

114TH CONGRESS
2D SESSION

S. 2646

To amend title 38, United States Code, to establish the Veterans Choice Program of the Department of Veterans Affairs to improve health care provided to veterans by the Department, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 7, 2016

Mr. BURR (for himself, Mr. HOEVEN, Mr. TILLIS, Ms. AYOTTE, Mr. DAINES, Mr. BOOZMAN, and Mr. MORAN) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to establish the Veterans Choice Program of the Department of Veterans Affairs to improve health care provided to veterans by the Department, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Veterans Choice Improvement Act of 2016”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—VETERANS CHOICE PROGRAM

- Sec. 101. Establishment of Veterans Choice Program.
- Sec. 102. Funding for Veterans Choice Program.
- Sec. 103. Payment of health care providers under Veterans Choice Program.
- Sec. 104. Termination of certain provisions authorizing care to veterans through non-Department of Veterans Affairs providers.

TITLE II—HEALTH CARE ADMINISTRATIVE MATTERS

- Sec. 201. Authorization of agreements between the Department of Veterans Affairs and non-Department providers.
- Sec. 202. Reimbursement of certain entities for emergency medical transportation.
- Sec. 203. Requirement that Department of Veterans Affairs collect health-plan contract information from veterans.
- Sec. 204. Requirement for advance appropriations for the Veterans Choice Program account of the Department of Veterans Affairs.
- Sec. 205. Reauthorization of pilot program of enhanced contract care authority for health care needs of veterans.

TITLE III—OTHER VETERANS MATTERS

- Sec. 301. Timeframe for payment of disability compensation for victims of contaminated water at Camp Lejeune, North Carolina, when the Secretary of Veterans Affairs establishes a presumption of service connection.

1 **TITLE I—VETERANS CHOICE**
 2 **PROGRAM**

3 **SEC. 101. ESTABLISHMENT OF VETERANS CHOICE PRO-**
 4 **GRAM.**

5 (a) ESTABLISHMENT OF PROGRAM.—

6 (1) IN GENERAL.—Subchapter I of chapter 17
 7 of title 38, United States Code, is amended by in-
 8 serting after section 1703 the following new section:

9 **“§ 1703A. Veterans Choice Program**

10 “(a) PROGRAM.—

11 “(1) FURNISHING OF CARE.—

12 “(A) IN GENERAL.—Hospital care and
 13 medical services under this chapter shall be fur-

1 nished to an eligible veteran described in sub-
2 section (b), at the election of such veteran,
3 through contracts authorized under subsection
4 (d), or any other law administered by the Sec-
5 retary, with entities specified in subparagraph
6 (B) for the furnishing of such care and services
7 to veterans. The furnishing of hospital care and
8 medical services under this section may be re-
9 ferred to as the ‘Veterans Choice Program’.

10 “(B) ENTITIES SPECIFIED.—The entities
11 specified in this subparagraph are the following:

12 “(i) Any health care provider that is
13 participating in the Medicare program
14 under title XVIII of the Social Security
15 Act (42 U.S.C. 1395 et seq.), including
16 any physician furnishing services under
17 such program.

18 “(ii) Any Federally-qualified health
19 center (as defined in section 1905(l)(2)(B)
20 of the Social Security Act (42 U.S.C.
21 1396d(l)(2)(B))).

22 “(iii) The Department of Defense.

23 “(iv) The Indian Health Service.

24 “(v) Any health care provider not oth-
25 erwise covered under any of clauses (i)

1 through (iv) that meets criteria established
2 by the Secretary for purposes of this sec-
3 tion.

4 “(2) CHOICE OF PROVIDER.—An eligible vet-
5 eran who makes an election under subsection (c) to
6 receive hospital care or medical services under this
7 section may select a provider of such care or services
8 from among the entities specified in paragraph
9 (1)(B) that are accessible to the veteran.

10 “(3) COORDINATION OF CARE AND SERVICES.—
11 The Secretary shall coordinate, through the Non-VA
12 Care Coordination Program of the Department, the
13 furnishing of care and services under this section to
14 eligible veterans, including by ensuring that an eligi-
15 ble veteran receives an appointment for such care
16 and services within the wait-time goals of the Vet-
17 erans Health Administration for the furnishing of
18 hospital care and medical services.

19 “(b) ELIGIBLE VETERANS.—A veteran is an eligible
20 veteran for purposes of this section if—

21 “(1) the veteran is enrolled in the patient en-
22 rollment system of the Department established and
23 operated under section 1705 of this title; and

24 “(2)(A) the veteran is unable to schedule an ap-
25 pointment for the receipt of hospital care or medical

1 services from a health care provider of the Depart-
2 ment within the lesser of—

3 “(i) the wait-time goals of the Veterans
4 Health Administration for such care or services;
5 or

6 “(ii) a period determined by a health care
7 provider of the Department to be clinically nec-
8 essary for the receipt of such care or services;

9 “(B) the veteran does not reside within 40
10 miles driving distance from a medical facility of the
11 Department, including a community-based out-
12 patient clinic, with a full-time primary care physi-
13 cian;

14 “(C) the veteran—

15 “(i) resides in a State without a medical
16 facility of the Department that provides—

17 “(I) hospital care;

18 “(II) emergency medical services; and

19 “(III) surgical care rated by the Sec-
20 retary as having a surgical complexity of
21 standard; and

22 “(ii) does not reside within 20 miles driv-
23 ing distance from a medical facility of the De-
24 partment described in clause (i);

1 “(D) the veteran faces an unusual or excessive
2 burden in accessing hospital care or medical services
3 from a medical facility of the Department that is
4 within 40 miles driving distance from the residence
5 of the veteran due to—

6 “(i) geographical challenges;

7 “(ii) environmental factors, such as roads
8 that are not accessible to the general public,
9 traffic, or hazardous weather;

10 “(iii) a medical condition of the veteran
11 that affects the ability to travel; or

12 “(iv) such other factors as determined by
13 the Secretary;

14 “(E) the veteran resides in a location, other
15 than a location in Guam, American Samoa, or the
16 Republic of the Philippines, that requires the vet-
17 eran to travel by air, boat, or ferry to reach a med-
18 ical facility of the Department, including a commu-
19 nity-based outpatient clinic;

20 “(F) the veteran is enrolled in the pilot pro-
21 gram under section 403 of the Veterans’ Mental
22 Health and Other Care Improvements Act of 2008
23 (Public Law 110–387; 38 U.S.C. 1703 note) as of
24 the date of the enactment of the Veterans Choice
25 Improvement Act of 2016; or

1 “(G) there is a compelling reason, as deter-
2 mined by the Secretary, that the veteran needs to
3 receive hospital care or medical services from a med-
4 ical facility other than a medical facility of the De-
5 partment.

6 “(c) ELECTION AND AUTHORIZATION.—

7 “(1) IN GENERAL.—In the case of an eligible
8 veteran described in subsection (b)(2)(A), the Sec-
9 retary shall, at the election of the veteran—

10 “(A) provide the veteran an appointment
11 that exceeds the wait-time goals described in
12 such subsection or place such veteran on an
13 electronic waiting list described in paragraph
14 (2) for an appointment for hospital care or
15 medical services the veteran has elected to re-
16 ceive under this section; or

17 “(B)(i) authorize that such care or services
18 be furnished to the eligible veteran under this
19 section; and

20 “(ii) notify the eligible veteran by the most
21 effective means available, including electronic
22 communication or notification in writing, de-
23 scribing the care or services the eligible veteran
24 is eligible to receive under this section.

1 “(2) ELECTRONIC WAITING LIST.—The elec-
2 tronic waiting list described in this paragraph shall
3 be maintained by the Department and allow access
4 by each eligible veteran via www.myhealth.va.gov or
5 any successor website (or other digital channel) for
6 the following purposes:

7 “(A) To determine the place of such eligi-
8 ble veteran on the waiting list.

9 “(B) To determine the average length of
10 time an individual spends on the waiting list,
11 disaggregated by medical facility of the Depart-
12 ment and type of care or service needed, for
13 purposes of allowing such eligible veteran to
14 make an informed election under paragraph
15 (1).

16 “(d) CARE AND SERVICES THROUGH CONTRACTS.—

17 “(1) CONTRACTS.—

18 “(A) IN GENERAL.—Except as provided in
19 subparagraph (B), the Secretary shall enter
20 into contracts for furnishing care and services
21 to eligible veterans under this section with enti-
22 ties specified in subsection (a)(1)(B).

23 “(B) OTHER PROCESSES.—Before entering
24 into a contract under this paragraph, the Sec-
25 retary shall, to the maximum extent practicable

1 and consistent with the requirements of this
2 section, furnish such care and services to such
3 veterans under this section with such entities
4 pursuant to sharing agreements, existing con-
5 tracts entered into by the Secretary, or other
6 processes available at medical facilities of the
7 Department.

8 “(C) TREATMENT OF CONTRACTS.—A con-
9 tract entered into under this paragraph may
10 not be treated as a Federal contract for the ac-
11 quisition of goods or services and is not subject
12 to any provision of law governing Federal con-
13 tracts for the acquisition of goods or services.

14 “(D) CONTRACT DEFINED.—In this para-
15 graph, the term ‘contract’ has the meaning
16 given that term in subpart 2.101 of the Federal
17 Acquisition Regulation.

18 “(2) RATES AND REIMBURSEMENT.—

19 “(A) IN GENERAL.—In entering into a
20 contract under paragraph (1) with an entity
21 specified in subsection (a)(1)(B), the Secretary
22 shall—

23 “(i) negotiate rates for the furnishing
24 of care and services under this section; and

1 “(ii) reimburse the entity for such
2 care and services at the rates negotiated
3 under clause (i) as provided in such con-
4 tract.

5 “(B) LIMIT ON RATES.—

6 “(i) IN GENERAL.—Except as pro-
7 vided in clause (ii), rates negotiated under
8 subparagraph (A)(i) shall not be more
9 than the rates paid by the United States to
10 a provider of services (as defined in section
11 1861(u) of the Social Security Act (42
12 U.S.C. 1395x(u))) or a supplier (as defined
13 in section 1861(d) of such Act (42 U.S.C.
14 1395x(d))) under the Medicare program
15 under title XVIII of the Social Security
16 Act (42 U.S.C. 1395 et seq.) for the same
17 care or services.

18 “(ii) EXCEPTIONS.—

19 “(I) IN GENERAL.—The Sec-
20 retary may negotiate a rate that is
21 more than the rate paid by the United
22 States as described in clause (i) with
23 respect to the furnishing of care or
24 services under this section to an eligi-

1 ble veteran who resides in a highly
2 rural area.

3 “(II) OTHER EXCEPTIONS.—

4 “(aa) ALASKA.—With re-
5 spect to furnishing care or serv-
6 ices under this section in Alaska,
7 the Alaska Fee Schedule of the
8 Department of Veterans Affairs
9 will be followed, except for when
10 another payment agreement, in-
11 cluding a contract or provider
12 agreement, is in place.

13 “(bb) OTHER STATES.—

14 With respect to care or services
15 furnished under this section in a
16 State with an All-Payer Model
17 Agreement in effect under section
18 1814 of the Social Security Act
19 (42 U.S.C. 1395f), the Medicare
20 payment rates under clause (i)
21 shall be calculated based on the
22 payment rates under such agree-
23 ment.

24 “(III) HIGHLY RURAL AREA DE-
25 FINED.—In this clause, the term

1 ‘highly rural area’ means an area lo-
2 cated in a county that has fewer than
3 seven individuals residing in that
4 county per square mile.

5 “(C) LIMIT ON COLLECTION.—For the fur-
6 nishing of care or services pursuant to a con-
7 tract under paragraph (1), an entity specified
8 in subsection (a)(1)(B) may not collect any
9 amount that is greater than the rate negotiated
10 pursuant to subparagraph (A)(i).

11 “(e) VETERANS CHOICE CARD.—

12 “(1) IN GENERAL.—For purposes of receiving
13 care and services under this section, the Secretary
14 shall issue to each veteran described in subsection
15 (b)(1) a card that may be presented to a health care
16 provider to facilitate the receipt of care or services
17 under this section.

18 “(2) NAME OF CARD.—Each card issued under
19 paragraph (1) shall be known as a ‘Veterans Choice
20 Card’.

21 “(3) DETAILS OF CARD.—Each Veterans
22 Choice Card issued to a veteran under paragraph (1)
23 shall include the following:

24 “(A) The name of the veteran.

1 “(B) An identification number for the vet-
2 eran that is not the social security number of
3 the veteran.

4 “(C) The contact information of an appro-
5 priate office of the Department for health care
6 providers to confirm that care or services under
7 this section are authorized for the veteran.

8 “(D) Contact information and other rel-
9 evant information for the submittal of claims or
10 bills for the furnishing of care or services under
11 this section.

12 “(E) The following statement: ‘This card
13 is for qualifying medical care outside the De-
14 partment of Veterans Affairs. Please call the
15 Department of Veterans Affairs phone number
16 specified on this card to ensure that treatment
17 has been authorized.’

18 “(4) INFORMATION ON USE OF CARD.—Upon
19 issuing a Veterans Choice Card to a veteran, the
20 Secretary shall provide the veteran with information
21 clearly stating the circumstances under which the
22 veteran may be eligible for care or services under
23 this section.

24 “(f) INFORMATION ON AVAILABILITY OF CARE.—The
25 Secretary shall provide information to a veteran about the

1 availability of care and services under this section in the
2 following circumstances:

3 “(1) When the veteran enrolls in the patient en-
4 rollment system of the Department established and
5 operated under section 1705 of this title.

6 “(2) When the veteran attempts to schedule an
7 appointment for the receipt of hospital care or med-
8 ical services from the Department but is unable to
9 schedule an appointment within the wait-time goals
10 of the Veterans Health Administration for the fur-
11 nishing of such care or services.

12 “(3) When the veteran becomes eligible for hos-
13 pital care or medical services under this section
14 under subparagraph (B), (C), (D), (E), (F), or (G)
15 of subsection (b)(2).

16 “(g) FOLLOW-UP CARE.—The Secretary shall ensure
17 that, at the election of an eligible veteran who receives hos-
18 pital care or medical services from a health care provider
19 in an episode of care under this section, the veteran re-
20 ceives such care or services from that health care provider
21 or another health care provider selected by the veteran,
22 including a health care provider of the Department,
23 through the completion of the episode of care, including
24 all specialty and ancillary services deemed necessary as

1 part of the treatment recommended in the course of such
2 care or services.

3 “(h) PROVIDERS.—To be eligible to furnish care or
4 services under this section, a health care provider must—

5 “(1) maintain at least the same or similar cre-
6 dentials and licenses as those credentials and li-
7 censes that are required of health care providers of
8 the Department, as determined by the Secretary for
9 purposes of this section; and

10 “(2) submit, not less frequently than annually,
11 verification of such licenses and credentials main-
12 tained by such health care provider.

13 “(i) COST-SHARING.—

14 “(1) IN GENERAL.—The Secretary shall require
15 an eligible veteran to pay a copayment for the re-
16 ceipt of care or services under this section only if
17 such eligible veteran would be required to pay a co-
18 payment for the receipt of such care or services at
19 a medical facility of the Department or from a
20 health care provider of the Department under this
21 chapter.

22 “(2) LIMITATION.—The amount of a copayment
23 charged under paragraph (1) may not exceed the
24 amount of the copayment that would be payable by
25 such eligible veteran for the receipt of such care or

1 services at a medical facility of the Department or
2 from a health care provider of the Department
3 under this chapter.

4 “(j) CLAIMS PROCESSING SYSTEM.—

5 “(1) IN GENERAL.—The Secretary shall provide
6 for an efficient nationwide system for prompt proc-
7 essing and paying of bills or claims for authorized
8 care and services furnished to eligible veterans under
9 this section.

10 “(2) OVERSIGHT.—The Chief Business Office
11 of the Veterans Health Administration shall oversee
12 the implementation and maintenance of such system.

13 “(3) ACCURACY OF PAYMENT.—

14 “(A) IN GENERAL.—The Secretary shall
15 ensure that such system meets such goals for
16 accuracy of payment as the Secretary shall
17 specify for purposes of this section.

18 “(B) QUARTERLY REPORT.—

19 “(i) IN GENERAL.—The Secretary
20 shall submit to the Committee on Vet-
21 erans’ Affairs of the Senate and the Com-
22 mittee on Veterans’ Affairs of the House
23 of Representatives a quarterly report on
24 the accuracy of such system.

1 “(ii) ELEMENTS.—Each report re-
2 quired by clause (i) shall include the fol-
3 lowing:

4 “(I) A description of the goals
5 for accuracy for such system specified
6 by the Secretary under subparagraph
7 (A).

8 “(II) An assessment of the suc-
9 cess of the Department in meeting
10 such goals during the quarter covered
11 by the report.

12 “(iii) DEADLINE.—The Secretary
13 shall submit each report required by clause
14 (i) not later than 20 days after the end of
15 the quarter covered by the report.

16 “(k) MEDICAL RECORDS.—

17 “(1) IN GENERAL.—The Secretary shall ensure
18 that any health care provider that furnishes care or
19 services under this section to an eligible veteran sub-
20 mits to the Department a copy of any medical
21 record related to the care or services provided to
22 such veteran by such health care provider for inclu-
23 sion in the electronic medical record of such veteran
24 maintained by the Department upon the completion

1 of the provision of such care or services to such vet-
2 eran.

3 “(2) ELECTRONIC FORMAT.—Any medical
4 record submitted to the Department under para-
5 graph (1) shall, to the extent possible, be in an elec-
6 tronic format.

7 “(l) RECORDS NOT REQUIRED FOR REIMBURSE-
8 MENT.—With respect to care or services furnished to an
9 eligible veteran by a health care provider under this sec-
10 tion, the receipt by the Department of a medical record
11 under subsection (k) detailing such care or services is not
12 required before reimbursing the health care provider for
13 such care or services.

14 “(m) TRACKING OF MISSED APPOINTMENTS.—The
15 Secretary shall implement a mechanism to track any
16 missed appointments for care or services under this sec-
17 tion by eligible veterans to ensure that the Department
18 does not pay for such care or services that were not fur-
19 nished to an eligible veteran.

20 “(n) RULES OF CONSTRUCTION.—

21 “(1) PRESCRIPTION MEDICATIONS.—Nothing in
22 this section shall be construed to alter the process
23 of the Department for filling and paying for pre-
24 scription medications.

1 “(2) TIERED NETWORK.—Nothing in this sec-
2 tion shall be construed to authorize the creation of
3 a tiered network in which an eligible veteran would
4 be required to receive care or services from an entity
5 in a higher tier than any other entity or provider
6 network.

7 “(o) WAIT-TIME GOALS OF THE VETERANS HEALTH
8 ADMINISTRATION.—

9 “(1) IN GENERAL.—Except as provided in para-
10 graph (2), in this section, the term ‘wait-time goals
11 of the Veterans Health Administration’ means not
12 more than 30 days from the date on which a veteran
13 requests an appointment for hospital care or medical
14 services from the Department.

15 “(2) ALTERNATE GOALS.—If the Secretary sub-
16 mits to Congress, not later than 180 days after the
17 date of the enactment of the Veterans Choice Im-
18 provement Act of 2016, a report stating that the ac-
19 tual wait-time goals of the Veterans Health Admin-
20 istration are different from the wait-time goals spec-
21 ified in paragraph (1)—

22 “(A) for purposes of this section, the wait-
23 time goals of the Veterans Health Administra-
24 tion shall be the wait-time goals submitted by
25 the Secretary under this paragraph; and

1 “(B) the Secretary shall publish such wait-
2 time goals in the Federal Register and on an
3 Internet website of the Department available to
4 the public.

5 “(p) WAIVER OF CERTAIN PRINTING REQUIRE-
6 MENTS.—Section 501 of title 44 shall not apply in car-
7 rying out this section.”.

8 (2) CLERICAL AMENDMENT.—The table of sec-
9 tions at the beginning of chapter 17 of such title is
10 amended by inserting after the item relating to sec-
11 tion 1703 the following new item:

“1703A. Veterans Choice Program.”.

12 (3) CONFORMING REPEAL.—

13 (A) IN GENERAL.—Section 101 of the Vet-
14 erans Access, Choice, and Accountability Act of
15 2014 (Public Law 113–146; 38 U.S.C. 1701
16 note) is repealed.

17 (B) CONFORMING AMENDMENT.—Section
18 208(1) of such Act is amended by striking “sec-
19 tion 101” and inserting “section 1703A of title
20 38, United States Code”.

21 (4) REPORT.—Not later than 180 days after
22 the date of the enactment of this Act, the Secretary
23 of Veterans Affairs shall submit to the Committee
24 on Veterans’ Affairs of the Senate and the Com-
25 mittee on Veterans’ Affairs of the House of Rep-

1 representatives a report on the furnishing of care and
2 services under section 1703A of title 38, United
3 States Code, as added by paragraph (1), that in-
4 cludes the following:

5 (A) The total number of veterans who have
6 received care or services under this section,
7 disaggregated by—

8 (i) eligible veterans described in sub-
9 section (b)(2)(A) of such section;

10 (ii) eligible veterans described in sub-
11 section (b)(2)(B) of such section;

12 (iii) eligible veterans described in sub-
13 section (b)(2)(C) of such section;

14 (iv) eligible veterans described in sub-
15 section (b)(2)(D) of such section;

16 (v) eligible veterans described in sub-
17 section (b)(2)(E) of such section;

18 (vi) eligible veterans described in sub-
19 section (b)(2)(F) of such section; and

20 (vii) eligible veterans described in sub-
21 section (b)(2)(G) of such section.

22 (B) A description of the types of care and
23 services furnished to veterans under such sec-
24 tion.

1 (C) An accounting of the total cost of fur-
2 nishing care and services to veterans under
3 such section.

4 (D) The results of a survey of veterans
5 who have received care or services under such
6 section on the satisfaction of such veterans with
7 the care or services received by such veterans
8 under such section.

9 (E) An assessment of the effect of fur-
10 nishing care and services under such section on
11 wait times for appointments for the receipt of
12 hospital care and medical services from the De-
13 partment of Veterans Affairs.

14 (b) CONSOLIDATION OF SERVICES.—

15 (1) IN GENERAL.—Not later than December 31,
16 2017, the Secretary of Veterans Affairs shall con-
17 solidate the following programs, contracts, and
18 agreements of the Department of Veterans Affairs:

19 (A) The Patient-Centered Community Care
20 program (commonly referred to as “PC3”).

21 (B) Contracts to provide kidney dialysis
22 services.

23 (C) Contracts through the retail pharmacy
24 network of the Department.

1 (D) Veterans Care Agreements under sec-
2 tion 1703C of title 38, United States Code, as
3 added by section 201(a).

4 (E) Health care agreements with Federal
5 entities or entities funded by the Federal Gov-
6 ernment, including the Department of Defense,
7 the Indian Health Service, tribal health pro-
8 grams, Federally-qualified health centers (as
9 defined in section 1905(l)(2)(B) of the Social
10 Security Act (42 U.S.C. 1396d(l)(2)(B))), and
11 academic teaching affiliates.

12 (2) CLASSIFICATION OF SERVICES.—Services
13 provided under the programs, contracts, and agree-
14 ments consolidated under paragraph (1) shall be
15 considered services provided under the Veterans
16 Choice Program established under section 1703A of
17 title 38, United States Code, as added by subsection
18 (a)(1).

19 (3) RULE OF CONSTRUCTION.—Nothing in this
20 subsection shall be construed to authorize the cre-
21 ation of a tiered network in which an entity or enti-
22 ties would be placed in a higher tier than any other
23 entity or provider network.

1 **SEC. 102. FUNDING FOR VETERANS CHOICE PROGRAM.**

2 (a) IN GENERAL.—All amounts required to carry out
3 the Veterans Choice Program shall be derived from the
4 appropriations account established in section 4003 of the
5 Surface Transportation and Veterans Health Care Choice
6 Improvement Act of 2015 (Public Law 114–41; 38 U.S.C.
7 1701 note).

8 (b) TRANSFER OF AMOUNTS.—

9 (1) IN GENERAL.—All amounts in the Veterans
10 Choice Fund under section 802 of the Veterans Ac-
11 cess, Choice, and Accountability Act of 2014 (Public
12 Law 113–146; 38 U.S.C. 1701 note) shall be trans-
13 ferred to the appropriations account established in
14 section 4003 of the Surface Transportation and Vet-
15 erans Health Care Choice Improvement Act of 2015
16 (Public Law 114–41; 38 U.S.C. 1701 note).

17 (2) CONFORMING REPEAL.—

18 (A) IN GENERAL.—Section 802 of the Vet-
19 erans Access, Choice, and Accountability Act of
20 2014 (Public Law 113–146; 38 U.S.C. 1701
21 note) is repealed.

22 (B) CONFORMING AMENDMENT.—Section
23 4003 of the Surface Transportation and Vet-
24 erans Health Care Choice Improvement Act of
25 2015 (Public Law 114–41; 38 U.S.C. 1701
26 note) is amended by striking “to be comprised

1 of’ and all that follows and inserting “to be
2 comprised of discretionary medical services
3 funding that is designated for hospital care and
4 medical services furnished at non-Department
5 facilities”.

6 (c) OBLIGATION OF FUNDS.—Without regard to the
7 requirements of sections 1501 and 1341(a)(1) of title 31,
8 United States Code, the Secretary may record obligations
9 under the Veteran Choice Program if the amount of the
10 obligation is certain in order for the Department to avoid
11 large deobligation amounts after the funds have expired.

12 (d) STREAMLINED FUNDING.—

13 (1) PROVISION OF FUNDS.—The Chief Business
14 Office of the Veterans Health Administration may
15 provide funds for a fiscal year to medical centers of
16 the Department, if requested by the medical center,
17 for costs relating to furnishing non-Department care
18 under the Veterans Choice Program, including ad-
19 ministrative costs associated with the management
20 and accounting of such funds, and may adjust such
21 funding if appropriate.

22 (2) SUBMITTAL OF FUNDING REQUESTS BY
23 MEDICAL CENTERS.—Medical centers of the Depart-
24 ment may submit funding requests to the Chief

1 Business Office for costs described in subparagraph
2 (A).

3 (3) USE OF FUNDS.—Funds provided under
4 subparagraph (A) may be used only for the costs
5 specified in such subparagraph and are not eligible
6 to be reprogrammed for any other purpose.

7 (e) REPORT.—

8 (1) IN GENERAL.—Not later than 90 days after
9 the date of the enactment of this Act, the Secretary
10 of Veterans Affairs shall submit to the appropriate
11 committees of Congress a report that includes the
12 following:

13 (A) The amount of funds required to carry
14 out the Veterans Choice Program for fiscal year
15 2017.

16 (B) The number of veterans, disaggregated
17 by fiscal year, who received health care services
18 under the programs, contracts, and agreements
19 that make up the Veterans Choice Program
20 during the period beginning on October 1,
21 2011, and ending on September 30, 2015.

22 (C) An evaluation of whether the account-
23 ing processes of the Department are sufficient
24 to properly account for expenditures from a
25 consolidated appropriations account under para-

1 graph (1), including an identification of each
2 known deficiency and potential deficiency of
3 such processes.

4 (D) For each deficiency identified under
5 clause (iii), a detailed plan to remedy the defi-
6 ciency and an assessment of whether the De-
7 partment has adequate resources to remedy the
8 deficiency.

9 (E) For each deficiency identified under
10 clause (iii) that requires new or improved infor-
11 mation technology to remedy, an evaluation of
12 whether there is commercially available tech-
13 nology that may be suitable to remedy the defi-
14 ciency.

15 (F) A cost estimate for remedying each de-
16 ficiency identified under clause (iii).

17 (2) APPROPRIATE COMMITTEES OF CONGRESS
18 DEFINED.—In this paragraph, the term “appro-
19 priate committees of Congress” means—

20 (A) the Committee on Veterans’ Affairs
21 and the Committee on Appropriations of the
22 Senate; and

23 (B) the Committee on Veterans’ Affairs
24 and the Committee on Appropriations of the
25 House of Representatives.

1 (f) VETERANS CHOICE PROGRAM DEFINED.—In this
2 subsection, the term “Veterans Choice Program” means—

3 (1) the program under section 1703A of title
4 38, United States Code, as added by section
5 101(a)(1); and

6 (2) the programs, contracts, and agreements of
7 the Department consolidated under section 101(b).

8 **SEC. 103. PAYMENT OF HEALTH CARE PROVIDERS UNDER**
9 **VETERANS CHOICE PROGRAM.**

10 (a) PAYMENT OF PROVIDERS.—

11 (1) IN GENERAL.—Subchapter I of chapter 17
12 of title 38, United States Code, as amended by sec-
13 tion 101(a)(1), is further amended by inserting after
14 section 1703A the following new section:

15 **“§ 1703B. Veterans Choice Program: payment of**
16 **health care providers**

17 “(a) PROMPT PAYMENT COMPLIANCE.—The Sec-
18 retary shall ensure that payments made to health care pro-
19 viders under the Veterans Choice Program comply with
20 chapter 39 of title 31 (commonly referred to as the
21 ‘Prompt Payment Act’) and the requirements of this sec-
22 tion. If there is a conflict between the requirements of the
23 Prompt Payment Act and the requirements of this section,
24 the Secretary shall comply with the requirements of this
25 section.

1 “(b) PAYMENT SCHEDULE.—(1) The Secretary shall
2 reimburse a health care provider for care or services fur-
3 nished under the Veterans Choice Program—

4 “(A) in the case of a clean claim submitted to
5 the Secretary electronically, not later than 30 days
6 after receiving the claim; or

7 “(B) in the case of a clean claim submitted to
8 the Secretary in a manner other than electronically,
9 not later than 45 days after receiving the claim.

10 “(2)(A) If the Secretary determines that a claim re-
11 ceived from a health care provider for care or services fur-
12 nished under the Veterans Choice Program is a non-clean
13 claim, the Secretary shall submit to the provider, not later
14 than 10 days after receiving the claim—

15 “(i) a notification that the claim is a non-clean
16 claim;

17 “(ii) an explanation of why the claim has been
18 determined to be a non-clean claim; and

19 “(iii) an identification of the information or
20 documentation that is required to make the claim a
21 clean claim.

22 “(B) If the Secretary does not comply with the re-
23 quirements of subparagraph (A) with respect to a claim,
24 the claim shall be deemed a clean claim for purposes of
25 paragraph (1).

1 “(3) Upon receipt by the Secretary of information or
2 documentation described in subparagraph (A)(iii) with re-
3 spect to a claim, the Secretary shall reimburse a health
4 care provider for care or services furnished under the Vet-
5 erans Choice Program—

6 “(A) in the case of a claim submitted to the
7 Secretary electronically, not later than 30 days after
8 receiving such information or documentation; or

9 “(B) in the case of claim submitted to the Sec-
10 retary in a manner other than electronically, not
11 later than 45 days after receiving such information
12 or documentation.

13 “(4) If the Secretary fails to comply with the dead-
14 lines for payment set forth in this subsection with respect
15 to a claim, interest shall accrue on the amount owed under
16 such claim in accordance with section 3902 of title 31,
17 United States Code.

18 “(c) INFORMATION AND DOCUMENTATION RE-
19 QUIRED.—(1) The Secretary shall provide to all health
20 care providers participating in the Veterans Choice Pro-
21 gram a list of information and documentation that is re-
22 quired to establish a clean claim under this section.

23 “(2) The Secretary shall consult with entities in the
24 health care industry, in the public and private sector, to

1 determine the information and documentation to include
2 in the list under paragraph (1).

3 “(3) If the Secretary modifies the information and
4 documentation included in the list under paragraph (1),
5 the Secretary shall notify all health care providers partici-
6 pating in the Veterans Choice Program not later than 30
7 days before such modifications take effect.

8 “(d) ELECTRONIC CLAIM SUBMITTAL.—On and after
9 January 1, 2019, the Secretary shall not accept any claim
10 under this section that is submitted to the Secretary in
11 a manner other than electronically.

12 “(e) DEFINITIONS.—In this section:

13 “(1) The term ‘clean claim’ means a claim for
14 reimbursement for care or services furnished under
15 the Veterans Choice Program, on a nationally recog-
16 nized standard format, that includes the information
17 and documentation necessary to adjudicate the
18 claim.

19 “(2) The term ‘non-clean claim’ means a claim
20 for reimbursement for care or services furnished
21 under the Veterans Choice Program, on a nationally
22 recognized standard format, that does not include
23 the information and documentation necessary to ad-
24 judicate the claim.

1 “(3) The term ‘Veterans Choice Program’
2 means—

3 “(A) the program under section 1703A of
4 this title; and

5 “(B) the programs, contracts, and agree-
6 ments of the Department consolidated under
7 section 101(b) of the Veterans Choice Improve-
8 ment Act of 2016.”.

9 (2) CLERICAL AMENDMENT.—The table of sec-
10 tions at the beginning of chapter 17 of such title, as
11 amended by section 101(a)(2), is further amended
12 by inserting after the item related to section 1703A
13 the following new item:

“1703B. Veterans Choice Program: payment of health care providers.”.

14 (b) ELECTRONIC SUBMITTAL OF CLAIMS FOR REIM-
15 BURSEMENT.—

16 (1) PROHIBITION ON ACCEPTANCE OF NON-
17 ELECTRONIC CLAIMS.—

18 (A) IN GENERAL.—Except as provided in
19 subparagraph (B), on and after January 1,
20 2019, the Secretary of Veterans Affairs shall
21 not accept any claim for reimbursement under
22 section 1703B of title 38, United States Code,
23 as added by subsection (a), that is submitted to
24 the Secretary in a manner other than electroni-

1 cally, including medical records in connection
2 with such a claim.

3 (B) EXCEPTION.—If the Secretary deter-
4 mines that accepting claims and medical
5 records in a manner other than electronically is
6 necessary for the timely processing of claims for
7 reimbursement under such section 1703B due
8 to a failure or malfunction of the electronic
9 interface established under paragraph (2), the
10 Secretary—

11 (i) may accept claims and medical
12 records in a manner other than electroni-
13 cally for a period not to exceed 90 days;
14 and

15 (ii) shall submit to the Committee on
16 Veterans' Affairs of the Senate and the
17 Committee on Veterans' Affairs of the
18 House of Representatives a report setting
19 forth—

20 (I) the reason for accepting
21 claims and medical records in a man-
22 ner other than electronically;

23 (II) the duration of time that the
24 Department of Veterans Affairs will

1 accept claims and medical records in a
2 manner other than electronically; and
3 (III) the steps that the Depart-
4 ment is taking to resolve such failure
5 or malfunction.

6 (2) ELECTRONIC INTERFACE.—

7 (A) IN GENERAL.—Not later than January
8 1, 2019, the Chief Information Officer of the
9 Department of Veterans Affairs shall establish
10 an electronic interface for health care providers
11 to submit claims for reimbursement under such
12 section 1703B.

13 (B) FUNCTIONS.—The electronic interface
14 established under subparagraph (A) shall in-
15 clude the following functions:

16 (i) A function through which a health
17 care provider may input all relevant data
18 required for claims submittal and reim-
19 bursement.

20 (ii) A function through which a health
21 care provider may upload medical records
22 to accompany a claim for reimbursement.

23 (iii) A function through which a
24 health care provider may ascertain the sta-

1 tus of a pending claim for reimbursement
2 that—

3 (I) indicates whether the claim is
4 a clean claim or a non-clean claim;
5 and

6 (II) in the event that a submitted
7 claim is indicated as a non-clean
8 claim, provides—

9 (aa) an explanation of why
10 the claim has been determined to
11 be a non-clean claim; and

12 (bb) an identification of the
13 information or documentation
14 that is required to make the
15 claim a clean claim.

16 (iv) A function through which a
17 health care provider is notified when a
18 claim for reimbursement is accepted or re-
19 jected.

20 (v) Such other features as the Sec-
21 retary considers necessary.

22 (C) PROTECTION OF INFORMATION.—

23 (i) IN GENERAL.—The electronic
24 interface established under subparagraph
25 (A) shall be developed and implemented

1 based on industry-accepted information se-
2 curity and privacy engineering principles
3 and best practices and shall provide for the
4 following:

5 (I) The elicitation, analysis, and
6 prioritization of functional and non-
7 functional information security and
8 privacy requirements for such inter-
9 face, including specific security and
10 privacy services and architectural re-
11 quirements relating to security and
12 privacy based on a thorough analysis
13 of all reasonably anticipated cyber and
14 noncyber threats to the security and
15 privacy of electronic protected health
16 information made available through
17 such interface.

18 (II) The elicitation, analysis, and
19 prioritization of secure development
20 requirements relating to such inter-
21 face.

22 (III) The assurance that the
23 prioritized information security and
24 privacy requirements of such inter-
25 face—

1 (aa) are correctly imple-
2 mented in the design and imple-
3 mentation of such interface
4 throughout the system develop-
5 ment lifecycle; and

6 (bb) satisfy the information
7 objectives of such interface relat-
8 ing to security and privacy
9 throughout the system develop-
10 ment lifecycle.

11 (ii) DEFINITIONS.—In this subpara-
12 graph:

13 (I) ELECTRONIC PROTECTED
14 HEALTH INFORMATION.—The term
15 “electronic protected health informa-
16 tion” has the meaning given that term
17 in section 160.103 of title 45, Code of
18 Federal Regulations, as in effect on
19 the date of the enactment of this Act.

20 (II) SECURE DEVELOPMENT RE-
21 QUIREMENTS.—The term “secure de-
22 velopment requirements” means, with
23 respect to the electronic interface es-
24 tablished under subparagraph (A), ac-
25 tivities that are required to be com-

1 pleted during the system development
2 lifecycle of such interface, such as se-
3 cure coding principles and test meth-
4 odologies.

5 (3) ANALYSIS OF AVAILABLE TECHNOLOGY FOR
6 ELECTRONIC INTERFACE.—

7 (A) IN GENERAL.—Not later than January
8 1, 2017, or before entering into a contract to
9 procure or design and build the electronic inter-
10 face described in paragraph (2) or making a de-
11 cision to internally design and build such elec-
12 tronic interface, whichever occurs first, the Sec-
13 retary shall—

14 (i) conduct an analysis of commer-
15 cially available technology that may satisfy
16 the requirements of such electronic inter-
17 face set forth in such paragraph; and

18 (ii) submit to the Committee on Vet-
19 erans' Affairs of the Senate and the Com-
20 mittee on Veterans' Affairs of the House
21 of Representatives a report setting forth
22 such analysis.

23 (B) ELEMENTS.—The report required
24 under subparagraph (A)(ii) shall include the
25 following:

1 (i) An evaluation of commercially
2 available systems that may satisfy the re-
3 quirements of paragraph (2).

4 (ii) The estimated cost of procuring a
5 commercially available system if a suitable
6 commercially available system exists.

7 (iii) If no suitable commercially avail-
8 able system exists, an assessment of the
9 feasibility of modifying a commercially
10 available system to meet the requirements
11 of paragraph (2), including the estimated
12 cost associated with such modifications.

13 (iv) If no suitable commercially avail-
14 able system exists and modifying a com-
15 mercially available system is not feasible,
16 an assessment of the estimated cost and
17 time that would be required to contract
18 with a commercial entity to design and
19 build an electronic interface that meets the
20 requirements of paragraph (2).

21 (v) If the Secretary determines that
22 the Department has the capabilities re-
23 quired to design and build an electronic
24 interface that meets the requirements of
25 paragraph (2), an assessment of the esti-

1 mated cost and time that would be re-
 2 quired to design and build such electronic
 3 interface.

4 (vi) A description of the decision of
 5 the Secretary regarding how the Depart-
 6 ment plans to establish the electronic inter-
 7 face required under paragraph (2) and the
 8 justification of the Secretary for such deci-
 9 sion.

10 (4) LIMITATION ON USE OF AMOUNTS.—The
 11 Secretary may not spend any amounts to procure or
 12 design and build the electronic interface described in
 13 paragraph (2) until the date that is 60 days after
 14 the date on which the Secretary submits the report
 15 required under paragraph (3)(A)(iii).

16 **SEC. 104. TERMINATION OF CERTAIN PROVISIONS AUTHOR-**
 17 **IZING CARE TO VETERANS THROUGH NON-**
 18 **DEPARTMENT OF VETERANS AFFAIRS PRO-**
 19 **VIDERS.**

20 (a) TERMINATION OF AUTHORITY TO CONTRACT FOR
 21 CARE IN NON-DEPARTMENT FACILITIES.—

22 (1) IN GENERAL.—Section 1703 of title 38,
 23 United States Code, is amended by adding at the
 24 end the following new subsection:

1 “(e) The authority of the Secretary under this section
2 terminates on December 31, 2017.”.

3 (2) CONFORMING AMENDMENTS.—

4 (A) IN GENERAL.—

5 (i) DENTAL CARE.—Section 1712(a)
6 of such title is amended—

7 (I) in paragraph (3), by striking
8 “under clause (1), (2), or (5) of sec-
9 tion 1703(a) of this title” and insert-
10 ing “under the Veterans Choice Pro-
11 gram (as defined in section 1703B(e)
12 of this title)”; and

13 (II) in paragraph (4)(A), in the
14 first sentence—

15 (aa) by striking “and section
16 1703 of this title” and inserting
17 “and the Veterans Choice Pro-
18 gram (as defined in section
19 1703B(e) of this title)”; and

20 (bb) by striking “in section
21 1703 of this title” and inserting
22 “under the Veterans Choice Pro-
23 gram”.

24 (ii) READJUSTMENT COUNSELING.—
25 Section 1712A(e)(1) of such title is

1 amended by striking “(under sections
2 1703(a)(2) and 1710(a)(1)(B) of this
3 title)” and inserting “(under the Veterans
4 Choice Program (as defined in section
5 1703B(e) of this title) and section
6 1710(a)(1)(B) of this title)”.

7 (iii) DEATH IN DEPARTMENT FACIL-
8 ITY.—Section 2303(a)(2)(B)(i) of such
9 title is amended by striking “in accordance
10 with section 1703” and inserting “under
11 the Veterans Choice Program (as defined
12 in section 1703B(e) of this title)”.

13 (iv) MEDICARE PROVIDER AGREE-
14 MENTS.—Section 1866(a)(1)(L) of the So-
15 cial Security Act (42 U.S.C.
16 1395cc(a)(1)(L)) is amended—

17 (I) by striking “under section
18 1703 of title 38” and inserting
19 “under the Veterans Choice Program
20 (as defined in section 1703B(e) of
21 title 38, United States Code)”; and

22 (II) by striking “such section”
23 and inserting “such program”.

1 (B) EFFECTIVE DATE.—The amendments
 2 made by subparagraph (A) shall take effect on
 3 January 1, 2018.

4 (b) REPEAL OF AUTHORITY TO CONTRACT FOR
 5 SCARCE MEDICAL SPECIALISTS.—

6 (1) IN GENERAL.—Section 7409 of such title is
 7 repealed.

8 (2) CLERICAL AMENDMENT.—The table of sec-
 9 tions at the beginning of chapter 74 of such title is
 10 amended by striking the item relating to section
 11 7409.

12 **TITLE II—HEALTH CARE**

13 **ADMINISTRATIVE MATTERS**

14 **SEC. 201. AUTHORIZATION OF AGREEMENTS BETWEEN THE**
 15 **DEPARTMENT OF VETERANS AFFAIRS AND**
 16 **NON-DEPARTMENT PROVIDERS.**

17 (a) IN GENERAL.—Subchapter I of chapter 17 of title
 18 38, United States Code, as amended by section 103(a)(1),
 19 is further amended by inserting after section 1703B the
 20 following new section:

21 **“§ 1703C. Veterans Care Agreements**

22 “(a) AGREEMENTS TO FURNISH CARE.—(1) In addi-
 23 tion to the authority of the Secretary under this chapter
 24 to furnish hospital care, medical services, and extended
 25 care at facilities of the Department and under contracts

1 or sharing agreements entered into under authorities other
2 than this section, the Secretary may furnish hospital care,
3 medical services, and extended care through the use of
4 agreements entered into under this section. An agreement
5 entered into under this section may be referred to as a
6 ‘Veterans Care Agreement’.

7 “(2)(A) The Secretary may enter into agreements
8 under this section with eligible providers that are certified
9 under subsection (d) if the Secretary is not feasibly able
10 to furnish care or services described in paragraph (1) at
11 facilities of the Department.

12 “(B) The Secretary is not feasibly able to furnish
13 care or services described in paragraph (1) at facilities of
14 the Department if the Secretary determines that the med-
15 ical condition of the veteran, the travel involved, the na-
16 ture of the care or services required, or a combination of
17 those factors make the use of facilities of the Department
18 impracticable or inadvisable.

19 “(3) An eligible provider, at its discretion, may opt
20 to enter into an agreement under this section instead of
21 a contract or sharing agreement under authorities other
22 than this section.

23 “(b) RECEIPT OF CARE.—(1) Eligibility of a veteran
24 under this section for care or services described in para-
25 graph (1) shall be determined as if such care or services

1 were furnished in a facility of the Department and provi-
2 sions of this title applicable to veterans receiving such care
3 or services in a facility of the Department shall apply to
4 veterans receiving such care or services under this section.

5 “(2) In carrying out this section, the Secretary—

6 “(A) may not direct veterans seeking care or
7 services described in paragraph (1) to health care
8 providers that have entered into contracts or sharing
9 agreements under authorities other than this section;
10 and

11 “(B) shall ensure that veterans have the option
12 to determine whether to receive such care or services
13 from a health care provider described in subpara-
14 graph (A) or an eligible provider that has entered
15 into an agreement under this section.

16 “(c) ELIGIBLE PROVIDERS.—For purposes of this
17 section, an eligible provider is one of the following:

18 “(1) A provider of services that has enrolled
19 and entered into a provider agreement under section
20 1866(a) of the Social Security Act (42 U.S.C.
21 1395cc(a)).

22 “(2) A physician or supplier that has enrolled
23 and entered into a participation agreement under
24 section 1842(h) of such Act (42 U.S.C. 1395u(h)).

1 “(3) A provider of items and services receiving
2 payment under a State plan under title XIX of such
3 Act (42 U.S.C. 1396 et seq.) or a waiver of such a
4 plan.

5 “(4) A health care provider that is—

6 “(A) an Aging and Disability Resource
7 Center, an area agency on aging, or a State
8 agency (as defined in section 102 of the Older
9 Americans Act of 1965 (42 U.S.C. 3002)); or

10 “(B) a center for independent living (as
11 defined in section 702 of the Rehabilitation Act
12 of 1973 (29 U.S.C. 796a)).

13 “(5) A provider that is located in—

14 “(A) an area that is designated as a health
15 professional shortage area (as defined in section
16 332 of the Public Health Service Act (42
17 U.S.C. 254e)); or

18 “(B) a county that is not in a metropolitan
19 statistical area.

20 “(6) Such other health care providers as the
21 Secretary considers appropriate for purposes of this
22 section.

23 “(d) CERTIFICATION OF ELIGIBLE PROVIDERS.—(1)

24 The Secretary shall establish a process for the certification

1 of eligible providers under this section that shall, at a min-
2 imum, set forth the following:

3 “(A) Procedures for the submittal of applica-
4 tions for certification and deadlines for actions taken
5 by the Secretary with respect to such applications.

6 “(B) Standards and procedures for approval
7 and denial of certification, duration of certification,
8 revocation of certification, and recertification.

9 “(C) Procedures for assessing eligible providers
10 based on the risk of fraud, waste, and abuse of such
11 providers similar to the level of screening under sec-
12 tion 1866(j)(2)(B) of the Social Security Act (42
13 U.S.C. 1395cc(j)(2)(B)) and the standards set forth
14 under section 9.104 of title 48, Code of Federal
15 Regulations, or any successor regulation.

16 “(2) The Secretary shall deny or revoke certification
17 to an eligible provider under this subsection if the Sec-
18 retary determines that the eligible provider is currently—

19 “(A) excluded from participation in a Federal
20 health care program (as defined in section 1128B(f)
21 of the Social Security Act (42 U.S.C. 1320a-7b(f)))
22 under section 1128 or 1128A of the Social Security
23 Act (42 U.S.C. 1320a-7 and 1320a-7a); or

1 “(B) identified as an excluded source on the list
2 maintained in the System for Award Management,
3 or any successor system.

4 “(e) TERMS OF AGREEMENTS.—Each agreement en-
5 tered into with an eligible provider under this section shall
6 include provisions requiring the eligible provider to do the
7 following:

8 “(1) To accept payment for care or services fur-
9 nished under this section at rates established by the
10 Secretary for purposes of this section, which shall
11 be, to the extent practicable, the rates paid by the
12 United States for such care or services to providers
13 of services and suppliers under the Medicare pro-
14 gram under title XVIII of the Social Security Act
15 (42 U.S.C. 1395 et seq.).

16 “(2) To accept payment under paragraph (1) as
17 payment in full for care or services furnished under
18 this section and to not seek any payment for such
19 care or services from the recipient of such care or
20 services.

21 “(3) To furnish under this section only the care
22 or services authorized by the Department under this
23 section unless the eligible provider receives prior
24 written consent from the Department to furnish care
25 or services outside the scope of such authorization.

1 “(4) To bill the Department for care or services
2 furnished under this section in accordance with a
3 methodology established by the Secretary for pur-
4 poses of this section.

5 “(5) Not to seek to recover or collect from a
6 health-plan contract or third party, as those terms
7 are defined in section 1729 of this title, for any care
8 or services for which payment is made by the De-
9 partment under this section.

10 “(6) To provide medical records for veterans
11 furnished care or services under this section to the
12 Department in a timeframe and format specified by
13 the Secretary for purposes of this section.

14 “(7) To meet such other terms and conditions,
15 including quality of care assurance standards, as the
16 Secretary may specify for purposes of this section.

17 “(f) TERMINATION OF AGREEMENTS.—(1) An eligi-
18 ble provider may terminate an agreement with the Sec-
19 retary under this section at such time and upon such no-
20 tice to the Secretary as the Secretary may specify for pur-
21 poses of this section.

22 “(2) The Secretary may terminate an agreement with
23 an eligible provider under this section at such time and
24 upon such notice to the eligible provider as the Secretary
25 may specify for purposes of this section, if the Secretary—

1 “(A) determines that the eligible provider failed
2 to comply substantially with the provisions of the
3 agreement or with the provisions of this section and
4 the regulations prescribed thereunder;

5 “(B) determines that the eligible provider is—

6 “(i) excluded from participation in a Fed-
7 eral health care program (as defined in section
8 1128B(f) of the Social Security Act (42 U.S.C.
9 1320a–7b(f))) under section 1128 or 1128A of
10 the Social Security Act (42 U.S.C. 1320a–7
11 and 1320a–7a); or

12 “(ii) identified as an excluded source on
13 the list maintained in the System for Award
14 Management, or any successor system;

15 “(C) ascertains that the eligible provider has
16 been convicted of a felony or other serious offense
17 under Federal or State law and determines that the
18 continued participation of the eligible provider would
19 be detrimental to the best interests of veterans or
20 the Department; or

21 “(D) determines that it is reasonable to termi-
22 nate the agreement based on the health care needs
23 of a veteran or veterans.

24 “(g) PERIODIC REVIEW OF CERTAIN AGREE-
25 MENTS.—(1) Not less frequently than once every two

1 years, the Secretary shall review each Veterans Care
2 Agreement of material size entered into during the two-
3 year period preceding the review to determine whether it
4 is feasible and advisable to furnish the hospital care, med-
5 ical services, or extended care furnished under such agree-
6 ment at facilities of the Department or through contracts
7 or sharing agreements entered into under authorities other
8 than this section.

9 “(2)(A) Subject to subparagraph (B), a Veterans
10 Care Agreement is of material size as determined by the
11 Secretary for purposes of this section.

12 “(B) A Veterans Care Agreement entered into after
13 September 30, 2016, for the purchase of extended care
14 services is of material size if the purchase of such services
15 under the agreement exceeds \$1,000,000 annually. The
16 Secretary may adjust such amount to account for changes
17 in the cost of health care based upon recognized health
18 care market surveys and other available data and shall
19 publish any such adjustments in the Federal Register.

20 “(h) TREATMENT OF CERTAIN LAWS.—(1) An agree-
21 ment under this section may be entered into without re-
22 gard to any law that would require the Secretary to use
23 competitive procedures in selecting the party with which
24 to enter into the agreement.

1 “(2) An eligible provider that enters into an agree-
2 ment under this section may not be treated as a Federal
3 contractor or subcontractor by the Office of Federal Con-
4 tract Compliance Programs of the Department of Labor
5 by virtue of furnishing hospital care, medical services, or
6 extended care under that agreement.

7 “(3)(A) Except as provided in subparagraph (B) and
8 unless otherwise provided in this section or regulations
9 prescribed pursuant to this section, an eligible provider
10 that enters into an agreement under this section is not
11 subject to, in the carrying out of the agreement, any law
12 that an eligible provider described in subsection (b)(1),
13 (b)(2), or (b)(3) is not subject to under the original Medi-
14 care fee-for-service program under parts A and B of title
15 XVIII of the Social Security Act (42 U.S.C. 1395 et seq.)
16 or the Medicaid program under title XIX of such Act (42
17 U.S.C. 1396 et seq.).

18 “(B) The exclusion under subparagraph (A) does not
19 apply to laws regarding integrity, ethics, fraud, or that
20 subject a person to civil or criminal penalties.

21 “(4) Title VII of the Civil Rights Act of 1964 (42
22 U.S.C. 2000e et seq.) shall apply with respect to an eligi-
23 ble provider that enters into an agreement under this sec-
24 tion to the same extent as such title applies with respect
25 to the eligible provider in providing care or services

1 through an agreement or arrangement other than under
2 this section.

3 “(i) MONITORING OF QUALITY OF CARE.—The Sec-
4 retary shall establish a system or systems, consistent with
5 survey and certification procedures used by the Centers
6 for Medicare & Medicaid Services and State survey agen-
7 cies to the extent practicable—

8 “(1) to monitor the quality of care and services
9 furnished to veterans under this section; and

10 “(2) to assess the quality of care and services
11 furnished by an eligible provider under this section
12 for purposes of determining whether to renew an
13 agreement under this section with the eligible pro-
14 vider.

15 “(j) DISPUTE RESOLUTION.—The Secretary shall es-
16 tablish administrative procedures for eligible providers
17 with which the Secretary has entered into an agreement
18 under this section to present any dispute arising under
19 or related to the agreement.”.

20 (b) REGULATIONS.—The Secretary of Veterans Af-
21 fairs shall prescribe an interim final rule to carry out sec-
22 tion 1703C of such title, as added by subsection (a), not
23 later than one year after the date of the enactment of this
24 Act.

1 (c) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of chapter 17 of such title, as amended
 3 by section 103(a)(2), is further amended by inserting after
 4 the item related to section 1703B the following new item:
 “1703C. Veterans Care Agreements.”.

5 **SEC. 202. REIMBURSEMENT OF CERTAIN ENTITIES FOR**
 6 **EMERGENCY MEDICAL TRANSPORTATION.**

7 (a) IN GENERAL.—Subchapter III of chapter 17 of
 8 title 38, United States Code, is amended by inserting after
 9 section 1725 the following new section:

10 **“§ 1725A. Reimbursement of certain entities for emer-**
 11 **gency medical transportation**

12 “(a) IN GENERAL.—Notwithstanding any other pro-
 13 vision of law, the Secretary shall reimburse an ambulance
 14 provider or any other entity that provides transportation
 15 to a veteran described in section 1725(b) of this title for
 16 the purpose of receiving emergency treatment at a non-
 17 Department facility the cost of such transportation.

18 “(b) SERVICE CONNECTION.—(1) The Secretary
 19 shall reimburse an ambulance provider or any other entity
 20 under subsection (a) regardless of whether the underlying
 21 medical condition for which the veteran is seeking emer-
 22 gency treatment is in connection with a service-connected
 23 disability.

24 “(2) If the Secretary determines that the underlying
 25 medical condition for which the veteran receives emer-

1 gency treatment is not in connection with a service-con-
 2 nected disability, the Secretary shall recoup the cost of
 3 transportation paid under subsection (a) in connection
 4 with such emergency treatment from any health-plan con-
 5 tract under which the veteran is covered.

6 “(c) TIMING.—Reimbursement under subsection (a)
 7 shall be made not later than 30 days after receiving a re-
 8 quest for reimbursement under such subsection.

9 “(d) DEFINITIONS.—In this section, the terms ‘emer-
 10 gency treatment’ and ‘health-plan contract’ have the
 11 meanings given those terms in section 1725(f) of this
 12 title.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
 14 at the beginning of chapter 17 of such title is amended
 15 by inserting after the item related to section 1725 the fol-
 16 lowing new item:

“1725A. Reimbursement for emergency medical transportation.”.

17 **SEC. 203. REQUIREMENT THAT DEPARTMENT OF VET-**
 18 **ERANS AFFAIRS COLLECT HEALTH-PLAN**
 19 **CONTRACT INFORMATION FROM VETERANS.**

20 (a) IN GENERAL.—Subchapter I of chapter 17 is
 21 amended by inserting after section 1705 the following new
 22 section:

1 **“§ 1705A. Management of health care: information re-**
2 **garding health-plan contracts**

3 “(a) IN GENERAL.—(1) Any individual who seeks
4 hospital care or medical services under this chapter shall
5 provide to the Secretary such current information as the
6 Secretary may require to identify any health-plan contract
7 under which such individual is covered.

8 “(2) The information required to be provided to the
9 Secretary under paragraph (1) with respect to a health-
10 plan contract shall include, as applicable, the following:

11 “(A) The name of the entity providing coverage
12 under the health-plan contract.

13 “(B) If coverage under the health-plan contract
14 is in the name of an individual other than the indi-
15 vidual required to provide information under this
16 section, the name of the policy holder of the health-
17 plan contract.

18 “(C) The identification number for the health-
19 plan contract.

20 “(D) The group code for the health-plan con-
21 tract.

22 “(b) ACTION TO COLLECT INFORMATION.—The Sec-
23 retary may take such action as the Secretary considers
24 appropriate to collect the information required under sub-
25 section (a).

1 “(c) EFFECT ON SERVICES FROM DEPARTMENT.—
 2 The Secretary may not deny any services under this chap-
 3 ter to an individual solely due to the fact that the indi-
 4 vidual fails to provide information required under sub-
 5 section (a).

6 “(d) HEALTH-PLAN CONTRACT DEFINED.—In this
 7 section, the term ‘health-plan contract’ has the meaning
 8 given that term in section 1725(f) of this title.”.

9 (b) CLERICAL AMENDMENT.—The table of sections
 10 at the beginning of chapter 17 of such title is amended
 11 by inserting after the item relating to section 1705 the
 12 following new item:

“1705A. Management of health care: information regarding health-plan con-
 tracts.”.

13 **SEC. 204. REQUIREMENT FOR ADVANCE APPROPRIATIONS**
 14 **FOR THE VETERANS CHOICE PROGRAM AC-**
 15 **COUNT OF THE DEPARTMENT OF VETERANS**
 16 **AFFAIRS.**

17 (a) IN GENERAL.—Section 117(c) of title 38, United
 18 States Code, is amended by adding at the end the fol-
 19 lowing new paragraph:

20 “(7) Veterans Health Administration, Veterans
 21 Choice Program.”.

22 (b) CONFORMING AMENDMENT.—Section
 23 1105(a)(37) of title 31, United States Code, is amended
 24 by adding at the end the following new subparagraph:

1 “(G) Veterans Health Administration, Vet-
2 erans Choice Program.”.

3 (c) APPLICABILITY.—The amendments made by this
4 section shall apply to fiscal years beginning on and after
5 October 1, 2016.

6 **SEC. 205. REAUTHORIZATION OF PILOT PROGRAM OF EN-**
7 **HANCED CONTRACT CARE AUTHORITY FOR**
8 **HEALTH CARE NEEDS OF VETERANS.**

9 Paragraph (3) of section 403(a) of the Veterans’
10 Mental Health and Other Care Improvements Act of 2008
11 (Public Law 110–387; 38 U.S.C. 1703 note) is amended
12 to read as follows:

13 “(3) TERMINATION.—The Secretary may not
14 provide covered health services under the pilot pro-
15 gram after August 7, 2019.”.

16 **TITLE III—OTHER VETERANS**
17 **MATTERS**

18 **SEC. 301. TIMEFRAME FOR PAYMENT OF DISABILITY COM-**
19 **PENSATION FOR VICTIMS OF CONTAMINATED**
20 **WATER AT CAMP LEJEUNE, NORTH CARO-**
21 **LINA, WHEN THE SECRETARY OF VETERANS**
22 **AFFAIRS ESTABLISHES A PRESUMPTION OF**
23 **SERVICE CONNECTION.**

24 (a) IN GENERAL.—Except as provided in subsection
25 (b), in any case in which the Secretary of Veterans Affairs

1 establishes a presumption of service connection for pur-
2 poses of compensation under chapter 11 of title 38, United
3 States Code, for an illness or condition incurred by an in-
4 dividual described in section 1710(e)(1)(F) of such title,
5 the Secretary shall commence, not later than 90 days after
6 the date on which the Secretary established such presump-
7 tion, payment of compensation under such chapter to the
8 individuals who are entitled to such compensation under
9 such chapter by virtue of such presumption.

10 (b) PRESUMPTIONS ESTABLISHED BEFORE DATE OF
11 ENACTMENT.—In a case in which the Secretary estab-
12 lished a presumption as described in subsection (a) before
13 the date of the enactment of this Act, the Secretary shall
14 commence payment as described in such subsection not
15 later than the date that is 90 days after the date of the
16 enactment of this Act.

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