American College of Physicians (ACP)

Written Public Testimony for the Record of the American College of Physicians to the House Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies

Re: FY2022 Appropriations, Department of Veterans Affairs
June 4, 2021

The American College of Physicians (ACP) is pleased to submit the following written testimony for the record on its priorities, as funded under the U.S. Department of Veterans Affairs (VA), for Fiscal Year (FY) 2022. ACP is the largest medical specialty organization and the second-largest physician group in the United States. ACP members include 163,000 internal medicine physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness. As the Subcommittee begins deliberations on appropriations for FY2022, ACP is urging funding for the following proven programs to receive appropriations from the Subcommittee:

- VA, Veterans Health Administration (VHA), \$103.1 billion, which includes the following within the VHA;
 - VA, VHA, Medical Services, \$66.2 billion;
 - VA, VHA, Medical Community Care, \$20.7 billion;
 - o VA, VHA, Medical and Prosthetic Research; \$902 million.

As the Subcommittee works to finalize the FY2022 Military Construction and Veterans Affairs Appropriations Act in the coming weeks, we strongly urge the Subcommittee to provide the VA with sufficient resources for the VA's vital healthcare mission for all of our nation's veterans, both for our veterans receiving care through traditional VHA services, as well as for those veterans needing access to care in the community. The VHA provides high-value and critically important health care services to veterans, and that infrastructure should be adequately funded and supported going forward. There is also a demonstrated need to ensure funding for those veterans who legitimately need access to care in the community, as stipulated in the VA Mission Act of 2018, with the establishment of the Veterans Community Care Program (VCCP), without diverting precious funds from existing VHA medical services or other vital federal health care programs.

Since the VA Mission Act changed the source of funding for its medical community care program from mandatory funding to discretionary appropriations, congressional appropriators must respond each fiscal year by providing enough funding for both the VCCP within medical community care and the VA's core VHA medical services outside of medical community care. Congress must continue to provide sufficient funds for implementing the VA Mission Act as it has in previous years without diverting funds from other VA medical care programs. Therefore,

Congress may need to provide increased and dedicated funding, equal to the actual costs of the VCCP to address any estimated shortfall in VA funding without cutting funding for other programs.

In addition, ACP strongly supports the \$18 billion for major upgrades for VA hospitals and clinics in the American Jobs Plan which would help improve veterans' health. These VA facilities, especially hospitals that have a median age of 58 years, are in need of increased support for modernization. Improving the hospitals where our veterans seek care and making them cuttingedge facilities would be an important step in improving their care.

Coronavirus Disease 2019 (COVID-19)

In addition to ACP's regular FY2022 appropriations requests that appear below for the MilCon-VA appropriations bill, ACP urges the subcommittee to address the continued threat of the Coronavirus Disease 2019 (COVID-19) to our veterans and also provide the highest possible funding level for research, prevention, control, and treatment of illnesses associated with the virus that is commensurate with the public health emergency that the SARS-CoV-2 virus represents to veterans. This funding should also be sufficient to enable the VA to purchase adequate supplies for testing, treatment, and vaccines. Whether through the regular order of the FY2022 appropriations process or an emergency supplemental appropriations bill, the nation's veterans need to be able to access VHA health services even as the crisis continues to improve.

Many of ACP's physician members work and provide care within the VHA and are deeply committed to the VA's mission to provide health care to the nation's veterans. In a February 10, 2021, Letter to the House Committee on Veterans' Affairs, ACP supported provisions in the American Rescue Plan (ARP) Act, H.R. 1319, that provided funding for health care service for our nation's veterans and prohibited cost sharing and copayments for veterans during the public health emergency (PHE) caused by COVID-19. ACP was pleased that the ARP Act included \$14.5 billion for the VA for medical care and health needs of our veterans. This funding will help the VHA meet the challenges of the unique health issues caused by the COVID PHE that impact veterans. This funding will also help sustain the momentum started by the CARES Act that expanded services and staffing for veterans' health services. ACP was also encouraged that the ARP Act still reserves up to \$4 billion of the total funding be available for the VCCP, alleviating some of the competition for resources between the VCCP and traditional VHA medical services.

ACP also fully <u>supported</u> the provision in H.R. 1319 that waived VA cost sharing and copayments for medical treatment until September 30, 2021, and ACP supported the \$1 billion for this purpose. ACP also supported making it possible to reimburse veterans who have already paid these payments retroactive to April 6, 2020.

VA, Veterans Health Administration (VHA), \$103.1 billion

ACP supports the recommendation by <u>The Independent Budget</u> for **\$103.1 billion** in total funding for **the VHA** in FY2022. As the Independent Budget points out, the COVID-19 PHE has greatly impacted VA health services and will continue to do so. With so many veterans

deferring care due to the pandemic, a high volume of health care services is anticipated moving forward. Continued implementation of the VA Mission Act during FY2021, specifically new Veteran Care Networks (VCNs), have been delayed by the pandemic. As the VCNs become established and more accessible to veterans, demand is projected to increase for health services by veterans. More utilization requires increased resources for FY2022 through the annual discretionary appropriations process. In addition, an overwhelming number of medical students, residents, and physicians benefit from the graduate medical education (GME) training programs provided by and directed through the VHA. The VHA needs the continued resources to train the approximately 43,000 individual physician residents who receive their clinical training by rotating through about 11,000 VA-funded physician residency positions at VHA medical facilities. This is about a third of all medical residents it the U.S. These valuable programs rely on enough veterans being treated at VHA facilities. With less funding, these VHA facilities would treat less veterans, jeopardizing these training programs for residents' learning and working opportunities. The impact could have a far-reaching downstream effect, not only on the nation's veterans but on the nation's healthcare system as a whole.

VA, VHA, Medical Services, \$66.2 billion

The VHA's medical services account funds traditional VA inpatient and outpatient medical treatment. According to The Independent Budget, there will be an increase of 80,000 patients across all veteran priority groups, which is estimated to result in at least \$1.9 billion in additional health care costs to care for that population. The Independent Budget also estimated that additional medical care costs will total \$2.3 billion. The VHA has also has an increasing rate of health personnel vacancies which will average 43,000 in 2021. The cost of filling these vacancies is estimated to be \$1.4 billion. Therefore, ACP supports the recommendation of \$66.2 billion in FY2022 funding for Medical Services within the VHA. As referenced above, ACP also strongly supports providing \$18 billion for VA hospitals and clinics to upgrade and modernize these vital VA facilities.

VA, VHA, Medical Community Care, \$20.7 billion

The medical community care account within the VHA funds health care provided outside the VA by non-VHA clinicians in the community. ACP strongly supports The Independent Budget's \$20.7 billion FY2022 recommendation for VHA Medical Community Care, which would include the regular increase in current services and continued VCCP implementation. As with overall VHA funding above, there is an anticipated increase in demand for medical community care services because of deferred care due to the pandemic. In addition, the VCNs became operational just as the demand for services dropped because of the pandemic. The MISSION Act's VCNs will be fully operational for the first time in FY2022. The request for FY2022 Medical Community Care account is approximately \$2.2 billion more than the FY2021 enacted amount. ACP continues to remain greatly concerned that funding needed to fully fund the VCCP in FY2022 could potentially impact the funding levels of traditional VHA medical care services. The College strongly urges the Subcommittee to provide enough overall funding to the VHA and medical services while also adequately funding the VCCP and the rollout of the VCNs.

VA, VHA, Medical and Prosthetic Research; \$902 million

The medical and prosthetic research program of the VHA funds research on the specialized health needs of veterans, such as mental health issues including post-traumatic stress disorder (PTSD), advancing prosthetic technology, and chronic-pain management. ACP supports \$902 million in FY2022 for the VHA Medical and Prosthetic Research account recommended by both The Independent Budget and the Friends of VA Medical Care and Health Research (FOVA). This funding level is needed to permit growth in these programs above inflation, investment in innovative programs such as the Million Veterans Program (MVP), and robust support for VA research on the medical needs of the nation's veterans.

As referenced above, ACP physician members work and provide care within the VHA and are deeply committed to the VA's mission to provide high quality, comprehensive, and timely care to veterans in their time of need and throughout their lifetime. ACP recognizes the important health care services that the VHA provides to this nation's military veterans as well as its significant overall contribution as the nation's largest health care system, the largest provider of graduate medical education, and a valuable contributor of medical and scientific research.

The College greatly appreciates this opportunity to provide input on these important VA medical care funding matters for FY2022. We look forward to continuing to provide the clinician perspective on VA funding matters and working with the Subcommittee and Congress on the FY2022 appropriations process.