111TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { 111–223

VETERANS' INSURANCE AND HEALTH CARE IMPROVEMENTS ACT OF 2009

JULY 23, 2009.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. FILNER, from the Committee on Veterans' Affairs, submitted the following

R E P O R T

[To accompany H.R. 3219]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 3219) to amend title 38, United States Code, to make certain improvements in the laws administered by the Secretary of Veterans Affairs relating to insurance and health care, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

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79–006

PURPOSE AND SUMMARY

H.R. 3219 was introduced by Representative Bob Filner of California, Chairman of the Committee on Veterans' Affairs, on July 15, 2009. H.R. 3219 would improve U.S. Department of Veterans Affairs (VA) insurance programs. This legislation would make permanent the two-year extension of the free Servicemembers' Group Life Insurance (SGLI) coverage period for totally disabled veterans following separation from active or reserve duty. In addition, H.R. 3219 would enable veterans insured under the Veterans' Group Life Insurance program to increase the amount of their coverage under this program. This legislation also would eliminate the reduction in the amount of accelerated death benefits for terminally-ill persons insured under the SGLI and Veterans' Group Life Insurance programs (VGLI).

H.R. 3219 would provide for key expansions and improvements in the provision of health care. This includes eliminating copayments for veterans who are catastrophically disabled, providing health care for certain Medal of Honor recipients who are not eligible for enrollment under the current VA priority group schedule, and providing enhanced treatment authority for certain Vietnam-era herbicide exposed veterans and veterans of the Persian Gulf War. It would also establish a Director of Physician Assistants within the office of the Under Secretary of Veterans Affairs for Health and would require the VA to create a new Committee on Care of Veterans with Traumatic Brain Injury.

H.R. 3219 would authorize, subject to the availability of appropriations, a $1,000 monthly payment to all civilian fighter groups of World War II who were given veteran status under the G.I. Bill Improvement Act of 1977, Public Law 95–202 (91 Stat. 1433).

H.R. 3219 is comprised of a number of bills introduced in the first session of the 111th Congress. These bills include H.R. 1197, the Medal of Honor Health Care Equity Act of 2009, introduced by Representative Harry E. Mitchell of Arizona; H.R. 1302, to establish the position of Director of Physician Assistant Services in the office of the Under Secretary for Health of the VA, introduced by representative Phil Hare of Illinois; H.R. 1335, to prohibit the VA from collecting certain copayments from catastrophically disabled veterans, introduced by Representative Deborah L. Halvorson of Illinois; H.R. 1546, the Caring for Veterans with Traumatic Brain Injury Act of 2009, introduced by Representative Jerry McNerney of California; H.R. 2270, the Benefits for Qualified World War II Veterans Act of 2009, introduced by Representative Steve Buyer of Indiana; H.R. 2379, the Veterans' Group Life Insurance Improvement Act of 2009, introduced by Representative Steve Buyer of Indiana; H.R. 2774, the Families of Veterans Financial Security Act, introduced by Representative Deborah L. Halvorson of Illinois; H.R. 2926, to provide without expiration health care services to certain Vietnam-era veterans exposed to herbicide and to veterans of the Persian Gulf War, introduced by Representative Glenn C. Nye of Virginia; and, H.R. 2968, to eliminate the required reduction in the amount of the accidental death benefit payable to certain terminally-ill veterans insured under the Servicemembers' Group life Insurance or Veterans' Group life Insurance programs, introduced by Representative Ann Kirkpatrick of Arizona.

BACKGROUND AND NEED FOR LEGISLATION

TITLE I—MATTERS RELATING TO INSURANCE

Section 101 of H.R. 3219 would provide a permanent extension of duration of SGLI coverage for totally disabled veterans.

The SGLI program provides up to $400,000 of life insurance coverage for individuals currently serving in the uniformed services and for certain specified periods after separation or release from periods of reserve duty. The program is supervised by the VA but is administered by the Office of Servicemembers' Group Life Insurance under terms specified in a group insurance contract. Individuals eligible for full-time coverage are commissioned, warrant and enlisted members of the Army, Navy, Air Force, Marine Corps and Coast Guard; commissioned members of the National Oceanic and Atmospheric Administration and the Public Health Service; cadets or midshipmen of the four United States Service Academies; and Ready Reservists, including members of the National Guard, scheduled to perform at least 12 periods of inactive duty.

Public Law 109–233 (120 Stat. 397) extended the duration of the free SGLI coverage period from one to two years for servicemembers who are totally disabled on the date of their separation from active duty or reserve status. This extension in coverage was effective on the date of enactment for members released prior to October 1, 2011. The law reduces the duration of coverage for members released on or after October 1, 2011, from two years to 18 months. The reduction to 18 months of disability extension in 2011 will place totally disabled veterans at a disadvantage and substantively interfere with their ability to retain affordable life insurance coverage during the period immediately after their separation from service.

Maintaining the extension period at its current two-year period for veterans would guarantee that those most in need, who have been seriously disabled as a result of their service, will be fully covered under the SGLI program during this extended transition period. It would also maximize the opportunity for totally disabled veterans, who have limited or no opportunity of obtaining commercial insurance, to obtain insurance coverage, thereby providing financial security for their families. It also would allow the VA Insurance Special Outreach Program for Disabled Veterans the additional time needed to contact veterans and provide them with the information they need to make informed decisions concerning their life insurance options. Additionally, it would allow automatic conversion at the end of the two-year total disability extension period, when the member's SGLI coverage is automatically converted to VGLI (subject only to the member's timely remittance of premiums), thereby providing improved financial security for their families. This permanent extension would apply to those servicemembers released or separated on or after June 15, 2005.

Section 102 of H.R. 3219 would provide for increased insurance coverage under the VGLI program.

The VGLI program is administered by the VA. The purpose of this program is to give veterans the option to convert their SGLI coverage that they carry when they are in service to a competitive life insurance product for them and their families in post-military life. The VGLI program provides group term life insurance cov-

erage in amounts ranging from $10,000 to $400,000; no more than $400,000 of combined SGLI and VGLI can be carried at one time. VGLI is available to all veterans separated from active duty or the Reserves, usually at the end of their 120-day free SGLI coverage.

Under current law, veterans have up to one year to convert the amount of SGLI coverage they carry to VGLI. Many separating servicemembers are young and often do not see the need to carry a large amount of life insurance coverage. However, as they get older and have a family, many of these servicemembers have expressed a desire to purchase additional coverage but are barred from doing so according to current law. Since evidence of health is not required, conversion is a valuable right to a disabled veteran who might otherwise be required to pay an extra premium to obtain commercial insurance or might be uninsurable at any price.

This provision of H.R. 3219 would provide that veterans insured under the VGLI program would be eligible to increase coverage by $25,000 no more than once in each five-year period, if the veteran is under 60 years of age and the total amount of coverage does not exceed $400,000 (the limit authorized for a veteran under SGLI). The costs of such increases in coverage would be offset by the premiums veterans pay to the program, so there is no direct cost to the Federal government.

Section 103 of H.R. 3219 would eliminate the reduction in amount of accelerated death benefit for terminally-ill persons insured under SGLI and VGLI.

The current SGLI/VGLI Accelerated Benefits Option (ABO) regulation requires VA to discount or reduce the payout available under both the SGLI and VGLI programs for terminally-ill servicemembers and veterans who exercise the option to use up to half of their policy in any way they see fit, such as paying medical bills or otherwise improving the quality of their remaining life. Currently, VA discounts this payment by an amount commensurate with the interest rate earned by the program on its investment in effect at the time that a servicemember or veteran applies for the benefits, thereby often significantly reducing the amount of the ABO payment. The Committee firmly believes that individuals who qualify for the ABO payment have financial needs that should not be further exacerbated by reduction of the insurance coverage or eligible payments that they are relying on to provide financial security for themselves and their families.

H.R. 3219 would amend section 1980 of title 38, United States Code by eliminating the requirement that the lump sum payment be "reduced by an amount necessary to assure that there is no increase in the actuarial value of the benefit paid." This change would eliminate any disparities between VA and the commercial insurance industry in this regard and provide a greater benefit to servicemembers, veterans and their families by not discounting these payments.

TITLE II—MATTERS RELATING TO HEALTH CARE

Section 201 of H.R. 3219 would assign Medal of Honor recipients to a priority group status equal to that of former Prisoners of War (POWs) or Purple Heart recipients for seeking health care through the VA.

Under the VA priority group schedule for enrollment, veterans who are former POWs and veterans awarded a Purple Heart medal are classified under Priority Group 3. Under current law, Medal of Honor recipients are subject to standard VA eligibility requirements, which include service-connected disabilities and income limits. They are not expressly covered in the priority group schedule. This legislation is anticipated to affect a small population of veterans since the Congressional Medal of Honor Society documents that there are 3,447 total recipients of the Medal of Honor, of which, only 96 are living.

Section 202 of H.R. 3219 would provide for enhanced treatment authority for certain Vietnam-era veterans exposed to herbicide and veterans of the Persian Gulf War.

Agent Orange was one of the defoliants used by the United States military in the Vietnam War. In the 1970's, some veterans became concerned about the delayed adverse health effects potentially resulting from their exposure to Agent Orange. Agent Orange contained dioxin and recent studies suggest a link between dioxin and cancer and other disorders. The VA has a list of diseases, which it presumes resulted from exposure to herbicides such as Agent Orange. However, the full impact of herbicides remains unknown and Vietnam-era veterans continue to face challenges in linking their conditions to herbicide exposure.

Similarly, veterans returning from the Gulf War faced health problems. Symptoms included persistent memory and concentration problems, chronic headaches, widespread pain, gastrointestinal problems, and other chronic abnormalities not explained by well-established diagnoses. Veterans were unable to link these conditions to their service in the Gulf War and thus, unable to establish a service connected disability rating.

On November 17, 2008, the Research Advisory Committee on Gulf War Veterans' Illnesses released a report entitled "Gulf War Illness and the Health of Gulf War Veterans: Scientific Findings and Recommendations." The report indicated that Gulf War Illness is real for some of the military personnel who served in the 1990–1991 Gulf War and were exposed to some potentially hazardous substances. With this report linking symptoms of Gulf War Illness to the war, veterans of the Gulf war era may now seek to establish service-connected disabilities.

In 1981, Public Law 97–72 (95 Stat. 1047) provided the VA with a special treatment authority to provide health care to Vietnam veterans who may have been exposed to herbicides, notwithstanding that there was insufficient medical evidence to conclude that their disabilities were associated with exposure to herbicides while serving in Vietnam. This authority was extended through 1996 with Public Law 104–262 (110 Stat. 3177). Similarly, Public Law 103–210 (102 Stat. 2760) provided special treatment authority to veterans who served in the Persian Gulf War in the Southwest Asia theater of operations who were exposed to toxic substances or environmental hazards. In 1997, Public Law 105–114 (111 Stat. 2277) removed the requirement that the veteran had to be exposed to toxic substances or environmental hazards and only required service in the Southwest Asia theatre of operations during the Persian Gulf War. In 1998, Public Law 105–368 (112 Stat. 3315) ex-

tended the authority through 2001 and Public Law 107–135 (115 Stat. 2446) provided for another extension through 2002.

Although this special treatment authority has lapsed, the VA has continued to treat these veterans within Priority Group 6. H.R. 3219 would provide permanent authorization for the special treatment authority of Vietnam-era herbicide exposed veterans and Gulf War era veterans who have insufficient medical evidence to establish a service-connected disability.

Section 203 of this legislation would help veterans who are catastrophically disabled from non-service-connected causes and who have income above the means tested levels by waiving certain copayments.

Under the current law, these veterans are placed in Priority Group 4 for enrollment purposes, but are required to pay all health care fees and copayments as though they are in a lower eligibility category. H.R. 3219 would prohibit the VA from collecting copayments for hospital, nursing home, outpatient, and other medical care from non-service-connected veterans who are catastrophically disabled. Catastrophically disabled veterans are defined as having a permanent, severely disabling injury, disorder, or disease that compromises their ability to carry out the activities of daily living to such a degree that the individual requires personal or mechanical assistance to leave home or bed or requires constant supervision to avoid physical harm to self or others. As such, the nature and severity of the disabilities experienced by these veterans often precludes them from employment and a steady form of income. This legislation would alleviate the undue financial hardship that catastrophically disabled veterans may face.

Section 204 of H.R. 3219 would create a full-time position of the Director of Physician Assistant Services within the VA Central Office, who reports to the Veterans Health Administration's Under Secretary for Health.

Physician assistants (PAs) are health professionals who practice medicine as members of a team with supervising physicians. They deliver a broad range of medical and surgical services which include conducting physical exams, diagnosing and treating illnesses, ordering and interpreting tests, providing counsel on preventive health care, assisting in surgery, and prescribing medications. In addition, physicians may delegate to PAs, the medical duties that are within the physician's scope of practice, as allowed by the law. PAs are certified by the National Commission on Certification of Physician Assistants (NCCPA) and also are state-licensed. According to the estimates of the American Association of Physician Assistants (AAPA), about 68,124 people were in clinical practice as PAs at the beginning of 2008. Also in 2008, about 257 million patients visited PAs and about 332 million medications were prescribed or recommended by PAs.

Of the PAs who work for the government, the VA is the single largest employer. As of January 31, 2009, there were 1,842 PAs in medical centers and outpatient clinics of the VA health care system. Throughout the 1990s, VA joined other Federal entities in relying heavily on PAs to bolster medical staff. Recognizing the potential of PAs, the PA Advisor position was authorized by the Veterans Benefits and Health Care Improvement Act of 2000, Public Law 106–419 (114 Stat. 1822). While the advisor has furthered the

increased utilization of PAs, it is a part-time, field-based position. Therefore, there continues to be inconsistencies in the way that PAs are used across the VA system. A Director of Physician Assistant Services would help ensure efficient utilization and full integration of the VA's PA workforce in VA patient care programs and initiatives. The Director also would address issues of education and training, and employment, as well as ensure appropriate utilization and optimal participation of physician assistants in the VA health care system.

Section 205 would create a committee to better assist veterans with traumatic brain injury (TBI).

According to a 2008 RAND report, "Invisible Wounds of War: Summary and Recommendations for Addressing Psychological and Cognitive Injuries," about a third of the returning troops from Operation Enduring Freedom/Operation Iraqi Freedom (OEF/OIF) reported symptoms of mental health or cognitive condition. At the writing of the report, a total of 1.64 million servicemembers had been deployed to Iraq and Afghanistan since October 2001. Of this, about 300,000 returning veterans were suffering from post-traumatic stress disorder (PTSD) or major depression and about 320,000 may have experienced TBI during deployment.

Although the VA has increased their capacity to provide health services substantially for mental health and TBI, there are gaps in access. The RAND study found that returning servicemembers may face long wait times for medical appointments at VA facilities. As such, 57 percent of returning troops who sought medical attention had not been evaluated by a physician for a brain injury. Those with untreated TBI conditions are not only at higher risk for other psychological problems, but are more likely to attempt suicide. They also have higher rates of unhealthy behavior leading to physical health problems and mortality. RAND also sought to measure the total cost to society, including treatment costs, losses or gains in productivity, and costs associated with suicide. Despite much uncertainty surrounding the true cost of TBI, RAND estimated that the total annual cost ranges between $591 million and $910 million.

Because brain injury is considered a signature wound of OEF/OIF, this war will produce a generation of veterans with life changing invisible wounds of war. In addition, there is room for improvement in the diagnosis and treatment of veterans with TBI as evidenced by the RAND report. This is why H.R. 3219 would direct the VA to establish a Committee on Care of Veterans with Traumatic Brain Injury to assess and advise how the VA can better meet the treatment and rehabilitation needs of veterans with TBI.

Section 206 of H.R. 3219 would clarify the requirements of a pilot program which was authorized in Public Law 110–387 (114 Stat. 1822), the Veterans' Mental Health and Other Care Improvements Act of 2008.

This law authorized the VA to establish a pilot program for highly rural veterans facing hardship so that they may receive health care in non-VA facilities. Section 206 of H.R. 3219 would remove the "highly rural" and "hardship" requirements, and would define covered veterans by driving time rather than distance to the nearest VA health care facility. The Committee provided this clarification because of the VA's concerns that it would have to undergo a

lengthy process of developing and issuing regulations to define the hardship provision. In addition, the VA faced challenges in reconciling the conflicting definition of a highly rural veteran as defined by Public Law 110–387 versus the traditional definition based on Census data. Section 206 of H.R. 3219 would help to ensure timely implementation of the rural health pilot program.

TITLE III—MATTERS RELATING TO BENEFITS

Section 301 of H.R. 3219 would provide a $1,000 monthly payment to all civilian groups of World War II (WWII) who were given veteran status under the G.I Bill Improvement Act of 1977.

Those individuals who received benefits under the Servicemen's Readjustment Act of 1944, Public Law 78–346 (Stat.), the G.I. Bill of Rights of 1944, would not be eligible to receive benefits provided under this section. One group of veterans who would be included under H.R. 3219 is the American Volunteer Group known as the Flying Tigers. The Flying Tigers were a group of American pilots and ground crews who helped defend Rangoon and parts of China against Japan before and after the attack on Pearl Harbor. The Flying Tigers are credited with destroying an impressive 297 enemy aircraft and had one of the best kill ratios of any air group in the Pacific theater. There were approximately 80 pilots that flew for the Flying Tigers, of which 21 died in service and 19 became aces. Those members of the Flying Tigers who subsequently served in the U.S. Armed Forces during WWII who received benefits provided under the Servicemen's Readjustment Act of 1944 would not qualify for the benefit that this section would provide.

Another group that would benefit from this amendment is the Women Air Force Service Pilots (WASPS). These were female pilots who flew every type of mission that any Army Air Force male pilot flew during WWII, except combat missions. They freed up male pilots for combat by flying planes from factories to airfields and overall flew 60 million miles in every type of aircraft in the Army Air Force arsenal from the fastest fighters to the heaviest bombers. More than 25,000 women applied for WASP service, and less than 1,900 were accepted. After completing months of military flight training, 1,078 of them earned their wings and became the first women in history to fly American military aircraft. Thirty-eight of these brave pilots died while serving their country.

The Congressional Budget Office estimates that this provision of H.R. 3219 would cost $855 million in discretionary funding over a five-year period. Notably, this cost reflects the inclusion of the Merchant Mariners of WWII. The Committee notes that Merchant Mariners would be entitled to receive a $1,000 monthly payment under H.R. 23, the Belated Thank You to the Merchant Mariners of WWII Act of 2009, which passed the House of Representatives on May 12, 2009. H.R. 23 includes the Merchant Mariners who served between August 15, 1945, and December 31, 1946, a group not covered in section 301 of this measure. It is not the intention of the Committee to require two $1,000 monthly payments to the Merchant Mariners of WWII. This would create inequity between the Merchant Mariners and the other groups included in this provision.

HEARINGS

On May 21, 2009, the Subcommittee on Disability Assistance and Memorial Affairs held a legislative hearing on several bills introduced during the 111th Congress, including H.R. 2270. The following witnesses testified: The Honorable Nita M. Lowey of New York, accompanied by Elizabeth Yeznach, a World War II Cadet Nurse, as presented by Anne R. (Mandzak) Kakos of Yonkers, New York; The Honorable Carolyn C. Kilpatrick of Michigan; Major Ed Stiles, Sr., USAFR (Ret.), on behalf of the American Volunteer Group (Flying Tigers); Bradley G. Mayes, Director, Compensation and Pension Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs, accompanied by Richard Hipolit, General Counsel, Office of General Counsel, U.S. Department of Veterans Affairs. Those submitting statements for the record included the American Federation of Government Employees, AFL-CIO; The Honorable Steve Buyer of Indiana; and, John L. Wilson, Associate National Legislative Director, Disabled American Veterans.

On June 18, 2009, the Subcommittee on Health held a legislative hearing on several bills introduced during the 111th Congress, including H.R. 1197, H.R. 1302, H.R. 1335, H.R. 1546, and H.R. 2926. The following witnesses testified: The Honorable Harry Mitchell of Arizona; The Honorable Phil Hare of Illinois; The Honorable Deborah L. Halvorson of Illinois; The Honorable Jerry McNerney of California; The Honorable Thomas S.P. Perriello of Virginia; The Honorable Harry Teague of New Mexico; and, Fred Cowell, Senior Health Policy Analyst, Paralyzed Veterans of America. Those submitting statements for the record included: The Honorable Steve Buyer of Indiana; The Honorable Jerry Moran of Kansas; Joy J. Ilem, Deputy National Legislative Director, Disabled American Veterans; Joseph L. Wilson, Deputy Director, Veterans Affairs and Rehabilitation Commission, The American Legion; Chris Needham, Senior Legislative Associate, Veterans of Foreign Wars of the United States; Bernard Edelman, Deputy Director for Policy and Government Affairs, Vietnam Veterans of America; the American Academy of Physician Assistants; the National Association of Veterans' Research and Education Foundation; the Wounded Warrior Project; Barbara Cohoon, Ph.D., RN, Government Relations Deputy Director, National Military Family Association; and, Robert A. Petzel, M.D., Acting Principal Deputy Under Secretary for Health, Veterans Health Administration, U.S. Department of Veterans Affairs.

On June 24, 2009, the Subcommittee on Disability Assistance and Memorial Affairs held a legislative hearing on several bills introduced during the 111th Congress, including H.R. 2379, H.R. 2774, and H.R. 2968. The following witnesses testified: The Honorable Joe Donnelly of Indiana; The Honorable Deborah L. Halvorson of Illinois; The Honorable Ann Kirkpatrick of Arizona; Bonnie Carroll, Chairman and Executive Director, Tragedy Assistance Program for Survivors, Inc.; John Wilson, Associate National Legislative Director, Disabled American Veterans; Thomas M. Lastowka, Director, Veterans Affairs Regional Office and Insurance Center, U.S. Department of Veterans Affairs, accompanied by Richard J. Hipolit, Assistant General Counsel, Office of General Counsel, U.S.

Department of Veterans Affairs. Those submitting statements for the record included The Honorable Steve Buyer of Indiana and the Paralyzed Veterans of America.

SUBCOMMITTEE CONSIDERATION

On June 3, 2009, the Subcommittee on Disability Assistance and Memorial Affairs met in open markup session and ordered favorably forwarded to the full Committee H.R. 2270.

On July 9, 2009, the Subcommittee on Health met in open markup session and ordered favorably forwarded to the full Committee H.R. 1197, H.R. 1302, H.R. 1335, H.R. 1546, and H.R. 2926. During consideration of these bills the following amendments were offered:

An amendment to H.R. 1335 by Ms. Halvorson of Illinois to further eliminate copayments for medical services for veterans who are catastrophically disabled was agreed to by voice vote.

An amendment to H.R. 2926 by Mr. Michaud of Maine to provide enhanced treatment authority for veterans of Persian Gulf War I and clarifying the terms of a rural health pilot program authorized in Public Law 110–387 was agreed to by voice vote.

On July 9, 2009, the Subcommittee on Disability Assistance and Memorial Affairs met in open markup session and ordered favorably forwarded to the full Committee H.R. 2379, H.R. 2774, and H.R. 2968. During consideration of these bills the following amendments were offered:

An amendment in the nature of a substitute to H.R. 2968 by Ms. Kirkpatrick of Arizona was agreed to by voice vote.

COMMITTEE CONSIDERATION

On July 15, 2009, the full Committee met in an open markup session, a quorum being present, and ordered H.R. 3219 reported favorably to the House of Representatives, by voice vote.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report the legislation and amendments thereto. There were no record votes taken on amendments or in connection with ordering H.R. 3219 reported to the House. A motion by Mr. Buyer of Indiana to order H.R. 3219 reported favorably to the House of Representatives was agreed to by voice vote.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 3219 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI of the Rules of the House of Representatives.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate on H.R. 3219 prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate for H.R. 3219 provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 23, 2009.

Hon. BOB FILNER,
Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, DC.

Dear MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3219, the Veterans' Insurance and Health Care Improvement Act of 2009.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Dwayne M. Wright.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 3219—Veterans' Insurance and Health Care Improvement Act of 2009

Summary: H.R. 3219 would affect several veterans' programs dealing with medical care and insurance. H.R. 3219 also would establish a new fund to provide benefits to certain veterans of World War II. CBO estimates that implementing H.R. 3219 would cost $229 million in 2010 and $895 million over the 2010–2014 period, assuming appropriation of the specified and estimated amounts. Enacting the bill would have no impact on direct spending or revenues.

H.R. 3219 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA)

and would not affect the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 3219 is shown in the following table. The costs of this legislation fall within budget function 700 (veterans benefits and services). For the purpose of this estimate, CBO assumes that H.R. 3219 will be enacted near the start of fiscal year 2010 and that the necessary funds for implementing the bill will be provided each year.

	By fiscal year in millions of dollars—					
	2010	2011	2012	2013	2014	2010–2014
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Benefits to Qualified World War II Veterans:						
Authorization level	222	193	170	146	124	855
Estimated Outlays	222	193	170	146	124	855
Copayments from Certain Disabled Veterans:						
Estimated Authorization level	8	8	8	8	8	40
Estimated Outlays	7	8	8	8	8	39
Other Health Care Provisions:						
Estimated Authorization level	*	*	*	*	*	1
Estimated Outlays	*	*	*	*	*	1
Total Changes:						
Estimated Authorization Level	230	201	178	154	132	896
Estimated Outlays	229	201	178	154	132	895

Notes: * = less than $500,000.
Numbers many not sum to totals because of rounding.

Basis of estimate: H.R. 3219 would affect several programs administered by the Department of Veterans Affairs (VA), including those providing medical care and insurance and would establish a new fund to pay benefits to qualified World War II veterans. CBO estimates that implementing H.R. 3219 would cost $895 million over the 2010–2014 period, assuming appropriation of the specified and estimated amounts.

Benefits to qualified World War II veterans

Under section 301 certain individuals who served during World War II would be eligible to receive a monthly benefit of $1,000, subject to the availability of funds provided for that purpose. The benefit would be provided to veterans who were retroactively deemed to have served on active duty by the GI Bill Improvement Act of 1977 (Public Law 95–202) if they apply within a year of the enactment of H.R. 3219.

To provide those benefits, section 301 would establish the Qualified World War II Veterans Equity Compensation Fund. Amounts in the fund would be used to pay the monthly benefit to eligible individuals, on a first-come, first-served basis. The bill would specifically authorize appropriations for each year as shown in the table.

Based on information from VA and the Department of Defense (DoD) on the number of qualified veterans that served during the specified period, their average age, and on mortality rates from DoD, CBO estimates that, in 2010, about 74,000 veterans would qualify for the benefit. We estimate that one-quarter of them, about 18,500, would apply for the benefit. The amount authorized in section 301 ($222 million) would allow all of those applicants to re-

ceive the full monthly benefit in 2010, assuming appropriation of that amount.

Using the DoD mortality rates, CBO estimates that the amounts authorized for 2011 through 2014, if appropriated, would be sufficient to continue providing monthly payments to surviving beneficiaries. In total, CBO estimates that implementing section 301 would cost $855 million over the 2010–2014 period.

Copayments from certain disabled veterans

Section 203 would prohibit the collection of copayments and other fees from catastrophically disabled veterans who receive hospital care or medical services from VA. Catastrophically disabled veterans are those who have a permanent, severely disabling condition that affects their ability to carry out the activities of daily living to such a degree that they require constant supervision or assistance to leave their homes.

In 2008, VA collected $8 million in copayments for medical care and prescription drugs from such veterans; implementing this provision would result in a loss of those collections. Such collections are offsets to discretionary appropriations. As part of the annual appropriations process, the Congress gives VA authority to spend those collections. Therefore, maintaining the same level of health care services for veterans would necessitate additional funding each year to make up for the loss of copayments under this bill. Thus, CBO estimates that implementing this provision would cost $40 million over the 2010–2014 period.

Other Health Care Provisions. Taken together, CBO estimates that implementing the following provisions would cost about $1 million over the 2010–2014 period, assuming availability of appropriated funds:

- Section 201 would authorize VA to provide medical care to recipients of the Congressional Medal of Honor under its third-highest priority category. According to the Congressional Medal of Honor Society, there are fewer than 100 living recipients.
- Section 204 would establish the position of a Director of Physician Assistant Services within the VA. A similar position already exists. (Thus, any additional costs for the new position would be negligible.)
- Section 205 would authorize VA employees to serve on a committee to assess and advise the agency on treatment of traumatic brain injuries.

Insurance programs

H.R. 3219 would make several changes to veterans insurance programs, specifically Servicemembers Group Life Insurance (SGLI) and Veterans Group Life Insurance (VGLI). Any costs associated with these provisions in the short run would be absorbed by the SGLI or VGLI fund. Over the long term, such costs would be covered by increased premiums and would therefore have no budgetary impact.

Intergovernmental and private-sector impact: H.R. 3219 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Previous CBO estimate: On May 7, 2009, CBO transmitted a cost estimate for H.R. 23, the Belated Thank You to the Merchant Mariners of World War II Act of 2009, as ordered reported by the House Committee on Veterans' Affairs on May 6, 2009. Section 301 of H.R. 3129 and H.R. 23 would both create funds to provide monthly benefits to certain World War II veterans who were deemed retroactively to have served on active duty. H.R. 3129 would provide benefits to several such categories of veterans including Merchant Mariners, while H.R. 23 would only provide payments for Merchant Mariners. Differences in the estimates reflect that difference in the legislation.

Estimate prepared by: Federal costs: World War II Veterans and Insurance—Dwayne M. Wright; Medical Care—Sunita D'Monte; Impact on state, local, and tribal governments: Lisa Ramirez-Branum; Impact on the private sector: Elizabeth Bass.

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

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates regarding H.R. 3219 prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by H.R. 3219.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds that the Constitutional authority for H.R. 3219 is provided by Article I, section 8 of the Constitution of the United States.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

TITLE I—MATTERS RELATING TO INSURANCE

Section 101. Permanent extension of duration of Servicemembers' Group Life Insurance coverage for totally disabled veterans

This section amends section 1968 of title 38, United States Code, to permanently extend coverage under SGLI to two years for separating servicemembers who are totally disabled.

Section 102. Increased amount of Veterans' Group Life Insurance

This section would amend section 1977 of title 38, United States Code, to provide veterans insured under VGLI additional opportunities to increase their amount of coverage.

This section provides that not more than once in each five-year period, a veteran under the age of 60 may increase the amount of coverage by $25,000 if the total amount of coverage does not exceed $400,000 (the limit authorized for a veteran under SGLI).

Section 103. Elimination of reduction in amount of accelerated death benefit for terminally-ill persons insured under the Servicemembers' Group Life Insurance and Veterans' Group Life Insurance

This section would amend section 1980 of title 38, United States Code, to eliminate the reduction in amount of accelerated death benefit for terminally-ill persons insured under SGLI and VGLI.

TITLE II—MATTERS RELATING TO HEALTH CARE

Section 201. Higher priority status for certain veterans who are Medal of Honor recipients

This section assigns priority status for Medal of Honor recipients equal to that of former prisoners of war or Purple Heart recipients with respect to the provision of veterans' hospital care and medical services provided through the VA.

Section 202. Provision of hospital care, medical services, and nursing home care for certain Vietnam-era veterans exposed to herbicide and veterans of the Persian Gulf War

This section provides permanent authorization for the VA to provide hospital care, medical services, and nursing home care to Vietnam-era herbicide exposed veterans and Gulf-War era veterans who have insufficient medical evidence to establish a service-connected disability.

Section 203. Prohibition on collection of copayments from catastrophically disabled veterans

This section prohibits the collection by the VA of copayments or other fees for hospital, nursing home, and medical care for veterans who are catastrophically disabled from non-service connected causes and who have income above the means tested levels.

Section 204. Establishment of Director of Physician Assistant Services at Veterans Health Administration of Department of Veterans Affairs

This section establishes the position of Director of Physician Assistant Services within the Veterans Health Administration (VHA) of the VA who reports to the Under Secretary for Health on all matters relating to the education and training, employment, appropriate utilization, and optimal participation of physician assistants within VHA programs and initiatives. It also requires the Secretary of Veterans Affairs to ensure that an individual is serving in such position no later than 120 days after the enactment of this Act.

Section 205. Committee on Care of Veterans with Traumatic Brain Injury

This section establishes a "Committee on Care of Veterans with Traumatic Brain Injury" within the Veterans Health Administration. Committee members would consist of VA employees with ex-

pertise in TBI who would be appointed by the Under Secretary for Health. The Committee would evaluate the care, identify system-wide problems, identify specific facilities in need of improvement, and identify model programs for the successful treatment and rehabilitation of veterans with TBI, as well as provide recommendations to the Under Secretary for Health on improving programs of care for TBI. It also requires an annual report to Congress, due no later than June 1, 2010.

Section 206. Revision of certain requirements for the pilot program of enhanced contract care authority for health care needs of veterans in highly rural areas

This section clarifies Section 403 of Public law 110–387, the Veterans' Mental Health and Other Care Improvements Act of 2008, which provided for a rural health pilot program. It removes the requirement that the veteran resides in highly rural areas and defines hardship by driving time to the nearest VA health care facility. Specifically, "hardship" is defined as a veteran who resides more than 60 minutes driving distance from the nearest VA health care facility providing primary care services; more than 120 minutes driving distance from the nearest VA facility providing acute hospital care; and more than 240 minutes driving distance from the nearest VA facility providing tertiary care.

TITLE III—MATTERS RELATING TO BENEFITS

Section 301. Benefits for qualified World War II veterans

This section would amend title 38, United States Code, by adding a new section creating, subject to the availability of appropriations, a Qualified World War II Veterans Equity Compensation Fund. The Secretary of VA would be required to make a monthly payment of $1,000 out of the compensation fund to eligible individuals in the order of receipt of applications Eligible veterans are those given veteran status under the G.I Bill Improvement Act of 1977 who have not received benefits under the Servicemen's Readjustment Act of 1944.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the 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, UNITED STATES CODE

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PART I—GENERAL PROVISIONS

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CHAPTER 5—AUTHORITY AND DUTIES OF THE SECRETARY

SUBCHAPTER I—GENERAL AUTHORITIES

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SUBCHAPTER II—SPECIFIED FUNCTIONS

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SUBCHAPTER II—SPECIFIED FUNCTIONS

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§ 533. Qualified World War II Veterans Equity Compensation Fund

(a) COMPENSATION FUND.—(1) There is in the general fund of the Treasury a fund to be known as the "Qualified World War II Veterans Equity Compensation Fund" (in this section referred to as the "compensation fund").

(2) Subject to the availability of appropriations for such purpose, amounts in the compensation fund shall be available to the Secretary without fiscal year limitation to make payments to eligible individuals in accordance with this section.

(b) ELIGIBLE INDIVIDUALS.—(1) An eligible individual is an individual who—

(A) during the 1-year period beginning on the date of the enactment of the Benefits for Qualified World War II Veterans Act of 2009, submits to the Secretary an application containing such information and assurances as the Secretary may require;

(B) has not received benefits under the Servicemen's Readjustment Act of 1944 (Public Law 78–346); and

(C) has engaged in qualified service.

(2) For purposes of paragraph (1), a person has engaged in qualified service if the service of the person has been determined to have been active duty service pursuant to section 1401 of the GI Bill Improvement Act of 1977 (38 U.S.C. 106 note).

(c) AMOUNT OF PAYMENTS.—The Secretary shall make a monthly payment out of the compensation fund in the amount of $1,000 to an eligible individual. The Secretary shall make such payments to eligible individuals in the order in which the Secretary receives the applications of the eligible individuals.

(d) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the compensation fund amounts as follows:

(A) For fiscal year 2010, $222,000,000.
(B) For fiscal year 2011, $193,000,000.
(C) For fiscal year 2012, $170,000,000.
(D) For fiscal year 2013, $146,000,000.
(E) For fiscal year 2014, $124,000,000.

(2) Funds appropriated to carry out this section shall remain available until expended.

(e) REPORTS.—The Secretary shall include, in documents submitted to Congress by the Secretary in support of the President's budget for each fiscal year, detailed information on the operation of the compensation fund, including the number of applicants, the number of eligible individuals receiving benefits, the amounts paid out of the compensation fund, the administration of the compensation fund, and an estimate of the amounts necessary to fully fund the compensation fund for that fiscal year and each of the three subsequent fiscal years.

(f) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.

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PART II—GENERAL BENEFITS

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CHAPTER 17—HOSPITAL, NURSING HOME, DOMICILIARY, AND MEDICAL CARE

SUBCHAPTER I—GENERAL

Sec.
1701. Definitions.

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SUBCHAPTER III—MISCELLANEOUS PROVISIONS RELATING TO HOSPITAL AND NURSING HOME CARE AND MEDICAL TREATMENT OF VETERANS

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1730A. Prohibition on collection of copayments from catastrophically disabled veterans.

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SUBCHAPTER I—GENERAL

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§ 1705. Management of health care: patient enrollment system

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

(1) * * *

* * * * * * *

(3) Veterans who are former prisoners of war or who were awarded the Purple Heart, *veterans who were awarded the medal of honor under section 3741, 6241, or 8741 of title 10 or section 491 of title 14,* veterans with service-connected disabilities rated 10 percent or 20 percent, and veterans described in subparagraphs (B) and (C) of section 1710(a)(2) of this title.

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SUBCHAPTER II—HOSPITAL, NURSING HOME, OR DOMICILIARY CARE AND MEDICAL TREATMENT

§ 1710. Eligibility for hospital, nursing home, and domiciliary care

(a) * * *

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

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(C) Subject to ⟦paragraphs (2) and (3)⟧ *paragraph (2)* of this subsection, a veteran who served on active duty *between August 2, 1990, and November 11, 1998,* in the Southwest Asia theater of operations during the Persian Gulf War is eligible for hospital care, medical services, and nursing home care under subsection (a)(2)(F) for any disability, notwithstanding that there is insufficient medical evidence to conclude that such disability may be associated with such service.

* * * * * * *

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

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

⟦(B) in the case of care for a veteran described in paragraph (1)(C), after December 31, 2002; and⟧

⟦(C) in the case⟧ *subsection (a)(2)(F) in the case of* of care for a veteran described in paragraph (1)(D) who—

⟦(i)⟧ *(A)* is discharged or released from the active military, naval, or air service after the date that is five years before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2008, after a period of five years beginning on the date of such discharge or release; or

⟦(ii)⟧ *(B)* is so discharged or released more than five years before the date of the enactment of that Act and who did not enroll in the patient enrollment system under section 1705 of this title before such date, after a period of three years beginning on the date of the enactment of that Act.

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SUBCHAPTER III—MISCELLANEOUS PROVISIONS RELATING TO HOSPITAL AND NURSING HOME CARE AND MEDICAL TREATMENT OF VETERANS

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§ 1730A. Prohibition on collection of copayments from catastrophically disabled veterans

Notwithstanding subsections (f) and (g) of section 1710 of this title, subsection (a) of section 1722A of this title, and any other provision of law, the Secretary may not require a veteran who is catastrophically disabled to make any copayment for the receipt of hospital care or medical services under the laws administered by the Secretary.

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CHAPTER 19—INSURANCE

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SUBCHAPTER III—SERVICEMEMBERS' GROUP LIFE INSURANCE

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§ 1968. Duration and termination of coverage; conversion

(a) Each policy purchased under this subchapter shall contain a provision, in terms approved by the Secretary, to the effect that any insurance thereunder on any member of the uniformed services, and any insurance thereunder on any insurable dependent of such a member, unless discontinued or reduced upon the written request of the insured (or discontinued pursuant to section 1969(a)(2)(B) of this title), shall continue in effect while the member is on active duty, active duty for training, or inactive duty training scheduled in advance by competent authority during the period thereof, or while the member meets the qualifications set forth in subparagraph (B) or (C) of section 1965(5) of this title and such insurance shall cease as follows:

(1) With respect to a member on active duty or active duty for training under a call or order to duty that does not specify a period of less than 31 days, insurance under this subchapter shall cease as follows:

(A) 120 days after the separation or release from active duty or active duty for training, unless on the date of such separation or release the member is totally disabled, under criteria established by the Secretary, in which event the insurance shall cease on the earlier of the following dates (but in no event before the end of 120 days after such separation or release):

(i) * * *

[(ii) The date that is—

[(I) two years after the date of separation or release from such active duty or active duty for training, in the case of such a separation or release during the period beginning on the date that is one year before the date of the enactment of Veterans' Housing Opportunity and Benefits Improvement Act of 2006 and ending on September 30, 2011; and

[(II) 18 months after the date of separation or release from such active duty or active duty for training, in the case of such a separation or release on or after October 1, 2011.]

(ii) The date that is two years after the date of separation or release from such active duty or active duty for training.

* * * * * * *

(4) With respect to a member of the Ready Reserve of a uniformed service who meets the qualifications set forth in subparagraph (B) or (C) of section 1965(5) of this title, insurance under this subchapter shall cease 120 days after separation or release from such assignment, unless on the date of such sepa-

ration or release the member is totally disabled, under criteria established by the Secretary, in which event the insurance shall cease on the earlier of the following dates (but in no event before the end of 120 days after separation or release from such assignment):

(A) * * *

[(B) The date that is—

[(i) two years after the date of separation or release from such assignment, in the case of such a separation or release during the period beginning on the date that is one year before the date of the enactment of Veterans' Housing Opportunity and Benefits Improvement Act of 2006 and ending on September 30, 2011; and

[(ii) 18 months after the date of separation or release from such assignment, in the case of such a separation or release on or after October 1, 2011.]

(B) The date that is two years after the date of separation or release from such assignment.

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§ 1977. Veterans' Group Life Insurance

(a)(1) *Except as provided in paragraph (3),* Veterans' Group Life Insurance shall be issued in the amounts specified in section 1967(a) of this title. In the case of any individual, the amount of Veterans' Group Life Insurance may not exceed the amount of Servicemembers' Group Life Insurance coverage continued in force after the expiration of the period of duty or travel under section 1967(b) or 1968(a) of this title. No person may carry a combined amount of Servicemembers' Group Life Insurance and Veterans' Group Life Insurance at any one time in excess of the maximum amount for Servicemembers' Group Life Insurance in effect under section 1967(a)(3)(A)(i) of this title.

* * * * * * *

(3) Not more than once in each five-year period beginning on the date a person becomes insured under Veterans' Group Life Insurance, such person may elect in writing to increase the amount for which the person is insured if—

(A) the person is under the age of 60;

(B) the increased amount is not more than $25,000; and

(C) the amount for which the person is insured does not exceed the amount provided for under section 1967(a)(3)(A)(i) of this title.

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§ 1980. Option to receive accelerated death benefit

(a) * * *

(b)(1) A terminally ill person insured under Servicemembers' Group Life Insurance or Veterans' Group Life Insurance may elect to receive in a lump-sum payment a portion of the face value of the insurance as an accelerated death benefit [reduced by an amount

necessary to assure that there is no increase in the actuarial value of the benefit paid, as determined by the Secretary].

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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

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SUBCHAPTER II—GENERAL AUTHORITY AND ADMINISTRATION

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SUBCHAPTER I—ORGANIZATION

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§ 7306. Office of the Under Secretary for Health

(a) The Office of the Under Secretary for Health shall consist of the following:

(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 serve in a full-time capacity at the Central Office of the Department and who shall be a qualified physician assistant, who shall be responsible to and report directly to the Under Secretary for Health 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.

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SUBCHAPTER II—GENERAL AUTHORITY AND ADMINISTRATION

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§ 7321A. Committee on Care of Veterans with Traumatic Brain Injury

(a) ESTABLISHMENT.—The Secretary shall establish in the Veterans Health Administration a committee to be known as the "Com-

mittee on Care of Veterans with Traumatic Brain Injury". The Under Secretary for Health shall appoint employees of the Department with expertise in the care of veterans with traumatic brain injury to serve on the committee.

(b) RESPONSIBILITIES OF COMMITTEE.—The committee shall assess, and carry out a continuing assessment of, the capability of the Veterans Health Administration to meet effectively the treatment and rehabilitation needs of veterans with traumatic brain injury. In carrying out that responsibility, the committee shall—

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

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

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

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

(c) ADVICE AND RECOMMENDATIONS.—The committee shall—

(1) advise the Under Secretary regarding the development of policies for the care and rehabilitation of veterans with traumatic brain injury; and

(2) make recommendations to the Under Secretary—

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

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

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

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

(d) ANNUAL REPORT.—Not later than June 1 of 2010, and each subsequent year, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the implementation of this section. Each such report shall include the following for the calendar year preceding the year in which the report is submitted:

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

(2) The assessment of the Under Secretary for Health, after review of the initial findings of the committee, regarding the capability of the Veterans Health Administration, on a systemwide and facility-by-facility basis, to meet effectively the treatment and rehabilitation needs of veterans with traumatic brain injury.

(3) The plans of the committee for further assessments.

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

(5) A description of the steps taken, plans made (and a timetable for the execution of such plans), and resources to be applied toward improving the capability of the Veterans Health

Administration to meet effectively the treatment and rehabilitation needs of veterans with traumatic brain injury.

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SECTION 403 OF THE VETERANS' MENTAL HEALTH AND OTHER CARE IMPROVEMENTS ACT OF 2008

SEC. 403. PILOT PROGRAM OF ENHANCED CONTRACT CARE AUTHORITY FOR HEALTH CARE NEEDS OF VETERANS IN HIGHLY RURAL AREAS.

(a) * * *

[(b) COVERED VETERANS.—

[(1) IN GENERAL.—For purposes of the pilot program under this section, a covered veteran is any highly rural veteran who is—

[(A) enrolled in the system of patient enrollment established under section 1705(a) of title 38, United States Code, as of the date of the commencement of the pilot program under subsection (a)(2); or

[(B) eligible for health care under section 1710(e)(3)(C) of title 38, United States Code.

[(2) HIGHLY RURAL VETERANS.—For purposes of this subsection, a highly rural veteran is any veteran who—

[(A) resides in a location that is—

[(i) more than 60 miles driving distance from the nearest Department health care facility providing primary care services, if the veteran is seeking such services;

[(ii) more than 120 miles driving distance from the nearest Department health care facility providing acute hospital care, if the veteran is seeking such care; or

[(iii) more than 240 miles driving distance from the nearest Department health care facility providing tertiary care, if the veteran is seeking such care; or

[(B) in the case of a veteran who resides in a location less than the distance specified in clause (i), (ii), or (iii) of subparagraph (A), as applicable, experiences such hardship or other difficulties in travel to the nearest appropriate Department health care facility that such travel is not in the best interest of the veteran, as determined by the Secretary pursuant to regulations prescribed for purposes of this subsection.]

(b) COVERED VETERANS.—For purposes of the pilot program under this section, a covered veteran is any veteran who—

(1) is—

(A) enrolled in the system of patient enrollment established under section 1705(a) of title 38, United States Code, as of the date of the commencement of the pilot program under subsection (a)(2); or

(B) eligible for health care under section 1710(e)(3)(C) of title 38, United States Code; and

(2) resides in a location that is—

(A) more than 60 minutes' driving distance, as determined by the Secretary, from the nearest Department health care facility providing primary care services, in the case of a veteran seeking such services;

(B) more than 120 minutes' driving distance, as determined by the Secretary, from the nearest Department health care facility providing acute hospital care, in the case of a veteran seeking such care; or

(C) more than 240 minutes' driving distance, as determined by the Secretary, from the nearest Department health care facility providing tertiary care, in the case of a veteran seeking such care.

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