

U.S. House of Representatives

COMMITTEE ON VETERANS' AFFAIRS

ONE HUNDRED SIXTEENTH CONGRESS

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WASHINGTON, DC 20024

<http://veterans.house.gov>

March 8, 2019

The Honorable John Yarmuth
Chairman
Committee on the Budget
Washington, D.C. 20515

The Honorable Steve Womack
Ranking Member
Committee on the Budget
Washington, D.C. 20515

Dear Chairman Yarmuth and Ranking Member Womack:

We dissent to the majority's Fiscal Year 2020 views and estimates (V&E) letter because, in a departure from past practice, the minority was not consulted in its preparation and, as a result, the majority's letter represents a political document rather than a bipartisan framework for funding the Department of Veterans Affairs.

For the past eight years under Republican leadership, the practice of the Committee on Veterans' Affairs was to share the committee's proposed V&E letter with the minority and prepare a bipartisan estimate. Since the 112th Congress, the committee's V&E letters have been signed by both the Chair and Ranking Member and, in several of those Congresses, a near unanimous committee panel. Regrettably, this year the majority did not seek the minority's input. Rather, the majority provided its letter on the afternoon of March 5 and advised us that we had three days to submit additional views. With that, we offer, the following dissenting views on the FY20 budget for the Department of Veterans Affairs.

In General

We appreciate the difficult task the committee has preparing its views and estimates without the benefit of the president's budget. However, the majority's concern that the president will cut the department's budget by five percent flies in the face of historical trends. The department's actual budget authority in FY 2009 was \$99.8 billion, including \$47.8 billion for mandatory benefits and \$44.5 billion (including collections) for medical programs. In FY 2017, President Trump's first year in office, the department's budget was \$182.3 billion in actual budget authority, including \$102.3 for mandatory benefits and \$68.8 billion (including collections) for medical programs. In FY 2019 the president again requested an increase in the budget with Congress

appropriating a record budget of well over \$200 billion. Far from budget cuts, this president has supported record funding for VA.

Budget Caps

The majority argues that any defense discretionary spending increases should result in increases to the non-defense discretionary cap. We disagree. In November of 2017, the committee began debate on H.R. 4242, a bill to replace the Choice program and consolidate the several other community care programs into a single program. In fact, every minority committee member in the 115th Congress signed on as original cosponsors to that legislation. In February of 2018, the Bipartisan Budget Act of 2018 (BBA) was enacted which set the present budget cap framework. Contrary to the majority's assertion, negotiators for the BBA were well aware of the debate concerning the VA's community care program. Four months later, on June 6, 2018, the president signed the VA MISSION Act of 2018 into law and, all but one member supported passage of the bill under the existing BBA's framework in the U.S. House of Representatives.

Irrespective of whether spending has been uncapped or capped (as it has been for the last eight years) VA has, and will continue to be, adequately funded. As is appropriate, we recognize that Congress will have to make tough choices when deciding what discretionary programs to fund. It is not without a hint of irony that while the majority raises concerns about the existing caps, it also advocates for billions in new VA discretionary programs of questionable priority in a tight fiscal climate. We believe that fully funding the department is a top priority for the nation and we will fervently take up that fight under any cap structure.

Community Care

Our first oversight and budgetary priority will be ensuring that the VA healthcare system is well-resourced to continue to provide veteran patients with timely, high-quality care either in VA medical facilities or through the consolidated community care program that was established in the MISSION Act. Since FY 2014, community care appointments have increased by approximately 56 percent and, in FY 2018, approximately 1.78 million veterans were authorized by VA to receive care in their communities. Following the implementation of the MISSION Act community care program, average veteran reliance on VA to meet their healthcare needs is expected to increase from 36 percent to 40 percent. These statistics clearly indicate that community care is an important component in VA's overall ability to ensure access to care for veterans in need.

We are supportive of the access standards that VA has proposed for the MISSION Act community care program. As noted in the Independent Assessment that was required by the Choice Act, "national standards for access and wait-times do not presently exist." The majority's allegation that the standards are "arbitrary" is specious. We appreciate VA's work to analyze best practices in the government and private sector when contemplating access standards for the MISSION Act community care program and recognize that the proposed access standards related to drive time are based on standards that currently exist in the TRICARE Prime program, in nine state Medicaid programs, and in insurance standards across six states.

We support efforts to ensure that the information technology systems needed to support the MISSION Act community care program are fully funded and appropriately prioritized. We are aware that VA intends to request authority to repurpose certain funds from the Community Care account and the Medical Services account to the Information Technology account to support the development and implementation of systems related to decision support and claims processing. We support that request.

Asset and Infrastructure Review (AIR)

Another important aspect of access to care is ensuring that VA medical facilities are appropriately located, equipped, and staffed to provide high-quality care to veteran patients. To that end, we must fully fund VA's programs for assessing its vast and aging capital asset portfolio through extensive data analysis and market assessments. In light of the growing budget demands driven by aging and inappropriate infrastructure, we would also like to see an acceleration of the process to seat the Asset and Infrastructure Review Commission. Secretary Wilkie called for such an acceleration at the Committee's February 27, 2019 hearing. We will also weigh options on how to move forward with VA major medical facility lease authorizations in light of continued complications resulting from Congressional budgeting rules and VA and General Services Administration leasing protocols.

VBA Staffing

In VA's budget request for Fiscal Year 2019, the Department requested \$2,868,909,000 for VBA's General Operating Expenses (GOE). This request included funding for an additional \$22 million to hire 225 fiduciary field examiners. As you know, last year, Congress enacted the Energy and Water, Legislative Branch, and Military Construction and Veterans Affairs Appropriations Act, 2019. This law appropriated \$2,956,316,000 towards VBA's General Operating Expenses, which was \$87,407,000 above VA's request. As a result, VBA received all the funding it needed to hire the additional fiduciary field examiners that were previously requested.

While the majority recommends increases in full time equivalents (FTE) above the 225 FTE funded last year, at present, VA has not indicated that it lacks a sufficient workforce to effectively manage fiduciary field examinations. Therefore, the committee should continue oversight of VA's hiring efforts for field examiners and assess, in collaboration with VA and stakeholders, whether additional FTE for the fiduciary program are needed in the months ahead.

Electronic Health Record Modernization and Office of Information Technology:

We continue to support the Department's Electronic Health Record Modernization (EHRM) program but have serious concerns about the veracity of cost estimate information that has been provided, and believe EHRM must be implemented in the context of a versatile, open interoperability platform that the Department owns and controls. We believe it will be unsustainable to continue to eschew any internal funding reallocations, which VA initially proposed making, and fund EHRM entirely with new appropriations; this has only been possible to date because of temporary circumstances. We also continue to support the Office of

Information Technology's (OIT) declared "Buy First" policy to purchase commercial off-the-shelf software and customize it to the minimum extent necessary, rather than develop proprietary systems, while believing VA must maintain the expertise and capability of federal employees sufficient to exercise strategic and operational control of IT activities. We agree with the majority that the OIT appropriation has remained relatively static over the last several years, yet the enterprise technology needs of VA have only grown, and we add that the EHRM program's needs have put additional strains on the already constrained OIT appropriation. We similarly agree with the majority's concern that OIT has suffered from a lack of consistent leadership and clear strategic vision.

Education Programs

While certainly not a budget issue, it is worth pointing out that the majority's statement in their views and estimates that they would "focus on closing the '90/10 loophole' in the Higher Education Act to curb abusive practices by some entities" is in direct violation of the committee's jurisdiction. The Higher Education Act is under the purview of the committee on Education and Labor. Furthermore, there is no indication that the closing of this supposed loophole would improve the quality of education programs as it is simply an accounting measure to track the amount of funding provided to for-profit institutions. If there are schools that are not providing an appropriate level of education and training to veterans, those programs should be dis-approved for GI Bill benefits, period. However, it is inappropriate and unfair to punish a school or training program solely on the basis of their tax status and by doing so Congress would be un-necessarily limiting veterans' choices in education.

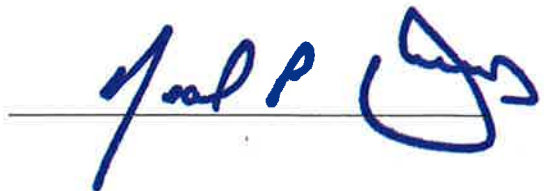
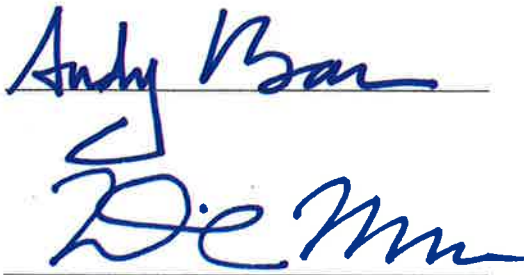
As always, we appreciate the Budget Committee's continued support and look forward to working with you.

Sincerely,



David P. Roe, M.D.
Ranking Member

Republican Members



Jack

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Jim Banks

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Lew Watkins

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