Mr. AKAKA, from the Committee on Veterans’ Affairs, submitted the following

REPORT

[To accompany S. 1237]

The Committee on Veterans’ Affairs (hereinafter, “the Committee”), to which was referred the bill (S. 1237), to amend title 38, United States Code, to expand the grant program for homeless veterans with special needs to include male homeless veterans with minor dependents and to establish a grant program for reintegration of homeless women veterans and homeless veterans with children, and for other purposes, reports favorably thereon with an amendment in the nature of a substitute, and an amendment to the title, and recommends that the bill, as amended, do pass.

INTRODUCTION

On June 9, 2009, Senator Murray introduced S. 1237, the proposed “Homeless Women Veterans and Homeless Veterans with Children Act of 2009.” S. 1237, as introduced, would expand the grant program for homeless veterans with special needs to include male homeless veterans with minor dependents and would establish a grant program for reintegration of homeless women veterans and homeless veterans with children. Senators Baucus, Byrd, Johnson, Merkley, Reed and Specter are cosponsors.

Earlier, on May 21, 2009, Senator Collins introduced S. 1155, to amend title 38, United States Code (hereinafter “U.S.C.”), to establish the position of Director of Physician Assistant Services within the office of the Under Secretary of Veterans Affairs for Health. Senators Burris, Feingold, Harkin, Inouye and Tester are cosponsors.

On June 8, 2009, Senator Murray introduced S. 1204, the proposed “Chiropractic Care Available to All Veterans Act of 2009.”
S. 1204 would amend the Department of Veterans Affairs Health Care Programs Enhancement Act of 2001 to require the provision of chiropractic care and services to veterans at all Department of Veterans Affairs medical centers. Senators Begich, Brown, Brownback, Burris, Grassley, Isakson, Lincoln, and Whitehouse are cosponsors.

On June 18, 2009, Senator McConnell introduced S. 1302, the proposed “Veterans Health Care Improvement Act of 2009.” This bill would provide for the introduction of pay-for-performance compensation mechanisms into contracts of the Department of Veterans Affairs with community-based outpatient clinics for the provision of health care services.

On July 9, 2009, Senator Wyden introduced S. 1427, the proposed “Department of Veterans Affairs Hospital Quality Report Card Act of 2009.” S. 1427 would establish a Hospital Quality Report Card Initiative to report on health care quality in Department of Veterans Affairs Medical Centers. Senator Johanns is a cosponsor.

On July 21, 2009, Senator Klobuchar introduced S. 1483, to designate the Department of Veterans Affairs outpatient clinic in Alexandria, Minnesota, as the “Max J. Beilke Department of Veterans Affairs Outpatient Clinic.” Senator Franken is a cosponsor.

On July 29, 2009, Senator Pryor introduced S. 1531, the proposed “Department of Veterans Affairs Reorganization Act of 2009.” S. 1531 would establish within the Department of Veterans Affairs the position of Assistant Secretary for Acquisition, Logistics, and Construction.

On July 30, 2009, Senator Reed introduced S. 1547, the proposed “Zero Tolerance for Veterans Homelessness Act of 2009.” S. 1547 would enhance and expand the assistance provided by the Department of Veterans Affairs and the Department of Housing and Urban Development to homeless veterans and veterans at risk of homelessness. Senators Baucus, Begich, Bond, Burris, Byrd, Cantwell, Durbin, Johnson, Kerry, Lautenberg, Leahy, Lincoln, Merkley, Mikulski, Murray, Specter, Tester, Udall of New Mexico, and Whitehouse are cosponsors.

On October 14, 2009, Senator Bayh introduced S. 1779, the proposed “Health Care for Veterans Exposed to Chemical Hazards Act of 2009.” S. 1779 would provide health care to veterans exposed in the line of duty to occupational and environmental health chemical hazards. Senators Byrd, Dorgan, Lugar, Merkley, Rockefeller, Specter, and Wyden are cosponsors.

On October 21, 2009, the Committee held a hearing on the above referenced bills and other pending health and benefits legislation. Testimony was offered by: Gerald M. Cross, MD, FAAFP, Acting Under Secretary for Health, Veterans Health Administration, Department of Veterans Affairs; Robert Jackson, Assistant Director, National Legislative Service, Veterans of Foreign Wars; Ian de Planque, Assistant Director for Claims Service, The American Legion; John Driscoll, President and CEO, National Coalition for Homeless Veterans; Rick McMichael, DC, President, American Chiropractic Association; and William Fenn, Ph.D., PA, Vice President, American Academy of Physician Assistants.
COMMITTEE MEETING

After carefully reviewing the testimony from the foregoing hearing, the Committee met in open session on January 28, 2010, to consider, among other legislation, an amended version of S. 1237, consisting of S. 1237 as introduced, provisions derived from other legislation noted above, and freestanding provisions adopted as amendments at the Committee meeting. The Committee voted unanimously to report favorably S. 1237, as amended.

SUMMARY OF S. 1237 AS REPORTED

S. 1237, as reported (hereinafter, “the Committee bill”), would provide for enhancements to services for homeless veterans, make expansions to the Department of Veterans Affairs (hereinafter, “VA”) health care and services and would amend the title of the original bill.

TITLE I—HOMELESS VETERANS MATTERS

Section 101 would enhance VA’s homeless veterans’ Comprehensive Services Program by broadening the pool of potential applicants to those who propose to use mixed financing to provide supportive housing.

Section 102 would establish a grant program for reintegration of homeless women veterans and homeless veterans with children into the labor force.

Section 103 would expand the number of eligible providers of programs for homeless veterans with special needs and for purposes of eligibility, classify male homeless veterans with minor dependants as homeless veterans with special needs.

Section 104 would establish a program within VA to prevent veteran homelessness.

Section 105 would require VA, the Department of Housing and Urban Development (hereinafter, “HUD”) and the Interagency Council on Homelessness to establish a method for accurately counting the number of homeless veterans nationwide, as well as tracking demographic information and type of assistance received.

Section 106 would authorize the phase-in of up to 60,000 HUD and VA Supported Housing Program (hereinafter, “HUD-VASH”) vouchers by 2013 and describe the types of help VA case managers are expected to provide homeless veterans receiving rental assistance.

Section 107 would create the position of Special Assistant for Veterans Affairs within HUD who would ensure that veterans have access to HUD’s housing and homelessness assistance programs and also serve as a liaison with VA.

Section 108 would require the Secretary of VA to develop a comprehensive plan within one year of the bill’s enactment for ending homelessness among veterans.

TITLE II—TOXIC SUBSTANCES EXPOSURE

Section 201 would extend eligibility to health care for veterans with disabilities who served in the Persian Gulf War.
TITLE III—HEALTH CARE MATTERS

Section 301 would establish within VA an Assistant Secretary for Acquisition, Logistics, and Construction and increase the authorized number of Deputy Assistant Secretaries.

Section 302 would establish a Director of Physician Assistant Services within the Veterans Health Administration (hereinafter, “VHA”) Office of Patient Care Services.

Section 303 would require VA to establish a Medical Center Report Card to ensure public view of performance comparisons between VA facilities and between VA and non-VA sites.

Section 304 would require VA to submit to Congress a report on the advisability and feasibility of pay-for-performance mechanisms in VA health care contracts at Community Based Outpatient Clinics (hereinafter “CBOCs”).

Section 305 would direct VA to enable State veterans’ homes to admit parents who had a child die while serving in the Armed Forces.

Section 306 would provide for the automatic enrollment of eligible demobilizing members of the National Guard and Reserve in health care and dental care programs of the Department of Veterans Affairs.

Section 307 would require VA to develop, implement, and fund a comprehensive policy on the provision of chiropractic services.

Section 308 would designate the VA outpatient clinic in Alexandria, Minnesota, as the “Max J. Beilke Department of Veterans Affairs Outpatient Clinic.”

TITLE IV—OTHER MATTERS

Section 401 would direct unobligated funds appropriated for medical services in fiscal years 2009 and 2010 and carried over into subsequent fiscal years to be available for purposes of carrying out provisions contained in the Committee bill.

BACKGROUND AND DISCUSSION

TITLE I—HOMELESS VETERANS MATTERS

Sec. 101. Enhancement of comprehensive service programs.

Section 101 of the Committee bill, which is derived from S. 1547, would enhance VA’s homeless veterans’ Comprehensive Service Programs by broadening the pool of potential applicants for that program to those entities who propose to use mixed financing to provide supportive housing and make other changes designed to improve the overall program.

Background. Public Law 102–590, the Homeless Veterans Comprehensive Service Programs Act of 1992, established VA’s Homeless Providers Grant and Per Diem Program (hereinafter, “GPD.”) The purpose of the grant program was to assist public and nonprofit private entities in establishing new programs and service centers to furnish supportive services and housing for homeless veterans through grants that may be used to acquire, renovate or alter facilities. The purpose of the per diem program was to provide per diem payments, or in-kind assistance in lieu of per diem payments, to eligible entities which established programs after Novem-
ber 10, 1992, that provide supportive services and housing for homeless veterans.

Over the years since it was established, the GPD has changed as more is learned about the needs of homeless veterans. In testimony before the Committee on October 21, 2009, the National Coalition for Homeless Veterans stated that, “for years service providers have suggested a system that reflects the actual cost of providing services to veterans with multiple barriers to recovery rather than a ‘per diem’ rate based on reimbursements paid to state veterans’ homes.” They believe that, as successful as the GPD has been, it would be more so with less restrictions.

Section 2011 of title 38 sets forth the authority, criteria, and various requirements for VA’s grant program so as to achieve its intended purpose to furnish and expand or modify existing programs for furnishing, outreach, rehabilitation services, vocational counseling and training, and transitional housing assistance for homeless veterans. The law requires the Secretary to establish criteria and requirements for grants awarded under this section. Eligible entities for these grants are restricted to public or nonprofit private entities with the capacity to administer the grant effectively. An eligible entity must also demonstrate that adequate financial support will be available to carry out the project for which the grants is sought consistent with the plans, specifications, and schedule submitted by the applicant. An eligible entity must also agree to meet, as well as have the capacity to meet, the applicable criteria and requirements established by the Secretary. Currently, the specifications as to the kinds of projects for which the grants are available do not include new construction of facilities. In addition, the grants may not be used to support operational costs and the amount of the grant may not exceed 65 percent of the estimated cost of the project concerned.

VA’s Advisory Committee on Homeless Veterans (hereinafter, “Advisory Committee”) established pursuant to section 2066 of title 38, provides advice and makes recommendations to the Secretary of VA on the provision of benefits and services to homeless veterans. In the Advisory Committee’s 2005 Report, it first recommended that the authorization for appropriations for the GPD be increased to $200 million. Although that amount has been increased over the last five years and currently is $150 million, raising the amount to $200 million would better allow for continued growth in the program. The GPD has proven to be a vital part of VA’s services for homeless veterans. In response to this Advisory Committee recommendation, VA stated that it believes that increased funding for GPD “should be deliberate and systematic to provide the support systems and administration infrastructure that are necessary to manage the program with appropriate levels of oversight and assurance of quality of care.”

Committee Bill. Section 101 of the Committee bill would amend subchapter II of chapter 20 of title 38 to make a number of improvements. It would amend section 2011(b)(1)(A), the provision which sets forth the criteria for grants, to include new construction of facilities as a type of program for which the grants are available. It would amend section 2011(c), the provision which sets forth funding limitations on grantees so as to specify that the Secretary may not deny an application from an entity under this program
solely on the basis that the entity proposes to use other funding sources as long as such entity has oversight and site control over the project. In connection with this change, the Committee bill would add a definition of a “private nonprofit organization.” It is the Committee’s expectation that these changes will modernize the GPD to allow for the utilization of innovative project funding strategies—including the use of low-income housing tax credits and matching funds from other government sources to facilitate and hasten project development.

With respect to the issue of the per diem payments, the Committee bill, in a freestanding provision, would require the Secretary of VA to study the method of reimbursing GPD community providers for their program expenses and report to Congress, within one year, VA’s recommendations for revising the payment system. The Committee believes that since VA plans to continue to develop the GPD, long term commitment to funding and modifying the program appropriately is critical to service providers and the veterans they assist. As these programs are improved and increased, VA needs to look more closely at the effectiveness of how it makes payments and reimbursements and to whom reimbursements are made.

The Committee bill would amend section 2013 of title 38 by increasing the annual GPD authorization to $200 million in FY 2010 and to such sums as necessary for each of fiscal years 2011 through 2014. The Committee believes this will help VA’s goal to assist every eligible homeless veteran willing to accept services.

Finally, the Committee bill would require the Secretary to ensure that not less than five percent of the aggregate of the grant amounts awarded under section 2011 of title 38 is awarded to eligible entities located in rural areas. While the issues of homeless tend to be associated with urban areas, the Committee believes that it is important to address the needs of veterans who may live in very rural or remote areas and are at risk of homelessness.

Sec. 102. Grant program for workforce reintegration of homeless women veterans and homeless veterans with children.

Section 102 of the Committee bill, which is derived from S. 1237, would establish a grant program for reintegration of homeless women veterans and homeless veterans with children into the labor force.

Background. Women veterans represent an increasing proportion of the total veteran population. The percentage of women veterans is nearing eight percent and expected to rise substantially over the next two decades. While VA is an institution originally designed for and focused on serving male veterans, the significant increase in the number of women veterans indicate a crucial need for VA to adapt its programs to address this new demographic. For example, although the majority of homeless veterans programs are designed for male veterans, more than five percent of veterans requesting assistance from VA and community-based homeless veteran service providers are women. More than 10 percent of these women have dependent children. In addition, there are reports of a significant number of male homeless veterans who have dependent children as well.
Currently, under section 2021 of title 38, the Secretary of Labor is required to conduct, directly or through grant or contract, Homeless Veterans Reintegration Programs (hereinafter “HVRP”). These are programs the Secretary determines are appropriate to provide job training, counseling, and placement services (including job readiness, literacy and skills training) to expedite the reintegration of homeless veterans into the labor force. HVRP is administered through the Assistant Secretary of Labor for Veterans’ Employment and Training (hereinafter “VETS”). Since women veterans have represented a very small percentage of the veteran population for decades, most of the current programs are designed for and provide services to male homeless veterans. The Committee’s intent is to increase the availability of programs which focus efforts toward the growing and underserved populations of women veterans and veterans with dependent children.

Committee Bill. Section 102 of the Committee bill would amend Subchapter III of chapter 20 of title 38 by adding a new section 2021A, entitled “Grant program for the reintegration of homeless women veterans and homeless veterans with children.” This grant program would differ from the current HVRP grants in that it would be strictly a grant program and would focus specifically on providing services that will assist in the reintegration into the labor force of homeless women veterans and homeless veterans with children. Like the current HVRP grants, services under this new grant program would include job training, counseling, and job placement services, including job readiness, literacy, and skills training. Importantly, it would also include child care services to serve most effectively the target population.

This new grant program would also be administered through the Assistant Secretary of VETS and would require that information be collected which is appropriate to monitor and evaluate the use of the amounts granted, including data on results or outcomes of the services provided to each homeless veteran under the new program. The Committee believes that monitoring the program in this way will provide proper feedback to ensure the program is accomplishing its intent or identify unforeseen issues that may require alterations to the program.

While homelessness is often associated with urban areas, there are homeless veterans in rural areas as well. With the increased number of National Guard and Reserve members deploying as part of Operation Enduring Freedom/Operation Iraqi Freedom (hereinafter “OEF/OIF”) which subsequently qualifies them for veteran status, the number of rural veterans is increasing. In order to ensure that this population has access to homeless veterans programs, section 102 would further require that at least five percent of the aggregate of the grant amounts awarded under this new grant program in each fiscal year be awarded to eligible programs and facilities located in rural areas.

Section 102 would authorize appropriations of $10 million for each of fiscal years 2010 through 2014 for this new program. This amount would be in addition to any amounts authorized to be appropriated for the current programs under section 2021. The funds appropriated to carry out this new grant program would remain available until expended and funds obligated in any fiscal year to
carry out this program would be able to be expended in that fiscal year or the succeeding fiscal year.

Section 2012(d) of existing title 38 requires the Secretary of Labor to submit a report to Congress every two years on the progress of the programs conducted under section 2021. Section 102 of the Committee bill would require that report to include an evaluation of this new grant program for the reintegration of homeless women veterans and homeless veterans with children. This section of the report would also be required to include an evaluation of the services furnished to homeless women veterans and homeless veterans with children, as well as an analysis of the information collected and used to monitor the program mentioned. The Committee believes that this feedback will be helpful in determining if this grant program is meeting its purpose and will be helpful to identify trends as changes occur in the demographics of the homeless veteran population.

Sec. 103. Expansion of grant program for homeless veterans with special needs.

Section 103 of the Committee bill, which is derived from S. 1237, would expand the number of eligible providers of programs for homeless veterans with special needs and include male homeless veterans who have care of minor dependants as homeless veterans with special needs.

Background. Under section 2061 of title 38, VA operates a program of grants to encourage development of programs for homeless veterans with special needs. Current law provides that these special needs grants can only be awarded to VA health care facilities and to providers receiving grant and per diem payments under VA's Comprehensive Service Programs. Homeless veterans with special needs eligible for these programs are defined as homeless veterans who are 1) women, including women who have care of minor dependents; 2) frail elderly; 3) terminally ill; or 4) chronically mentally ill.

Committee Bill. Subsection 103(a) of the Committee bill would expand the number of eligible providers who may receive VA grants for programs to assist homeless veterans with special needs to those entities eligible to receive grant and per diem payments, but who may not be doing so. Thus, these grants would no longer be limited to existing VA health care facilities and current grant and per diem providers, but will allow those eligible but not in receipt of grant and per diem payments to apply to the grant program for homeless veterans with special needs.

Subsection 103(b) would expand the definition of homeless veterans with special needs to include veterans who have care of minor dependents as well regardless of gender.

Sec. 104. Program on prevention of veteran homelessness.

Subsection 104 of the Committee bill, which is derived from S. 1547, would require the Secretary of VA to establish a program to prevent veteran homelessness.

Background. In January 2010, VA estimated that 131,000 veterans were homeless on any given night. In March 2010, this estimate was revised downward to 107,000, although perhaps twice as many experience homelessness at some point during the course of
a year. In addition, statistics show that about one-third of the adult homeless population has served their country in the armed services. This means that veterans are often at greater risk of becoming homeless. Some commentators suggest that some reasons for this may be that when they leave the military, they discover that the skills they have honed in their military service can be difficult to transfer to jobs in the private sector. Others may struggle with physical or mental wounds of war. Still others return to communities that lack safe, affordable housing.

Committee Bill. Section 104 of the Committee bill would amend subchapter VII of chapter 20 of title 38 to add a new section 2067, “Prevention of veteran homelessness.” This new section would create a homelessness prevention program that would enable VA to keep at-risk veterans in stable housing and offer increased assistance to veterans who have fallen into homelessness. Specifically, VA could provide, directly or in conjunction with an existing program, short-term rental assistance, housing relocation and stabilization services, services to resolve personal credit issues, payments for security deposits or utility costs, assistance for moving costs, and referral services to programs of another department or agency of the Federal Government. These up-front expenses can be a major obstacle that puts low-income or unemployed veterans at risk of becoming homeless. These homelessness prevention and rapid re-housing techniques have been successfully used in many communities to reduce family homelessness significantly. This new authority would give VA the opportunity to put these strategies into practice to assist veterans who have been identified as homeless or are at imminent risk of becoming homeless.

It is not the Committee’s intent to duplicate available services that are already effective and successful or to permit a veteran to “double dip” by receiving the same assistance from a variety of sources. The language of this section would require the Secretary of VA to provide assistance only to the extent that it is not duplicating a supportive service provided to the veteran by an eligible entity receiving financial assistance under section 2044 of title 38 or by any other Federal, State, or local entity.

The program established by this section is also not intended to be long term support for the veterans identified as homeless or those who are at imminent risk of becoming homeless. Likewise, it should not be viewed as a slush fund for these veterans. It is the Committee’s intent to give the Secretary the authority to protect the program from abuse by allowing the Secretary to establish a limit on the number of times that a particular veteran may receive assistance under the program within a fiscal year.

The Committee bill would authorize $50,000,000 to be appropriated to carry out this program for each of fiscal years 2010 through 2014. It would also add this new program to the oversight and coordination responsibilities of the homeless veterans program coordinators under Section 2003(a) of title 38.

Not later than 180 days after the date of establishment of this program, the Secretary of VA would be required to submit a report on its operation to the Congress. This report would be required to include the types and sources of assistance provided under the program, as well as an assessment of the effectiveness of the services
provided. This would allow Congress to determine the effectiveness of the program and evaluate the need for any necessary changes.

**Sec. 105. Homeless Veterans Management Information System.**

Section 105 of the Committee bill, which is derived from S. 1547, would require VA, HUD, and the Interagency Council on Homelessness to establish a method for accurately counting the number of homeless veterans nationwide, as well as tracking demographic information and type of assistance received.

**Background.** According to the annual VA Community Homelessness Assessment, Local Education, and Networking Groups Reports, approximately 131,000 veterans are homeless on any given night. However, this is an estimate. There have been few systematic, national efforts to count the homeless and particularly the number of homeless veterans. In 1996, the National Survey of Homeless Assistance Providers and Clients estimated that veterans comprised 23 percent of the homeless population. In 2005, HUD began organizing comprehensive, national counts of homeless persons, but does not capture data specific to homeless veterans.

**Committee Bill.** Section 105 of the Committee bill would require the Secretary, in consultation with Special Assistant for Veterans Affairs of HUD (as established in Section 107 of the Committee bill) and the United States Interagency Council on Homelessness, to establish a method for the collection and aggregation of data on homeless veterans participating in VA and HUD programs. The method for the collection of data would be required to ensure that each veteran is only counted once to avoid inflation of the number of homeless veterans. The data collected would include, among other things, information on age, race, sex, disability status, marital status, income, employment history, and whether the veteran is a parent. These data would be collected and aggregated annually.

It is the Committee’s intent to establish a method that provides accurate data regarding the number of homeless veterans nationwide. Having reliable and accurate data assist in making better assessments about the need for and implementation of comprehensive and supportive services for homeless veterans. The Committee does not intend to burden homeless program providers with an overwhelming system that would capture data about homeless veterans that is redundant but rather would incorporate any new data pertaining to veterans with data already collected for the greater homeless population.

**Sec. 106. Rental assistance for veterans through Department of Housing and Urban Development.**

Section 106 of the Committee bill, which is derived from S. 1547, would authorize additional housing vouchers through the HUD-VASH program.

**Background.** HUD-VASH is a cooperative partnership between HUD and VA that provides long-term case management, supportive services, and permanent housing support for eligible homeless veterans. The HUD-VASH program began in 1992 under a memorandum of agreement between the two departments. Congress codified the HUD-VASH program in Public Law 107–95, the Homeless Veterans Comprehensive Assistance Act of 2001. That
Act also authorized HUD to allocate 500 additional HUD-VASH vouchers in each of fiscal years 2003 through 2006. Public Law 109—461, the Veterans Benefits, Health Care, and Information Technology Act of 2006 authorized HUD to allocate 500 HUD-VASH vouchers in fiscal year 2007 and increase the amount in increments of 500 per fiscal year up to 2,500 in fiscal year 2011.

The HUD-VASH program is explicitly designed to provide permanent supportive housing to the most vulnerable homeless veterans. To be eligible, a veteran must be homeless, eligible for VA health care, and need and participate in case management services in order to obtain and sustain permanent independent community housing. Eligible homeless veterans receive VA provided case management and supportive services to promote stability and recovery from physical and mental health, substance use, and functional concerns contributing to or resulting from homelessness. The program goals include promoting maximal veteran recovery and independence in order to enable the veteran and his family to sustain permanent housing in the community. The case manager and the veteran set goals related to housing, income, employment and treatment with the ultimate goal of having the veteran fully reintegrate back into the community. To achieve this goal the case manager works on employment and educational goals with the veteran so that the veteran can be more self sufficient. There is also an annual review by the Public Housing Authority (hereinafter, “PHA”) that evaluates income eligibility and, when the veteran exceeds income eligibility, both VA and local PHAs assist the veteran with transitioning to alternative more independent living arrangements.

Comprehensive evaluation of the HUD-VASH program conducted by the Department of Veterans Affairs’ Northeast Program Evaluation Center found that HUD-VASH significantly reduces days of homelessness for veterans with mental and addictive disorders, who are among those considered chronically homeless. According to an analysis of data by the National Alliance to End Homelessness, about 63,000 veterans can be classified as chronically homeless. In the efforts to end homelessness among veterans, Congress appropriated funding in 2008 and 2009 for, and HUD currently provides, 20,000 “Housing Choice” Section 8 vouchers designated for HUD-VASH to participating PHAs to assist with rent payment. This influx of HUD-VASH is a good start, but it will not meet the needs of all homeless veterans.

Committee Bill. Section 106 of the Committee bill would authorize the phase-in of up to 60,000 HUD-VASH vouchers by 2013. It would call for not more than 30,000 vouchers for rental assistance to be outstanding during FY 2010, not more than 40,000 during FY 2011, not more than 50,000 during FY 2012, and not more than 60,000 during FY 2013 and each fiscal year thereafter.

The Committee bill would define what qualifies as a “public housing agency” and also would require the Secretary to ensure homeless veteran case managers provide appropriate supportive services. It describes the types of help VA case managers would be expected to provide homeless veterans receiving rental assistance to include medical care to help to achieve an end to chronic homelessness.
Sec. 107. Special Assistant for Veterans Affairs in Office of Secretary of Housing and Urban Development.

Section 107 of the Committee bill, which is also derived from S. 1547, would establish the position of Special Assistant for Veterans Affairs within the Office of the Secretary of Housing and Urban Development.

Background. Currently, within HUD's Office of Community Planning and Development, the Deputy Assistant Secretary for Special Needs oversees efforts to confront the housing and service needs of homeless persons, including veterans and their families. These efforts include addressing the needs of homeless veterans and their families. Homelessness for any American is difficult but for an individual who has answered the call to duty it is simply unacceptable. There are many challenges that veterans face which can lead to homelessness such as health concerns, including mental health problems, economic issues, and a lack of access to safe housing. HUD provides housing and services to homeless veterans through HUD's targeted programs for special needs populations, as well as through other mainstream HUD resources. HUD administers a variety of housing programs that can assist veterans. These include the Housing Choice Voucher Program, Public Housing, HOME Investment Partnerships, and the Community Development Block Grant program. These programs, by statute, provide great flexibility so that communities can use these federal resources to meet their particular local needs, including the needs of their veterans.

While these efforts are commendable, the Committee believes that HUD should have an individual who is responsible for addressing the needs of homeless veterans only. This would ensure appropriate visibility for the needs of this disproportionately large segment of the homeless population.

Committee Bill. The Committee bill would amend section 3533 of title 42, U.S.C., to require the Secretary of HUD to appoint an individual to be the Special Assistant for Veterans Affairs. This individual would be charged with ensuring that veterans have access to all housing and homeless assistance offered by all programs carried out by HUD. In addition, the new Special Assistant would coordinate all programs and activities within the agency as they pertain to veterans.

Sec. 108. Plan to end veteran homelessness.

Section 108 of the Committee bill, which is derived from S. 1547, would require the Secretary of Veterans Affairs to develop a comprehensive plan within one year of the bill’s enactment for ending veterans' homelessness.

Background. At VA's Homeless Veteran Summit: Ending Homelessness among Veterans in Five Years, which was held on November 3, 2009, Secretary Shinseki announced VA’s plans to establish new programs and enhance existing successful efforts designed to end homelessness among Veterans over the next five years. No specifics of the plan were addressed, but many of the references made were to programs contained in this Committee bill. The Committee believes that reducing the number of homeless veterans is going to require efforts made by providers on many levels and on many fronts. But more importantly, this will require a well thought out
plan. There are many entities providing services to homeless veterans. Available programs need to be identified and assessed so that duplicative services are not created and inefficiencies are corrected or eliminated.

Committee Bill. Section 108 of the Committee bill would require the Secretary of VA to submit to Congress a comprehensive plan to end homelessness. This plan would include an analysis of all Federal Government agencies and department level programs which are designed to prevent homelessness among veterans and assist those veterans who are homeless. It would also include an evaluation of whether and how partnerships between these programs contribute to the Secretary's plan to end homelessness among veterans. Both this analysis of programs and evaluation of partnerships would provide support for recommendations for improving the current programs available, creating partnerships between such programs, or eliminating ineffective programs. If new programs are recommended, they should include cost estimates. The Secretary can include any other information he feels is necessary. The plan should include a time line for its implementation.

The Committee believes that better articulation of issues surrounding the plan to end veteran homelessness in five years is called for. At the time of the Committee's January 28, 2010, mark-up, the Administration had yet to submit its views on legislation (S. 1547) that was largely incorporated into the Committee bill. Also, in response to questions asked at a March 24, 2010, Committee hearing, a VA witness testified that no legislative action was necessary to bring about the Secretary's plan to end homelessness among veterans. Finally, the Committee has yet to receive answers regarding how the Administration's proposed Fiscal Year 2011 budget request for homeless veterans' programs is contingent on legislative authorizations under the Committee's purview. To better assist in the effort to end homelessness among veterans, Congress needs transparency in order to avoid advancing duplicative programs and also ensure that necessary funding authorizations are enacted. The Committee urges the Administration to be more forthcoming on these matters going forward.

TITLE II—TOXIC SUBSTANCES EXPOSURE

Sec. 201. Extension of eligibility for health care for veterans with disabilities who served in Persian Gulf War notwithstanding lack of evidence to conclude such disabilities are associated with such service.

Section 201 of the Committee bill, which is derived from S. 1779, would extend eligibility for VA health care until December 31, 2012, in the case of certain veterans who served in Southwest Asia during the Persian Gulf War.

Background. Under prior law, VA had been authorized, by section 1710 of title 38 to provide health care for a veteran for any illness if the veteran served in the Southwest Theater of operations during the Persian Gulf War and was exposed to a toxic substance, radiation, or other conditions. This authority applied even if there was insufficient medical evidence to conclude that such illness was attributable to such military service. This authority expired on December 31, 2002.
Since the authority expired, veterans who have been exposed to an environmental hazard during military service are not eligible for VA health care for a disability which may be associated with such exposure, unless they are service-connected for the disability, apply for VA health care within five years of discharge or meet one of the other eligibility criteria set forth in section 1710. As a result, some veterans who may have been exposed to environmental hazards do not currently have access to VA health care for disabilities which have not yet been associated with such exposures. This potentially includes veterans who provided security at the Qarmat Ali water treatment plant in Iraq during the spring and summer of 2003. During the Committee’s October 8, 2009, hearing on VA/DOD response to certain military exposures, Dr. Herman Gibbs, an epidemiologist, testified that “the symptoms reported by the soldiers who served at Qarmat Ali are consistent with significant exposure to sodium dichromate.”

Committee Bill. Section 201 of the Committee bill would extend eligibility for VA health care for certain veterans who served on active duty in the Southwest Asia Theater of operations during the Persian Gulf War. Such veterans are those who were exposed to a toxic substance, radiation, or other occupational or environmental hazards and have disabilities which have not been demonstrated to be associated with such service.

Eligibility for health care under this provision would begin on the date of enactment of the Committee bill and end on December 31, 2012.

Section 201 would also provide a technical amendment to section (a)(2)(F) of section 1710 by deleting the term “conditions” and insert “occupational or environmental hazards” in order to more clearly reflect the intent of the provision. By using the term “occupational or environmental hazards”, the Committee intends that generally accepted guidelines such as those of the Department of Defense (hereinafter “DOD”) military exposure guidelines for the assessment of the significance of field exposures to occupational and environmental health chemical hazards, standards promulgated by the Occupational Safety and Health Administration or the Environmental Protection Agency would be taken into consideration. The Committee believes that the use of such terminology is more precise than the term “conditions.”

TITLE III — HEALTH CARE MATTERS

Sec. 301. Increase in the number of authorized Assistant Secretaries and Deputy Assistant Secretaries.

Section 301 of the Committee bill, which is derived from S. 1531, would establish the position of Assistant Secretary for Acquisition, Logistics, and Construction (hereinafter “AS/AL&C”) within VA. It would also provide for the establishment of eight additional Deputy Assistant Secretary (hereinafter, “DAS”) positions within the Department.

Background. VA is one of the largest and most multifaceted agencies within the federal government. With nearly 250,000 employees, a budget of over $125 billion, and major facilities spread across the country, its operations are complex and varied. It has responsibility for delivery of health care; compensation, pension, edu-
cation, burial and other benefits; and memorials for those who have served in uniform.

By law, all federal agencies are required to have four Chief Officers: a Chief Financial Officer (hereinafter, “CFO”), a Chief Information Officer, a Chief Human Capital Officer, and a Chief Acquisition Officer (hereinafter, “CAO”). The CAO position was established most recently by title IX of Public Law 108–136, the National Defense Authorization Act for Fiscal Year 2004. At the present time, VA has designated the Assistant Secretary for Management to serve as both the CFO and the CAO.

The management of acquisition and logistics has evolved into a complex and specialized profession with highly complicated and sophisticated facets. Both the Government Accountability Office (hereinafter, “GAO”) and VA’s Inspector General have identified a number of best practices and major management challenges that result when responsibilities for acquisition and logistics are combined with other duties.

The GAO specifically identified as a weakness situations where the CAO has other duties not related to acquisitions. VA remedied this by establishing an Office of Acquisition, Logistics, and Construction in October 2008. But VA does not have a senior level, assistant secretary to lead that office. In an agency of this size, with programs so diverse and in so many cases having complex requirements, such as building major medical facilities, and purchasing almost 15 billion dollars in goods and services annually, the need for an Assistant Secretary with an exclusive focus on acquisition is warranted.

Finally, the number of DAS positions within VA is limited by law. Section 308(d)(1) of title 38 provides that the number of DAS positions within VA may not exceed 19. As originally enacted, the 1989 law establishing VA as a Department—as opposed to an agency—provided for 18 DAS positions; in 2002, Public Law 107–287 expanded the number of DAS positions by one.

Over time, VA has found that the number of DAS positions capped by law limits the Department’s ability to conduct best conduct business practices in the 21st century and that more DAS positions would support a comprehensive and improved mechanism for delivery of services and benefits to our Nation’s veterans. According to VA, two additional DAS positions would be within the newly established AS/AL&C office and five would be within the Office of Information and Technology. One DAS would support the Office of Asset Enterprise Management.

Committee Bill. The Committee bill would establish a new position for an AS/AL&C within the Department. The Committee believes that by creating this new position with primary responsibility for acquisition and logistics, the Department may be better able to make consistent and sound business decisions and would elevate the importance of critical functions within the agency.

In addition, as part of on-going efforts to transform VA into a 21st century operation, VA has recently reorganized the construction functions within the Department by creating an Office of Construction and Facilities Management which at present reports directly to the Deputy Secretary. Since a large part of the construction process involves acquisition of services, consolidating responsibilities for this activity under the new AS/AL&C seems to offer
an opportunity for better management practices and streamlined operations.

Finally, the Committee bill would increase the maximum number of DAS positions within VA from 19 to 27. This would give VA more flexibility—and a cost neutral option—to meet best practices’ needs.

Sec. 302. Establishment of Director of Physician Assistant Services in Veterans Health Administration.

Section 302 of the Committee bill, which is derived from S. 1155, would establish a Director of Physician Assistant Services within the VHA Office of Patient Care Services.

**Background.** Currently there is a Physician Assistant (hereinafter “PA”) Advisor to the Under Secretary of Health, a position that is both part-time and field-based, authorized under the Veterans Benefits and Health Care Improvement Act of 2000, Public Law 106–419. The Physician Assistant Advisor reports to the Chief Consultant for Primary Care.

There are nearly 1,900 PAs presently employed by VA, making it the largest single employer of PAs. The American Academy of Physician Assistants estimates that in 2008 over 257 million patient visits were made to PAs nationally and about 332 million medications were prescribed or recommended by PAs.

William Fenn, Vice President of the American Academy of Physician Assistants testified before the Committee on October 21, 2009, that PAs are fully integrated into the health care systems of the Armed Forces and nearly all other public and private systems. Fenn highlighted that PAs are fully integrated into many public and private health care systems in many cases due to a Director of PA Services being employed by these systems. Such institutions include the Cleveland Clinic, the Geisinger Clinic, the University of Texas M.D. Anderson Cancer Center, and New Orleans’ Ochsner Clinic Foundation. PAs serve on the frontlines of Iraq and Afghanistan, providing medical care to members of the Armed Forces and at all levels of medical facilities in the military. They also play a key role in providing medical care in medically underserved communities and, in many of these communities, they serve as the only health care professional available.

VA has continually had difficulties recruiting and retaining qualified personnel such as physicians and nurses, as well as PAs. The Independent Budget (hereinafter, “IB”) for fiscal year 2011, a document co-authored by AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and the Veterans of Foreign Wars, and supported by numerous other veterans service organizations, found a five year average turnover rate of PAs of 14 percent, with an average loss of 125 PAs a year. Additionally, in the final quarter of 2009, there was a loss of 98 PAs due to retirements and resignations. Fenn also stated in his October 21 testimony that VA is not competitive with the private sector for new PA graduates, and approximately 40 percent of PAs currently employed by VA are eligible for retirement in the next five years. Furthermore, according to the IB, although overall PA positions have increased in VA by 19 percent over the past 5 years, the percentage of mid-level PA providers has declined by 30 percent.
Considering the large scope of care provided by PAs, the population of PAs in VHA, and that VA is in need of non-physician care providers to address the growing patient population, the Committee believes it is reasonable to afford PAs representation comparable to these other groups of providers. As such, establishing a full-time PA presence at the VA Central Office would both improve recruitment and retention of such providers and ensure PAs across all VA facilities are properly managed and utilized and providing sufficient and quality care to veterans.

Committee Bill. Section 302 of the Committee bill would amend section 7306 (a) of title 38 by inserting a new paragraph (9) to establish a Director of Physician Assistant Services within the VHA Office of Patient Care Services. The Director of Physician Assistant Services would report to the Chief Patient Care Services Officer on all matters relating to education and training, employment, appropriate utilization, and optimal participation of physician assistants within the programs and initiatives of VHA, which conforms to the reporting structure for most program directors and service chief consultants in the VA.

Subsection (b) of section 302 of the Committee bill would require new paragraph (9) of section 7306(a) to be implemented no later than 120 days after the date of enactment of the legislation.

The Committee intends that the Director of Physician Assistant Services operate under conditions similar to other program directors and service chief consultants in VHA, including parallel placement within the VA organizational structure and parallel pay authority.

Sec. 303. Department of Veterans Affairs Medical Center Quality Report Card Initiative.

Section 303 of the Committee bill, which is derived from S. 1427, would require VA to establish a Medical Center Report Card to ensure public view of performance comparisons between VA facilities and between VA and non-VA sites.

Background. VHA issued a Hospital Quality Report Card in both 2008 and 2009 in response to the House Appropriations Committee Report (No. 110–186) accompanying the Consolidated Appropriations Act of 2008 (Public Law 110–161). That report card was a facility-level report comprised of quality and safety data of VA medical facilities. It detailed the quality of care provided in inpatient and outpatient settings and within specific patient populations, in addition to patient satisfaction and outcomes. Raw data from these reports were published online on Data.gov to provide veterans and the general public with access to performance data of VA medical facilities.

Committee Bill. Section 303 of the Committee bill would amend subchapter I of chapter 17 of title 38 by inserting a new section 1706A entitled “Management of health care: Medical Center Quality Report Card Initiative” which would consist of seven subsections.

Subsection (a) of proposed new section 1706A would require the Secretary to establish and implement the Medical Center Quality Report Card initiative no later than 18 months after the enactment of the Committee bill.
Subsection (b) of proposed new section 1706A consists of the following seven paragraphs as follows:

Paragraph (1) of subsection (b) has three subparagraphs. Subparagraph (A) would require quality and performance data of VA facilities to be posted on the Hospital Compare Web site of the Centers for Medicare and Medicaid Services, no less frequently than twice a year. The parameters for quality would include effectiveness, safety, timeliness, efficiency, patient-centeredness, patient satisfaction, satisfaction of health professionals employed at Department medical centers, and the equity of care provided to various patient populations.

Subparagraphs (B) and (C) would require the Secretary to include quality measures that are common to the health care industry in addition to those listed above and to conduct focus groups to identify other sets of data that would be of interest to veterans.

Paragraph (2) of subsection (b) would provide the Secretary with flexibility in making data available in order to ensure the quality measures reflect quality and safety trends and the priorities of veterans' health care. The Secretary would be authorized to provide supplemental information to that which is required, or information in lieu of the required information, as long as the Secretary, 15 days before the date on which the information is made public, explains and certifies to the Committees on Veterans' Affairs of the Senate and the House of Representatives that the additional or substituted information is more appropriate.

Paragraph (3) of subsection (b) would authorize the Secretary to make risk adjustments to such quality measures to account for differences relating to facility and patient characteristics, but would be required to make the unadjusted data available as well.

Paragraph (4) of subsection (b) would authorize the Secretary to verify the publication of the data to ensure validity and accuracy.

Paragraph (5) of subsection (b) would require the Secretary to disclose the methodology, nature, and scope for the publication of the data to any relevant organizations and to each Department facility that is the subject of such data, prior to making the data available to the public.

Paragraph (6) of subsection (b) would require the Secretary to submit a copy of each set of data made available to the public to the Committees on Veterans' Affairs of the Senate and the House of Representatives. Also, this data would be required to be made available to the public in both electronic and non-electronic formats and in language that can be understood by non-health care professionals and individuals with low-functional health literacy. The Secretary would be required to provide the data in such a form that comparisons can easily be made between facilities. The Secretary would also be required to develop a way to disseminate the data in a non-electronic format to the public upon request.

Paragraph (7) of subsection (b) would require the Secretary to acknowledge in a notice or disclaimer the analytical methodologies, limitations on, and appropriate uses of the information sources used for the publication of the data.

Subsection (c) of proposed new section 1706A would require the Secretary annually to compare quality measures submitted by each Department facility with those submitted in prior years to identify possible false or artificial improvements.
Subsection (d) of proposed new section 1706A would require the Secretary to develop and implement safeguards against the unauthorized use or dissemination of Department facility data and to ensure individually identifiable patient data is not released to the public.

Subsection (e) of proposed new section 1706A would require the Secretary to periodically submit a report to Congress on the effectiveness of the initiative and, if necessary, a description of other measures that could be taken to ensure the purposes of the initiative is met. Each report would be required to be made available to the public.

Subsection (f) of proposed new section 1706A defines the term “Department medical center.”

Subsection (g) of proposed new section 1706A authorizes the appropriation of sums as may be necessary to carry out this initiative for each fiscal year over the period of 2010 through 2018.

The Committee intends for this initiative to build upon VHA’s current program and create a more comprehensive and accessible comparison of quality and performance of VHA facilities. The Medical Center Quality Report Card would allow for a more thorough comparison between VA facilities and between VA and non-VA facilities. The Committee places a high priority on quality management in veterans’ health care and believes this initiative will better assist veterans and consumers, health care providers, and policymakers.

Sec. 304. Report on pay-for-performance compensation under health care services contracts.

Section 304 of the Committee bill, which is derived from S. 1302, would require VA to submit to the Committees on Veterans’ Affairs of the Senate and the House of Representatives a report on the advisability and feasibility of pay-for-performance mechanisms in VA health care contracts at Community Based Outpatient Clinics.

Background. VA Directive 1663, issued in August 2006, allows VA medical centers to purchase non-VA care from affiliated medical schools, groups, hospitals, and other providers, through contracts or fee-for-service care. These contracts are generally allowed when a VA facility cannot provide a clinical service; VA cannot recruit a needed clinician; it is not in VA’s best interest to provide such service; only a portion of a clinician’s time is needed; it is determined that it is necessary to compete with the private sector for certain highly paid subspecialists; or it is cost-effective to share a service or space with another entity rather than to develop a capacity within VA.

Throughout VHA, many VA CBOCs deliver health care on a contract-basis. CBOCs typically are associated with VA medical centers and refer patients to those facilities when needed. In FY 2009, VA operated 783 CBOCs, 206 of which were operated by contract.

Mary A. Curtis, Psychiatric Clinical Nurse Specialist and Clinical Application Coordinator at the Boise VA Medical Center, testified on behalf of American Federation of Government Employees at the September 20, 2009, Committee hearing on health care contracts stating that VA contract care is over-utilized and under-scrutinized by many VA medical facilities in both rural and urban areas. She further commented that contract care makes VA less able to control
costs, quality of care, provider qualifications, and medical privacy, or to even ensure care is delivered in a timely manner. She said many medical center directors seeking short term fixes for patient overloads and staff shortages tend to use contracts without considering better options for both veterans and the VA health care system.

The IB for Fiscal Year 2011 supports VA health care contracts when VA facilities are not capable of providing necessary care to veterans. The IB stated, however, that VA does not track such care, its related costs, outcomes, or veteran satisfaction levels.

Committee Bill. Section 304 of the Committee bill would require the Secretary to submit a report on pay-for-performance compensation mechanisms, where providers are rewarded for meeting pre-established targets for delivery of health care services, in VA health care contracts at CBOCs. The Committee believes that pay-for-performance mechanisms in a workplace would allow for employees to attain increased levels of compensation by reaching specific targets.

Subsection (a) would require the Secretary to submit a report to the Committees on Veterans' Affairs of the Senate and the House of Representatives which would be required to include information on VA's use of pay-for-performance mechanisms in contracts for health care services at CBOCs. This report would be required to be submitted not later than 180 days after the enactment of this section of the Committee bill.

Subsection (b) would outline the elements to be included in the report. Such requirements would include an assessment of the feasibility and advisability of using pay-for-performance compensation mechanisms in VA health care contracts with CBOCs. It would also require information on the number of CBOCs operating under pay-for-performance compensation mechanisms at the date of enactment of this legislation, and the impact this mechanism has had in providing incentives to provide high quality care and to better ensure patient satisfaction.

Subsection (c) would require the Secretary to incorporate the views and experiences of representatives of at least two private health care systems that have utilized pay-for-performance compensation mechanisms in the operation of medical clinics to determine if such mechanisms had an effect on the delivery of quality, timely, medical care in the private sector.

Sec. 305. Expansion of State home care for parents of veterans who died while serving in the Armed Forces.

Section 305 of the Committee bill, which is derived from an amendment offered by Senator Ensign on July 14, 2009, to the National Defense Appropriations Act for FY 2010 [Senate Amendment 1521], would direct VA to modify a current regulation so as to enable State veterans’ homes to admit the parent of a child who died while serving in the Armed Forces.

Background. Under section 51.210 (d) of title 38, Code of Federal Regulations (hereinafter CFR), State veterans’ homes (hereinafter, “State homes”) must allot at least 75 percent of their facility beds to veterans, except for those facilities constructed solely with state funds which may allot only 50 percent of facility beds for veterans. This section also requires that all non-veteran residents of State
homes must be spouses of veterans or parents, all of whose children died while serving in the Armed Forces.

This requirement for parents to have lost all of their children in order to be eligible for residency leaves out some parents from being able to receive care in State homes. VA already provides certain benefits to surviving dependent parents of veterans who died during military service or as the result of a service-connected disability. Currently, certain surviving parents may qualify for Dependency and Indemnity Compensation if they are in financial need. Additional amounts are payable if the parent is a patient in a nursing home, blind, or so significantly disabled or blind to require the regular aid and attendance of another person. Parents may also be beneficiaries of life insurance policies.

Committee Bill. Section 305 of the Committee bill would direct VA, in administering section 51.210 (d) of title 38, CFR, to permit a State home to admit parents, any—but not necessarily all—of whose children died while serving in the Armed Forces.

The Committee anticipates the costs of providing this care would be negligible. According to a recent survey conducted by the National Association of State Veterans Homes, as of February 11, 2010, only nine surviving parents were residing in State homes across the country. Also, VA pays no per diem for surviving spouses or parents of veterans residing in state homes. The State homes typically charge such individuals a private pay rate. If a surviving spouse or parent receives Dependency and Indemnity Compensation, the amount may be increased due to the need for nursing home care.

Sec. 306. Automatic enrollment of eligible demobilizing members of the National Guard and Reserve in health care and dental care programs of the Department of Veterans Affairs.

Section 306 of the Committee bill, which is derived from S. 1798, would direct VA and DOD jointly to provide automatic enrollment of eligible demobilizing members of the National Guard and Reserve in VA’s health care and dental care programs.

Background. Currently, veterans must be enrolled in the VA health care system to receive health care benefits in the form of the comprehensive Medical Benefits Package. Eligibility for enrollment is dependent upon if an individual has “veteran status” which is defined as having been activated for federal duty and subsequently discharged or released from active service, under conditions other than dishonorable.

At present, many members of the National Guard and Reserve fail to enroll in the VA health care and dental care programs during the demobilization and discharge processes or during the subsequent five year window of opportunity for enrollment in such programs. DOD’s Defense Manpower Data Center reported in October 2009 that 1,094,502 OEF/OIF servicemembers have been discharged and become eligible for VA health care. More than 46 percent have sought VA care since 2002 following a cumbersome and time consuming enrollment process. The percentage of veterans seeking VA care is expected to increase over the next five years.

As discussed in the April 2010 Institute of Medicine report, “Returning Home from Iraq and Afghanistan: Preliminary Assessment of Readjustment Needs of Veterans, Service Members, and Their
Families,” many OEF/OIF veterans return home with psychological wounds that may not manifest until months or years after their redeployment. Further, the RAND Corporation’s 2008 study, “Invisible Wounds of War,” stressed the importance of providing treatment for veterans with mental illnesses as early as possible, due to the increased severity of such illnesses over time if not treated.

Committee Bill. Section 306 of the Committee bill, in a free-standing provision consisting of nine subsections, would direct VA, in consultation and coordination with DOD, to provide for the automatic enrollment of eligible demobilizing members of the National Guard and Reserve (hereinafter, “covered members”) in health care and dental care programs of the Department of Veterans Affairs.

Subsection (a) of section 306 of the Committee bill would require the automatic enrollment of covered members in VA health care or dental care programs, no later than 180 days after the enactment of the legislation. Covered members would include any member of a reserve component of the Armed Forces who is discharged or released and would be eligible to participate in a VA health care and dental care program. This automatic enrollment would be required to occur during the demobilization process used for National Guard and Reserve members.

Subsection (b) of section 306 of the Committee bill would require the provision of assistance in the completion of enrollment activities of covered members. Relevant personnel of the VHA and Veterans Benefits Administration would be required to be assigned to participate in the provision of assistance. This assistance would include information about VA programs, benefits, and services for which the covered member might be eligible and a list of VA medical facilities located within 100 miles of the residence of the covered member.

Subsection (c) of section 306 of the Committee bill would require VA and DOD, in consultation and coordination with appropriate officials of each state such as the Adjutant General and State Director of Veterans Affairs, to ensure the presence of sufficient personnel at each demobilization and discharge event of a covered member for the performance of any VA health care and dental care program enrollment activities and for any assistance in the performance of such activities, not later than 180 days after the enactment of the Committee bill.

Subsection (d) of section 306 of the Committee bill would require DOD to ensure that the facilities and other resources used for the demobilization and discharge process for covered members are adequate for enrollment activities and assistance for such enrollment activities, no later than 180 days after the enactment of the Committee bill.

Subsection (e) of section 306 of the Committee bill would require that covered members who participate in such enrollment activities be provided protections in regard to their privacy and personal information.

Subsection (f) of section 306 of the Committee bill would provide any covered member the option to not enroll during the automatic enrollment program, as long as such covered member provides notice of that decision during the demobilization and discharge process.
Subsection (g) of section 306 of the Committee bill would clarify that no covered members are required to participate in any VA program, including the health care and dental care programs.

Subsection (h) of section 306 of the Committee bill would require VA/DOD reports on the implementation of this section to be submitted to the Committees on Veterans’ Affairs of the Senate and the House of Representatives and the Committees on Appropriations of the Senate and the House of Representatives. The first report would be required to be submitted not later than one year after the enactment of this section of the Committee bill and annually thereafter for five years.

The elements of the report would include a description of activities undertaken by VA and an assessment of how such activities affected enrollment and participation of covered members in VA health care and dental programs. It would also include an assessment of the potential impact on the budget and demand for services in VA and additional resources needed to meet the demand. The report would also require recommendations for legislative or administrative action to enhance or further facilitate the requirements of this new section.

It is the Committee’s expectation that this section will address the concerns of many servicemembers who, upon redeployment to the United States, desire to return to their families as soon as possible, and who view the VA health care registration process as an impediment to their return to civilian life. The automatic enrollment of covered members is not intended to affect covered members’ out-processing time, would not force any member to enroll in the VA health care system, and would not change existing eligibility criteria. It is intended to only ensure that all eligible Guard and Reserve members are registered and enrolled in the VA health care system to provide a more seamless transition from active duty to civilian life. Automatic enrollment is especially important as many OEF/OIF veterans return home with psychological wounds that may not manifest until months or years after their redeployment.

**Sec. 307. Provision of chiropractic services to veterans enrolled in health care system of Department of Veterans Affairs.**

Section 307 of the Committee bill, which is derived from S. 1204, would require VA to develop, implement, and fund a comprehensive policy on the provision of chiropractic services.

**Background.** Under the Department of Veterans Affairs Health Care Programs Enhancement Act of 2001 (Public Law 107–135), VA carries out a program to provide chiropractic services to veterans through VA medical centers and clinics. The Secretary is required to designate at least one site in each Veterans Integrated Service Network (hereinafter “VISN”) to offer chiropractic services. Currently, 36 VA facilities provide such services.

Dr. Rick McMichael, President of the American Chiropractic Association, testified before the Committee on October 21, 2009, in support of expanding VA chiropractic services. He stated that a significant majority of the nation’s eligible veterans continue to be denied access to chiropractic care because these services are still not provided at approximately 120 major VA facilities. Further, according to a VA report released in October 2009, nearly 52 percent of
OEF/OIF veterans who have sought VA health care were treated for musculoskeletal ailments. Doctors of chiropractic offer vital expertise in the treatment of some of such ailments.

Committee Bill. Section 307 of the Committee bill would require VA to develop and implement a comprehensive policy on the provision of chiropractic services by October 1, 2010.

Subsection (a) of section 307 of the Committee bill would require the scope of this policy to include: VA-wide protocols for governing referrals and direct access to chiropractic services, and governing the scope of practice of chiropractic practitioners; the definition of chiropractic services to be provided; the assurance of prompt and appropriate chiropractic services by VA, when medically appropriate; VA programs of education and training of health care personnel on the benefits of chiropractic services; and VA programs of patient education for veterans suffering from back pain and related disorders. The Secretary would also be required, in consultation with veterans’ service organizations and other relevant organizations, to revise such policy on a periodic basis, in accordance with evolving best practice guidelines.

Subsection (b) would require the Secretary to carry out the policy on chiropractic services at no less than two locations in each VISN and in locations deemed appropriate with respect to demand for chiropractic services.

Subsection (c) would require a report on the implementation of the chiropractic services policy no later than 180 days after the completion and initial implementation of such policy, and on October 1 of every fiscal year thereafter until fiscal year 2020, to the Committees on Veterans’ Affairs of the Senate and the House of Representatives. The report would be required to include a description of the policy, the performance measures used to determine the effectiveness of such policy, an assessment of the adequacy of VA chiropractic services based on patient surveys, an assessment of the training provided to VA health care personnel in terms of chiropractic services and appropriate referrals of patients for such services, an assessment of the patient pair care education programs, and the number of episodes of chiropractic services (including referrals to non-VA providers) granted in the preceding fiscal year, by facility.

Sec. 308. Name of Department of Veterans Affairs outpatient clinic, Alexandria, Minnesota.

Section 308 of the Committee bill, which is derived from S. 1483, would rename the Department of Veterans Affairs outpatient clinic in Alexandria, Minnesota, as the “Max J. Beilke Department of Veterans Affairs Outpatient Clinic.”

Background. Max J. Beilke was a native of Alexandria, Minnesota. He was drafted into the U.S. Army in 1952 following high school. In the Army, Beilke served in Korea and Vietnam. He retired from active duty as a master sergeant in 1974. After his retirement, Beilke worked on veterans’ issues as a DOD civilian employee. On September 11, 2001, he was killed in the attack on the Pentagon. Beilke was awarded the Defense of Freedom Medal and the Meritorious Civilian Service Award.

Committee Bill. The Committee bill would rename the Department of Veterans Affairs outpatient clinic in Alexandria, Minnesota
as the “Max J. Beilke Department of Veterans Affairs Outpatient Clinic.”

TITLE IV—FUNDING

Sec. 401. Funding

Section 401 of the Committee bill, adopted as an amendment at the Committee’s January 28, 2010, meeting would require funding for the provisions of the Committee bill to be derived from certain unobligated funds.

Background. In any fiscal year, VA’s operating budget for medical care comes from four principal sources: Congressional appropriations; medical collections from VA beneficiaries and insurance companies; reimbursements made to VA from certain entities; and carryover of any combination of these sources of funding from one year to the next. Historically, it is common for there to be some amount of money assumed for obligation in a year other than which the money was received, however, the President’s fiscal year 2010 budget submission assumed there would be no carryover of unobligated funds for medical services appropriated in fiscal year 2009. Despite that assumption, $619 million was in fact carried over; the President’s fiscal year 2011 budget once again assumes no carryover of unobligated funding from fiscal year 2010.

Although the Committee recognizes that variables such as unanticipated demand for health services or deferred spending on approved programs may compel VA to use carryover funds at a later date, to the extent that such carryover is unanticipated or represents a surplus of appropriation, it is important that it be properly accounted for and directed to a purpose Congress intends.

Committee Bill. The Committee bill would direct VA to pay for the provisions of the bill with any unobligated carryover funds appropriated for VA medical services in fiscal year 2009 or 2010 so long as it does not adversely affect health care delivery to veterans.

COMMITTEE BILL COST ESTIMATE

In compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the Committee based on information supplied by the CBO, estimates that implementing the bill would cost $3.4 billion over the 2010–2015 period, assuming appropriation of the specified and estimated amounts. CBO further estimates that enacting the bill would increase direct spending by $7 million over the 2010–2020 period but would not affect revenues. Enactment of the Committee bill would not affect receipts and would not affect the budget of state, local or tribal governments.

The cost estimate provided by CBO, setting forth a detailed breakdown of costs, follows:
Hon. DANIEL K. AKAKA,
Chairman,
Committee on Veterans’ Affairs,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1237, the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Sunita D’Monte.

Sincerely,

DOUGLAS W. ELMENDORF,
Director.

Enclosure.

S. 1237—Homeless Veterans and Other Veterans Health Care Authorities Act of 2010

Summary: S. 1237 would expand programs for homeless veterans, and make other changes to health care programs offered by the Department of Veterans Affairs (VA). In total, CBO estimates that implementing the bill would cost $3.4 billion over the 2010–2015 period, assuming appropriation of the specified and estimated amounts. CBO further estimates that enacting the bill would increase direct spending by $7 million over the 2010–2020 period but would not affect revenues.¹

Pay-as-you-go procedures apply because enacting the legislation would affect direct spending.

S. 1237 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

Estimated cost to the Federal Government: The estimated budgetary impact of S. 1237 is shown in the following table. The costs of this legislation fall within budget functions 600 (income security) and 700 (veterans benefits and services).

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¹ Different time periods are relevant for enforcing the current pay-as-you-go rules in the Senate and the House of Representatives. CBO estimates that enacting S. 1237 would increase direct spending by $7 million over both the 2010–2014 and 2010–2019 periods.
Table 1.—Continued

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Changes in direct spending

| Estimated Budget Authority | 0    | 4    | 3    | 0    | 0    | 0    | 7         |
| Estimated Outlays          | 0    | 4    | 3    | 0    | 0    | 0    | 7         |

Note: * = less than $500,000.

CBO estimates that enacting the bill would increase direct spending by $7 million over the 2010–2015 and 2010–2020 periods.

Basis of estimate: For this estimate, CBO assumes the legislation will be enacted in fiscal year 2010, that the authorized amounts will be provided in 2010 and near the start of each subsequent fiscal year, and that outlays will follow historical patterns for similar and existing programs.

Spending subject to appropriation

S. 1237 would expand programs for homeless veterans and amend other VA health care programs. In total, CBO estimates that implementing the bill would cost $3.4 billion over the 2010–2015 period, assuming appropriation of the specified and estimated amounts.

Department of Housing and Urban Development-VA Supportive Housing (HUD-VASH) Program. The HUD-VASH program is a collaboration between HUD and VA to provide permanent housing to homeless veterans and their families. Section 106 would authorize 40,000 rental vouchers in 2011, 50,000 in 2012, and 60,000 in 2013 and each year thereafter. That authorization would exceed the current authorization for such vouchers in 2011, the final year for which the program is now authorized. Based on information from HUD, CBO estimates that the average annual cost of those vouchers would be about $8,000 in 2011. Assuming appropriation of the necessary amounts, and adjusting for projected changes in rents and tenant incomes, CBO estimates that implementing this provision would cost $2.1 billion over the 2011–2015 period.

Veterans enrolled in the HUD-VASH program receive case management and supportive services through VA. Based on amounts appropriated for those activities in recent years and assuming appropriation of the necessary amounts, CBO estimates that VA would spend $700 million over the 2011–2015 period.
All together, CBO estimates that implementing section 106 would cost $2.8 billion over the 2011–2015 period.

_Homeless Providers Grants and Per Diem (GPD) Program_. Section 101 would increase the annual amounts authorized for the GPD program from $150 million a year to $200 million for 2010 and such sums as may be necessary for the 2011–2014 period. That program provides capital grants for constructing, renovating, or acquiring buildings and per diem payments to fund operating costs. After adjusting for inflation, CBO estimates that implementing that provision would cost $286 million over the 2010–2015 period, assuming appropriation of the necessary amounts.

_Homelessness Prevention_. Section 104 would authorize the appropriation of $50 million a year over the 2010–2014 period for a new homelessness prevention program at VA. CBO estimates that implementing that provision would cost $250 million over the 2010–2015 period, assuming appropriation of the specified amounts.

_Information Management System_. Section 105 would authorize the appropriation of $10 million for 2010 and such sums as may be necessary for the 2011–2014 period to establish a system for collecting and aggregating data on homeless veterans. After adjusting for inflation, CBO estimates that implementing that provision would cost $52 million over the 2010–2015 period, assuming appropriation of the necessary amounts.

_Workforce Reintegration Program_. Section 102 would authorize the appropriation of $10 million a year over the 2010–2014 period to the Department of Labor for the Workforce Reintegration Program. The funds would provide grants to agencies and organizations that provide job placement, training, vocational counseling, and childcare to homeless veterans who are female or have children. CBO estimates that implementing that provision would cost $39 million over the 2010–2015 period, assuming appropriation of the specified amounts.

_VA Personnel_. Two sections of the bill would establish new positions at VA. Section 301 would establish a new Assistant Secretary and eight Deputy Assistant Secretaries. Section 302 would establish a Director of Physician Assistant Services in the Veterans Health Administration. CBO estimates that implementing those provisions would cost $10 million over the 2010–2015 period, assuming appropriation of the necessary amounts.

_Chiropractic Care_. Section 307 would require VA to provide comprehensive chiropractic services at two or more locations in each of the 21 Veterans Integrated Services Networks (VISNs), which are VA’s regional networks of medical facilities, and in other locations as the Secretary determines appropriate. Nine VISNs currently meet those requirements and the remaining 12 VISNs each provide care at one location. Based on information from VA and after adjusting for inflation, CBO estimates that providing chiropractic care at one additional location in each of those 12 VISNs would cost $8 million over the 2010–2015 period, assuming appropriation of the necessary amounts.

_Special Assistant at HUD_. Section 107 would establish a new position of Special Assistant for Veterans Affairs at HUD and require that employee to oversee HUD’s programs of housing and homeless assistance for veterans. CBO estimates that implementing that
provision would cost $1 million over the 2010–2015 period, assuming the availability of appropriated funds.

Direct spending

Section 401 would require VA to use certain unobligated balances from the Medical Services budget account to fund some of the activities authorized under the bill. That provision would extend the availability of expiring balances, resulting in a reappropriation of those funds.

Based on historical data on such balances, CBO estimates that VA would have $8 million available to spend in 2011 (from funds appropriated in 2009 that would expire in 2010) and $5 million available in 2012 (from funds appropriated in 2010 that would expire in 2011). CBO assumes that VA would retain about half of those balances to record, adjust, or liquidate existing obligations to the account and use the remainder on programs authorized by S. 2971. Enacting this bill would increase direct spending by about $7 million over the 2010–2020 period, CBO estimates.

Pay-As-You-Go considerations

The Statutory Pay-As-You-Go Act of 2010 establishes budget reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in the following table.

Table 2.—CBO Estimate of Pay-As-You-Go Effects for S. 1237 as ordered reported by the Senate Committee on Veterans’ Affairs on January 28, 2010

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Intergovernmental and private-sector impact

S. 1237 contains no intergovernmental or private-sector mandates as defined in UMRA. State, local, and tribal governments that provide assistance to veterans would benefit from grant and program activities authorized in the bill.

Previous CBO Estimate: On March 15, 2010, CBO transmitted a cost estimate for H.R. 4810, the End Veterans Homelessness Act of 2010, as ordered reported by the House Committee on Veterans’ Affairs on March 10, 2010. Section 2 of that bill is similar to section 101 of S. 1237; however, CBO estimates that S. 1237 would authorize the appropriation of slightly higher amounts for the GPD program than were specified in H.R. 4810.

On March 26, 2009, CBO transmitted a cost estimate for H.R. 1171, the Homeless Veterans Reintegration Program Reauthorization Act of 2009, as ordered reported by the House Committee on Veterans’ Affairs on March 25, 2009. Section 3 of that bill is similar to section 102 of S. 1237; differences in the estimated costs reflect a later assumed enactment date for S. 1237.

Estimate approved by: Theresa Gullo, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT STATEMENT

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans Affairs has made an evaluation of the regulatory impact that would be incurred in carrying out the Committee bill. The Committee finds that the Committee bill would not entail any regulation of individuals or businesses or result in any impact on the personal privacy of any individuals and that the paperwork resulting from enactment would be minimal.

TABULATION OF VOTES CAST IN COMMITTEE

In compliance with paragraph 7 of rule XXVI of the Standing Rules of the Senate, the following is a tabulation of votes cast in person or by proxy by members of the Committee on Veterans’ Affairs at its January 28, 2010, meeting. On that date, the Committee ordered S. 1237, as amended, reported favorably to the Senate, with amendments, by voice vote with no dissent. The following senators were present: Mrs. Murray, Mr. Brown, Mr. Tester, Mr. Begich, Mr. Burris, Mr. Burr, Mr. Isakson, and Chairman Akaka.

On that date, the Committee considered an amendment offered by Senator Burr to prohibit certain increases to costs in TRICARE. The Chairman made a motion to table because he believed the bill is out of the Committee’s jurisdiction. The motion to table prevailed by a 9 to 5 vote.

The Committee then considered an amendment offered by Senator Tester regarding funding for rural veterans who are homeless. The amendment was accepted by the Chairman.

The Committee then considered another amendment offered by Senator Burr on Camp Lejeune Exposures. The amendment failed on a roll call vote of 5 to 9.
<table>
<thead>
<tr>
<th>Yeas</th>
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<th>Nays</th>
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<td>Mr. Chairman</td>
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The Committee next considered an amendment offered by Senator Sanders on automatic enrollment of National Guard and Reserve in VA health care. This amendment was accepted by the Chairman.

The Committee then considered an amendment offered by Senator Burr on carryover funds for unobligated spending. The amendment was accepted by the Chairman with a caveat that it may need technical changes to give the Secretary of VA more discretion.

**Agency Report**

On October 21, 2009, Gerald M. Cross, the Acting Under Secretary for Health, Department of Veterans Affairs, appeared before the Committee and submitted testimony on a number of bills. In addition, on March 23, 2010, VA provided views on S. 1547. Excerpts of both the testimony and Department views are reprinted below:
STATEMENT OF GERALD M. CROSS, MD, FAAFP, ACTING UNDER SECRETARY FOR HEALTH, VETERANS HEALTH ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Good Morning Mr. Chairman and Members of the Committee:
Thank you for inviting me here today to present views on several bills that would affect Department of Veterans Affairs (VA) benefits and services. Joining me today are Mr. Brad Mayes, Director of the Compensation and Pension Service, Mr. Richard Hipolit, Assistant General Counsel, and Mr. Walter Hall, Assistant General Counsel. We appreciate the opportunity to address these bills that would affect the Department’s health care and benefits programs.

* * * * * * *

S. 1155—“ESTABLISHING POSITION OF DIRECTOR OF PHYSICIAN ASSISTANT SERVICES”

S. 1155 would eliminate the Physician Assistant (PA) Advisor position established by Public Law 106–419, the Veterans Benefits and Health Care Improvement Act of 2000, and establish a Director of Physician Assistant (PA) Services within the Office of the Under Secretary for Health. VA does not support this bill.

The functions of the proposed Director of PA Services are already being performed by the PA Advisor. Moreover, the PA Advisor position was converted to full-time on April 14, 2008, and it will be based in VA Central Office at the expiration of the current incumbent’s term in April 2010.

In addition, VA does not support the proposed organizational realignment of the Director of PA Services to the Office of the Under Secretary for Health. The position’s current alignment within the Office of Patient Care Services is consistent with most other clinical program leadership positions and provides the PA Advisor access to the Under Secretary for Health for any issues that cannot be resolved within the current structure. The cost of implementing this bill is insignificant.

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S. 1204—“CHIROPRACTIC CARE AVAILABLE TO ALL VETERANS ACT OF 2009”

S. 1204 would require VA to increase to not fewer than 75 the number of VA facilities directly providing chiropractic care through VA medical centers and clinics by December 31, 2009. In addition, S. 1204 would require that chiropractic care be provided at all VA medical centers by December 31, 2011.

VA opposes S. 1204. While musculoskeletal conditions are common in VA patients, and are increasingly prevalent among Oper-
ation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) Veterans, there is currently a facility with an in-house chiropractic care program in each of our geographic service areas. Specifically, VA has 28.5 chiropractors providing on-station care and services at 36 facilities. VA does not oppose eventually increasing the number of VA sites providing chiropractic care; however, the projected demand for chiropractic care is insufficient to justify mandating it at all VA medical centers by the end of 2011. Moreover, the requirement to increase the number of facilities in which VA provides chiropractic care from 36 facilities to 75 facilities by the end of the calendar year is unrealistic and unnecessary. Currently, 98 percent of VA patients are able to receive chiropractic care within thirty days of their desired date.

VA estimates that S. 1204 would cost $5.3 million in fiscal year (FY) 2010, $5.5 million in FY 2011, $29.8 million over 5 years, and $63.6 million over 10 years.

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S. 1237—“HOMELESS WOMEN VETERANS AND HOMELESS VETERANS WITH CHILDREN ACT OF 2009”

S. 1237 would expand those eligible to receive grants under 38 U.S.C. 2061 beyond grant and per diem providers to include those entities eligible to receive grant and per diem payments. It would also provide that both male and female homeless Veterans who are responsible for the care of minor dependents may qualify as Veterans with special needs. In addition, S. 1237 would authorize the use of funds for the provision of direct services to the dependents of homeless Veterans. Section 3 of S. 1237 would require the Secretary of Labor to award grants to eligible programs and facilities to provide services to reintegrate homeless women Veterans and homeless Veterans with children into the workforce. Grant recipients would provide job training, counseling, job placement services and child care. The law would be implemented by the Assistant Secretary for Veterans’ Employment and Training, who would report through the Secretary of Labor on this program biennially. An additional $10 million, in excess of other appropriated funds, would be made available for fiscal years 2010 and 2014.

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S. 1302—“VETERANS HEALTH CARE IMPROVEMENT ACT OF 2009”

S. 1302 would require VA to submit to Congress within one year a plan to introduce pay-for-performance measures into community-based outpatient clinic (CBOC) contracts. This plan would require VA to include measures to ensure contracts utilize pay-for-performance mechanisms including incentives for providing high-quality health care, patient satisfaction, and data collection on the outcomes of services provided by CBOCs. The plan would also require VA to impose penalties for substandard care, and to eliminate abuses by CBOCs that use capitated-basis compensation. Moreover, VA’s plan would need to include mechanisms to ensure Veterans are not denied care and do not face undue delays. VA would be required to implement this plan within 60 days of submitting it to Congress, though in implementing the plan the Secretary may ini-
tially carry out of one or more pilot programs to assess its feasibility and advisability. VA would be required to report to Congress every 6 months providing recommendations on the feasibility and advisability of utilizing pay-for-performance compensation in providing health care services through means other than CBOCs.

VA does not support S. 1302. VA is devoting significant effort into quality control and effective incentives in its CBOC contracting now, and that is a complex multi-faceted endeavor. There is a great deal of emerging research in the medical field on pay-for-performance, and it is clear that programs must be carefully thought out to avoid unintended consequences. Prescribing a fixed set of tools would impair VA flexibility. Additionally the legislation would not provide any additional statutory authority to establish a CBOC performance-based patient quality care incentive contract than what is currently provided in the Federal Acquisition Regulations.

VA estimates there would be no additional costs associated with this legislation as it only requires VA to develop a different type of contract during the normal acquisition process.

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S. 1427—“DEPARTMENT OF VETERANS AFFAIRS HOSPITAL QUALITY REPORT CARD ACT OF 2009”

S. 1427 would add section 1706A to title 38 and require VA, within 18 months of enactment, to establish and implement a Hospital Quality Report Card Initiative. This initiative would require the Secretary to publish a report at least twice a year on Department medical centers containing information on effectiveness, safety, timeliness, efficiency, patient-centeredness, patient satisfaction, health professional satisfaction, and equity of care for various populations (female, geriatric, disabled, rural, homeless, mentally ill, racial and ethnic minorities). VA would be required to grade facilities in these areas on a scale from A+ to F. VA would also be required to provide information, to the maximum extent practicable, on: staffing levels of nurses and other health professionals; rates of nosocomial infections; volumes of different procedures performed; hospital sanctions and violations; quality of care to various populations; availability of emergency rooms, intensive care units (ICUs), maternity and specialty services; quality of care in inpatient, outpatient, emergency, maternity and ICU; ongoing patient safety initiatives; use of health information technology; and other matters. S. 1427 would allow the Secretary to provide information in addition to or in lieu of the specific requirements identified in the bill by informing the Senate and House Committees on Veterans’ Affairs at least 15 days before the report is to be published. S. 1427 would also allow Secretary to adjust quality measures based upon risk, but it would require VA to establish procedures for making unadjusted data available to the public in a manner deemed appropriate by VA and to disclose its analysis methodology. These reports would need to be written for non-medical professionals and available electronically and in hard copy upon request at each medical center. The legislation is intended to ensure information VA provides is of a type and in a form that is conducive
to comparisons with other local or regional hospitals. At least once a year, VA would be required to annually compare quality measures across years to identify and report any false or artificial improvements in quality measurements. In addition, VA would be required to develop and implement effective safeguards to protect against unauthorized use or disclosure of medical center data and to ensure that no identifiable patient data is released to the public.

VA does not oppose increasing transparency of quality measures for its facilities and agrees with the general premise of this legislation; however, the agency does not support S. 1427 as written because some of the requirements may not be possible or would require VA to develop its own data categories that could not be compared or benchmarked to other leading health care organizations.

VA has identified health care transparency as one of its major Strategic Transformation Initiatives this fiscal year and is working with the Centers for Medicare & Medicaid Services (CMS) to post VA comparable data on their “Hospital Compare” Web site (www.hospitalcompare.hhs.gov). CMS requires three data streams, each of which has different reporting periods based on assuring data validity. They post process data quarterly but outcome and patient satisfaction data annually. VA consequently believes that it is impractical to report data twice a year as the data may be invalid. VA is similarly exploring other public reporting programs, such as the Medicare Prescription Drug Plan Finder, Medicare Options Compare, CMS’ Nursing Home Compare, Commonwealth Fund’s WhyNotTheBest, and others.

Additionally, VA is developing composite metrics meaningful to both consumers and stakeholders. While seemingly simple, an incremental letter grade scale may not be the best way to communicate the quality of a particular hospital to consumers. For example, CMS uses a five star rating system for Nursing Home Compare. VA will be conducting focus groups with Veterans to determine how they would like to be provided quality information about medical facilities. VA has proposed an initiative to develop an internal VA Hospital Report Card prototype for internal measurements and comparison at all organizational levels. The data elements are similar but not exactly the same as the elements identified in this legislation. VA proposes to include: structure and volume; workforce productivity; population and disease burden; care delivery utilization; quality, efficiency and outcomes; and trends and benchmarks. This approach offers VA the flexibility to provide meaningful measures that may be benchmarked with other hospitals and develop new measures through consensus-based processes involving all stakeholders. Measures should focus on areas with the greatest potential for making care safe, effective, timely, efficient or equitable, and patient-centered. Primarily, these data will be used to identify areas where VA can improve the most.

VA estimates S. 1427 would cost $2 million in FY 2010, $2.1 million in FY 2011, $10.8 million over 5 years, and $24.0 million over 10 years.

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S. 1483—“DESIGNATING THE ALEXANDRIA, MINNESOTA, OUTPATIENT CLINIC”

S. 1483 would designate the Department of Veterans Affairs Outpatient Clinic in Alexandria, Minnesota, as the “Max J. Beilke Department of Veterans Affairs Outpatient Clinic.” Mr. Beilke died in service to his country at the Pentagon on September 11, 2001. The Department has no objection to this proposal and defers to Congress in the naming of Federal property.

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S. 1531—“DEPARTMENT OF VETERANS AFFAIRS REORGANIZATION ACT OF 2009”

S. 1531 would amend 38 U.S.C. 308 to increase the number of Assistant Secretaries in the Department from seven to eight. It would also increase the number of Deputy Assistant Secretaries from 19 to 27. The bill would also require that one Assistant Secretary be appointed Assistant Secretary for Acquisition, Logistics, and Construction and would cap the number of Deputy Assistant Secretaries the Secretary may appoint to manage programs relating to construction, facilities, asset management, and IT. In addition, S. 1531 would modernize some of nomenclature relating to construction and acquisition functions in 38 U.S.C. 308.

VA generally supports this legislation. Elevating the construction and acquisition function to the Assistant Secretary (AS) level will help ensure consistent and sound business decisions are made in VA’s acquisitions, logistics, and construction programs. This position will also further transform and modernize VA’s business practices and processes. Similarly, expanding the number of Deputy Assistant Secretaries (DAS) is necessary given the size, scope, and complexity of VA’s missions and geographic distribution. However, VA opposes language in S. 1531 which specifies the title and responsibilities of the AS and which caps the number of DAS assigned to certain functions as this limits the agency’s flexibility to address changing needs and demands.

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S. 1547—“ZERO TOLERANCE FOR VETERANS HOMELESSNESS ACT OF 2009”

S. 1547 proposes to alter and expand a number of authorities available to VA with regard to preventing and reducing Veteran homelessness. VA has initiated an ambitious plan to end homelessness among Veterans and supports the Committee’s interest in providing additional services and assistance to homeless Veterans. However, VA needs additional time to evaluate S. 1547. We will provide views and costs on these provisions as soon as they are available.
DEAR MR. CHAIRMAN: This letter is in response to your invitation to submit for the record the Department’s views on several bills, S. 1467, S. 1547, and S. 1753. These bills were on the schedule of the October 21, 2009 legislative hearing, but we were unable to provide views at that time. We thank you for the opportunity to provide our comments and cost estimates for the record.

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S. 1547—“ZERO TOLERANCE FOR VETERANS HOMELESSNESS ACT OF 2009”

S. 1547 proposes to alter and expand a number of VA authorities designed to prevent and reduce Veteran homelessness. One of VA’s top priorities is eliminating Veteran homelessness. As such, the FY 2010 President’s Budget significantly increased funding targeted to enhancing homeless programs, and VA has also increased its collaboration with federal and local partners to expand services.

Although VA supports the intent of this bill, we have three significant concerns—1) assigning this program to VBA instead of the Department in general, 2) creating an entitlement for homeless services, and 3) the duplication of current programs. As a result, VA can support certain provisions in S. 1547 as discussed below.

Section 3 would require the Secretary of Veterans Affairs to establish a program in the Veterans Benefit Administration (VBA) to prevent homelessness by identifying Veterans who are homeless or at imminent risk of becoming homeless and by providing various types of assistance to those identified. Such assistance may include the provision of short-term or medium-term rental assistance, housing relocation and stabilization services, services to resolve personal credit issues, assistance with security or utility deposits, moving costs, referral to other Government programs, and other assistance the Secretary determines is appropriate. VA supports the intent of this bill; however we note that many of these services are currently provided by VA or our federal partners. In some cases, we believe some services are more appropriately provided through our partners that have specific expertise and operate programs specific to these services. Also, the administration of such a comprehensive program should be assigned to the Department in general rather than solely to VBA. We look forward to working with Committee staff to identify gaps in services provided to homeless Veterans. VA estimates the cost of enacting section 3 at $50 million in the first year, and $250 million over 5 years.

Section 4 would allow the use of grants for new construction of facilities under 38 U.S.C. 2011 and would permit grant applicants to be considered if the entity proposes to use funding from other private or non-profit sources, contingent upon the applicant’s demonstration of oversight by a private non-profit organization. It
would also require VA to conduct a study within 1 year of enactment concerning grant and per diem (GPD) payments under 38 U.S.C. 2012 and to develop improved methods for disbursing funds and reimbursing grant recipients. VA would, within 1 year of enactment, report on the findings of the study and provide any recommendations based on the study’s findings. This section would also increase VA’s authorization for programs carried out under 38 U.S.C. 2013 to $200 million for FY 2010 and “such sums as may be necessary” for each of fiscal years 2011 through 2014. In addition, section 4 would remove the phrase “[s]ubject to the availability of appropriations” from 38 U.S.C. 2011(a)(1). The amendment would establish section 2011 as an entitlement authority. Entitlement spending is mandatory under the Budget Enforcement Act.

VA supports the increase in GPD authorization to include $200 million in FY 2010 and such sums as may be necessary for each of fiscal years 2011 through 2014. The Administration and the Department have a goal of ultimately ending homelessness among our nation’s Veterans. To achieve this goal, VA will strive to assist every eligible homeless Veteran willing to accept its services. We will help them acquire safe housing and obtain needed treatment, services, and benefits assistance, while working with our partners at the Department of Labor to also provide opportunities to return to employment. This includes education, job training, substance abuse and mental health care, as well as an assortment of other benefits. It will require close partnership with Federal and State agencies, local, non-profit and private groups; outreach and education to Veterans, people and organizations providing services to Veterans, and the general public; universal and targeted prevention; treatment focused on recovery and tailored to individual Veterans’ needs; housing and supportive services; and income, employment and benefits assistance. We will leave no opportunity unexplored, and we will continue this pursuit until every Veteran has safe housing available and access to needed treatment services.

Though we are in favor of increasing the GPD authorization, the Department opposes establishing 38 U.S.C. 2011 as an entitlement authority. Accordingly, we recommend that the Committee retain the phrase “[s]ubject to the availability of appropriations” in 38 U.S.C. 2011(a)(1).

VA currently estimates the cost of the Homeless Grants and Per Diem program, which is an integral part of VA’s plan to end homelessness, to be $171.6 million in FY 2010, $217.6 million in FY 2011, $1.2 billion over 5 years, and $2.8 billion over 10 years.

Section 5 would expand the Housing and Urban Development-Veterans Affairs Supported Housing (HUD-VASH) voucher program by 10,000 vouchers each year through FY 2013 (beginning with 30,000 vouchers in 2010 and ending with 60,000 vouchers in 2013). It would also require the Secretary of Veterans Affairs to ensure homeless-Veteran case managers provide appropriate supportive services, including medical care to Veterans to help achieve an end to chronic homelessness.

VA supports the intent of this section; however, our role is to execute the vouchers funded through the Department of Housing and Urban Development. Over the last year, VA, in conjunction
with HUD, have placed great focus on aggressively expanding outreach, and the agencies capacity to assign and execute increased numbers of housing vouchers to homeless Veterans. Within requested resources, we will reach our goal of reducing the number of homeless Veterans from 131,000 to 59,000 by 2012. VA estimates this section would cost $43.4 million in FY 2010, $132.1 million in FY 2011, $1.54 billion over 5 years and $7.74 billion over 10 years.

Section 6 would create a Special Assistant for Veterans Affairs within the Office of the Secretary for Housing and Urban Development. VA defers to HUD regarding section 6.

Section 7 would require development of a homeless Veteran management information system available to HUD and VA with data on Veterans within 1 year from the date of enactment. Ten million dollars is authorized for this project.

The Department notes that HUD has already created and implemented a Homeless Management Information System (HMIS) in Continuums of Care throughout the country. VA has committed to support the use of local Homeless Management Information Systems to track its own performance; however, as part of VA's plan to eliminate Veteran homelessness, we need a system with national identified data, which HMIS does not contain, in order to have a real time data management system to monitor its progress in meeting the goals for a zero tolerance for homelessness among Veterans. VA also has a need for a long term data warehouse to further evaluate the effectiveness and outcomes of its programs and services. The data warehouse/registry will also assist VA in monitoring the progress and service utilization of Veterans who have been homeless or are at risk for homelessness. This data will also be used to generate reports to Congress regarding the effectiveness of VA’s homeless Veteran programs.

VA estimates the cost of supplementing HMIS with identifiable information to be $10 million for FY 2010. The proposed budget would be used to develop the many different intellectual documents such as requirements, project plan and the software requirements specification. These are needed to define and procure the different IT systems and services needed to initiate and build the needed components for the VA/VHA Homeless program. Funding for the out years for this effort are estimated to be $5 million per year for ongoing design, upgrades and operations costs from an overall perspective.

Section 8 would require VA to develop a plan within 1 year of enactment on how to end Veteran homelessness, with special consideration for homeless Veterans in rural areas.

As described above, VA has already initiated an ambitious goal to expand outreach, collaboration, and programs in order to ultimately end homelessness among our Nation's Veterans. In addition, legislation enacted by Congress in May of this year, the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (“HEARTH ACT”) (Division B of PI 111–22), requires that not later than 12 months after enactment, the United States Interagency Council on Homelessness shall “develop, make available for public comment, and submit to the President and to Congress a National Strategic Plan to End Homelessness, and shall update such plan annually” (42 U.S.C. 11313). Work on developing
this plan has begun and VA, as one of the 19 member agencies of the Council, is at the table. As such, we do not believe this section is necessary.

* * * * * * *

Thank you again, Mr. Chairman, for the opportunity to provide VA’s views on these bills.

The Office of Management and Budget advises that there is no objection from the standpoint of the Department’s program to the submission of this letter on S. 1467, S. 1547, and S. 1753 to the Congress.

Sincerely,

ERIC K. SHINSEKI.

* * * * * * *
Changes in Existing Law

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, changes in existing law made by the Committee bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Title 38. Veterans’ Benefits

Part I. General Provisions

Chapter 3. Department of Veterans Affairs

Sec. 301. Department.

SEC. 308. ASSISTANT SECRETARIES; DEPUTY ASSISTANT SECRETARIES

(a) There shall be in the Department not more than eight Assistant Secretaries. Each Assistant Secretary shall be appointed by the President, by and with the advice and consent of the Senate.

(b) **

(1) **

(6) [Capital] Construction capital facilities and real property program functions.

(10) [Procurement] Acquisition functions.

(d)(1) There shall be in the Department such number of Deputy Assistant Secretaries, not exceeding 27, as the Secretary may determine. Each Deputy Assistant Secretary shall be appointed by
the Secretary and shall perform such functions as the Secretary prescribes.

SEC. 312A. DIRECTOR OF CONSTRUCTION AND FACILITIES MANAGEMENT

(a) IN GENERAL.—(1) There is in the Department a Director of Construction and Facilities Management, who shall be appointed by the Secretary.

(2) The position of Director of Construction and Facilities Management is a career reserved position, as such term is defined in section 3132(a)(8) of title 5.

(3) The Director shall provide direct support to the Secretary in matters covered by the responsibilities of the Director under subsection (c).

(4) The Director shall report to the Deputy Secretary in the discharge of the responsibilities of the Director under subsection (c).

(b) QUALIFICATIONS.—Each individual appointed as Director of Construction and Facilities Management shall be an individual who—

(1) holds an undergraduate or master's degree in architectural design or engineering; and

(2) has substantive professional experience in the area of construction project management.

(c) RESPONSIBILITIES.—(1) The Director of Construction and Facilities Management shall—

(A) be responsible for overseeing and managing the planning, design, construction, and operation of facilities and infrastructure of the Department, including major and minor construction projects; and

(B) perform such other functions as the Secretary shall prescribe.

(2) In carrying out the oversight and management of construction and operation of facilities and infrastructure under this section, the Director shall be responsible for the following:

(A) Development and updating of short-range and long-range strategic capital investment strategies and plans of the Department.

(B) Planning, design, and construction of facilities for the Department, including determining architectural and engineering requirements and ensuring compliance of the Department with applicable laws relating to the construction program of the Department.

(C) Management of the short-term and long-term leasing of real property by the Department.

(D) Repair and maintenance of facilities of the Department, including custodial services, building management and administration, and maintenance of roads, grounds, and infrastructure.

(E) Management of procurement and acquisition processes relating to the construction and operation of facilities of the
Department, including the award of contracts related to design, construction, furnishing, and supplies and equipment.

Part II. General Benefits

Chapter 17. Hospital, Nursing Home, Domiciliary, and Medical Care

Subchapter I. General

Sec. 1701. Definitions.

1706. Management of health care: other requirements.

1706A. Management of health care: Medical Center Quality Report Card Initiative.

1707. Limitations.

1708. Temporary lodging.

Subchapter I. General

SEC. 1706A. MANAGEMENT OF HEALTH CARE: MEDICAL CENTER QUALITY REPORT CARD INITIATIVE

(a) In General.—Not later than 18 months after the date of the enactment of the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010, the Secretary shall establish and implement an initiative, to be known as the “Medical Center Quality Report Card Initiative” (in this section referred to as the “Initiative”), to publish information on health care quality in Department medical centers.

(b) Publication of Information on Quality and Performance of Department Medical Centers.—(1)(A) Under the Initiative, not less frequently than twice each year, the Secretary shall make available to the public, on the Hospital Compare website of the Centers for Medicaid and Medicare Services, data consisting of the most current information on the quality and performance of each Department medical center. Such information shall include quality measures that allow for an assessment with respect to health care provided by Department medical centers, of the following:

(i) Effectiveness.
(ii) Safety.
(iii) Timeliness.
(iv) Efficiency.
(v) Patient-centeredness.
(vi) Patient satisfaction.
(vii) Satisfaction of health professionals employed at Department medical centers.
(viii) The equity of care provided to various patient populations, including female, geriatric, disabled, rural, homeless, mentally ill, and racial and ethnic minority populations.

(B) For each quality measure made available under subparagraph (A), the Secretary shall include—

(i) quality measures that are common to the health care industry and are based on information reported in paragraph (2); and

(ii) such other information as the Secretary considers appropriate.

(C) The Secretary shall conduct focus groups with veterans to identify additional types of quality information and display formats regarding such quality measures that would be meaningful to the needs of veterans.

(2)(A) In making data available pursuant to paragraph (1), the Secretary shall, except as provided in subparagraph (B), include to the maximum extent practicable information about Department medical centers using best available measures that reflect emerging quality and safety trends and the priorities of veteran-centered care.

(B) In making data available to the public under paragraph (1), the Secretary may provide information in addition to the information required by subparagraph (A) or provide information in lieu of the information required by subparagraph (A) if the Secretary—

(i) not later than 15 days before the date on which such data is made available to the public, submits to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a certification in writing that such additional or substituted information is more appropriate for purposes of carrying out the requirement of paragraph (2)(B); and

(ii) includes with such data and in such certification an indication of which information has been added or substituted under this subparagraph.

(3)(A) In making data available as provided for under paragraph (1), the Secretary may make risk adjustments to quality measures to account for differences relating to—

(i) the characteristics of a Department medical center, such as licensed bed size, geography, and teaching hospital status; and

(ii) patient characteristics, such as health status, severity of illness, and socioeconomic status.

(B) If the Secretary makes data available under paragraph (1) using risk-adjusted quality measures, the Secretary shall establish procedures for making the unadjusted data available to the public in a manner determined appropriate by the Secretary.

(4) Under the Initiative, the Secretary may verify data made available under this subsection to ensure accuracy and validity.

(5) Before disclosing to the public any data under this subsection, the Secretary shall disclose the methodology for the publication of such data and the nature and scope of such data to—

(A) each organization the Secretary considers relevant to such data; and

(B) each Department medical center that is the subject of such data.
(6)(A) The Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a copy of each set of data made available to the public under paragraph (1).

(B) The Secretary shall ensure that each set of data made available to the public under paragraph (1) is made available—

(i) in an electronic format;
(ii) in a manner that can be understood by individuals who are not medical professionals and individuals with low functional health literacy; and
(iii) at each Department medical center covered by the set of data.

(C) The Secretary shall ensure that information on health care quality made available under paragraph (1) is made available in a manner that is conducive for comparisons with other local medical centers or regional medical centers, as appropriate.

(D) The Secretary shall establish procedures for making the information included in the data made available to the public under paragraph (1) available to the public upon request in non-electronic format, such as through a toll-free telephone number.

(7) The analytic methodologies and limitations on information sources utilized by the Secretary to develop and disseminate comparative information under this subsection shall be identified and acknowledged in a notice or disclaimer as part of the dissemination of such information, and include the appropriate and inappropriate uses of such information.

(e) IDENTIFYING AND REPORTING ACTIONS THAT COULD LEAD TO FALSE OR ARTIFICIAL IMPROVEMENTS IN QUALITY MEASUREMENTS.—Not less frequently than annually, the Secretary shall compare quality measures data submitted by each Department medical center to the Secretary with quality measures data submitted to the Secretary in the prior year or years by each such Department medical center in order to identify and report actions that could lead to false or artificial improvements in the quality measurements of such Department medical centers for purposes of this section.

(d) PRIVACY AND SECURITY.—(1) The Secretary shall develop and implement effective safeguards to protect against the unauthorized use or disclosure of Department medical center data that is made available under this section.

(2) The Secretary shall develop and implement effective safeguards to protect against the dissemination under this section of inconsistent, incomplete, invalid, inaccurate, or subjective Department medical center data.

(3) The Secretary shall ensure that identifiable patient data is not released to the public under this section.

(e) REPORTS.—(1) The Secretary shall periodically submit to Congress a report on the effectiveness of the Initiative.

(2) Each report required by paragraph (1) shall include the following:

(A) An assessment of the effectiveness of the Initiative in meeting the purpose described in section 302(a) of the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010.
(B) If necessary, a description of the measures the Secretary can undertake to ensure that the Initiative meets such purpose.

(3) The Secretary shall carry out each measure the Secretary includes in a report under paragraph (2)(B).

(4) The Secretary shall make each report submitted under paragraph (1) available to the public.

(f) DEPARTMENT MEDICAL CENTER DEFINED.—In this section, the term “Department medical center” means a Department of Veterans Affairs Medical Center administered by the Secretary.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2010 through 2018.

* * * * * * *

Subchapter II. Hospital, Nursing Home, or Domiciliary Care and Medical Treatment

SEC. 1710. ELIGIBILITY FOR HOSPITAL, NURSING HOME, AND DOMICILIARY CARE

(a)(1) * * *

* * * * * * *

(2) * * *

(A) * * *

* * * * * * *

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

* * * * * * *

(e)(1)(A) * * *

* * * * * * *

(3) * * *

(A) * * *

(B) in the case of care for a veteran described in paragraph (1)(C), after December 31, 2002, except that such care and services may also be provided to such a veteran during the period beginning on the date of the enactment of the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010 and ending on December 31, 2012; and

* * * * * * *

Chapter 20. Benefits for Homeless Veterans

SUBCHAPTER I. PURPOSE, DEFINITIONS, ADMINISTRATIVE MATTERS

* * * * * * *
SUBCHAPTER III. TRAINING AND OUTREACH

Sec.
2021. Homeless veterans reintegration programs.

2021A. Grant program for reintegration of homeless women veterans and homeless veterans with children.

2022. Coordination of outreach services for veterans at risk of homelessness.

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SUBCHAPTER VII. OTHER PROVISIONS

Sec.
2061. Grant program for homeless veterans with special needs.
2062. Dental care.
2063. Employment assistance.
2064. Technical assistance grants for nonprofit community-based groups.
2065. Annual report on assistance to homeless veterans.
2066. Advisory Committee on Homeless Veterans.
2067. Prevention of veteran homelessness.
2068. Homeless Veterans Management Information System.

Subchapter I. Purpose; Definitions; Administrative Matters

SEC. 2003. STAFFING REQUIREMENTS

(a) * * *
(1) * * *
(2) * * *
(3) [The housing] Any housing program for veterans supported by the department of housing and urban development.

(7) The program under section 2067 of this title.
(8) [§7] Such other programs relating to homeless veterans as may be specified by the Secretary.

Subchapter II. Comprehensive Service Programs

SEC. 2011. GRANTS

(b) * * *
(1) * * *

(A) [expansion, remodeling, or alteration of existing buildings, or acquisition of facilities,] new construction of facilities, expansion, remodeling, or alteration of existing facilities, or acquisition of facilities for use as service centers, transitional housing, or other facilities to serve homeless veterans; and

(c) FUNDING LIMITATIONS.—[A grant] (1) A grant under this section may not be used to support operational costs. [The amount] (2) The amount of a grant under this section may not exceed 65 percent of the estimated cost of the project concerned.
(3)(A) The Secretary may not deny an application from an entity that seeks a grant under this section to carry out a project described in subsection (b)(1)(A) solely on the basis that the entity proposes to use funding from other private or public sources, if the entity demonstrates that a private nonprofit organization will provide oversight and site control for the project.

(B) In this paragraph, the term “private nonprofit organization” means the following:

(i) An incorporated private institution, organization, or foundation—
    (I) that has received, or has temporary clearance to receive, tax-exempt status under paragraph (2), (3), or (19) of section 501(c) of the Internal Revenue Code of 1986;
    (II) for which no part of the net earnings of the institution, organization, or foundation inures to the benefit of any member, founder, or contributor of the institution, organization, or foundation; and
    (III) that the Secretary determines is financially responsible.

(ii) A for-profit limited partnership or limited liability company, the sole general partner or manager of which is an organization that is described by subclauses (I) through (III) of clause (i).

(iii) A corporation wholly owned and controlled by an organization that is described by subclauses (I) through (III) of clause (i).

* * * * *

(i) MINIMUM FUNDING IN RURAL AREAS.—The Secretary shall ensure that not less than five percent of the aggregate of the grant amounts awarded under this section in each fiscal year is awarded to eligible entities located in rural areas.

SEC. 2013. AUTHORIZATION OF APPROPRIATIONS

There is authorized to be appropriated to carry out this subchapter $150,000,000 for fiscal year 2007 and each fiscal year thereafter.

Subchapter III. Training and Outreach

SEC. 2021. HOMELESS VETERANS REINTEGRATION PROGRAMS

SEC. 2021A. GRANT PROGRAM FOR REINTEGRATION OF HOMELESS WOMEN VETERANS AND HOMELESS VETERANS WITH CHILDREN

(a) GRANTS.—Subject to the availability of appropriations for such purpose, the Secretary of Labor shall award grants to eligible programs and facilities to provide the services described in subsection (c) to expedite the reintegration into the labor force of the following:
(1) Homeless women veterans.
(2) Homeless veterans with children.

(b) ELIGIBLE PROGRAMS AND FACILITIES.—A program or facility is an eligible program or facility for purposes of this section if the program or facility provides dedicated services for homeless veterans or homeless veterans with children.

(c) SERVICES.—The services described in this subsection are the following:

(1) Job training.
(2) Counseling.
(3) Job placement services, including job readiness, literacy, and skills training.
(4) Child care.

(d) MINIMUM.—The Secretary shall ensure that not less than five percent of the aggregate of the grant amounts awarded under this section in each fiscal year is awarded to eligible programs and facilities located in rural areas.

(e) MONITORING OF USE OF FUNDS.—The Secretary of Labor shall monitor and evaluate the use of amounts granted under this section. In monitoring and evaluating the use of such amounts, the Secretary shall collect from grantees such information as the Secretary considers appropriate, including data on the results or outcomes of the services provided to each homeless veteran under this section.

(f) ADMINISTRATION.—The Secretary of Labor shall carry out this section through the Assistant Secretary of Labor for Veterans' Employment and Training.

(g) BIENNIAL REPORT TO CONGRESS.—The Secretary of Labor shall include as part of the report required by section 2021(d) of this title an evaluation of the grant program under this section. The information included in such report under this subsection shall include—

(1) an evaluation of services furnished to veterans under this section; and
(2) an analysis of the information collected under subsection (d).

(h) AUTHORIZATION OF APPROPRIATIONS.—(1) There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2010 through 2014.

(2) The amount authorized to be appropriated by paragraph (1) is in addition to any amounts authorized to be appropriated by section 2021(e) of this title.

(3) Funds appropriated to carry out this section shall remain available until expended. Funds obligated in any fiscal year to carry out this section may be expended in that fiscal year and the succeeding fiscal year.

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Subchapter VII. Other Provisions

SEC. 2061. GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS

(a) ESTABLISHMENT.—The Secretary shall carry out a program to make grants to health care facilities of the Department and [to grant and per diem providers] to entities eligible for grants and per
diem payments under sections 2011 and 2012 of this title in order to encourage development by those facilities and providers by those facilities and entities of programs for homeless veterans with special needs.

(b) Homeless Veterans With Special Needs.—For purposes of this section, homeless veterans with special needs include homeless veterans who are—

(1) women, including women who have care of minor dependents;
(2) frail elderly;
(3) terminally ill; or
(4) chronically mentally ill; or
(5) individuals who have care of minor dependents.

(c) Provision of Services to Dependents.—A recipient of a grant under subsection (a) may use amounts under the grant to provide services directly to a dependent of a homeless veteran with special needs who is under the care of such homeless veteran while such homeless veteran receives services from the grant recipient under this section.

(d) * * * * * *

* * * * * *

SEC. 2067. PREVENTION OF VETERAN HOMELESSNESS

(a) Prevention of Veteran Homelessness.—Not later than 180 days after the date of the enactment of this section, the Secretary shall establish a program to prevent veteran homelessness by—

(1) identifying in a timely fashion any veteran who is homeless or at imminent risk of becoming homeless; and
(2) providing, directly or in conjunction with an existing program, assistance to veterans identified under paragraph (1).

(b) Types of Assistance.—The assistance provided under subsection (a)(2) may include the following:

(1) The provision of short-term or medium-term rental assistance.
(2) Housing relocation and stabilization services, including housing search, mediation, and outreach to property owners.
(3) Services to resolve personal credit issues that have led to negative credit reports.
(4) Assistance with paying security or utility deposits and utility payments.
(5) Assistance with covering costs associated with moving.
(6) A referral to a program of another department or agency of the Federal Government.
(7) Such other activities as the Secretary considers appropriate to prevent veterans homelessness.

(c) No Duplication of Services.—The Secretary may provide assistance under subsection (a)(2) to a veteran receiving supportive services from an eligible entity receiving financial assistance under section 2044 of this title only to the extent that the assistance provided under subsection (a)(2) does not duplicate the supportive services provided to such veteran by such entity or by any other Federal, State, or local entity.
(d) Protection From Abuse.—To protect the program established under subsection (a) from abuse, the Secretary may establish a limit on the number of times that a particular veteran may receive assistance under the program in a fiscal year.

(e) Staffing.—The Secretary shall assign such employees at such locations as the Secretary considers necessary to carry out this section.

(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2010 through 2014.

SEC. 2068. HOMELESS VETERANS MANAGEMENT INFORMATION SYSTEM

(a) Method for Data Collection and Aggregation.—(1) Not later than one year after the date of the enactment of this section, the Secretary shall, in consultation with the Special Assistant for Veterans Affairs of the Department of Housing and Urban Development and the United States Interagency Council on Homelessness established under section 201 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11311), establish a method for the collection and aggregation of data on homeless veterans participating in programs of the Department of Veterans Affairs and the Department of Housing and Urban Development, including the following with respect to such veterans:

(A) Age, race, sex, disability status, marital status, income, employment history, and whether the veteran is a parent.

(B) If the veteran received assistance for housing, the number of days that the veteran resided in such housing and the type of such housing.

(C) If the veteran is no longer participating in a program of assistance for the homeless, the reason the veteran left the program.

(2) The method required by paragraph (1) shall ensure that each veteran is counted only once.

(b) Annual Data Collection and Aggregation.—Not later than one year after the method is established under subsection (a), and annually thereafter, the Secretary shall collect and aggregate data using the method established under subsection (a).

(c) Annual Reports.—Not later than two years after the date of enactment of this section and annually thereafter, the Secretary shall submit to Congress a report on the data collected and aggregated under subsection (b).

(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section—

(1) $10,000,000 for fiscal year 2010; and

(2) such sums as may be necessary for fiscal years 2011 through 2014.

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Part V. Boards, Administrations, and Services

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Chapter 73. Veterans Health Administration. Organization and Functions

Subchapter I. Organization

SEC. 7306. OFFICE OF THE UNDER SECRETARY FOR HEALTH

(a) * * *

(1) * * *

[9] The Advisor on Physician Assistants, who shall be a physician assistant with appropriate experience and who shall advise the Under Secretary for Health on all matters relating to the utilization and employment of physician assistants in the Administration.

[9] The Director of Physician Assistant Services, who shall—

(A) serve in a full-time capacity at the Central Office of the Department;

(B) be a qualified physician assistant; and

(C) be responsible and report directly to the Chief Patient Care Services Officer of the Veterans Health Administration on all matters relating to the education and training, employment, appropriate utilization, and optimal participation of physician assistants within the programs and initiatives of the Administration.

Title 5. Government Organization and Employees

Part III. Employees

Subpart D. Pay and Allowances

Chapter 53. Pay Rates and Systems

Subchapter II. Executive Schedule Pay Rates

SEC. 5315. POSITIONS AT LEVEL IV

Level IV of the Executive Schedule applies to the following positions, for which the annual rate of basic pay shall be the rate de-
53
termined with respect to such level under chapter 11 of title 2, as
adjusted by section 5318 of this title:

[Assistant Secretaries, Department of Veterans Affairs (7).]

Assistant Secretaries, Department of Veterans Affairs (8)

UNITED STATES HOUSING ACT OF 1937

Title 42. The Public Health and Welfare

CHAPTER 8. LOW-INCOME HOUSING

SUBCHAPTER I. GENERAL PROGRAM OF ASSISTED HOUSING

SEC. 1437F. LOW-INCOME HOUSING ASSISTANCE

(o) VOUCHER PROGRAM.

(19) RENTAL VOUCHERS FOR VETERANS AFFAIRS SUPPORTED HOUSING PROGRAM.—

(A) RENTAL VOUCHERS.—The Secretary shall make available to public housing agencies described in subparagraph (C) the amounts described in subparagraph (B), to provide rental assistance through a supported housing program administered in conjunction with the Department of Veterans Affairs.

(B) AMOUNT.—The amounts specified in this subparagraph are the amounts necessary to ensure that—

(i) not more than 30,000 vouchers for rental assistance under this paragraph are outstanding at any one time during fiscal year 2010;

(ii) not more than 40,000 vouchers for rental assistance under this paragraph are outstanding at any one time during fiscal year 2011;

(iii) not more than 50,000 vouchers for rental assistance under this paragraph are outstanding at any one time during fiscal year 2012; and

(iv) not more than 60,000 vouchers for rental assistance under this paragraph are outstanding at any one time during fiscal year 2013 and each fiscal year thereafter.

(C) PUBLIC HOUSING AGENCIES.—A public housing agency described in this subparagraph is a public housing agency that—
(i) has a partnership with a Department of Veterans Affairs medical center or an entity determined to be appropriate by the Secretary of Veterans Affairs; 
(ii) is located in an area that the Secretary of Veterans Affairs determines has a high concentration of veterans in need of assistance; 
(iii) has demonstrated expertise in providing housing for homeless individuals; and 
(iv) meets any other criteria that the Secretary, in consultation with the Secretary of Veterans Affairs may prescribe.

(D) CASE MANAGEMENT.—The Secretary of Veterans Affairs shall ensure that the case managers described in section 2003(b) of title 38, United States Code, provide appropriate case management for each veteran who receives rental assistance under this paragraph that—

(i) assists the veteran in—

(I) locating available housing;

(II) working with the appropriate public housing agency;

(III) accessing benefits and health services provided by the Department of Veterans Affairs and other departments and agencies of the Federal Government;

(IV) negotiating with landlords; and

(V) other areas, as the Secretary determines is necessary to help the veteran maintain housing or avoid homelessness; and

(ii) ensures that a veteran with a severe disability, including a veteran that has been homeless for a substantial period of time, is referred to sufficient supportive services to provide the veteran with stable housing, including—

(I) mental health services, including treatment and recovery support services;

(II) substance abuse treatment and recovery support services, including counseling, treatment planning, recovery coaching, and relapse prevention;

(III) integrated, coordinated treatment and recovery support services for co-occurring disorders;

(IV) health education, including referrals for medical and dental care;

(V) services designed to help individuals make progress toward self-sufficiency and recovery, including job training, assistance in seeking employment, benefits advocacy, money management, life-skills training, self-help programs, and engagement and motivational interventions;

(VI) parental skills and family support; and

(VII) other supportive services that promote an end to chronic homelessness.

[(19) RENTAL VOUCHERS FOR VETERANS AFFAIRS SUPPORTED HOUSING PROGRAM.—]
(A) Set aside.—Subject to subparagraph (C), the Secretary shall set aside, from amounts made available for rental assistance under this subsection, the amounts specified in subparagraph (B) for use only for providing such assistance through a supported housing program administered in conjunction with the Department of Veterans Affairs. Such program shall provide rental assistance on behalf of homeless veterans who have chronic mental illnesses or chronic substance use disorders, shall require agreement of the veteran to continued treatment for such mental illness or substance use disorder as a condition of receipt of such rental assistance, and shall ensure such treatment and appropriate case management for each veteran receiving such rental assistance.

(B) Amount.—The amount specified in this subparagraph is—

(i) for fiscal year 2007, the amount necessary to provide 500 vouchers for rental assistance under this subsection;

(ii) for fiscal year 2008, the amount necessary to provide 1,000 vouchers for rental assistance under this subsection;

(iii) for fiscal year 2009, the amount necessary to provide 1,500 vouchers for rental assistance under this subsection;

(iv) for fiscal year 2010, the amount necessary to provide 2,000 vouchers for rental assistance under this subsection; and

(v) for fiscal year 2011, the amount necessary to provide 2,500 vouchers for rental assistance under this subsection.

(C) Funding through incremental assistance.—In any fiscal year, to the extent that this paragraph requires the Secretary to set aside rental assistance amounts for use under this paragraph in an amount that exceeds the amount set aside in the preceding fiscal year, such requirement shall be effective only to such extent or in such amounts as are or have been provided in appropriation Acts for such fiscal year for incremental rental assistance under this subsection.

Chapter 44. Department of Housing and Urban Development

SEC. 3533. OFFICERS OF DEPARTMENT

(a) * * *

(g) Special Assistant for Veterans Affairs.—

(I) Establishment.—There shall be in the Department a Special Assistant for Veterans Affairs, who shall be in the Office of the Secretary.
(2) Appointment.—The Special Assistant for Veterans Affairs shall be appointed by the Secretary, based solely on merit and shall be covered under the provisions of title 5, United States Code, governing appointments in the competitive service.

(3) Responsibilities.—The Special Assistant for Veterans Affairs shall be responsible for—

(A) ensuring that veterans have access to housing and homeless assistance under each program of the Department providing such assistance;

(B) coordinating all programs and activities of the Department relating to veterans; and

(C) carrying out such other duties as may be assigned to the Special Assistant by the Secretary or by law.