportunity to address the Subcommittee today to outline Optum's role in assisting the VA with their mission to provide world-class health care to our nation's Veterans. I would like to leave you with three thoughts. First, we understand that it is a privilege to care for those that served and the families who support them. Second, we are committed to fully leveraging the capabilities across Optum and UnitedHealth Group to meet the unique needs of the VA and Veterans. And, third, to accomplish this, we will need to execute our responsibilities in very close partnership and collaboration with the VA, providers and other partners.

Thank you for the opportunity be here today. I look forward to your questions.

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