

[H.R. 2256, Veterans Information Modernization Act, as amended](#)

FLOOR SITUATION

On Tuesday, July 21, 2015, the House will consider [H.R. 2256](#), the *Veterans Information Modernization Act, as amended*, under suspension of the rules. The bill was introduced on May 12, 2015, by Rep. Dan Benishek (R-MI) and referred to the Committee on Veterans' Affairs, which ordered the bill to be reported, as amended, by voice vote, on May 21, 2015.

SUMMARY

H.R. 2256 establishes additional reporting requirements for the Department of Veterans Affairs (VA), requires the Secretary of Veterans Affairs to create an identification and tracking system for medical biological implants, clarifies which types of biological implants the VA may procure, and creates a "Veteran's Expedited Recovery Commission."

Improved Transparency and Reporting—the bill requires the VA to submit an annual report to Congress regarding the provision of health care, medical services, and nursing home care by the VA health care system. The yearly report would include, for the prior calendar year, data regarding access to care, quality of care, workload, patient demographics and utilization, physician compensation, productivity, non-VA care, and pharmaceutical prices.

Medical Biological Implants—the bill requires the VA to implement a standard identification protocol for medical biological implants that is consistent with the Food and Drug Administration's (FDA's) Unique Identification System. The bill also stipulates that the VA procure biological implants only through a competitive procurement process from vendors that maintain a 10 year record retention policy and who procure their human tissue from properly accredited sources. Under current law, there are no requirements for the VA to identify and track biological implants intended for use in VA medical facilities.

Commission to Study Complementary and Alternative Medicine—the bill establishes the Veterans Expedited Recovery Commission to study, survey, and evaluate the VA's ability to effectively treat veterans with mental health issues, and requires the VA to submit an action plan for implementing complementary and alternative medicine (CAM) treatments based upon a final report by the Commission.

Definition of Homeless Veteran—the bill amends the VA’s definition of a “homeless veteran” to include a veteran or veteran’s family who is fleeing domestic or dating violence, sexual assault, stalking, or other dangerous situation in their residence, has no other residence, and lacks the resources to obtain other permanent housing. This provides clarification and brings the VA into compliance with the McKinney-Vento Homeless Assistance Act.

BACKGROUND

In 2014, a patient wait-time manipulation scandal at the Phoenix VA Health Care System sparked a system-wide review of veteran access to care. Investigations found that almost half of schedulers at multiple VA hospitals said they “received instructions from supervisors to falsify data and hide the true time it took patients to be seen by a doctor after making an appointment,” with an unknown but significant number of these patients dying while waiting.¹ Congress approved the [“Veteran’s Access, Choice and Accountability Act of 2014,”](#) in response, but subsequent investigations have found that the VA continues to be plagued by missteps, including an internal report indicating that “nearly one-third of veterans with pending applications for VA health care likely have already died. VA officials said they were unable to determine how many veterans died, whether they truly were seeking VA health care or had merely indicated interest in signing up.”²

Since this VA scandal, interest has grown in comparing the cost of providing medical services to veterans in the VA’s healthcare system versus providing them through the private sector. In December 2015, the Congressional Budget Office (CBO) compared the cost of medical care provided by the Veterans Health Administration (VHA) to that of medical care in the private sector. CBO concluded that “limited evidence and substantial uncertainty make it difficult to reach firm conclusions about those relative costs or about whether it would be cheaper to expand veterans’ access to healthcare in the future through VHA facilities or the private sector.”³ In January 2015, the Deputy Assistant Director of CBO’s National Security Division stated that the “VA . . . has provided limited data to Congress and the public about its costs and operational performance.”⁴

Scientific innovation and advanced technology has provided the opportunity for the VA to turn increasingly to biological implants for prosthetic limbs and other healing enhancements.⁵ According to the Committee on Veterans’ Affairs, there remains “significant risk to veteran health and safety involving possibly contaminated products and the inability of VA to reliably identify veterans with implants in the event of [a] recall.”⁶ FDA has utilized a Unique Device Identification (UDI) system consisting of certain labeling and data submission requirements for biological implants and other medical devices since 2013.⁷ The bill defines biological implants as “any animal or human cell, tissue, or cellular or tissue-based product” that is: (1) intended for implantation, transplantation, infusion, or transfer into a human recipient, or (2) an instrument, apparatus, implement, machine, contrivance, implant, in vitro reagent, or other similar or related article, including a component part, or

¹ See *CNN* articles, [“More VA employees said they were told to falsify data,”](#) and [“Bad VA care may have killed more than 1,000 veterans”](#)

² See *ABC News* article, [“VA Problems Mount as Missteps Continue,”](#) July 17, 2015

³ See CBO Report, [“Comparing the Costs of the Veterans’ Health Care System With Private-Sector Costs,”](#) December 2014.

⁴ See House Report [114-191](#) at 9 and 10.

⁵ See *Defense One* article, [“The Cyborg Medicine of Tomorrow is Inside the Veteran of Today”](#).

⁶ See House Report [114-191](#) at 11.

⁷ See [“Unique Device Identification System: Small Entity Compliance Guide”](#) at 4-6.

accessory which is intended to mitigate or treat disease or alter the structure or function of the human body.

The National Institutes of Health's National Center for Complementary and Alternative Medicine defines complementary and alternative medicine (CAM) as a group of diverse medical and health care systems, practices, and products that are not generally considered part of conventional medicine. The use of CAM has grown significantly in VA over the past decade. In a 2012 survey completed by the NIH, 96 percent of posttraumatic stress disorder (PTSD) programs surveyed reported the use of at least one CAM therapy and 88 percent offered CAM therapies other than those commonly part of treatment (i.e. guided imagery, progressive muscle relaxation, and stress management-relaxation therapies). Though the use of CAM therapies has become increasingly widespread among VA medical facilities in recent years and demand for CAM services among veteran patients using the VA health care system is increasing, CAM is not uniformly offered to veterans across the system.⁸

According to the bill sponsor, "In order to hold the VA accountable, we must have access to basic information on the types of services they are providing and the cost of doing so. This information, which is commonplace in the private sector, has to date been kept from Congress. My legislation will change that."⁹

COST

The Congressional Budget Office (CBO) [estimates](#) that that implementing this bill would increase costs to the VA by \$9 million over the 2016 to 2020 period, assuming appropriation of the necessary amounts. In addition, CBO estimates that enacting the bill would decrease direct spending by \$9 million over the 2016 to 2025 period by adjusting the monthly payments for VA educational benefits; therefore, pay-as-you-go procedures apply to the bill. Enacting H.R. 2256 would not affect revenues.

STAFF CONTACT

For questions or further information please contact [John Huston](#) with the House Republican Policy Committee by email or at 6-5539.

⁸ See House Report [114-191](#) at 12.

⁹ See Press Release, ["Dr. Benishek Introduces Veterans Information Modernization Act,"](#) May 12, 2015.