THE BROOKINGS INSTITUTION
SAUL/ZILKHA ROOM

EXAMINING CONCERNS ABOUT THE VETERANS HEALTH ADMINISTRATION

Washington, D.C.
Wednesday, November 4, 2015

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Featured Speakers:

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Chairman, Committee on Veterans' Affairs
U.S. House of Representatives

THE HONORABLE TIM WALZ (D-Minn.)
U.S. House of Representatives

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P R O C E E D I N G S

MR. O'HANLON: Well, good morning, everyone, and thank you for coming to Brookings to discuss the important subject of veterans affairs as we continue to recognize just how much our men and women in uniform have done for us throughout our history and, of course, in the wars of the last 15 years, as well. And many of them, of course, leaving the military service with challenges and also those even more generally who don't have acute challenges, we still owe them a debt of gratitude and the Veterans Affairs system is designed to help address a lot of these enduring needs. Today, we have two congressmen from the Committee on Veterans' Affairs and also they happen to both be on the Armed Services Committee, so let me introduce them.

I'm Michael O'Hanlon with the Defense Center at Brookings and the Foreign Policy Program. And just to my left is Congressman Jeff Miller from Pensacola, Florida, who has been in Congress now for a good chunk of time, a good deal of experience. I first met him probably a dozen years ago when he had just been preparing for a trip to North Korea, so many interests in his national security and foreign affairs portfolio. He is, as I say, chairman of the Veterans' Affairs Committee and also a member of the Armed Services Committee and was really the, in many ways, the impetus for today's event because he has a lot of ideas that he would like to present and discuss about addressing enduring needs in the Department of Veterans Affairs.

And in that spirit he is just like his colleague, Congressman Tim Walz from Minnesota, also on both those committees, a five-term congressman now, who is the Democrat joining Congressman Miller here today. So we have a very good bipartisan discussion with the underlying motivation for all of us really being that we know and we want to take better care of our men and women who have worn the uniform.

And, of course, the Department of Veterans Affairs covers issues ranging from the G.I. Bill and many other issues to acute healthcare problems, to enduring chronic healthcare problems, to mental health challenges. In its entirety it is an enormous and very expensive part of the federal government, pushing $200 billion a year now in its annual budget. That's not part of the defense budget. That's separate from the defense budget. If it were a separate defense budget, if you thought of it as such, it would be roughly tied with China for the second largest military budget in the world. So it is a very

expensive system. We have pumped a lot of resources into it, especially since 9-11, and yet we know that many problems endure.

So that's by way of introduction. What we'd like to do today is really focus most of the time on a discussion first up here with ourselves and then with you about the problems that are still within the Veterans Affairs system that we know we need to do better in order to help our men and women in uniform.

But before we get to that, Congressman Miller and Congressman Walz are, I think, going to help us do a little bit of a primer on where we stand in the evolution of the Department of Veterans Affairs, just very briefly. And the question I'd like to pose to both of you gentlemen, if I could, is what are we doing well and what aren't we doing well? So if we look at the whole Veterans Affairs mandate, we put a lot of resources, a lot of time, a lot of effort at reform into it. We know we haven't done well enough yet, but we presumably have made some progress in the last decade or 15 years, and I wondered if you could begin just by answering that broad question of what are we doing well and where are the most severe problems still remaining today?

CONGRESSMAN MILLER: Okay, let me start off, thank you very much for the invitation to be here. It's great to be here with my friend Tim. The Department of Veterans Affairs, and you set the scene very well, I think part of the story needs to be that it's also about 330,000 individuals that work at the Department of Veterans Affairs. And they've gone a long way from their original mission, which, of course, Abraham Lincoln said was to care for those who have borne the battle, their widows, and their orphans. Now they do just about everything from A to Z, whether it's managing cemeteries to home mortgages, to the G.I. Bill, to homeless reintegration, obviously healthcare and disability benefits. Those are the things that you hear a lot about.

What you're a lot in the media these days, and the Secretary's real quick to remind me, that we're not bad at everything we do and that is very true. They do a lot of things good. Obviously, the National Cemetery Administration does things extremely well. They do great with the VA mortgage side of the world. I come from a home-building background. We use the VA loans in the Northwest Florida area significantly.

But I will tell you that the biggest problems that exist out there still remain within the

disability side, the Veterans Benefit Administration and then the VHA, Veterans Health Administration. Not everything is a bad story, but some of the things that have occurred, obviously according to the IG, are systemic. We still have wait lists, some unrealistic wait times. The VA is trying to work on that. I was with the Secretary this morning for breakfast. They've got some great ideas that they're trying to roll out, moving in a direction that's more in the 21st century. And so I would say they're making some strides there. But as bad as he wants me to move away from what's happened in the past, we still have to try to root out some of the culture that's in the VA that's more about taking care of the bureaucrat than it is the veteran. And until that is done, I don't think the VA will be operating on all eight cylinders.

MR. O'HANLON: Thank you. Great introduction. Congressman Walz.

CONGRESSMAN WALZ: Well, thank you, Michael. And I, too, share a pleasure to be here with my friend. We often say that in Congress. This time we really mean it. And I can tell you our commitment, there's not an inch of daylight between us, and I would say this is true of the American public. When you ask them, there's probably no issue that unifies them more than should we care for our veterans. If you posed it in a survey, nothing would poll higher.

The interesting thing about it is, though, only 7 percent of the American public are veterans. So while the public is there, they want to get it right, very few have a deep understanding of how this system works. And I've often said I'm the VA's staunchest supporter. I'll be their harshest critic because it may be unfair, and I think the chairman is right, when we get accused of focusing just on the negative, the fact of the matter is it is a zero-sum game. If one veteran waits too long that's a failure. And I think if it's unrealistic to shoot for 100 percent, I think in any organization that has to be the goal.

And I do think you heard some of the things that I think they do very well. I'm a product of that system in terms of G.I. Bill is how I got a college education. I think, you know, a middle-class kid from Nebraska, that was one of the options that you took. A VA home loan that allowed you to buy a home without the -- those things are managed well and doing well. But as Jeff said, it is a large organization.

I have a unique, I think, perspective on this in that I represent the Mayo Clinic in Rochester, Minnesota, by most accounts, outside folks saying, one of the best healthcare systems in the country, if not the world. It's the tenth largest, by the way, the Mayo is, with the VA being the first. The

VA's somewhere around 42 billion, Mayo around 6 billion. They get 80 million visits per year. And I think for me, one of the problems I think we have is, Jeff is right, we have to simultaneously look at the things that go wrong. You cannot have abuses in the system. You cannot have mismanagement in the system. You cannot have cronyism in the system. And we need to continue to root those things out.

But I think if that is a distraction from this big picture fix thing that we need to do, the VA does many things right. When I ask the Mayo Clinic they will talk about if you want to get some of the best healthcare in the world, it's the Minneapolis Polytrauma Center. They're doing work on some of the extremity injuries and some of the research into those that's not being done anywhere else. Eighty percent of our physicians are trained at VA hospitals. It's an integral part, and this is where I think we miss in this country, it's an integral part of our healthcare system in general. And you can't talk about the VA and VA healthcare reform in a vacuum outside of the larger issue. And I think Chairman Miller has done a really good job of this, asking VA to focus on their core competencies.

For me, this is -- you see a lot of folks who don't understand the issue very well, this becomes a proxy fight for privatization versus not privatization. Both are gross oversimplifications. They're intertwined very closely anyway. And I think the VA, when they do focus on their core competencies, they can get better if they're willing to look at, I think, again, that term of 21st century. I don't think it's as much reform as it's disruptive innovation. Healthcare innovation is changing rapidly. I see at Mayo Clinic, and I think the VA could do that.

But when we get bogged down again, when they try and build hospitals, they are not good at it. They are not good at the construction of hospitals. And that is not, again, a proxy fight for government versus nongovernment. It's just a reality. And we as citizens want the best care for veterans, we want it delivered in a timely manner because they've earned it, and we want it to be cost-effective. Whatever model that is, is the one we should go for.

So I think now is a golden opportunity to do some of that. So there are many things going well. There are many people going to work at VA facilities that are giving of themselves, veterans themselves, delivering highest quality of care, but all you have to do is turn on the TV and see that's not the case elsewhere. And I think we're holding on to a system that is no longer keeping up with modern challenges, and that's our opportunity.

MR. O'HANLON: So thank you. Before I get to the question of privatization and whatever other options you want to put on the table, or greater use of privatization and private options, let me ask to break down a little bit the distinction between core competencies of physical healthcare in the sense of injury, you know, to limbs, to the body in general versus mental healthcare, PTS, traumatic brain injury, et cetera. Is the VA system better at one of those than the other or is that really not the right framework to break it down? Congressman Miller.

CONGRESSMAN MILLER: I don't know if that's the right framework. You do have to look at the VA and the way that they can obviously treat TBI, the signature injury of the past two wars. Post-traumatic stress if becoming an issue that is affecting all generations. You are seeing it really manifest itself within the Vietnam veterans now, where a lot of them, as they get older, certain triggers are being hit.

Obviously mental healthcare is something that's important to all of us and to make sure that we do everything we can to stop the scourge of 22 veterans a day committing suicide. The vast majority of those are older veterans and they're Vietnam era veterans. I learned this morning at a breakfast with the Secretary that the vast majority of those that do commit suicide aren't even in the VA system. I think they said like 7 out of 10.

SPEAKER: That's correct.

CONGRESSMAN MILLER: It's a huge number. And so the VA has no way of even knowing that these folks actually are in need of help. And, of course, the veteran themselves aren't willing to step forward. There's a stigma there that needs to be overridden, too.

MR. O'HANLON: When you say they're not in the system, you mean they're not actively part of a hospital treatment program at this time.

CONGRESSMAN MILLER: Correct. You know, there's a category, 1 through 8, and you have to apply to be put in a category. And most of these individuals aren't even getting any type of a healthcare benefit from the department.

MR. O'HANLON: So they may be getting some kind of a VA benefit or their families through a G.I. Bill or something else, but they're not in the healthcare system of the VA, which is about half the overall budget, I believe --

CONGRESSMAN MILLER: That's correct.

MR. O'HANLON: -- and most of the people. How would you --

CONGRESSMAN WALZ: The number's about 57 percent on that. The chairman's right. I would fall into that category where I do not use the VA hospital for healthcare services, but you use them for others.

And your question about what they do well is in many cases you do have some of the highest quality care being delivered. And as I've often said, though, you can have that, the best physician in the world, but if there's an inept administrator they're not going to get the patient to them or be able to care for them, so there's part of that.

As far as the mental health piece on this, I do think -- and this is, again, I want to keep coming back to this -- as a country in general, mental health parity is something we're still struggling with. And so the problems that are in the military have also manifested themselves in the private sector. The VA is moving forward on this.

And I'm proud, just recently the chairman and I together did the Clay Hunt Suicide Act that started to take some of the new best practices. And that was a clear-cut case of if you're going to get into the privatization piece, one of the best practices piece shows that if you can get peer counseling and peer work as early as possible with some of these folks, you reduce the significance of a suicide or an attempted suicide. And that would be a case of that's just smart. That's just smart to get them back in their community because if they have to travel to Minneapolis and they live in Southern Minnesota, they're disrupted from their community, it's disjointed from that. They would be better off to get it at home.

So I think overall they're starting to lead on many of these things, as the VA always has done. But, again, they're not going to do it alone and there are those barriers that make it very difficult for some of the practitioners to deliver that. But I think, again, trying to compare them, that old -- we know it's an overused cliché, but if you've been to one VA hospital, you've been to one VA hospital. But there's truth in that. Some are better than others and some are administered better than others. And I think in that lies some solutions on looking at how some of them are doing it right and some of them are, quite honestly, failing. But I think overall compared to patient care in the private sector, they stack up pretty well. And, again, I think the chairman would say this, as he always has, if you can get in and if you can

get by the barriers, which is a fair point.

MR. O'HANLON: The surveys are fairly good for those who are in and getting physical treatment, right?

CONGRESSMAN WALZ: Yes.

MR. O'HANLON: The level of happiness or satisfaction is roughly comparable to what we see elsewhere.

I just have two more questions and then we'll go to all of you. The first is, and now I'm trying to anticipate the question of what are the policy initiatives or reforms that we still need that we haven't yet accomplished? And that's going to be my last question.

Before that, could you each say a word about what we've gotten better at in the last 15 years? And so, you know, I'll frame this in terms of both the Bush and the Obama administrations. We're probably going to spend most of the rest of our time talking about what we haven't yet fixed and what we need to do better, and you've both already teed up a lot of the issues. But just for the sake of understanding the context, are there any reforms of the Bush and Obama period that have been particularly effective, where we can say we're better now than we were let's say in the 1990s?

CONGRESSMAN WALZ: Well, I would start out we adjusted for the use of our ground forces that were predominantly before active Army forces now coming out of the National Guard. We're doing a much better job of integrating those folks into the system, both on the benefits side -- G.I. Bill and other things -- as well as getting them into the VA. And I would say I think something we do much better now, and the statistics show this, but it's a double-edged sword, more of our newer veterans are enrolling and joining into the VA and getting the VA.

We went out there. I remember when I first got to Congress, at that time the VA was saying they didn't feel like they could advertise to get people in even, and we had to have this debate and they started putting up placards on the side of buses. So we were saying if you can advertise for a few good men and women, you can advertise and we'll take those few good men and women into the VA system. So we've done a better job of making them knowing what's available to them, but, again, the downside of this was there was very little preparation to prepare for that.

And I would say to keep this in mind: the bulk -- and the chairman again pointed this out

-- the bulk of those suicides and the bulk of the care, contrary to what might be popular belief, are the veterans of these recent conflicts. It's like the rabbit through the boa constrictor or whatever. The bubble comes 50 years after the conflict starts, so we're seeing the Vietnam veterans now. The real push to the VA from the current conflict will come in 2050. And this is why I say there is no excuse for not being prepared for 2050 if we let that slip, so that's I think now is the time.

So we're getting people in better. We're integrating our forces, especially the National Guard forces, better. We're getting them to know their benefits or they're treating them, and many of those things can be preventative medicine. But then the problems that start to arise on wait times have, I don't believe, gotten significantly better. Maybe we'll get to that at the end.

CONGRESSMAN MILLER: And I would also say that one of the things that the committee mandated several years ago was mandatory transition assistance, the TAP program. It used to be that most branches of the military did not require their folks to go through TAP. And even what was required, I think it was the Marine Corps and the Marines only required like five hours. Well, you can't teach everything that somebody needs to know about reintegrating into the system, into the civilian life, in a five-hour period. So it's a longer process, more involved.

Granted, most folks, when they're exiting the service, they're not focused on the things that they may need 20 years down the road. They're focused on getting back to their brand-new pickup truck and their boyfriend or girlfriend or whatever it may be, something very different. But still, making sure they know that the benefits are available and where they need to go.

I'll tell you one of the things that VA is doing very quickly from an IT standpoint. They had websites that were all over the map, that provided information for veterans, but you had to figure out where to go. And now they're bringing like I think I heard the number 70 websites this morning, they're bringing that down into 1, where a veteran can actually go into one singular website and navigate their way through that process, making it easier for them to know what's available.

MR. O'HANLON: By the way, just a framing or a factual point, Congressman Walz, you mentioned that it's only 7 percent of the population today that's veterans, and that's, of course, a very important statistic. But it's just worth sort of reversing it and looking at the other way: 7 percent of 320 million people is still almost 25 million veterans. And when you think of families --

CONGRESSMAN WALZ: Correct.

MR. O'HANLON: -- we're talking about perhaps a third to half the country that is very closely linked to a veteran's issue. And, of course, the G.I. Bill, I think that's, you alluded to it, that's one of the things where we've -- even though it's not in the healthcare domain specifically, it's part of the broader Veterans Affairs effort. And that is better, right, because that is now more accessible to family members.

CONGRESSMAN WALZ: Correct.

MR. O'HANLON: But let me now turn to, as you said both earlier, has to be our main concern, which is where are we still falling short? And you've both alluded to wait times, to the culture of bureaucracy. And so in addition to maybe delving into any of those issues in greater detail, I wondered if you could also offer for all of us the one or two most important policy initiatives that you would advocate or propose. What's the fix for the worst of the problems that we still face today? Congressman Miller?

CONGRESSMAN MILLER: Well, I'll tell you, I think we really started changing the way VA does business last August, a year ago August, when we passed the Choice Act. I mean, to be able -- VA has always had fee-for-services, but it wasn't used in a way that I think the veterans would expect it to be used. And so what we're trying to do, not to tear VA down brick by brick, but to supplement. Out of those 25 million veterans that are out there, there's only about 6-1/2 million that are actually in the healthcare system, so it's a significantly smaller number and they're struggling to fill that number. They're trying to be all things to all people.

And what I heard Dr. Shulkin say this morning, who is the new Veterans Health Administration undersecretary, is that we need to start focusing on what we do well and nobody else can do, which is the polytrauma centers, the traumatic brain injury, the spinal cord injury centers, the amputees, and the things that are most critical that VA does better than anybody in the world. And other things that can be done in the community allow the veteran to go outside of the VA. It makes no sense that a veteran would be required to go to a clinic to get a flu shot. The same thing with eyeglasses unless there's an eye injury or something, and from a standpoint of optometry I understand that.

But there are many, many things from the basic healthcare that can be done outside and we don't have to go and spend hundreds of millions of dollars in infrastructure that the VA owns and has

to take care of, but we can leverage what we already have and expand outside into the community. That's why I think for the veterans service organizations we're very thankful that they were involved in the negotiations when we were doing the Choice Act that this is trying to help the VA do what they do best and that is, obviously, take care of the most seriously injured of our veterans.

MR. O'HANLON: So just before I go to Congressman Walz on the same question, but just to understand that more fully, you're advocating a much, much broader privatization option than we've done so far with the Choice Act. Is that right? Because the Choice Act basically says you got to wait a month or you got to be in a rural area where you're a long ways away. Otherwise, you have no choice but to use the Veterans Affairs system. And it sounds like you're saying we really need to just give the veteran the choice no matter where they live, no matter how long they've waited.

CONGRESSMAN MILLER: Well, I'd like to see that as reality, but the fact is it's probably not going to be reality anytime soon. You know, when we did the Choice Act, we appropriated $10 billion and what the $10 billion was supposed to cover was folks that were outside that 40-mile parameter and then, of course, those that were on a wait list longer. If you remember VA was measuring at 14 days, now it's at 30 days. And 30 days for certain instances may not be realistic. I mean, that number may need to be adjusted outwardly.

Of course, I'd like to see the veteran have the choice of where they go. Continuity of care is something you hear the VA talk about a lot and they're very concerned with that. But this is actually VA's plan, talking about going outside and taking care of things that they do well and letting others do the things that they do.

MR. O'HANLON: Thank you. Congressman?

CONGRESSMAN WALZ: And I do think you'll see a bit of a blended system. I think, and Jeff was right, we've always had fee-for-service.

One of the issues, again, and I want to keep bringing back this frame to it, is talking about this outside of healthcare in general. You can give -- and a bulk of our -- it's cultural or economic, however you want to see it, but a large percentage, a disproportionate percentage of our veterans do come from rural areas. Even though we make up about 20 to 25 percent of the country's population, nearly 50 percent of the veterans come from that area. So if you give that card to someone in Mountain

Lake, Minnesota, you still have a shortage in the private sector of primary care physicians in the rural areas anyway. So you're back to trying to make it work.

But I do think that there is a reality. We should be using that. We should not be duplicating services. We should not ever forget, though, that we do have a special responsibility. Those who would say just give them a card and let them go on their own, well, what do congressmen do then when the local hospital doesn't get them in on time? Do we go to them and hold them up? Do we hold hearings on why Mayo didn't get them in quick enough to get a knee replacement? What kind of authority do we have over that?

But I do think -- and Jeff has done a good job of this and in the committee, of not making this this false choice of privatization versus not privatization, a proxy fight for something that it's not. It's a realization that healthcare and the country's population and changing demographics and things are changing to the point where we're going to have to be open to this idea that you're not going to be able to drive down the street maybe to a big VA hospital in that. That's not the way it works. We can't build them again. We should be -- and if there's open beds in Louisville at a private hospital and not the VA, we should be figuring out how to make that work and most cost-effective.

MR. O'HANLON: Or a DOD facility.

CONGRESSMAN WALZ: Or a DOD facility or Indian Health Care facility or those things. That's absolutely right. And I think we figured that out. It has to be the best care for the veteran. It should be the smartest care for veterans and it should be the most cost-effective.

But I would say one of the things that we can figure out because, again, this issue of a medical home or continuity of care will be greatly enhanced if this nation, and I think DOD and VA should be the place where it starts because they're the biggest and they can get innovation, is it's absolutely unacceptable that we do not have electronic medical records that are lifetime that can transfer that can be used. And I've learned from Mayo Clinic an electronic medical record is not just a database. It is a diagnostic tool. And if it's done correctly, it can predict and algorithms that are in it will put things to the forefront that will be caught. If that system were working correctly, it would make absolute sense that the VA doctor, as well as the local physician, could see that continuity of care and make a bigger impact.

So I am convinced you will see a blended system. I will absolutely -- and I think you're

hearing it from Jeff, those core issues, that core research, all of the things that need to be there will remain, but we need to be smart about how we deliver it, and that's what we need to think about healthcare in general. These veterans come back home. Yes, they're veterans, we have a responsibility, but they're also citizens seeking healthcare in the local community. A shortage of primary care physicians in the local community will impact the veteran just like it will the non-veteran.

MR. O'HANLON: So with apologies, I do have one final question because it comes out of this discussion. Last week there were some high-level, presidential-level political debate about this. You were involved a little bit. And I'm trying to understand exactly if there's a fair amount of consensus, not just between you two, but even with the Veterans Affairs system, about what the goal, what the plan, the options the veteran should have, where's the current disagreement that we need to focus in on to resolve? Because, you know, disagreement gets a bad name, right? Sometimes it's a good thing because it focuses the issues and the choices that we have to confront.

So what's the system -- and by "the system" I mean all of us in Washington -- what's the system not achieving right now that it could do better in the remaining weeks of this Congress' session or next year to get us to the next step, even if we're not going to get to the final goal anytime soon, to at least get us to the next step?

CONGRESSMAN MILLER: Well, you know, if I were to pick on thing accountability is the thing that's going to change the system the quickest. And we passed an accountability bill through the House. We're trying to get -- in fact, I talked to Richard Blumenthal, the ranking member, he objected when Senator Rubio tried to get unanimous consent to bring it to the floor. But the fact is the number one person in the Health Administration or the Benefits Administration the other night said it is too difficult to fire people at the Department of Veterans Affairs, and you have to be able to hold people accountable. That's not to say everybody out there needs to be fired. It's probably not a huge number as it relates to 330,000 people, but it still has to be done.

And accountability and transparency are the two biggest things. And so I would say the most important thing is to make it easier to discipline individuals who can't or won't do their jobs. Most people at the VA, as Tim has already said, are doing their job and doing it very, very well. But there are people out there that know that they are protected and you can't do anything to them and they're causing

the grief at the VA right now.

CONGRESSMAN WALZ: Well, I agree on one piece of this, the accountability piece. And Jeff and I disagree on this. I heard this, I'm a public school teacher and I always heard that you can't fire public school teachers. Well, one of the reasons is that principals don't get out of their office and do what's necessary to try and show whether they're either performing or not performing.

The issue on this coming up is I don't think it makes much sense to strip the ability of workers to have collective bargaining rights to be able to go to their folks and talk about it. I think you peel these people off. It's, in many cases, the only strength they have is to go and collectively argue that something's wrong, it's happening at their VA. And so we don't disagree and I think the chairman has been an absolute champion on accountability. I couldn't agree more.

And we passed one on these SES folks because a lot of them, the Special Executive Service, I understand it. These are highly qualified people. They could either take a position as the hospital director at the Mayo Clinic or they could take it at the VA hospital. We want them in the VA hospital, so there has to be some incentives, but not the abuse that was there and not the idea that they would just simply outlast administrations and be there beyond that.

And so I do agree the quickest thing you can do is start to have that accountability piece in it. I think it's done by having high expectations of what we're going to say and what we're going to do. I think there are ways and they have it if they would just move on it and do their job to get rid of them, breaking that piece of the culture. But I would say right now I think a big mistake is going to be made that is going to have long-lasting implications, that is going to hurt our ability to be able to do this is DOD, regardless -- and they said they're going to do it -- they're on their path to purchasing a new electronic medical record and they don't care what VA says. So you, the taxpayers, everyone, we're going to buy a system for them that, by all accounts, will not be able to communicate with the VA or possibly the private sector. I think that is irresponsible and could go.

So I think there's agreement on this. Hold those that are doing what's wrong quickest as possible, but then give us the tools to have this big systemic change. And the big systemic change in the world today is being able to manage data, being able to manage that data towards an outcome that is better healthcare.

CONGRESSMAN MILLER: Michael, real quick, to piggyback off of what Tim said, you know, we spent a billion dollars, we did and VA and DOD spent a billion dollars, that was supposed to be an integrated system. DOD finally just said forget it, we're not going to do it. And so now they're using this word "interoperable." Well, interoperable is a workaround. Again, in the 21st century it does not make any sense at all, even though they both are doing different things with that system, the system can be made to work like this, not like this, which is exactly, I'm afraid, what they're doing.

CONGRESSMAN WALZ: Because they make the argument, DOD makes the argument, that our medical record has to work in a submarine under limited bandwidth or whatever, and it has to -- you know, to the private sector it is complex. One of our colleagues in a joint hearing, not on the VA committee, made the thing, well, if Uber can come up with an app, you should be able to do this. This is more complex than an Uber app. (Laughter) It is more complex than an Uber app. But the sentiment is probably fairly decent that I do believe we can overcome this.

I would make the argument that VA and DOD, when it comes to healthcare and fixing this problem, would be best to put their effort there while simultaneously making sure that the culture of things as usual is broken down. Those two things, I think, would have a radical impact.

MR. O'HANLON: On the issue of accountability, do you need new legislation or do they have the authorities already if they would use them?

CONGRESSMAN WALZ: Well, we differ on this. I think they have the ability to do it and simply aren't enforcing it; Jeff doesn't. I don't question his commitment to this. His role in supporting the piece of legislation, I would say, is to simply make sure veterans get their best care possible. I respect that. I just think it won't have that same effect and I've seen this being in a profession where I oftentimes heard that, that you couldn't get rid of a bad teacher. Many times you could have, you just didn't do the work necessary to do it.

Because I can tell you, and I know this happens in the VA, nothing bothers a bad teacher or a bad doctor or a bad anything more than the person down the hall not doing their job, the person who's doing it well. And so they want to get rid of this, and we differ there. I think Jeff thinks they need more protections.

CONGRESSMAN MILLER: And what I've told the Secretary is that they may need to --

there's a lot of risk analysis that's done in what they do. Is it less expensive to just reach a settlement with this individual than it would be to take them all the way through, let them appeal to the Merit Service Protection Board, and then they end up back at the VA and we're paying for their attorney fees? I get that. But I think we're going to have to take one of the most egregious cases, whatever that is, let VA choose, and go all the way to the top. And even if it gets reversed, I think the American people will then be able to understand how difficult it appears to be able to do this.

You know, if you go back to the Phoenix waitlist issue with Sharon Helman, you know, she ended up being fired not for the manipulation of the wait times. In fact, VA almost lost that. What they ended up doing was finding out she had been taking gifts on the side and that's what she ended up getting fired for. So, you know, realistically, you can say right now only three people have been fired as it relates to wait times, none of them the senior folks, and then now there are a couple other folks that are in the process. And I think there was one last week, maybe the chief medical officer out at Tomah, I think they now have taken action there for overprescribing opioids.

I mean, again, when there's a problem, it takes way too long. We still have people that are on paid administrative leaves a year and a half after. A year and a half after they're still on administrative leave, getting paid from Phoenix.

MR. O'HANLON: Well, thank you. And now we'll go to you. Please wait for a microphone and identify yourself and pose, if you could, just one question so we can get to a few. We'll start right there in the back. Yes.

MR. ALLEN: Hi, Arthur Allen from Politico. You were talking about electronic health records. The Department of Defense has already signed an agreement to get started on their commercial EHR and then there recently was a report by the MITRE Corp. suggesting that VA look into getting a commercial system, as well. But VA says they have their own kind of program for developing theirs called Evolve. This has been going on for so long, this whole process. What do you think needs to be done to just make a decision since it seems key that DOD and VA be on the same track working together and coordinated? I mean, is that actually happening now or do you feel like somebody needs to step in, the White House or someone, to clarify what's going on?

CONGRESSMAN WALZ: That's my answer. (Laughter) You're right on. I do believe

that because I seen this, Jeff is right. I've been down this road. I understand technology is expensive. I understand like everyone else I'm frustrated when I bought a computer and three years later I felt like $1,500 I got to upgrade. Upgrades are part of it, you have to continue to do that, but that is not what's at heart here. This is a culture of siloing up.

This is a culture that started with the VistA system, and the Mayo Clinic told me they were pioneers in this. They said the VistA system, you know, at one point was one of the best records and it may still be very, very good for what the VA does, but it is inexcusable that we're not working together. It's inexcusable that we're not using the clout of these two huge medical systems to force this change into the private sector because most people understood and most people who were involved with healthcare reform understood this electronic medical record was with the heart of real reform, which probably has as much to do about anything we could do to improve America's healthcare system.

And I would say this, that I would welcome White House intervention to drop the hammer on this one and force them to do this.

CONGRESSMAN MILLER: And it really needs to be done. You know, the Secretary will talk about a lot of the code that's being written, I mean, COBOL, the language that VistA and others are based on being older languages. I mean, Congress mandated, then appropriated the money for DOD and VA to do it, and DOD just said forget it. And it seems like VA wants to write their own, which is not necessarily the best way to go because there may be something that's off the shelf that somebody can go and purchase. And I think that, again, the only leader that has jurisdiction over both of them is the President and the White House and their involvement, I think, would be very important because this is a critical piece that will take it decades down the road for the young person that's enlisting today to be able to have that truly electronic health record that follows them from induction to death basically.

It's amazing to me as somebody who did not wear the uniform, when I first got elected in 2001, I thought that a veteran was a veteran. Then I find out, no, there's a veteran and then there's retirees, and there's two different classes there. And you find out that when DOD is done with you, you get your DD-214 and you are not involved with DOD anymore. You are now VA's problem.

Look, these are Americans and the federal government is supposed to be taking care of them from the beginning to the end, and VA does a good job on the end side, but that middle is still very

mushy.

MR. O'HANLON: Thank you. We'll keep working our way up, so the woman in the purple shirt right there, please.

SPEAKER: Hi. I'm Marie with the Elizabeth Dole Foundation, and I had a question, I guess, for both the congressmen. I was wondering how can Congress kind of work together to help support the VA and expand various programs within the VA, such as the Caregiver Program, and opening that up to all aspects in all areas of veterans? Because, you know, with the Caregivers we'll help bring the veterans to the VA, they'll help reduce the homeless, and they do a lot of the kind of behind the scenes work in order to get the veteran to be able to take full advantage of the programs offered.

CONGRESSMAN MILLER: Well, I think we will both readily agree that the Caregiver Program is one of the best things that's going out there. I mean, obviously, especially if it's a family member that's taking care of that veteran, being able to make sure that they do the things that they need to do, go where they need to go. And, unfortunately, when the Caregiver Program was rolled out they tried to go, I guess, as far out as they could, but not very deep. And you talk about going back to Vietnam and Korea and World War II. So it's a focus of the committee, but it's just one of the things, I guess, that's in the mix right now.

CONGRESSMAN WALZ: Yeah, I would agree to that. I know that former Senator Dole, Elizabeth Dole, is working heavily on this, you know, coming and helping this on this. The one thing I would say is the healthy part of this debate is what, I think, especially considering all the problems that are real with the VA, that the VA committee could have turned into a partisan sniping back and forth instead of driving on to fix some of these things. And there has been good legislation passed even in the midst of this and the Caregiver one is right -- I don't think any of us are happy with where that's gone.

I don't think the public -- they care deeply, but if they don't see it every day, just the amount of time, I mean, you have spouses and parents who have given up careers. And we're not paying anything for this as the rest of the citizens of this country for that wounded warrior. It's being burdened by that -- or that entire burden is by that family. And I think many of us have tried to push forward on that.

This is a case, again, where I do not believe the VA will solve this alone. It's not a choice

of government versus nongovernment. It's going to be collectively together to figure that out. And I think there's more we can do with these and I think having Senator Dole involved is starting to elevate that discussion.

CONGRESSMAN MILLER: And I agree. I mean, I couldn't have said it better. I mean, she has brought to the discussion credibility and certainly she has been able to do some things outside of the system that are working and bringing it to us and really being a resource to try to resolve some of the issues that remain out there for the caregivers.

MR. O'HANLON: So let's keep moving up here, I guess in the sixth row on your left. Right there.

MR. PORTER: Hi, Tom Porter with IAVA. First of all, thank you, Chairman Miller, for your VA accountability bill. We were a strong supporter of that. We do need you to work with the other side, though, to find something that can get passed into law, though, so we appreciate you working together.

The big question is, as you know, the Clay Hunt Act, which you all passed -- thank you very much -- earlier this year, it's a top priority, suicide and mental health, for our 400,000+ members. That was beginning of the year. We strongly would like to see how VA is coming along in implementing that and would really like to see an oversight hearing on implementation and would want to know what your plans are for that.

CONGRESSMAN MILLER: Based on that request, we'll schedule one. That's easy enough. Obviously, I don't think we'll be able to do it before the end of the year as much as I think we would all like to. Especially on the Senate side, there are some issues out there that they're trying to put an omnibus VA bill together, which is the way they operate different than what we do. We pass individual bills.

But yes, I think a one-year check is critical and you have my pledge that we'll have a hearing early next year.

MR. PORTER: Thank you.

CONGRESSMAN WALZ: The chairman's a champion of this. I would just say on this issue of suicides and the issue of working on bills, I'm glad you brought this up, it's not because people

don't care, but they move on to the next issue. When you get into this issue, you're in a deep dive and you're in. And I always remind people on the day we passed that, in my local newspaper, on the top page of the paper it was "Clay Hunt Bill Passes Congress." The bottom half of the front page was about a young veteran who walked into Minnesota State University library and shot himself on the very same day. So the idea that we passed a bill and the situation's going to get better, we better be very, very careful. So your request is very much appreciated and the chairman has always responded to it, so we look forward to that hearing.

MR. PORTER: Thank you.

MR. O'HANLON: Yes, sir, here on the other side.

MR. KITTROSS: Yes, thank you. My name's Dave Kittross. I'm with LRP Publications. This is for Representative Miller. If the provisions of H.R. 1994 becomes law and are implemented at the VA, do you look at that as perhaps sort of almost a pilot in which the same type of provisions could be spread to other federal agencies as a way to improve performance and address some of these problems that obviously exist in the VA in a special situation, but also perhaps exist in other government agencies?

CONGRESSMAN MILLER: I do. Sit down, don't jump. (Laughter) Because this is not just at the Department of Veterans Affairs. Throughout the federal government there are issues out there and you always need to keep things moving around and don't become static. Part of what has happened at the VA -- and this is not an Obama issue, it's not a Bush issue, I mean, it goes years and years -- it's just the way they've always done it. And so when you're trained, you're trained in the wrong way to do something.

And from an accountability standpoint, things have gotten tougher and tougher and tougher as it relates to, in my opinion, holding people accountable. And that's why I contend that it still is difficult to do it. And, again, you know, when Danny Pummill came before us the other night for a hearing, on Monday night, he said it's virtually impossible. That's not me saying it. That's somebody at the VA, and not just somebody down here, but somebody up at the very top. So, yes, I would like to see if you -- if VA is the test case, VA is the test case. I would like to see it expanded.

And when I talked to, and I'll make the same offer to my friend Tim, with Dick Blumenthal this morning it's let's find a way to find that middle ground on this bill to get it passed because that's

what's important. You know, I don't think that there's a change in evidentiary requirements. I don't think there's a -- you know, we're not taking away somebody's ability to appeal.

Again, where I come from, when you're fired, you're fired. You walk out the door that day, you know. So what you hear from VA is, well, we've given notice that somebody's going to be fired, Tomah in particular. The individual's still on the payroll till November the 9th. To me that's not firing somebody.

So, you know, we've got different ways that we look at it, but I think we will find a solution that we can all agree to and pass. I'm pretty stubborn, but I'm not stubborn enough to hold up a good accountability piece, even if it's not 100 percent of what I wanted.

CONGRESSMAN WALZ: And I agree with the chairman. Everybody I think when you hear this, and these are healthy debates that are going on, it starts with the premise that I do not question one inch that the purpose of what the chairman's trying to do is to hold people accountable to provide better quality care for our veterans. That's a given. I think the difference then if what the second and third degree effects are doing this would happen in there. And I think it's fair to try and find this middle ground.

I certainly don't think this is just an attempt at right to work of the federal government and it will be characterized that way, making the federal government entirely right to work, so it becomes that union issue. It's not an 800-pound gorilla in the room. It's a realistic conversation on how we do this with absolutely understanding that there are problems of accountability, there are people that need to be fired.

I would make the case that Mr. Pummill could have done his job better and not give bonuses to an underperforming employee and move them somewhere else, and then under the guise that he couldn't do anything about it. I certainly think he could have and that's maybe where we differ. And I agree that we have to find a place where that happens, and I think that's why the VA community's the place for this to happen because you've got Chairman Miller leading this in the exact right tone on legitimate differences on how we should govern things, but with no daylight between the outcome or the goal is.

MR. O'HANLON: Here in the third row.

DR. KUPERSMITH: Joel Kupersmith. I ran the VA Medical Research Program for eight

years, which I would put on the good side, and I now am directing a newly forming Georgetown University Center for Veterans Studies. And I would like to ask about VA has always depended heavily on the private community. It's unlike the public perception of it, particularly the academic medical centers. I think Choice has been very good. It has enabled empowerment of veterans over their own healthcare. And if it gets to a point where the best resources of the communities and the VA are used, I think that will be a great goal.

However, there are about 7- or 8 million veterans who are eligible for veterans care in the VA who do not now use it. And of those who use it, I think it's 34 percent -- they use it for 34 percent of their healthcare. And to increase it by 1 percent I understand is going to cost $1.4 million for each percent. So as you expand Choice, it could get to be very expensive. I wonder how you would respond to that.

CONGRESSMAN MILLER: Well, yes, it will be expensive, but, you know, the thing is VA -- I can tell you how much it costs to see a doctor in a particular community. VA, up until just recently, cannot tell you how much it costs. Now, they will say what the doc's salary is and the nurse and all of those things, but you've got to factor in the hard cost, too, as you understand. There was a study that came out and I have yet to have an opportunity to read it, but the number was like $250 an hour or per visit versus in the private sector 40 or 50 or whatever Medicare rates are.

There should be a correlation as you expand the Choice that, you know, there is a savings within the VA system. But you are absolutely right, the VA has used the private sector for many years. If it wasn't for Omar Bradley, who actually made I think the integration between the medical schools and the VA, the VA wouldn't be near what it is today and they still have a huge collaborative effort in that process.

But, you know, what we have promised the veteran is that we will provide them quality healthcare. And whether that's in the VA or outside the VA, it should be the veteran's choice as to where they go and get that healthcare. Now, that's why there have to be these third-party administrators right now, at least through the Choice Program, so that you don't have somebody going out, going to the doctor that advertises in every magazine and on TV and charges three times -- you know, you have to get them in at a certain rate, obviously, that VA can budget for.

CONGRESSMAN WALZ: That's a great point. I would just quickly on this that you hit on this again going back to where I'm at. You can't talk about this outside of healthcare in general, how we're going to deliver it, how we're going to care. Because I hear this, that the veterans have a (inaudible), and I agree, it's going to be a blended system, but how you frame this thing is becoming more important. That's why I'm glad that it's in the presidential debate and they're having it out there, but you'll hear how it's framed.

So the VA's going to run it, the VA's going to pay for it, the veteran goes wherever they want. Oh, that's kind of like single payer healthcare for the veterans or whatever. Well, you can't call it that for some people because they will rebel against it. But the fact of the matter is that I think what Jeff's explaining, what most veterans expect, and I think where the public is at is that, but you can't do it in a void where the cost is there. And Jeff was pointing that out at the end. You can get healthcare in some places that the outcomes are far better, the costs are far lower.

And maybe it's parochial on my point, I point out oftentimes the Mayo Clinic is able to deliver it. But they still have costs that are higher because they're dealing with specialty care, specialty cases. Remember that some of these veterans are going to have some of the most expensive injuries, so your pool from an insurance perspective is going to be very high. You're going to take on all of the Agent Orange claims, all the depleted uranium claims, all the Gulf War illness claims. Those are going to be a part of that and that's going to factor in costs. And we as a nation have to figure out how to do exactly what he said, deliver that healthcare, the best quality in the most timely, efficient manner, but at a rate and a cost that is doable, and that's our challenge.

CONGRESSMAN MILLER: The other interesting thing, you know, when the Choice Act passed you heard great accolades from most people. Then, all of a sudden, you heard people in the rural communities or in rural states, like Kansas and Alaska, oh, my goodness, they were using the ARCH, which was the pilot program; Maine had it, too. The reimbursement rates were higher under ARCH than they are under the Choice Act. And so they're like we want to be let out of Choice and remain in ARCH. And so we'll find it. I mean, it's there. Again, we've been at this now for less than a year, but I think that VA truly is changing the way they think about the delivery of healthcare for the veterans today and I think that the veterans will be better served.

CONGRESSMAN WALZ: I think that's true and that's a fundamental thing to keep in mind, that this is at a point I don't think we've been at. And I think we will all -- veterans, Americans, those on the committee responsible -- if we miss the opportunity for long-term reform, my biggest fear is that we put out some of these short-term fires and the public looks away and thinks everything's find. That rabbit's coming through the anaconda. It will come back again, you can be certain of that, and now is the time to deal with it.

MR. O'HANLON: So we've got just a couple more minutes. I'm going to take two questions together and then, in a perfect world, one would be for each congressman, but, if not, we'll let them sort out how they're going to respond and conclude at the same time. So the woman here and the gentleman there.

MS. LUNNEY: Hi, Kellie Lunney from Government Executive. We talked about accountability and, you know, the difficulties in firing federal workers, but what about hiring and training? Are there areas where the department's falling short? Do you have ideas for how they can improve that part of the personnel system?

CONGRESSMAN MILLER: Let me take that one.

CONGRESSMAN WALZ: And I'm going to agree with him on this, I think. (Laughter)

CONGRESSMAN MILLER: It is way too hard in the system to hire somebody, especially physicians in this process. I met yesterday with some folks that do staffing of hospitals and things, and I asked them do you do things with the VA? And they said, oh, yeah, but the problem is we get a doctor that's ready to go and it takes so long to go through the credentialing process and everything that the VA has to do, the doctor's going to go to work somewhere else. And so we lose a lot of that process.

So, yes, getting people into the system is very, very difficult. They've got the dollars there. We gave them $5 billion in the Choice Act that plussed up the dollars that they needed to hire, but, oh, absolutely, I mean, both ends of the spectrum need to be revamped.

CONGRESSMAN WALZ: He's exactly right and thank you for the question in this because I think we, again, have the capacity to multitask. While holding people accountable and firing people, we need to simultaneously be figuring out how to hire and retain the best possible.

MR. O'HANLON: Last question here and then we'll ask you two gentlemen to conclude

as you wish. Please.

MR. GOLIC: Thank you for being here. Dave Golic, Gallup. In a former life I was a rifleman in the Marine Corps, so I appreciate you all's perspective.

Congressmen, you mentioned I think 3 or 4 firings out of 330,000 employees. I'm not a mathematician, but I think that's a 1000th of 1 percent. And looking at your HASC hats, as members on HASC, I'd say, well, the Navy fires ship captains seemingly every three weeks. As a junior enlisted rifleman I could be denied reenlistment. When we switch over to your HVAC hats I'd say, well, the reason these people aren't being fired probably has to do a little bit with the administration.

But fundamentally, the reason we have to pass legislation to get SES'ers out is because the Civil Service Reform Act of 1978, in response to Watergate and the excesses of the Vietnam era, justifiably then doesn't allow it. Are either of you gentlemen looking at reforming or amending the Civil Service Reform Act of 1978 to enable the firing of people that are incompetent, that kill veterans, that overprescribe them opioids, and so forth? Thank you so much.

MR. O'HANLON: Please wrap your conclusions into this, as well.

CONGRESSMAN WALZ: Yes. And I want to be very clear that I absolutely agree with that. And the VA is going to give you different numbers. Some of these people retire. They do have protections under the law, but I agree. Like I said, nothing bothers me more than to see an incompetent person there. And I agreed with the SES reforms needed to be there, that these people had protections that went well above and beyond what needed to be done.

I'm certainly open to it. I think the chairman has made that overture very clear today that he's willing to find the compromise that works, that we have the tools necessary to remove folks that aren't performing and needs to happen. So I'm certainly open to looking and I think it's disingenuous as a legislator not. And I think maybe in that you hear the spirit of this.

I think considering the way Washington has been acting, considering some of the issues that come up, I feel very fortunate and I think it's a testament probably to what the American people want, a testament to the leadership we get in the committee that we are still working together to find this with an absolute common goal, with the respect to get there, using and wrapping in -- I see many of them in this room -- the veterans service organizations, private providers, all of the folks that are a part of this, the

American public, trying to find answers. I think it would be disingenuous not to look at everything.

I want to turn us away from the simplistic privatization versus not privatization, union versus not union. There's a difference in there. Whatever it takes to deliver the highest quality healthcare on our promises and the veterans benefits in the most cost-effective manner is the one we should choose. I don't have an ideological dog that I'm tied to in this fight. What I care about is that outcome. And I think this committee is still going there. I would tell the American public that if we don't do this now, it may be very difficult. This is a moment in history with the public focusing, things that are there, that we can do this. We should find that answer. And you heard it here, I'm certainly willing to compromise where it needs to be to make it happen.

CONGRESSMAN MILLER: And let me make it clear, the number the Secretary will say, I think he's fired 2,200 since he became the Secretary. About half of those were probationary folks, so they just didn't work out. So I don't really count those as firing, although technically they qualify as that.

Absolutely, I mean, times they are a-changing, and the American public wants accountability. They want accountability from us as members of Congress, and you hear it out on the political stump right now. People are angry because they don't think their federal government is serving them well. They think the government is taking advantage of them, and that's the problem. They want people who want to do the right thing, they want to work, they want to take care of veterans, but people that won't or can't do their job, go do something somewhere else because there are a lot of people ready to come inside the VA if we can get them hired. They want to come in and go to work, so, you know, yes.

MR. GOLIC: Thank you.

MR. O'HANLON: Well, great discussion. Thank you for all of your excellent questions. Thanks for being here. And please join me in thanking these two gentlemen. (Applause)

CONGRESSMAN MILLER: Thank you all.

CONGRESSMAN WALZ: Thank you.

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