# Public Law 104–262
# 104th Congress

## An Act

To amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs, to authorize major medical facility construction projects for the Department, to improve administration of health care by the Department, and for other purposes.

Oct. 9, 1996
[H.R. 3118]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Veterans' Health Care Eligibility Reform Act of 1996.
38 USC 101 note.

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Health Care Eligibility Reform Act of 1996".

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

Sec. 1. Short title; table of contents.
Sec. 2. References to title 38, United States Code.

TITLE I—ELIGIBILITY REFORM

Sec. 101. Eligibility for hospital care and medical services.
Sec. 102. Revision in authorities for provision of priority health care for certain veterans exposed to specified toxic substances.
Sec. 103. Prosthetics and preventive care.
Sec. 104. Management of health care.
Sec. 105. Authorization of appropriations.
Sec. 106. Assessment of implementation and operation.

TITLE II—CONSTRUCTION AUTHORIZATION

Sec. 201. Authorization of major medical facility projects.
Sec. 202. Authorization of major medical facility leases.
Sec. 203. Authorization of appropriations.
Sec. 204. Strategic planning.
Sec. 205. Revision to prospectus requirements.
Sec. 206. Construction authorization requirements.
Sec. 207. Terminology changes.

TITLE III—HEALTH CARE AND ADMINISTRATION

Subtitle A—Health Care Sharing and Administration

Sec. 301. Revision of authority to share medical facilities, equipment, and information.
Sec. 302. Improved efficiency in health care resource management.
Sec. 303. Personnel furnishing shared resources.
Sec. 304. Waiting period for administrative reorganizations.
Sec. 305. Repeal of limitations on contracts for conversion of performance of activities of Department health-care facilities and revised annual reporting requirement.

Subtitle B—Care of Women Veterans

Sec. 321. Mammography quality standards.
Sec. 322. Patient privacy for women patients.
Sec. 323. Assessment of use by women veterans of Department health services.
Sec. 324. Reporting requirements.

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

Subtitle C—Readjustment Counseling and Mental Health Care

Sec. 331. Expansion of eligibility for readjustment counseling and certain related counseling services.
Sec. 332. Reports relating to Vet Centers.
Sec. 333. Advisory Committee on the Readjustment of Veterans.
Sec. 334. Centers for mental illness research, education, and clinical activities.
Sec. 335. Committee on Care of Severely Chronically Mentally Ill Veterans.

Subtitle D—Other Provisions

Sec. 341. Hospice care study.
Sec. 342. Payment to States of per diem for veterans receiving adult day health care.
Sec. 343. Research corporations.
Sec. 344. Veterans Health Administration headquarters.
Sec. 345. Disbursement agreements relating to medical residents and interns.
Sec. 346. Authority to suspend special pay agreements for physicians and dentists who enter residency training programs.
Sec. 347. Remunerated outside professional activities by Veterans Health Administration personnel.
Sec. 348. Modification of restrictions on real property, Milwaukee County, Wisconsin.
Sec. 349. Modification of restrictions on real property, Cheyenne, Wyoming.
Sec. 350. Name of Department of Veterans Affairs Medical Center, Johnson City, Tennessee.
Sec. 351. Report on health care needs of veterans in east central Florida.
Sec. 352. Evaluation of health status of spouses and children of Persian Gulf War veterans.

**SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.**

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

# TITLE I—ELIGIBILITY REFORM

**SEC. 101. ELIGIBILITY FOR HOSPITAL CARE AND MEDICAL SERVICES.**

(a) NEW CRITERIA FOR ELIGIBILITY FOR CARE.—Section 1710(a) is amended to read as follows:

"(a)(1) The Secretary (subject to paragraph (4)) shall furnish hospital care and medical services, and may furnish nursing home care, which the Secretary determines to be needed—

"(A) to any veteran for a service-connected disability; and

"(B) to any veteran who has a service-connected disability rated at 50 percent or more.

"(2) The Secretary (subject to paragraph (4)) shall furnish hospital care and medical services, and may furnish nursing home care, which the Secretary determines to be needed to any veteran—

"(A) who has a compensable service-connected disability rated less than 50 percent;

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

"(C) who is in receipt of, or who, but for a suspension pursuant to section 1151 of this title (or both a suspension and the receipt of retired pay), would be entitled to disability compensation, but only to the extent that such veteran's continuing eligibility for such care is provided for in the judgment or settlement provided for in such section;

"(D) who is a former prisoner of war;

"(E) who is a veteran of the Mexican border period or of World War I;

"(F) who was exposed to a toxic substance, radiation, or environmental hazard, as provided in subsection (e); or

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

"(3) In the case of a veteran who is not described in paragraphs (1) and (2), the Secretary may, to the extent resources and facilities are available and subject to the provisions of subsections (f) and (g), furnish hospital care, medical services, and nursing home care which the Secretary determines to be needed.

"(4) The requirement in paragraphs (1) and (2) that the Secretary furnish hospital care and medical services shall be effective in any fiscal year only to the extent and in the amount provided in advance in appropriations Acts for such purposes.".

(b) TRANSFER OF PROVISION.—Chapter 17 is amended—

(1) by redesignating subsection (g) of section 1710 as subsection (h); and

(2) by transferring subsection (f) of section 1712 to section 1710 and inserting such subsection so as to appear after subsection (f), redesignating such subsection as subsection (g), and amending such subsection by striking out "section 1710(a)(2) of this title" in paragraph (1) and inserting in lieu thereof "subsection (a)(3) of this section".

(c) REPEAL OF SEPARATE OUTPATIENT CARE PRIORITIES.—(1) Section 1712 is amended—

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

(B) by redesignating subsections (b), (c), (d), (h) and (j), as subsections (a), (b), (c), (d), and (e), respectively; and

(C) in subsection (b), as so redesignated, by striking out "subsection (b) of this section" and inserting in lieu thereof "subsection (a)".

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

**"§ 1712. Dental care; drugs and medicines for certain disabled veterans; vaccines".**

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

"1712. Dental care; drugs and medicines for certain disabled veterans; vaccines.".

(d) CONFORMING AMENDMENTS TO CHAPTER 17.—Chapter 17 is further amended as follows:

(1) Section 1701(6)(B)(i) is amended—

(A) in subclause (I), by striking out "section 1712(a)" and inserting in lieu thereof "paragraph (1) or (2) of section 1710(a)"; and

(B) in subclause (II), by striking out "section 1712(a)(5)(B)" and inserting in lieu thereof "paragraph (1), (2) or (3) of section 1710(a)".

(2) Section 1710(c)(1) is amended by striking out "section 1712(b)" and inserting in lieu thereof "section 1712(a)".

(3) Section 1710(e)(1)(C) is amended by striking out "hospital care and nursing home care under subsection (a)(1)(G) of this section" and inserting in lieu thereof "hospital care, medical services, and nursing home care under subsection (a)(2)(F)".

(4) Section 1710(f) is amended—

(A) in paragraph (1), by striking out "subsection (a)(2)" and inserting in lieu thereof "subsection (a)(3)"; and

(B) in paragraph (3)(E)—

(i) by striking out "section 1712(a) of this title" and inserting in lieu thereof "paragraph (3) of subsection (a)"; and

(ii) by striking out "section 1712(f) of this title" and inserting in lieu thereof "subsection (g)"; and

(C) in paragraph (3)(F), by striking out "section 1712(f) of this title" and inserting in lieu thereof "subsection (g)".

(5) Section 1712A is amended—

(A) in subsection (b)(1), by striking out "under the conditions specified in section 1712(a)(5)(B) of this title"; and

(B) in subsection (e)(1), by striking out "sections 1712(a)(1)(B) and 1703(a)(2)" and inserting in lieu thereof "sections 1703(a)(2) and 1710(a)(1)(B)".

(6) Section 1717(a) is amended—

(A) in paragraph (1), by striking out "section 1712(a)" and inserting in lieu thereof "section 1710(a)"; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking out "paragraph (1) of section 1712(a) of this title" and inserting in lieu thereof "section 1710(a)(1) of this title, or for a disability described in section 1710(a)(2)(C) of this title"; and

(ii) in subparagraph (B), by striking out "section 1712" and inserting in lieu thereof "section 1710(a)(2)".

(7) Section 1718(e) is amended by striking out "section 1712(i)" and inserting in lieu thereof "section 1705".

(8) Section 1720(f) is amended—

(A) in paragraph (1)(A)(ii), by striking out "section 1712(a)(1)(B)" and inserting in lieu thereof "paragraph (1), (2), or (3) of section 1710(a)"; and

(B) by striking out paragraph (3).

(9) Section 1722 is amended—

(A) in subsection (a), by striking out "section 1710(a)(1)(I)" and inserting in lieu thereof "section 1710(a)(2)(G)"; and

(B) in subsection (f)(3), by striking out "or 1712(f)".

(10) Section 1729(g)(3)(A) is amended by striking out "under section 1710(f) of this title for hospital care or nursing home care, under section 1712(f) of this title for medical services," and inserting in lieu thereof "under subsection (f) or (g) of section 1710 of this title for hospital care, medical services, or nursing home care".

(e) OTHER CONFORMING AND TECHNICAL AMENDMENTS.—

(1) Section 1525 is amended—

(A) in subsection (a), by striking out "section 1712(h) of this title" and all that follows through the period at the end and inserting in lieu thereof "section 1712(d) of this title."; and

(B) in subsection (b), by striking out "renumeration" and inserting in lieu thereof "remuneration".

(2) Section 2104(b) is amended—

(A) in the first sentence, by striking out "section 1712(a)" and inserting in lieu thereof "section 1717(a)(2)"; and

(B) in the second sentence, by striking out "section 1712(a)" and inserting in lieu thereof "section 1717(a)(2)".

(3) Section 5317(c)(3) is amended by striking out "sections 1710(a)(1)(I), 1710(a)(2), 1710(b), and 1712(a)(2)(B)" and inserting in lieu thereof "subsections (a)(2)(G), (a)(3), and (b) of section 1710".

(4) Section 8110(a)(2) is amended by striking out "section 1712" and inserting in lieu thereof "section 1710(a)".

(5) Section 8111A(b)(2)(A) is amended by striking out "subsection (f) of section 1712" and inserting in lieu thereof "subsection (a) of section 1710".

**SEC. 102. REVISION IN AUTHORITIES FOR PROVISION OF PRIORITY HEALTH CARE FOR CERTAIN VETERANS EXPOSED TO SPECIFIED TOXIC SUBSTANCES.**

(a) AUTHORIZED INPATIENT CARE.—Section 1710(e) is amended—

(1) in paragraph (1), by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following:

"(A) A Vietnam-era herbicide-exposed veteran is eligible (subject to paragraph (2)) for hospital care, medical services, and nursing home care under subsection (a)(2)(F) for any disability, notwithstanding that there is insufficient medical evidence to conclude that such disability may be associated with such exposure.

"(B) A radiation-exposed veteran is eligible for hospital care, medical services, and nursing home care under subsection (a)(2)(F) for any disease suffered by the veteran that is—

"(i) a disease listed in section 1112(c)(2) of this title; or

"(ii) any other disease for which the Secretary, based on the advice of the Advisory Committee on Environmental Hazards, determines that there is credible evidence of a positive association between occurrence of the disease in humans and exposure to ionizing radiation."; and

(2) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2)(A) In the case of a veteran described in paragraph (1)(A), hospital care, medical services, and nursing home care may not be provided under subsection (a)(2)(F) with respect to—

"(i) a disability that is found, in accordance with guidelines issued by the Under Secretary for Health, to have resulted from a cause other than an exposure described in paragraph (4)(A)(ii); or

"(ii) a disease for which the National Academy of Sciences, in a report issued in accordance with section 2 of the Agent Orange Act of 1991, has determined that there is limited or suggestive evidence of the lack of a positive association between occurrence of the disease in humans and exposure to a herbicide agent.

"(B) In the case of a veteran described in paragraph (1)(C), hospital care, medical services, and nursing home care may not be provided under subsection (a)(2)(F) with respect to a disability that is found, in accordance with guidelines issued by the Under Secretary for Health, to have resulted from a cause other than an exposure described in that paragraph.

"(3) Hospital care, medical services, and nursing home care may not be provided under or by virtue of subsection (a)(2)(F)—

"(A) in the case of care for a veteran described in paragraph (1)(A), after December 31, 2002; and

"(B) in the case of care for a veteran described in paragraph (1)(C), after December 31, 1998.

"(4) For purposes of this subsection—

"(A) The term 'Vietnam-era herbicide-exposed veteran' means a veteran (i) who served on active duty in the Republic of Vietnam during the Vietnam era, and (ii) who the Secretary finds may have been exposed during such service to dioxin or was exposed during such service to a toxic substance found in a herbicide or defoliant used for military purposes during such era.

"(B) The term 'radiation-exposed veteran' has the meaning given that term in section 1112(c)(3) of this title.".

38 USC 1710 note.

(b) SAVINGS PROVISIONS.—The provisions of sections 1710(e) and 1712(a) of title 38, United States Code, as in effect on the day before the date of the enactment of this Act, shall continue to apply on and after such date with respect to the furnishing of hospital care, nursing home care, and medical services for any veteran who was furnished such care or services before such date of enactment on the basis of presumed exposure to a substance or radiation under the authority of those provisions, but only for treatment for a disability for which such care or services were furnished before such date.

**SEC. 103. PROSTHETICS AND PREVENTIVE CARE.**

(a) ELIGIBILITY.—Section 1701(6)(A)(i) is amended—

(1) by striking out "(in the case of a person otherwise receiving care or services under this chapter)" and "(except under the conditions described in section 1712(a)(5)(A) of this title),";

(2) by inserting "(in the case of a person otherwise receiving care or services under this chapter)" before "wheelchairs,"; and

(3) by inserting "except that the Secretary may not furnish sensori-neural aids other than in accordance with guidelines which the Secretary shall prescribe," after "reasonable and necessary,".

38 USC 1701 note.

(b) REGULATIONS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall prescribe the guidelines required by the amendments made by subsection (a) and shall furnish a copy of those guidelines to the Committees on Veterans' Affairs of the Senate and House of Representatives.

**SEC. 104. MANAGEMENT OF HEALTH CARE.**

(a) IN GENERAL.—(1) Chapter 17 is amended by inserting after section 1704 the following new sections:

### "§ 1705. Management of health care: patient enrollment system

"(a) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary, in accordance with regulations the Secretary shall prescribe, shall establish and operate a system of annual patient enrollment. The Secretary shall manage the enrollment of veterans in accordance with the following priorities, in the order listed:

"(1) Veterans with service-connected disabilities rated 50 percent or greater.

"(2) Veterans with service-connected disabilities rated 30 percent or 40 percent.

"(3) Veterans who are former prisoners of war, veterans with service-connected disabilities rated 10 percent or 20 percent, and veterans described in subparagraphs (B) and (C) of section 1710(a)(2) of this title.

"(4) Veterans who are in receipt of increased pension based on a need of regular aid and attendance or by reason of being permanently housebound and other veterans who are catastrophically disabled.

"(5) Veterans not covered by paragraphs (1) through (4) who are unable to defray the expenses of necessary care as determined under section 1722(a) of this title.

"(6) All other veterans eligible for hospital care, medical services, and nursing home care under section 1710(a)(2) of this title.

"(7) Veterans described in section 1710(a)(3) of this title.

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

"(1) shall ensure that the system will be managed in a manner to ensure that the provision of care to enrollees is timely and acceptable in quality;

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

"(3) may provide for exceptions to the specified priorities where dictated by compelling medical reasons.

"(c)(1) Effective on October 1, 1998, the Secretary may not provide hospital care or medical services to a veteran under paragraph (2) or (3) of section 1710(a) of this title unless the veteran enrolls in the system of patient enrollment established by the Secretary under subsection (a).

"(2) The Secretary shall provide hospital care and medical services under section 1710(a)(1) of this title, and under subparagraph (B) of section 1710(a)(2) of this title, for the 12-month period following such veteran's discharge or release from service, to any veteran referred to in such sections for a disability specified in the applicable subparagraph of such section, notwithstanding the failure of the veteran to enroll in the system of patient enrollment referred to in subsection (a) of this section.

**"§ 1706. Management of health care: other requirements**

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

"(b)(1) In managing the provision of hospital care and medical services under such section, the Secretary shall ensure that the Department maintains its capacity to provide for the specialized treatment and rehabilitative needs of disabled veterans (including veterans with spinal cord dysfunction, blindness, amputations, and mental illness) within distinct programs or facilities of the Department that are dedicated to the specialized needs of those veterans in a manner that (A) affords those veterans reasonable access

to care and services for those specialized needs, and (B) ensures that overall capacity of the Department to provide such services is not reduced below the capacity of the Department, nationwide, to provide those services, as of the date of the enactment of this section. The Secretary shall carry out this paragraph in consultation with the Advisory Committee on Prosthetics and Special Disabilities Programs and the Committee on Care of Severely Chronically Mentally Ill Veterans.

Reports.

"(2) Not later than April 1, 1997, April 1, 1998, and April 1, 1999, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the Secretary's compliance, by facility and by service-network, with the requirements of this subsection.".

(2) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 1704 the following new items:

"1705. Management of health care: patient enrollment system.
"1706. Management of health care: other requirements.".

(b) CONFORMING AMENDMENTS TO SECTION 1703.—Section 1703(a) is amended—

(1) in the matter preceding paragraph (1), by striking out "or 1712";

(2) in paragraph (2)—

(A) by striking out "1712(a)(1)(B)" in subparagraph (A) and inserting in lieu thereof "1710(a)(1)(B)";

(B) by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) a veteran who (i) has been furnished hospital care, nursing home care, domiciliary care, or medical services, and (ii) requires medical services to complete treatment incident to such care or services; or"; and

(C) by striking "section 1712(a)(3) (other than a veteran who is a former prisoner of war) of this title" in subparagraph (C) and inserting in lieu thereof "section 1710(a)(2)(E) of this title, or a veteran who is in receipt of increased pension, or additional compensation or allowances based on the need of regular aid and attendance or by reason of being permanently housebound (or who, but for the receipt of retired pay, would be in receipt of such pension, compensation, or allowance),"; and

(3) in paragraph (7), by striking out "1712(b)(1)(F)" and inserting in lieu thereof "1712(a)(1)(F)".

**SEC. 105. AUTHORIZATION OF APPROPRIATIONS.**

There is authorized to be appropriated for the Department of Veterans Affairs for the Medical Care account, for the purposes specified for that account in Public Law 103–327 (108 Stat. 2300), including the cost of providing hospital care and medical services under the amendments made by section 101 of this title, not to exceed $17,250,000,000 for fiscal year 1997 and not to exceed $17,900,000,000 for fiscal year 1998.

38 USC 1705 note.

**SEC. 106. ASSESSMENT OF IMPLEMENTATION AND OPERATION.**

(a) ASSESSMENT SYSTEMS.—The Secretary of Veterans Affairs shall establish information systems to assess the experience of the Department of Veterans Affairs in implementing sections 101, 103, and 104, including the amendments made by those sections,

during fiscal year 1997. The Secretary shall establish those information systems in time to include assessments under such systems in the report required under subsection (b).

(b) REPORT.—Not later than March 1, 1998, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report reflecting the experience of the Department during fiscal year 1997 on—

(1) the effect of implementation of, and provision and management of care under, sections 101, 103, and 104 (including the amendments made by those sections) on demand for health care services from the Department of Veterans Affairs by veterans described in paragraphs (1), (2), and (3) of section 1710(a) of title 38, United States Code, as amended by section 101;

(2) any differing patterns of demand on the part of such veterans relating to such factors as relative distance from Department facilities and prior experience, or lack of experience, as recipients of care from the Department;

(3) the extent to which the Department has met such demand for care; and

(4) changes in health-care delivery patterns in Department facilities and the fiscal impact of such changes.

(c) MATTERS TO BE INCLUDED.—The report under subsection (b) shall include detailed information with respect to fiscal year 1997 regarding the following:

(1) The number of veterans enrolled for care at each Department medical facility and, of such veterans, the number enrolled at each such facility who had not received care from the Department during the preceding three fiscal years.

(2) With respect to the veterans who had not received care from the Department during the three preceding fiscal years, the total cost of providing care to such veterans, shown in total and separately (A) by level of care, and (B) by reference to whether care was furnished in Department facilities or under contract arrangements.

(3) With respect to the number of veterans described in paragraphs (1), (2), and (3) of section 1710(a) of title 38, United States Code, as amended by section 101, who applied for health care from the Department during fiscal year 1997—

(A) the number who applied for care (shown in total and separately by facility);

(B) the number who were denied enrollment (shown in total and separately by facility); and

(C) the number who were denied care which was considered to be medically necessary but not of an emergency nature (shown in total and separately by facility).

(4) The numbers and characteristics of, and the type and extent of health care furnished to, veterans enrolled for care (shown in total and separately by facility).

(5) The numbers and characteristics of, and the type and extent of health care furnished to, veterans not enrolled for care (shown separately by reference to each class of eligibility, both in total and separately by facility).

(6) The specific fiscal impact (shown in total and by geographic health-care delivery areas) of changes in delivery patterns instituted under the amendments made by this title.

# TITLE II—CONSTRUCTION AUTHORIZATION

**SEC. 201. AUTHORIZATION OF MAJOR MEDICAL FACILITY PROJECTS.**

(a) AMBULATORY CARE ADDITION PROJECTS.—The Secretary of Veterans Affairs may carry out the following ambulatory care addition major medical facility projects, with each project to be carried out in the amount specified for that project:

(1) Construction of an ambulatory care facility and renovation of "E" wing, Tripler Army Hospital, Honolulu, Hawaii, $43,000,000.

(2) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Brockton, Massachusetts, $13,500,000.

(3) Addition of ambulatory care facilities for outpatient improvements at the Department of Veterans Affairs medical center in Shreveport, Louisiana, $25,000,000.

(4) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Lyons, New Jersey, $21,100,000.

(5) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Tomah, Wisconsin, $12,700,000.

(6) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Asheville, North Carolina, $26,300,000.

(7) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Temple, Texas, $9,800,000.

(8) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Tucson, Arizona, $35,500,000.

(9) Construction of an ambulatory care facility at the Department of Veterans Affairs medical center in Leavenworth, Kansas, $27,750,000.

(b) ENVIRONMENTAL IMPROVEMENT PROJECTS.—The Secretary may carry out the following environmental improvement major medical facility projects, with each project to be carried out in the amount specified for that project:

(1) Environmental improvements for the renovation of nursing home facilities at the Department of Veterans Affairs medical center in Lebanon, Pennsylvania, $9,500,000.

(2) Environmental improvements at the Department of Veterans Affairs medical center in Marion, Illinois, $11,500,000.

(3) Environmental improvements for ward renovation for patient privacy at the Department of Veterans Affairs medical center in Omaha, Nebraska, $7,700,000.

(4) Environmental improvements at the Department of Veterans Affairs medical center in Pittsburgh, Pennsylvania, $17,400,000.

(5) Environmental improvements for the renovation of various buildings at the Department of Veterans Affairs medical center in Waco, Texas, $26,000,000.

(6) Environmental improvements for the replacement of psychiatric beds at the Department of Veterans Affairs medical center in Marion, Indiana, $17,300,000.

(7) Environmental improvements for the renovation of psychiatric wards at the Department of Veterans Affairs medical center in Perry Point, Maryland, $15,100,000.

(8) Environmental enhancement at the Department of Veterans Affairs medical center in Salisbury, North Carolina, $18,200,000.

(c) SEISMIC CORRECTION PROJECT.—The Secretary may carry out seismic corrections to Building Number 324 at the Department of Veterans Affairs medical center in Palo Alto, California, in the amount of $20,800,000.

(d) PROJECT AUTHORIZATION WHEN PARTIAL FUNDING PROVIDED.—If the amount of funds appropriated for fiscal year 1997 or 1998 for design and partial construction of a major medical facility project that is authorized in this section is less than the amount required to complete the construction of that project as authorized and if the Secretary obligates funds for such construction, such project shall be deemed to be fully authorized. Any such authorization shall cease to have effect at the close of fiscal year 2001.

**SEC. 202. AUTHORIZATION OF MAJOR MEDICAL FACILITY LEASES.**

The Secretary of Veterans Affairs may enter into leases for medical facilities as follows:

(1) Lease of a satellite outpatient clinic in Allentown, Pennsylvania, in an amount not to exceed $2,159,000.

(2) Lease of a satellite outpatient clinic in Beaumont, Texas, in an amount not to exceed $1,940,000.

(3) Lease of a satellite outpatient clinic in Boston, Massachusetts, in an amount not to exceed $2,358,000.

(4) Lease of a parking facility in Cleveland, Ohio, in an amount not to exceed $1,300,000.

(5) Lease of a satellite outpatient clinic and Veterans Benefits Administration field office in San Antonio, Texas, in an amount not to exceed $2,256,000.

(6) Lease of a satellite outpatient clinic in Toledo, Ohio, in an amount not to exceed $2,223,000.

**SEC. 203. AUTHORIZATION OF APPROPRIATIONS.**

(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of Veterans Affairs for fiscal year 1997 and fiscal year 1998—

(1) for the Construction, Major Projects, account, a total of $358,150,000 for the projects authorized in section 201; and

(2) for the Medical Care account, a total of $12,236,000 for the leases authorized in section 202.

(b) LIMITATION.—The projects authorized in section 201 may only be carried out using—

(1) funds appropriated for fiscal year 1997 or fiscal year 1998 consistent with the authorization of appropriations in subsection (a);

(2) funds appropriated for Construction, Major Projects for a fiscal year before fiscal year 1997 that remain available for obligation; and

(3) funds appropriated for Construction, Major Projects for fiscal year 1997 or fiscal year 1998 for a category of activity not specific to a project.

**SEC. 204. STRATEGIC PLANNING.**

Section 8107 is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by striking out subsection (a) and inserting in lieu thereof the following new subsections:

Reports.

"(a) In order to promote effective planning for the efficient provision of care to eligible veterans, the Secretary, based on the analysis and recommendations of the Under Secretary for Health, shall submit to each committee an annual report regarding long-range health planning of the Department. The report shall be submitted each year not later than the date on which the budget for the next fiscal year is submitted to the Congress under section 1105 of title 31.

"(b) Each report under subsection (a) shall include the following:

"(1) A five-year strategic plan for the provision of care under chapter 17 of this title to eligible veterans through coordinated networks of medical facilities operating within prescribed geographic service-delivery areas, such plan to include provision of services for the specialized treatment and rehabilitative needs of disabled veterans (including veterans with spinal cord dysfunction, blindness, amputations, and mental illness) through distinct programs or facilities of the Department dedicated to the specialized needs of those veterans.

"(2) A description of how planning for the networks will be coordinated.

"(3) A profile regarding each such network of medical facilities which identifies—

"(A) the mission of each existing or proposed medical facility in the network;

"(B) any planned change in the mission for any such facility and the rationale for such planned change;

"(C) the population of veterans to be served by the network and anticipated changes over a five-year period and a ten-year period, respectively, in that population and in the health-care needs of that population;

"(D) information relevant to assessing progress toward the goal of achieving relative equivalency in the level of resources per patient distributed to each network, such information to include the plans for and progress toward lowering the cost of care-delivery in the network (by means such as changes in the mix in the network of physicians, nurses, physician assistants, and advance practice nurses);

"(E) the capacity of non-Federal facilities in the network to provide acute, long-term, and specialized treatment and rehabilitative services (described in section 7305 of this title), and determinations regarding the extent to which services to be provided in each service-delivery area and each facility in such area should be provided directly through facilities of the Department or through contract or other arrangements, including arrangements authorized under sections 8111 and 8153 of this title; and

"(F) a five-year plan for construction, replacement, or alteration projects in support of the approved mission of each facility in the network and a description of how those projects will improve access to care, or quality of care, for patients served in the network.

"(4) A status report for each facility on progress toward—

"(A) instituting planned mission changes identified under paragraph (3)(B);

"(B) implementing principles of managed care of eligible veterans; and

"(C) developing and instituting cost-effective alternatives to provision of institutional care."; and

(3) by adding at the end the following new subsection:

"(d)(1) The Secretary shall submit to each committee, not later than January 31 of each year, a report showing the current priorities of the Department for proposed major medical construction projects. Each such report shall identify the 20 projects, from within all the projects in the Department's inventory of proposed projects, that have the highest priority and, for those 20 projects, the relative priority and rank scoring of each such project and the projected cost of such project (including the projected operating costs, including both recurring and nonrecurring costs). The 20 projects shall be compiled, and their relative rankings shall be shown, by category of project (including the categories of ambulatory care projects, nursing home care projects, and such other categories as the Secretary determines). Reports.

"(2) The Secretary shall include in each report, for each project listed, a description of the specific factors that account for the relative ranking of that project in relation to other projects within the same category.

"(3) In a case in which the relative ranking of a proposed project has changed since the last report under this subsection was submitted, the Secretary shall also include in the report a description of the reasons for the change in the ranking, including an explanation of any change in the scoring of the project under the Department's scoring system for proposed major medical construction projects.".

**SEC. 205. REVISION TO PROSPECTUS REQUIREMENTS.**

(a) ADDITIONAL INFORMATION.—Section 8104(b) is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"(b) Whenever the President or the Secretary submit to the Congress a request for the funding of a major medical facility project (as defined in subsection (a)(3)(A)) or a major medical facility lease (as defined in subsection (a)(3)(B)), the Secretary shall submit to each committee, on the same day, a prospectus of the proposed medical facility. Any such prospectus shall include the following:";

(2) in paragraph (1)—

(A) by striking out "a detailed" and inserting in lieu thereof "A detailed"; and

(B) by striking out the semicolon at the end and inserting in lieu thereof a period;

(3) in paragraph (2)—

(A) by striking out "an estimate" and inserting in lieu thereof "An estimate"; and

(B) by striking out "; and" and inserting in lieu thereof a period;

(4) in paragraph (3), by striking out "an estimate" and inserting in lieu thereof "An estimate"; and

(5) by adding at the end the following new paragraphs:

"(4) Demographic data applicable to such facility, including information on projected changes in the population of veterans

to be served by the facility over a five-year period and a ten-year period.

"(5) Current and projected workload and utilization data regarding the facility.

"(6) Current and projected operating costs of the facility, including both recurring and non-recurring costs.

"(7) The priority score assigned to the project or lease under the Department's prioritization methodology and, if the project or lease is being proposed for funding before a project or lease with a higher score, a specific explanation of the factors other than the priority score that were considered and the basis on which the project or lease is proposed for funding ahead of projects or leases with higher priority scores.

"(8) In the case of a prospectus proposing the construction of a new or replacement medical facility, a description of each alternative to construction of the facility that was considered.".

38 USC 8104 note.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to any prospectus submitted by the Secretary of Veterans Affairs after the date of the enactment of this Act.

**SEC. 206. CONSTRUCTION AUTHORIZATION REQUIREMENTS.**

(a) DEFINITION OF MAJOR MEDICAL FACILITY PROJECT.—Paragraph (3)(A) of section 8104(a) is amended by striking out "$3,000,000" and inserting in lieu thereof "$4,000,000".

(b) APPLICABILITY OF CONSTRUCTION AUTHORIZATION REQUIREMENT.—(1) Subsection (b) of section 301 of the Veterans' Medical Programs Amendments of 1992 (Public Law 102–405; 106 Stat. 1984) is repealed.

38 USC 8104 note.

(2) The amendments made by subsection (a) of such section shall apply with respect to any major medical facility project or any major medical facility lease of the Department of Veterans Affairs, regardless of when funds are first appropriated for that project or lease, except that in the case of a project for which funds were first appropriated before October 9, 1992, such amendments shall not apply with respect to amounts appropriated for that project for a fiscal year before fiscal year 1998.

(c) LIMITATION ON OBLIGATIONS FOR ADVANCE PLANNING.—Section 8104 is amended by adding at the end the following new subsection:

"(f) The Secretary may not obligate funds in an amount in excess of $500,000 from the Advance Planning Fund of the Department toward design or development of a major medical facility project (as defined in subsection (a)(3)(A)) until—

Reports.

"(1) the Secretary submits to the committees a report on the proposed obligation; and

"(2) a period of 30 days has passed after the date on which the report is received by the committees.".

**SEC. 207. TERMINOLOGY CHANGES.**

(a) DEFINITION OF "CONSTRUCT".—Section 8101(2) is amended—

(1) by striking out "working drawings" and inserting in lieu thereof "construction documents"; and

(2) by striking out "preliminary plans" and inserting in lieu thereof "design development".

(b) PARKING FACILITIES.—Section 8109(h)(3)(B) is amended by striking out "working drawings" and inserting in lieu thereof "construction documents".

# TITLE III—HEALTH CARE AND ADMINISTRATION

## Subtitle A—Health Care Sharing and Administration

**SEC. 301. REVISION OF AUTHORITY TO SHARE MEDICAL FACILITIES, EQUIPMENT, AND INFORMATION.**

(a) STATEMENT OF PURPOSE.—The text of section 8151 is amended to read as follows:

"It is the purpose of this subchapter to strengthen the medical programs at Department facilities and improve the quality of health care provided veterans under this title by authorizing the Secretary to enter into agreements with health-care providers in order to share health-care resources with, and receive health-care resources from, such providers while ensuring no diminution of services to veterans.".

(b) DEFINITIONS.—Section 8152 is amended—

(1) by striking out paragraphs (1), (2), and (3) and inserting in lieu thereof the following new paragraphs (1) and (2):

"(1) The term 'health-care resource' includes hospital care and medical services (as those terms are defined in section 1701 of this title), any other health-care service, and any health-care support or administrative resource.

"(2) The term 'health-care providers' includes health-care plans and insurers and any organizations, institutions, or other entities or individuals who furnish health-care resources."; and

(2) by redesignating paragraph (4) as paragraph (3).

(c) AUTHORITY TO SECURE HEALTH-CARE RESOURCES.—Section 8153 is amended as follows:

(1) Subsection (a) is amended—

(A) in paragraph (1)—

(i) by striking out "certain specialized medical resources" and inserting in lieu thereof "health-care resources";

(ii) by striking out "other medical resources" and inserting in lieu thereof "other health-care resources"; and

(iii) by striking out "of—" and all that follows through "section 1742(a) of this title" and inserting in lieu thereof "of health-care resources between Department health-care facilities and any health-care provider, or other entity or individual";

(B) in paragraph (2), by striking out "only" and all that follows through "are not" and inserting in lieu thereof "if such resources are not, or would not be,"; and

(C) by adding at the end the following:

"(3)(A) If the health-care resource required is a commercial service, the use of medical equipment or space, or research, and is to be acquired from an institution affiliated with the Department in accordance with section 7302 of this title, including medical practice groups and other entities associated with affiliated institutions, blood banks, organ banks, or research centers, the Secretary may make arrangements for acquisition of the resource without

regard to any law or regulation that would otherwise require the use of competitive procedures for acquiring the resource.

"(B)(i) If the health-care resource required is a commercial service or the use of medical equipment or space, and is not to be acquired from an entity described in subparagraph (A), any procurement of the resource may be conducted without regard to any law or regulation that would otherwise require the use of competitive procedures for procuring the resource, but only if the procurement is conducted in accordance with the simplified procedures prescribed pursuant to clause (ii).

"(ii) The Secretary, in consultation with the Administrator for Federal Procurement Policy, may prescribe simplified procedures for the procurement of health-care resources under this subparagraph. The Secretary shall publish such procedures for public comment in accordance with section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b). Such procedures shall permit all responsible sources to submit a bid, proposal, or quotation (as appropriate) for the resources to be procured and provide for the consideration by the Department of bids, proposals, or quotations so submitted.

"(iii) Pending publication of the procedures under clause (ii), the Secretary shall (except as provided under subparagraph (A)) procure health-care resources referred to in clause (i) in accordance with all procurement laws and regulations.

"(C) Any procurement of health-care resources other than those covered by subparagraph (A) or (B) shall be conducted in accordance with all procurement laws and regulations.

"(D) For any procurement to be conducted on a sole source basis other than a procurement covered by subparagraph (A), a written justification shall be prepared that includes the information and is approved at the levels prescribed in section 303(f) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)).

"(E) As used in this paragraph, the term 'commercial service' means a service that is offered and sold competitively in the commercial marketplace, is performed under standard commercial terms and conditions, and is procured using firm-fixed price contracts.".

(2) Subsection (b) is amended by striking out "reciprocal reimbursement" in the first sentence and all that follows through the period at the end of that sentence and inserting in lieu thereof "payment to the Department in accordance with procedures that provide appropriate flexibility to negotiate payment which is in the best interest of the Government.".

(3) Subsection (d) is amended by striking out "preclude such payment, in accordance with—" and all that follows through "to such facility therefor" and inserting in lieu thereof "preclude such payment to such facility for such care or services".

(4) Such section is further amended—

(A) by redesignating subsection (e) as subsection (g); and

(B) by inserting after subsection (d) the following new subsections:

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

"(1) that veterans will receive priority under such an arrangement; and

"(2) that such an arrangement—

"(A) is necessary to maintain an acceptable level and quality of service to veterans at that facility; or

"(B) will result in the improvement of services to eligible veterans at that facility.

"(f) Any amount received by the Secretary from a non-Federal entity as payment for services provided by the Secretary during a prior fiscal year under an agreement entered into under this section may be obligated by the Secretary during the fiscal year in which the Secretary receives the payment.".

(d) CLERICAL AMENDMENTS.—(1) The heading of section 8153 is amended to read as follows:

**"§ 8153. Sharing of health-care resources".**

(2) The item relating to section 8153 in the table of sections at the beginning of chapter 81 is amended to read as follows:

"8153. Sharing of health-care resources.".

**SEC. 302. IMPROVED EFFICIENCY IN HEALTH CARE RESOURCE MANAGEMENT.**

(a) TEMPORARY EXPANSION OF AUTHORITY FOR SHARING AGREEMENTS.—Section 201 of the Veterans Health Care Act of 1992 (Public Law 102–585; 38 U.S.C. 8111 note) is amended—

(1) by inserting "(a) AUTHORITY.—" before "The Secretary of Veterans Affairs"; and

(2) by adding at the end thereof the following new subsection:

"(b) USE OF FUNDS.—Any amount received by the Secretary from a non-Federal entity as payment for services provided by the Secretary during a prior fiscal year under an agreement entered into under this section may be obligated by the Secretary during the fiscal year in which the Secretary receives the payment.".

(b) REPEAL OF SUNSET PROVISION.—(1) Section 204 of such Act (38 U.S.C. 8111 note) is repealed.

(2) Any services provided pursuant to agreements entered into under section 201 of such Act (38 U.S.C. 8111 note) during the period beginning on October 1, 1996, and ending on the date of the enactment of this Act are hereby ratified. 38 USC 8111 note.

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

**"SEC. 207. AUTHORITY TO BILL HEALTH-PLAN CONTRACTS.** 38 USC 8111 note.

"(a) RIGHT TO RECOVER.—In the case of a primary beneficiary (as described in section 201(a)(2)(B)) who has coverage under a health-plan contract, as defined in section 1729(i)(1)(A) of title 38, United States Code, and who is furnished care or services by a Department medical facility pursuant to this title, the United States shall have the right to recover or collect charges for such care or services from such health-plan contract to the extent that the beneficiary (or the provider of the care or services) would be eligible to receive payment for such care or services from such health-plan contract if the care or services had not been furnished by a department or agency of the United States. Any funds received from such health-plan contract shall be credited to funds that have been allotted to the facility that furnished the care or services.

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

**SEC. 303. PERSONNEL FURNISHING SHARED RESOURCES.**

Section 712(b)(2) is amended—

(1) by striking out "the sum of—" and inserting in lieu thereof "the sum of the following:";

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

(3) by striking out "; and" at the end of subparagraph (A) and inserting in lieu thereof a period; and

(4) by adding at the end the following new subparagraph:

"(C) The number of such positions in the Department during that fiscal year held by persons involved in providing health-care resources under section 8111 or 8153 of this title or under section 201 of the Veterans Health Care Act of 1992 (Public Law 102–585; 106 Stat. 4949; 38 U.S.C. 8111 note).".

**SEC. 304. WAITING PERIOD FOR ADMINISTRATIVE REORGANIZATIONS.**

Section 510(b) is amended—

(1) in the second sentence, by striking out "a 90-day period of continuous session of Congress following the date of the submission of the report" and inserting in lieu thereof "a 45-day period following the date of the submission of the report, not less than 30 days of which shall be days during which Congress shall have been in continuous session"; and

(2) in the third sentence, by striking out "such 90-day period" and inserting in lieu thereof "any period of continuity of session".

**SEC. 305. REPEAL OF LIMITATIONS ON CONTRACTS FOR CONVERSION OF PERFORMANCE OF ACTIVITIES OF DEPARTMENT HEALTH-CARE FACILITIES AND REVISED ANNUAL REPORTING REQUIREMENT.**

Subsection (c) of section 8110 is amended to read as follows:

"(c) The Secretary shall include in the materials submitted to Congress each year in support of the budget of the Department for the next fiscal year a report on activities and proposals involving contracting for performance by contractor personnel of work previously performed by Department employees. The report shall—

"(1) identify those specific activities that are currently performed at a Department facility by more than 10 Department employees which the Secretary proposes to study for possible contracting involving conversion from performance by Department employees to performance by employees of a contractor; and

"(2) identify those specific activities that have been contracted for performance by contractor employees during the prior fiscal year (shown by location, subject, scope of contracts, and savings) and shall describe the effect of such contracts on the quality of delivery of health services during such year.".

# Subtitle B—Care of Women Veterans

**SEC. 321. MAMMOGRAPHY QUALITY STANDARDS.**

(a) IN GENERAL.—(1) Subchapter II of chapter 73 is amended by adding after section 7318 the following new section:

**"§ 7319. Mammography quality standards**

"(a) A mammogram may not be performed at a Department facility unless that facility is accredited for that purpose by a private nonprofit organization designated by the Secretary. An organization designated by the Secretary under this subsection shall meet the standards for accrediting bodies established under subsection (e) of section 354 of the Public Health Service Act (42 U.S.C. 263b).

"(b) The Secretary, in consultation with the Secretary of Health and Human Services, shall prescribe quality assurance and quality control standards relating to the performance and interpretation of mammograms and use of mammogram equipment and facilities of the Department of Veterans Affairs consistent with the requirements of section 354(f)(1) of the Public Health Service Act. Such standards shall be no less stringent than the standards prescribed by the Secretary of Health and Human Services under section 354(f) of the Public Health Service Act.

"(c)(1) The Secretary, to ensure compliance with the standards prescribed under subsection (b), shall provide for an annual inspection of the equipment and facilities used by and in Department health care facilities for the performance of mammograms. Such inspections shall be carried out in a manner consistent with the inspection of certified facilities by the Secretary of Health and Human Services under section 354(g) of the Public Health Service Act.

"(2) The Secretary may not provide for an inspection under paragraph (1) to be performed by a State agency.

"(d) The Secretary shall ensure that mammograms performed for the Department under contract with any non-Department facility or provider conform to the quality standards prescribed by the Secretary of Health and Human Services under section 354 of the Public Health Service Act.

"(e) For the purposes of this section, the term 'mammogram' has the meaning given such term in paragraph (5) of section 354(a) of the Public Health Service Act.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7318 the following new item:

"7319. Mammography quality standards.".

(b) DEADLINE FOR PRESCRIBING STANDARDS.—The Secretary of Veterans Affairs shall prescribe standards under subsection (b) of section 7319 of title 38, United States Code, as added by subsection (a), not later than the end of the 120-day period beginning on the date of the enactment of this Act. 38 USC 7319 note.

(c) IMPLEMENTATION REPORT.—The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the Secretary's implementation of section 7319 of title 38, United States Code, as added by subsection (a). The report shall be submitted not later than 120 days after the date of the enactment of this Act. 38 USC 7319 note.

38 USC 1710 note.

**SEC. 322. PATIENT PRIVACY FOR WOMEN PATIENTS.**

(a) IDENTIFICATION OF DEFICIENCIES.—The Secretary of Veterans Affairs shall conduct a survey of each medical center under the jurisdiction of the Secretary to identify deficiencies relating to patient privacy afforded to women patients in the clinical areas at each such center which may interfere with appropriate treatment of such patients.

(b) CORRECTION OF DEFICIENCIES.—The Secretary shall ensure that plans and, where appropriate, interim steps to correct the deficiencies identified in the survey conducted under subsection (a) are developed and are incorporated into the Department's construction planning processes and, in cases in which it is cost-effective to do so, are given a high priority.

(c) REPORTS TO CONGRESS.—The Secretary shall compile an annual inventory, by medical center, of deficiencies identified under subsection (a) and of plans and, where appropriate, interim steps, to correct such deficiencies. The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives, not later than October 1, 1997, and not later than October 1 each year thereafter through 1999 a report on such deficiencies. The Secretary shall include in such report the inventory compiled by the Secretary, the proposed corrective plans, and the status of such plans.

38 USC 318 note.

**SEC. 323. ASSESSMENT OF USE BY WOMEN VETERANS OF DEPARTMENT HEALTH SERVICES.**

(a) REPORTS TO UNDER SECRETARY FOR HEALTH.—The Center for Women Veterans of the Department of Veterans Affairs (established under section 509 of Public Law 103–446), in consultation with the Advisory Committee on Women Veterans, shall assess the use by women veterans of health services through the Department of Veterans Affairs, including counseling for sexual trauma and mental health services. The Center shall submit to the Under Secretary for Health of the Department of Veterans Affairs a report not later than April 1, 1997, and April 1 of each of the two following years, on—

(1) the extent to which women veterans described in paragraphs (1) and (2) of section 1710(a) of title 38, United States Code, fail to seek, or face barriers in seeking, health services through the Department, and the reasons therefor; and

(2) recommendations, if indicated, for encouraging greater use of such services, including (if appropriate) public service announcements and other outreach efforts.

(b) REPORTS TO CONGRESSIONAL COMMITTEES.—Not later than July 1, 1997, and July 1 of each of the two following years, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing—

(1) the most recent report of the Center for Women Veterans under subsection (a);

(2) the views of the Under Secretary for Health on such report's findings and recommendations; and

(3) a description of the steps being taken by the Secretary to remedy any problems described in the report.

**SEC. 324. REPORTING REQUIREMENTS.**

(a) EXTENSION OF ANNUAL REPORT REQUIREMENT.—Section 107(a) of the Veterans Health Care Act of 1992 (Public Law 102–585; 106 Stat. 4947) is amended by striking out "Not later than January 1, 1993, January 1, 1994, and January 1, 1995" and inserting in lieu thereof "Not later than January 1 of 1993 and each year thereafter through 1998".

38 USC 1710 note.

(b) REPORT ON HEALTH CARE AND RESEARCH.—Section 107(b) of such Act is amended—

(1) in paragraph (2)(A), by inserting "(including information on the number of inpatient stays and the number of outpatient visits through which such services were provided)" after "facility"; and

(2) by adding at the end the following new paragraph:

"(5) A description of the actions taken by the Secretary to foster and encourage the expansion of such research.".

# Subtitle C—Readjustment Counseling and Mental Health Care

**SEC. 331. EXPANSION OF ELIGIBILITY FOR READJUSTMENT COUNSELING AND CERTAIN RELATED COUNSELING SERVICES.**

(a) EXPANSION OF ELIGIBILITY.—Subsection (a) of section 1712A is amended to read as follows:

"(a)(1)(A) Upon the request of any veteran referred to in subparagraph (B), the Secretary shall furnish counseling to the veteran to assist the veteran in readjusting to civilian life. Such counseling may include a general mental and psychological assessment of the veteran to ascertain whether such veteran has mental or psychological problems associated with readjustment to civilian life.

"(B) Subparagraph (A) applies to the following veterans:

"(i) Any veteran who served on active duty—

"(I) in a theater of combat operations (as determined by the Secretary in consultation with the Secretary of Defense) during the Vietnam era; or

"(II) after May 7, 1975, in an area at a time during which hostilities occurred in that area.

"(ii) Any veteran (other than a veteran covered by clause (i)) who served on active duty during the Vietnam era who seeks or is furnished such counseling before January 1, 2000.

"(2)(A) Upon the request of any veteran (other than a veteran covered by paragraph (1)) who served in the active military, naval, or air service in a theater of combat operations (as so determined) during a period of war, or in any other area during a period in which hostilities (as defined in subparagraph (B)) occurred in such area, the Secretary may furnish counseling to the veteran to assist the veteran in readjusting to civilian life.

"(B) For the purposes of subparagraph (A), the term 'hostilities' means an armed conflict in which the members of the Armed Forces are subjected to danger comparable to the danger to which members of the Armed Forces have been subjected in combat with enemy armed forces during a period of war, as determined by the Secretary in consultation with the Secretary of Defense.".

(b) REPEAL OF REFERRAL PROVISIONS.—Subsection (c) of such section is repealed.

**SEC. 332. REPORTS RELATING TO VET CENTERS.**

(a) REPORT ON COLLOCATION OF VET CENTERS AND DEPARTMENT OUTPATIENT CLINICS.—(1) Not later than six months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the feasibility and desirability of providing for the collocation of Vet Centers and outpatient clinics (including rural mobile clinics) of the Department of Veterans Affairs as current leases for such centers and clinics expire.

(2) The report shall include an assessment of the following:

(A) The results of any collocation of Vet Centers and outpatient clinics carried out by the Secretary before the date of the enactment of this Act, including the effects of such collocation on the quality of care provided at such centers and clinics.

(B) The effect of such collocation on the capacity of such centers and clinics to carry out their primary mission.

(C) The extent to which such collocation will impair the operational independence or administrative integrity of such centers and clinics.

(D) The feasibility of combining the services provided by such centers and clinics in the course of such collocation.

(E) The advisability of the collocation of centers and clinics of significantly different size.

(F) The effect of the locations (including urban and rural locations) of the centers and clinics on the feasibility and desirability of such collocation.

(G) The amount of any costs savings to be achieved by the Department as a result of such collocation.

(H) Any other matter that the Secretary considers appropriate.

(b) REPORT ON PROVISION OF LIMITED HEALTH CARE SERVICES AT READJUSTMENT COUNSELING CENTERS.—(1) Not later than six months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the feasibility and desirability of providing a limited battery of health care services (including ambulatory services and health care screening services) to veterans at Department of Veterans Affairs readjustment counseling centers.

(2) The report shall include a discussion of the following:

(A) The effect on the advisability of providing health care services at readjustment counseling centers of the geographic location of such centers, including the urban location and rural location of such centers and the proximity of such centers to Department of Veterans Affairs medical facilities.

(B) The effect on the advisability of providing such services at such centers of the type and level of services to be provided, and the demographic characteristics (including age, socio-economic status, ethnicity, and sex) of veterans likely to be provided the services.

(C) The effect of providing such services at such centers on the readjustment counseling center program in general and on the efficiency and autonomy of the clinical and administra-

tive operations of the readjustment counseling centers in particular.

(D) Any other matter that the Secretary considers appropriate.

(c) RULE OF CONSTRUCTION.—Nothing in this section is intended to preclude the Secretary, during the period before the submission of the reports under this section, from providing limited health care services at Vet Centers.

**SEC. 333. ADVISORY COMMITTEE ON THE READJUSTMENT OF VETERANS.**

(a) IN GENERAL.—(1) Subchapter III of chapter 5 is amended by inserting after section 544 the following new section:

**"§ 545. Advisory Committee on the Readjustment of Veterans**

"(a)(1) There is in the Department the Advisory Committee on the Readjustment of Veterans (hereafter in this section referred to as the 'Committee').

"(2) The Committee shall consist of not more than 18 members appointed by the Secretary from among individuals who—

"(A) have demonstrated significant civic or professional achievement; and

"(B) have experience with the provision of veterans benefits and services by the Department.

"(3) The Secretary shall seek to ensure that members appointed to the Committee include individuals from a wide variety of geographic areas and ethnic backgrounds, individuals from veterans service organizations, individuals with combat experience, and women.

"(4) The Secretary shall determine the terms of service and pay and allowances of the members of the Committee, except that a term of service may not exceed two years. The Secretary may reappoint any member for additional terms of service.

"(b)(1) The Secretary shall, on a regular basis, consult with and seek the advice of the Committee with respect to the provision by the Department of benefits and services to veterans in order to assist veterans in the readjustment to civilian life.

"(2)(A) In providing advice to the Secretary under this subsection, the Committee shall—

"(i) assemble and review information relating to the needs of veterans in readjusting to civilian life;

"(ii) provide information relating to the nature and character of psychological problems arising from service in the Armed Forces;

"(iii) provide an on-going assessment of the effectiveness of the policies, organizational structures, and services of the Department in assisting veterans in readjusting to civilian life; and

"(iv) provide on-going advice on the most appropriate means of responding to the readjustment needs of veterans in the future.

"(B) In carrying out its duties under subparagraph (A), the Committee shall take into special account the needs of veterans who have served in a theater of combat operations.

"(c)(1) Not later than March 31 of each year, the Committee shall submit to the Secretary a report on the programs and activities

Reports.

of the Department that relate to the readjustment of veterans to civilian life. Each such report shall include—

"(A) an assessment of the needs of veterans with respect to readjustment to civilian life;

"(B) a review of the programs and activities of the Department designed to meet such needs; and

"(C) such recommendations (including recommendations for administrative and legislative action) as the Committee considers appropriate.

"(2) Not later than 90 days after the receipt of a report under paragraph (1), the Secretary shall transmit to the Committees on Veterans' Affairs of the Senate and House of Representatives a copy of the report, together with any comments and recommendations concerning the report that the Secretary considers appropriate.

"(3) The Committee may also submit to the Secretary such other reports and recommendations as the Committee considers appropriate.

"(4) The Secretary shall submit with each annual report submitted to the Congress pursuant to section 529 of this title a summary of all reports and recommendations of the Committee submitted to the Secretary since the previous annual report of the Secretary submitted pursuant to that section.

"(d)(1) Except as provided in paragraph (2), the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the activities of the Committee under this section.

"(2) Section 14 of such Act shall not apply to the Committee.".

(2) The table of sections at the beginning of chapter 5 is amended by inserting after the item relating to section 544 the following new item:

"545. Advisory Committee on the Readjustment of Veterans.".

38 USC 545 note.

(b) ORIGINAL MEMBERS.—(1) Notwithstanding subsection (a)(2) of section 545 of title 38, United States Code (as added by subsection (a)), the members of the Advisory Committee on the Readjustment of Vietnam and Other War Veterans on the date of the enactment of this Act shall be the original members of the advisory committee recognized under such section.

(2) The original members shall so serve until the Secretary of Veterans Affairs carries out appointments under such subsection (a)(2). The Secretary of Veterans Affairs shall carry out such appointments as soon after such date as is practicable. The Secretary may make such appointments from among such original members.

**SEC. 334. CENTERS FOR MENTAL ILLNESS RESEARCH, EDUCATION, AND CLINICAL ACTIVITIES.**

(a) IN GENERAL.—(1) Subchapter II of chapter 73 is amended by adding after section 7319, as added by section 321(a)(1), the following new section:

**"§ 7320. Centers for mental illness research, education, and clinical activities**

"(a) The purpose of this section is to provide for the improvement of the provision of health-care services and related counseling services to eligible veterans suffering from mental illness (especially mental illness related to service-related conditions) through—

"(1) the conduct of research (including research on improving mental health service facilities of the Department and

on improving the delivery of mental health services by the Department);

"(2) the education and training of health care personnel of the Department; and

"(3) the development of improved models and systems for the furnishing of mental health services by the Department.

"(b)(1) The Secretary shall establish and operate centers for mental illness research, education, and clinical activities. Such centers shall be established and operated by collaborating Department facilities as provided in subsection (c)(1). Each such center shall function as a center for—

"(A) research on mental health services;

"(B) the use by the Department of specific models for furnishing services to treat serious mental illness;

"(C) education and training of health-care professionals of the Department; and

"(D) the development and implementation of innovative clinical activities and systems of care with respect to the delivery of such services by the Department.

"(2) The Secretary shall, upon the recommendation of the Under Secretary for Health, designate the centers under this section. In making such designations, the Secretary shall ensure that the centers designated are located in various geographic regions of the United States. The Secretary may designate a center under this section only if—

"(A) the proposal submitted for the designation of the center meets the requirements of subsection (c);

"(B) the Secretary makes the finding described in subsection (d); and

"(C) the peer review panel established under subsection (e) makes the determination specified in subsection (e)(3) with respect to that proposal.

"(3) Not more than five centers may be designated under this section.

"(4) The authority of the Secretary to establish and operate centers under this section is subject to the appropriation of funds for that purpose.

"(c) A proposal submitted for the designation of a center under this section shall—

"(1) provide for close collaboration in the establishment and operation of the center, and for the provision of care and the conduct of research and education at the center, by a Department facility or facilities in the same geographic area which have a mission centered on care of the mentally ill and a Department facility in that area which has a mission of providing tertiary medical care;

"(2) provide that no less than 50 percent of the funds appropriated for the center for support of clinical care, research, and education will be provided to the collaborating facility or facilities that have a mission centered on care of the mentally ill; and

"(3) provide for a governance arrangement between the collaborating Department facilities which ensures that the center will be established and operated in a manner aimed at improving the quality of mental health care at the collaborating facility or facilities which have a mission centered on care of the mentally ill.

"(d) The finding referred to in subsection (b)(2)(B) with respect to a proposal for designation of a site as a location of a center under this section is a finding by the Secretary, upon the recommendation of the Under Secretary for Health, that the facilities submitting the proposal have developed (or may reasonably be anticipated to develop) each of the following:

"(1) An arrangement with an accredited medical school that provides education and training in psychiatry and with which one or more of the participating Department facilities is affiliated under which medical residents receive education and training in psychiatry through regular rotation through the participating Department facilities so as to provide such residents with training in the diagnosis and treatment of mental illness.

"(2) An arrangement with an accredited graduate program of psychology under which students receive education and training in clinical, counseling, or professional psychology through regular rotation through the participating Department facilities so as to provide such students with training in the diagnosis and treatment of mental illness.

"(3) An arrangement under which nursing, social work, counseling, or allied health personnel receive training and education in mental health care through regular rotation through the participating Department facilities.

"(4) The ability to attract scientists who have demonstrated achievement in research—

"(A) into the evaluation of innovative approaches to the design of mental health services; or

"(B) into the causes, prevention, and treatment of mental illness.

"(5) The capability to evaluate effectively the activities of the center, including activities relating to the evaluation of specific efforts to improve the quality and effectiveness of mental health services provided by the Department at or through individual facilities.

"(e)(1) In order to provide advice to assist the Secretary and the Under Secretary for Health to carry out their responsibilities under this section, the official within the central office of the Veterans Health Administration responsible for mental health and behavioral sciences matters shall establish a peer review panel to assess the scientific and clinical merit of proposals that are submitted to the Secretary for the designation of centers under this section.

"(2) The panel shall consist of experts in the fields of mental health research, education and training, and clinical care. Members of the panel shall serve as consultants to the Department.

"(3) The panel shall review each proposal submitted to the panel by the official referred to in paragraph (1) and shall submit to that official its views on the relative scientific and clinical merit of each such proposal. The panel shall specifically determine with respect to each such proposal whether that proposal is among those proposals which have met the highest competitive standards of scientific and clinical merit.

"(4) The panel shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

"(f) Clinical and scientific investigation activities at each center established under this section—

"(1) may compete for the award of funding from amounts appropriated for the Department of Veterans Affairs medical and prosthetics research account; and

"(2) shall receive priority in the award of funding from such account insofar as funds are awarded to projects and activities relating to mental illness.

"(g) The Under Secretary for Health shall ensure that at least three centers designated under this section emphasize research into means of improving the quality of care for veterans suffering from mental illness through the development of community-based alternatives to institutional treatment for such illness.

"(h) The Under Secretary for Health shall ensure that information produced by the research, education and training, and clinical activities of centers established under this section that may be useful for other activities of the Veterans Health Administration is disseminated throughout the Veterans Health Administration. Such dissemination shall be made through publications, through programs of continuing medical and related education provided through regional medical education centers under subchapter VI of chapter 74 of this title, and through other means. Such programs of continuing medical education shall receive priority in the award of funding.

"(i) The official within the central office of the Veterans Health Administration responsible for mental health and behavioral sciences matters shall be responsible for supervising the operation of the centers established pursuant to this section and shall provide for ongoing evaluation of the centers and their compliance with the requirements of this section.

"(j)(1) There are authorized to be appropriated to the Department of Veterans Affairs for the basic support of the research and education and training activities of centers established pursuant to this section amounts as follows:

Appropriation authorization.

"(A) $3,125,000 for fiscal year 1998.

"(B) $6,250,000 for each of fiscal years 1999 through 2001.

"(2) In addition to funds appropriated for a fiscal year pursuant to the authorization of appropriations in paragraph (1), the Under Secretary for Health shall allocate to such centers from other funds appropriated for that fiscal year generally for the Department of Veterans Affairs medical care account and the Department of Veterans Affairs medical and prosthetics research account such amounts as the Under Secretary for Health determines appropriate to carry out the purposes of this section.".

(2) The table of sections at the beginning of chapter 73 is amended by inserting after the item relating to section 7319, as added by section 321(a)(2), the following new item:

"7320. Centers for mental illness research, education, and clinical activities.".

(b) ANNUAL REPORTS.—Not later than February 1 of each of 1999, 2000, 2001, and 2002, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the status and activities during the previous fiscal year of the centers for mental illness research, education, and clinical activities established pursuant to section 7320 of title 38, United States Code (as added by subsection (a)). Each such report shall include the following:

38 USC 7320 note.

(1) A description of the activities carried out at each center and the funding provided for such activities.

(2) A description of the advances made at each of the participating facilities of the center in research, education and training, and clinical activities relating to mental illness in veterans.

(3) A description of the actions taken by the Under Secretary for Health pursuant to subsection (h) of that section (as so added) to disseminate information derived from such activities throughout the Veterans Health Administration.

(4) The Secretary's evaluations of the effectiveness of the centers in fulfilling the purposes of the centers.

38 USC 7320 note.

(c) IMPLEMENTATION.—The Secretary of Veterans Affairs shall designate at least one center under section 7320 of title 38, United States Code, not later than January 1, 1998.

**SEC. 335. COMMITTEE ON CARE OF SEVERELY CHRONICALLY MENTALLY ILL VETERANS.**

(a) ESTABLISHMENT.—Subchapter II of chapter 73 is amended by adding after section 7320, as added by section 334(a)(1), the following new section:

**"§ 7321. Committee on Care of Severely Chronically Mentally Ill Veterans**

"(a) The Secretary, acting through the Under Secretary for Health, shall establish in the Veterans Health Administration a Committee on Care of Severely Chronically Mentally Ill Veterans. The Under Secretary shall appoint employees of the Department with expertise in the care of the chronically mentally ill to serve on the committee.

"(b) The committee shall assess, and carry out a continuing assessment of, the capability of the Veterans Health Administration to meet effectively the treatment and rehabilitation needs of mentally ill veterans whose mental illness is severe and chronic and who are eligible for health care furnished by the Department, including the needs of such veterans who are women. In carrying out that responsibility, the committee shall—

"(1) evaluate the care provided to such veterans through the Veterans Health Administration;

"(2) identify systemwide problems in caring for such veterans in facilities of the Veterans Health Administration;

"(3) identify specific facilities within the Veterans Health Administration at which program enrichment is needed to improve treatment and rehabilitation of such veterans; and

"(4) identify model programs which the committee considers to have been successful in the treatment and rehabilitation of such veterans and which should be implemented more widely in or through facilities of the Veterans Health Administration.

"(c) The committee shall—

"(1) advise the Under Secretary regarding the development of policies for the care and rehabilitation of severely chronically mentally ill veterans; and

"(2) make recommendations to the Under Secretary—

"(A) for improving programs of care of such veterans at specific facilities and throughout the Veterans Health Administration;

"(B) for establishing special programs of education and training relevant to the care of such veterans for employees of the Veterans Health Administration;

"(C) regarding research needs and priorities relevant to the care of such veterans; and

"(D) regarding the appropriate allocation of resources for all such activities.

"(d)(1) Not later than April 1, 1997, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the implementation of this section. The report shall include the following:

"(A) A list of the members of the committee.

"(B) The assessment of the Under Secretary for Health, after review of the initial findings of the committee, regarding the capability of the Veterans Health Administration, on a systemwide and facility-by-facility basis, to meet effectively the treatment and rehabilitation needs of severely chronically mentally ill veterans who are eligible for Department care.

"(C) The plans of the committee for further assessments.

"(D) The findings and recommendations made by the committee to the Under Secretary for Health and the views of the Under Secretary on such findings and recommendations.

"(E) A description of the steps taken, plans made (and a timetable for their execution), and resources to be applied toward improving the capability of the Veterans Health Administration to meet effectively the treatment and rehabilitation needs of severely chronically mentally ill veterans who are eligible for Department care.

"(2) Not later than February 1, 1998, and February 1 of each of the three following years, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing information updating the reports submitted under this subsection before the submission of such report.". Reports.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 73 is amended by inserting after the item relating to section 7320, as added by section 334(a)(2), the following new item:

"7321. Committee on Care of Severely Chronically Mentally Ill Veterans.".

# Subtitle D—Other Provisions

**SEC. 341. HOSPICE CARE STUDY.** 38 USC 1710 note.

(a) STUDY REQUIRED.—The Secretary of Veterans Affairs shall conduct a research study to determine the desirability of the Secretary furnishing hospice care to terminally ill veterans and to evaluate the most cost-effective and efficient way to do so. The Secretary shall carry out the study using resources and personnel of the Department.

(b) CONDUCT OF STUDY.—In carrying out the study required by subsection (a), the Secretary shall—

(1) evaluate the programs, and the program models, through which the Secretary furnishes hospice care services within or through facilities of the Department of Veterans Affairs and the programs and program models through which non-Department facilities provide such services;

(2) assess the satisfaction of patients, and family members of patients, in each of the program models covered by paragraph (1);

(3) compare the costs (or range of costs) of providing care through each of the program models covered by paragraph (1); and

(4) identify any barriers to providing, procuring, or coordinating hospice services through any of the program models covered by paragraph (1).

(c) PROGRAM MODELS.—For purposes of subsection (b)(1), the Secretary shall evaluate a variety of types of models for delivery of hospice care, including the following:

(1) Direct furnishing of full hospice care by the Secretary.

(2) Direct furnishing of some hospice services by the Secretary.

(3) Contracting by the Secretary for the furnishing of hospice care, with a commitment that the Secretary will provide any further required hospital care for the patient.

(4) Contracting for all required care to be furnished outside the Department.

(5) Referral of the patient for hospice care without a contract.

(d) REPORT.—Not later than April 1, 1998, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the research study. The report shall set forth the Secretary's findings and recommendations. The Secretary shall include in the report information on the extent to which the Secretary advises veterans concerning their eligibility for hospice care and information on the number of veterans (as of the time of the report) who are in each model of hospice care described in subsection (c) and the average cost per patient of hospice care for each such model.

**SEC. 342. PAYMENT TO STATES OF PER DIEM FOR VETERANS RECEIVING ADULT DAY HEALTH CARE.**

(a) PAYMENT OF PER DIEM FOR VETERANS RECEIVING ADULT DAY CARE.—Section 1741 is amended—

(1) by inserting "(1)" after "(a)";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following new paragraph (2):

"(2) The Secretary may pay each State per diem at a rate determined by the Secretary for each veteran receiving adult day health care in a State home, if such veteran is eligible for such care under laws administered by the Secretary.".

(b) ASSISTANCE TO STATES FOR CONSTRUCTION OF ADULT DAY CARE FACILITIES.—(1) Section 8131(3) is amended by inserting "adult day health," before "or hospital care".

(2) Section 8132 is amended by inserting "adult day health," before "or hospital care".

(3) Section 8135(b) is amended—

(A) in paragraph (2)(C), by inserting "or adult day health care facilities" after "domiciliary beds"; and

(B) in paragraph (3)(A), by inserting "or construction (other than new construction) of adult day health care buildings" before the semicolon.

**SEC. 343. RESEARCH CORPORATIONS.**

(a) RENEWAL OF AUTHORITY.—Section 7368 is amended by striking out "December 31, 1992" and inserting in lieu thereof "December 31, 2000".

(b) CLARIFICATION OF TAX-EXEMPT STATUS.—Sections 7361(b) and 7363(c) are amended by striking out "section 501(c)(3) of".

(c) PERIODIC AUDITS.—Subsection (b) of section 7366 is amended by striking out "The corporation" in the second sentence and all that follows through "shall include that report" and inserting in lieu thereof the following: "A corporation with revenues in excess of $300,000 for any year shall obtain an audit of the corporation for that year. A corporation with annual revenues between $10,000 and $300,000 shall obtain an independent audit of the corporation at least once every three years. Any audit under the preceding sentences shall be performed by an independent auditor. The corporation shall include the most recent such audit".

(d) COMPLIANCE WITH CONFLICT OF INTEREST LAWS AND REGULATIONS.—Subsection (c)(2) of section 7366 is amended by striking out "an annual statement signed by the director or employee certifying that the director or" and inserting in lieu thereof "a statement signed by the executive director of the corporation certifying that each director and".

(e) REVISED REPORTING REQUIREMENT.—Subsection (d) of section 7366 is amended to read as follows:

"(d) The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives an annual report on the corporations established under this subchapter. The report shall set forth the following information:

"(1) The location of each corporation.

"(2) The amount received by each corporation during the previous year, including—

"(A) the total amount received;

"(B) the amount received from governmental entities;

"(C) the amount received from all other sources; and

"(D) if the amount received from a source referred to in subparagraph (C) exceeded $25,000, information that identifies the source.

"(3) The amount expended by each corporation during the year, including—

"(A) the amount expended for salary for research staff and for salary for support staff;

"(B) the amount expended for direct support of research; and

"(C) if the amount expended with respect to any payee exceeded $35,000, information that identifies the payee.".

**SEC. 344. VETERANS HEALTH ADMINISTRATION HEADQUARTERS.**

Section 7306 is amended by adding at the end the following new subsection:

"(f) In organizing the Office and appointing persons to positions in the Office, the Under Secretary shall ensure that—

"(1) the Office is staffed so as to provide the Under Secretary, through a designated clinician in the appropriate discipline in each instance, with expertise and direct policy guidance on—

"(A) unique programs operated by the Administration to provide for the specialized treatment and rehabilitation

of disabled veterans (including blind rehabilitation, care of spinal cord dysfunction, mental illness, and long-term care); and

"(B) the programs established under section 1712A of this title; and

"(2) with respect to the programs established under section 1712A of this title, a clinician with appropriate expertise in those programs is responsible to the Under Secretary for the management of those programs.".

**SEC. 345. DISBURSEMENT AGREEMENTS RELATING TO MEDICAL RESIDENTS AND INTERNS.**

Section 7406(c) is amended—

(1) by striking out "Department hospital" each place it appears and inserting in lieu thereof "Department facility furnishing hospital care or medical services";

(2) by striking out "participating hospital" in paragraph (4)(C) and inserting in lieu thereof "participating facility"; and

(3) by striking out "hospital" both places it appears in paragraph (5) and inserting in lieu thereof "facility".

**SEC. 346. AUTHORITY TO SUSPEND SPECIAL PAY AGREEMENTS FOR PHYSICIANS AND DENTISTS WHO ENTER RESIDENCY TRAINING PROGRAMS.**

Section 7432(b)(2) is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding at the end the following:

"(B) The Secretary may suspend a special pay agreement entered into under this section in the case of a physician or dentist who, having entered into the special pay agreement, enters a residency training program. Any such suspension shall terminate when the physician or dentist completes, withdraws from, or is no longer a participant in the program. During the period of such a suspension, the physician or dentist is not subject to the provisions of paragraph (1).".

**SEC. 347. REMUNERATED OUTSIDE PROFESSIONAL ACTIVITIES BY VETERANS HEALTH ADMINISTRATION PERSONNEL.**

(a) AUTHORITY.—Subsection (b) of section 7423 is amended—

(1) by striking out paragraph (1); and

(2) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

(b) CONFORMING AMENDMENT.—Subsection (c) of such section is amended in the matter preceding paragraph (1) by striking out "subsection (b)(6)" and inserting in lieu thereof "subsection (b)(5)".

**SEC. 348. MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, MILWAUKEE COUNTY, WISCONSIN.**

(a) MODIFICATION OF REVERSIONARY INTEREST.—The Secretary of Veterans Affairs is authorized to execute such instruments as may be necessary to modify the conditions under which the land described in subsection (b) will revert to the United States in order—

(1) to permit Milwaukee County, Wisconsin, to grant all or part of such land to another party with a condition on such grant that the grantee use such land only for civic and recreational purposes; and

(2) to provide that the conditions under which title to all or any part of such land reverts to the United States are stated so that any such reversion would occur at the option of the United States.

(b) DESCRIPTION OF LAND.—The land covered by this section is the tract of 28 acres of land, more or less, conveyed to Milwaukee County, Wisconsin, pursuant to the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to Milwaukee County, Wisconsin", approved August 27, 1954 (68 Stat. 866). Wisconsin.

(c) GENERAL AUTHORITIES.—The Secretary may carry out this section subject to such terms and conditions (including reservations of rights for the United States) as the Secretary considers necessary to protect the interests of the United States. In carrying out this section, the Secretary may eliminate any existing covenant or restriction with respect to the tract of land described in subsection (b) which the Secretary determines to be no longer necessary to protect the interests of the United States.

**SEC. 349. MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, CHEYENNE, WYOMING.**

(a) MODIFICATION OF REVERSIONARY INTEREST.—The Secretary of Veterans Affairs is authorized to execute such instruments as may be necessary to modify the conditions under which the land described in subsection (b) will revert to the United States in order to permit the City of Cheyenne, Wyoming, to grant all or part of such land to the First Cheyenne Federal Credit Union (formerly known as the Cheyenne VAF Federal Credit Union) with a condition on such grant that the First Cheyenne Federal Credit Union use such land only for the purpose of constructing a building to house its operations.

(b) DESCRIPTION OF LAND.—The land covered by this section is the tract of 27 acres of land, more or less, conveyed to the City of Cheyenne, Wyoming, pursuant to the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to the City of Cheyenne, Wyoming", approved November 8, 1965 (79 Stat. 1304).

(c) TERMS OF REVERSIONARY INTEREST.—In carrying out this section, the Secretary may cause the statement of the conditions under which title to all or any part of the land described in subsection (b) reverts to the United States to be revised so that any such reversion would occur at the option of the United States.

(d) GENERAL AUTHORITIES.—The Secretary may carry out this section subject to such terms and conditions (including reservations of rights for the United States) as the Secretary considers necessary to protect the interests of the United States. In carrying out this section, the Secretary may eliminate any existing covenant or restriction with respect to the tract of land described in subsection (b) which the Secretary determines to be no longer necessary to protect the interests of the United States.

**SEC. 350. NAME OF DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER, JOHNSON CITY, TENNESSEE.**

(a) NAME.—The Mountain Home Department of Veterans Affairs Medical Center in Johnson City, Tennessee, shall after the date of the enactment of this Act be known and designated as the "James H. Quillen Department of Veterans Affairs Medical Center". Any reference to such medical center in any law,

regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the James H. Quillen Department of Veterans Affairs Medical Center.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect at noon on January 3, 1997.

**SEC. 351. REPORT ON HEALTH CARE NEEDS OF VETERANS IN EAST CENTRAL FLORIDA.**

(a) REPORT REQUIRED.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the health care needs of veterans in east central Florida. In preparing the report, the Secretary shall consider the needs of such veterans for psychiatric and long-term care. The Secretary shall include in the report the Secretary's views, based on the Secretary's determination of such needs, as to the best means of meeting such needs using the amounts appropriated pursuant to the authorization of appropriations in this Act and Public Law 103–452 for projects to meet the health care needs of such veterans. The Secretary may, subject to the availability of appropriations for such purpose, use an independent contractor to assist in the determination of such health care needs.

(b) LIMITATION.—The Secretary may not obligate any funds, other than for design work, for the conversion of the former Orlando Naval Training Center Hospital in Orlando, Florida (now under the jurisdiction of the Secretary of Veterans Affairs), to a nursing home care unit until 45 days after the date on which the report required by subsection (a) is submitted.

**SEC. 352. EVALUATION OF HEALTH STATUS OF SPOUSES AND CHILDREN OF PERSIAN GULF WAR VETERANS.**

(a) EXTENSION OF AUTHORITY.—Subsection (b) of section 107 of the Persian Gulf War Veterans' Benefits Act (title I of Public Law 103–446; 108 Stat. 4652; 38 U.S.C. 1117 note) is amended by striking out "September 30, 1996" and inserting in lieu thereof "December 31, 1998".

(b) RATIFICATION OF ACTIONS.—Any diagnostic testing and medical examinations undertaken by the Secretary of Veterans Affairs for the purpose of the study required by subsection (a) of such section during the period beginning on October 1, 1996, and ending on the date of the enactment of this Act is hereby ratified.

38 USC 1117 note.

Approved October 9, 1996.

---

LEGISLATIVE HISTORY—H.R. 3118 (S. 1359):

HOUSE REPORTS: No. 104–690 (Comm. on Veterans' Affairs).
SENATE REPORTS: No. 104–372 accompanying S. 1359 (Comm. on Veterans' Affairs).
CONGRESSIONAL RECORD, Vol. 142 (1996):
July 30, considered and passed House.
Sept. 28, considered and passed Senate, amended. House concurred in Senate amendments.
WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 32 (1996):
Oct. 9, Presidential statement.