

104TH CONGRESS
2D SESSION

H. R. 3118

To amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 1996

Mr. STUMP (for himself, Mr. MONTGOMERY, Mr. HUTCHINSON, and Mr. EDWARDS) introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs.

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; REFERENCES TO TITLE 38, UNIT-**
4 **ED STATES CODE.**

5 (a) SHORT TITLE.—This Act may be cited as the
6 “Veterans’ Health Care Eligibility Reform Act of 1996”.

7 (b) REFERENCES TO TITLE 38, UNITED STATES
8 CODE.—Except as otherwise expressly provided, whenever
9 in this Act an amendment or repeal is expressed in terms

1 of an amendment to, or repeal of, a section or other provi-
2 sion, the reference shall be considered to be made to a
3 section or other provision of title 38, United States Code.

4 **SEC. 2. HOSPITAL CARE AND MEDICAL SERVICES.**

5 (a) ELIGIBILITY FOR CARE.—Section 1710(a) is
6 amended by striking out paragraphs (1) and (2) and in-
7 serting the following:

8 “(a)(1) The Secretary shall, to the extent and in the
9 amount provided in advance in appropriations Acts for
10 these purposes, provide hospital care and medical services,
11 and may provide nursing home care, which the Secretary
12 determines is needed to any veteran—

13 “(A) with a compensable service-connected dis-
14 ability;

15 “(B) whose discharge or release from active
16 military, naval, or air service was for a compensable
17 disability that was incurred or aggravated in the line
18 of duty;

19 “(C) who is in receipt of, or who, but for a sus-
20 pension pursuant to section 1151 of this title (or
21 both a suspension and the receipt of retired pay),
22 would be entitled to disability compensation, but
23 only to the extent that such veteran’s continuing eli-
24 gibility for such care is provided for in the judgment
25 or settlement provided for in such section;

1 “(D) who is a former prisoner of war;

2 “(E) of the Mexican border period or of World
3 War I;

4 “(F) who was exposed to a toxic substance, ra-
5 diation, or environmental hazard, as provided in sub-
6 section (e); and

7 “(G) who is unable to defray the expenses of
8 necessary care as determined under section 1722(a)
9 of this title.

10 “(2) In the case of a veteran who is not described
11 in paragraph (1), the Secretary may, to the extent re-
12 sources and facilities are available and subject to the pro-
13 visions of subsection (f), furnish hospital care, medical
14 services, and nursing home care which the Secretary deter-
15 mines is needed.”.

16 (b) CONFORMING AMENDMENTS.—(1) Section
17 1710(e) is amended—

18 (A) in paragraph (1), by striking out “hospital
19 care and nursing home care” in subparagraphs (A),
20 (B), and (C) and inserting in lieu thereof “hospital
21 care, medical services, and nursing home care”;

22 (B) in paragraph (2), by inserting “and medical
23 services” after “Hospital and nursing home care”;
24 and

1 (C) by striking out “subsection (a)(1)(G) of
2 this section” each place it appears and inserting in
3 lieu thereof “subsection (a)(1)(F)”.

4 (2) Chapter 17 is amended—

5 (A) by redesignating subsection (g) of section
6 1710 as subsection (h); and

7 (B) by transferring subsection (f) of section
8 1712 to section 1710 so as to appear after sub-
9 section (f), redesignating such subsection as sub-
10 section (g), and amending such subsection by strik-
11 ing out “section 1710(a)(2) of this title” in para-
12 graph (1) and inserting in lieu thereof “subsection
13 (a)(2) of this section”.

14 (3) Section 1712 is amended—

15 (A) by striking out subsections (a) and (i); and

16 (B) by redesignating subsections (b), (c), (d),
17 (h) and (j), as subsections (a), (b), (c), (d), and (e),
18 respectively.

19 **SEC. 3. PROSTHETICS.**

20 (a) **ELIGIBILITY FOR PROSTHETICS.**—Section
21 1701(6)(A)(i) is amended—

22 (1) by striking out “(in the case of a person
23 otherwise receiving care or services under this chap-
24 ter)” and “(except under the conditions described in
25 section 1712(a)(5)(A) of this title),”;

1 “(1) Veterans with service-connected disabilities
2 rated 30 percent or greater.

3 “(2) Veterans who are former prisoners of war
4 and veterans with service connected disabilities rated
5 10 percent or 20 percent.

6 “(3) Veterans who are in receipt of increased
7 pension based on a need of regular aid and attend-
8 ance or by reason of being permanently housebound
9 and other veterans who are catastrophically disabled.

10 “(4) Veterans not covered by paragraphs (1)
11 through (3) who are unable to defray the expenses
12 of necessary care as determined under section
13 1722(a) of this title.

14 “(5) All other veterans eligible for hospital care,
15 medical services, and nursing home care under sec-
16 tion 1710(a)(1) of this title.

17 “(b) In the design of an enrollment system under
18 subsection (a), the Secretary—

19 “(1) shall ensure that the system will be man-
20 aged in a manner to ensure that the provision of
21 care to enrollees is timely and acceptable in quality;

22 “(2) may establish additional priorities within
23 each priority group specified in subsection (a), as
24 the Secretary determines necessary; and

1 “(3) may provide for exceptions to the specified
2 priorities where dictated by compelling medical rea-
3 sons.

4 **“§ 1706. Management of health care: other require-**
5 **ments**

6 “(a) In managing the provision of hospital care and
7 medical services under section 1710(a) of this title, the
8 Secretary shall, to the extent feasible, design, establish
9 and manage health care programs in such a manner as
10 to promote cost-effective delivery of health care services
11 in the most clinically appropriate setting.

12 “(b) In managing the provision of hospital care and
13 medical services under section 1710(a) of this title, the
14 Secretary—

15 “(1) may contract for hospital care and medical
16 services when Department facilities are not capable
17 of furnishing such care and services economically,
18 and

19 “(2) shall make such rules and regulations re-
20 garding acquisition procedures or policies as the Sec-
21 retary considers appropriate to provide such needed
22 care and services.

23 “(c) In managing the provision of hospital care and
24 medical services under section 1710(a) of this title, the
25 Secretary shall ensure that the Department maintains its

1 capacity to provide for the specialized treatment and reha-
2 bilitative needs of disabled veterans described in section
3 1710(a) of this title (including veterans with spinal cord
4 dysfunction, blindness, amputations, and mental illness)
5 within distinct programs or facilities of the Department
6 that are dedicated to the specialized needs of those veter-
7 ans in a manner that (1) affords those veterans reasonable
8 access to care and services for those specialized needs, and
9 (2) ensures that overall capacity of the Department to pro-
10 vide such services is not reduced below the capacity of the
11 Department, nationwide, to provide those services, as of
12 the date of the enactment of this section.

13 “(d) In managing the provision of hospital care and
14 medical services under section 1710(a) of this title, the
15 Secretary shall ensure that any veteran with a service-con-
16 nected disability is provided all benefits under this chapter
17 for which that veteran was eligible before the date of the
18 enactment of this section.”.

19 (2) The table of sections at the beginning of chapter
20 17 is amended by inserting after the item relating to sec-
21 tion 1704 the following new items:

“1705. Management of health care: patient enrollment system.

“1706. Management of health care: other requirements.”.

22 (b) CONFORMING AMENDMENTS TO SECTION
23 1703.—(1) Section 1703 is amended—

24 (A) by striking out subsections (a) and (b); and

1 (B) in subsection (c) by—

2 (i) striking out “(c)”, and

3 (ii) striking out “this section, sections”

4 and inserting in lieu thereof “sections 1710,”.

5 (2)(A) The heading of such section is amended to
6 read as follows:

7 **“§1703. Annual report on furnishing of care and**
8 **services by contract”.**

9 (B) The item relating to such section in the table of
10 sections at the beginning of chapter 17 is amended to read
11 as follows:

“1703. Annual report on furnishing of care and services by contract.”.

12 **SEC. 5. IMPROVED EFFICIENCY IN HEALTH CARE RE-**
13 **SOURCE MANAGEMENT.**

14 (a) **REPEAL OF SUNSET PROVISION.**—Section 204 of
15 the Veterans Health Care Act of 1992 (Public Law 102–
16 585; 106 Stat. 4950) is repealed.

17 (b) **COST RECOVERY.**—Title II of such Act is further
18 amended by adding at the end the following new section:

19 **“SEC. 207. AUTHORITY TO BILL HEALTH-PLAN CONTRACTS.**

20 “(a) **RIGHT TO RECOVER.**—In the case of a primary
21 beneficiary (as described in section 201(2)(B)) who has
22 coverage under a health-plan contract, as defined in sec-
23 tion 1729(i)(1)(A) of title 38, United States Code, and
24 who is furnished care or services by a Department medical
25 facility pursuant to this title, the United States shall have

1 the right to recover or collect charges for such care or
 2 services from such health-plan contract to the extent that
 3 the beneficiary (or the provider of the care or services)
 4 would be eligible to receive payment for such care or serv-
 5 ices from such health-plan contract if the care or services
 6 had not been furnished by a department or agency of the
 7 United States. Any funds received from such health-plan
 8 contract shall be credited to funds that have been allotted
 9 to the facility that furnished the care or services.

10 “(b) ENFORCEMENT.—The right of the United
 11 States to recover under such a beneficiary’s health-plan
 12 contract shall be enforceable in the same manner as that
 13 provided by subsections (a)(3), (b), (c)(1), (d), (f), (h),
 14 and (i) of section 1729 of title 38, United States Code.”.

15 **SEC. 6. SHARING AGREEMENTS FOR HEALTH CARE RE-**
 16 **SOURCES.**

17 (a) REPEAL OF SECTION 8151.—(1) Subchapter IV
 18 of chapter 81 is amended—

19 (A) by striking out section 8151; and

20 (B) by redesignating sections 8152, 8153,
 21 8154, 8155, 8156, 8157, and 8158 as sections 8151,
 22 8152, 8153, 8154, 8155, 8156, and 8157, respec-
 23 tively.

24 (2) The table of sections at the beginning of such
 25 chapter is amended—

1 (A) by striking out the item relating to section
2 8151; and

3 (B) by revising the items relating to sections
4 8152, 8153, 8154, 8155, 8156, 8157, and 8158 to
5 reflect the redesignations by paragraph (1)(B).

6 (b) REVISED AUTHORITY FOR SHARING AGREE-
7 MENTS.—Section 8152 (as redesignated by subsection
8 (a)(1)(B)) is amended—

9 (1) in subsection (a)(1)(A)—

10 (A) by striking out “specialized medical re-
11 sources” and inserting in lieu thereof “health-
12 care resources”; and

13 (B) by striking out “other” and all that
14 follows through “medical schools” and inserting
15 in lieu thereof “any medical school, health-care
16 provider, health-care plan, insurer, or other en-
17 tity or individual”;

18 (2) in subsection (a)(2) by striking out “only”
19 and all that follows through “are not” and inserting
20 in lieu thereof “if such resources are not, or would
21 not be,”;

22 (3) in subsection (b), by striking out “reciprocal
23 reimbursement” in the first sentence and all that
24 follows through the period at the end of that sen-
25 tence and inserting in lieu thereof “payment to the

1 Department in accordance with procedures that pro-
2 vide appropriate flexibility to negotiate payment
3 which is in the best interest of the Government.”;

4 (4) in subsection (d), by striking out “preclude
5 such payment, in accordance with—” and all that
6 follows through “to such facility therefor” and in-
7 sserting in lieu thereof “preclude such payment to
8 such facility for such care or services”;

9 (5) by redesignating subsection (e) as sub-
10 section (f); and

11 (6) by inserting after subsection (d) the follow-
12 ing new subsection (e):

13 “(e) The Secretary may make an arrangement that
14 authorizes the furnishing of services by the Secretary
15 under this section to individuals who are not veterans only
16 if the Secretary determines—

17 “(1) that such an arrangement will not result
18 in the denial of, or a delay in providing access to,
19 care to any veteran at that facility; and

20 “(2) that such an arrangement—

21 “(A) is necessary to maintain an accept-
22 able level and quality of service to veterans at
23 that facility; or

24 “(B) will result in the improvement of
25 services to eligible veterans at that facility.”.

1 (c) CROSS-REFERENCE AMENDMENTS.—(1) Section
2 8110(c)(3)(A) is amended by striking out “8153” and in-
3 serting in lieu thereof “8152”.

4 (2) Subsection (b) of section 8154 (as redesignated
5 by subsection (a)(1)(B)) is amended by striking out “sec-
6 tion 8154” and inserting in lieu thereof “section 8153”.

7 (3) Section 8156 (as redesignated by subsection
8 (a)(1)(B)) is amended—

9 (A) in subsection (a), by striking out “section
10 8153(a)” and inserting in lieu thereof “section
11 8152(a)”; and

12 (B) in subsection (b)(3), by striking out “sec-
13 tion 8153” and inserting in lieu thereof “section
14 8152”.

15 (4) Subsection (a) of section 8157 (as redesignated
16 by subsection (a)(1)(B)) is amended—

17 (A) in the matter preceding paragraph (1), by
18 striking out “section 8157” and “section 8153(a)”
19 and inserting in lieu thereof “section 8156” and
20 “section 8152(a)”, respectively; and

21 (B) in paragraph (1), by striking out “section
22 8157(b)(4)” and inserting in lieu thereof “section
23 8156(b)(4)”.

24 **SEC. 7. PERSONNEL FURNISHING SHARED RESOURCES.**

25 Section 712(b)(2) is amended—

1 (1) by striking out “the sum of—” and insert-
2 ing in lieu thereof “the sum of the following:”;

3 (2) by capitalizing the first letter of the first
4 word of each of subparagraphs (A) and (B);

5 (3) by striking out “; and” at the end of sub-
6 paragraph (A) and inserting in lieu thereof a period;
7 and

8 (4) by adding at the end the following:

9 “(C) The number of such positions in the
10 Department during that fiscal year held by per-
11 sons involved in providing health-care resources
12 under section 8111 or 8152 of this title.”.

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