**STATEMENT OF**
**ROBERT L. WILKIE**
**SECRETARY**
**DEPARTMENT OF VETERANS AFFAIRS**
**BEFORE THE**
**SENATE COMMITTEE ON INDIAN AFFAIRS**

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Good afternoon, Chairman Hoeven, and Vice Chairman Udall. I appreciate the opportunity to discuss how care at the Department of Veterans Affairs (VA) and our partnership with Indian Health Service (IHS) positively impact our Native Veterans. I am accompanied today by my colleagues Dr. Richard Stone, Executive in Charge for the Veterans Health Administration (VHA); Dr. Kameron Matthews, Deputy Under Secretary for Community Care; and Ms. Stephanie Birdwell, Director for VA's Office of Tribal Government Relations.

## Introduction

As I have shared during my engagements with Native Veterans and tribal leaders across the country, our goal at VA is to shorten the distance between people in need of Veterans services. Native Americans have participated in every American conflict dating back to the Revolutionary War, and they serve in the military at a higher per capita rate than any other ethnic group. The importance of Native Servicemembers has only grown in the country over time, and we strive to honor this community with the quality, culturally competent care that they deserve. The American Indian and Alaska Native (AI/AN) populations experience health and other disparities that disproportionally affect their quality of life. VA is working to increase our reach into tribal communities through telehealth, visits from VA representatives, and closer cooperation between VA and IHS.

## Five Goals of the MOU between VA and IHS

An MOU, originally signed in 2003 and updated again in 2010, established that IHS and VA can coordinate, collaborate, and share resources between the Departments. Five mutual goals were agreed upon when the MOU was signed:

- Increase access to and improve quality of health care and services to the mutual benefit of both agencies by effectively leveraging the strengths of VA and IHS at the national and local levels to afford the delivery of optimal clinical care;
- Promote patient-centered collaboration and facilitate communication among VA, IHS, AI/AN Veterans, tribal facilities, and Urban Indian Organizations;
- Establish effective partnerships and sharing agreements among VA headquarters and facilities, IHS headquarters, and IHS, tribal, and Urban Indian Organizations in support of AI/AN Veterans;
- Ensure that appropriate resources are identified and available to support programs for AI/AN Veterans; and
- Improve health promotion and disease prevention services to AI/AN to address community-based wellness.

To achieve these goals, VHA has piloted and subsequently adopted several programs. To address access to care, achieve effective partnerships, and ensure the availability of resources, in 2012 VA established a national reimbursement template with IHS which led to 114 Tribal Health Programs (THP) agreements.

In addition to these reimbursement agreements, local VA medical centers have established, where appropriate, several agreements with THPs and IHS facilities to deliver telemental health care to Native Veterans. The program serves tribal communities in Alaska, Montana, Wyoming, and Oklahoma. VA's Office of Rural Health's Veterans Rural Health Resource Center, Salt Lake City (VRHRC SLC) has an active portfolio of innovations in Native Veteran health care, including the creation of a Rural Veteran Tribal Navigator program that will connect Native Veterans with the benefits and care they have earned.

VA Video Connect (VVC) is a pilot program currently being deployed nationwide. VVC will allow rural Native Veterans to access VA health care in their homes or local communities through cellular and wireless capabilities. VRHRC SLC is currently working to tailor this program to Native Veteran communities, creating a model that will

weave together the Western medicine, traditional Native Healing, and rural Native communities' strengths through four main components: mental health care, technology, care coordination, and a tailored implementation facilitation strategy. In addition to these programs, VRHRC SLC is piloting programs to establish Tribal-VHA Partnerships in Suicide Prevention and developing Native Veteran Content for the VA Community Provider Toolkit.

One of the great successes in achieving the 2010 MOU goals was the establishment of the VA/IHS Consolidated Mail Order Pharmacy Program (CMOP) that sends prescription medications to Native Veterans' homes. In 2018 alone, CMOP processed 840,000 prescriptions for Native Veterans, up 17 percent from the previous year. Since its inception, CMOP has processed more than 3.6 million prescriptions for AI/AN Veterans served by IHS and THP programs.

In early Fiscal Year 2019, VHA and IHS MOU leadership agreed that the 2010 MOU was no longer meeting the agencies' needs and required modification to create the flexibility needed to move the interagency relationship forward to a new level. The leadership team drafted a new MOU and conducted a first listening session with tribal leaders on May 15, 2019. Tribal input from that session was incorporated into the draft VHA-IHS MOU, and VA and IHS conducted a subsequent consultation session at the National Indian Health Board annual meeting on September 16, 2019. This additional input is now being considered for inclusion in the draft MOU. After the IHS and VA MOU leadership team reaches agreement on the draft MOU, it will enter formal clearance channels for approval by IHS and VA. The approved draft MOU document will be posted in the Federal Register and further tribal consultation for a period of no less than 60 days. Tribal input will be incorporated into the draft document and it will move forward for final approval and signature.

We are confident that the evolution of this MOU will be successful as it is happening in tandem with the MISSION Act. This transformative legislation will entail the most comprehensive change in VA's history. The MISSION Act consolidated community care programs to make it easier for all Veterans, families, community providers, and employees to navigate.

## Reimbursement Agreements

Since the Summer of 2012, VA has signed individual reimbursement agreements with THPs to provide direct care services to eligible Native Veterans closer to their homes in a culturally sensitive environment. In December 2012, VA signed a national reimbursement agreement with IHS. Today, the national reimbursement agreement with IHS covers 74 IHS sites. There are also 114 individual reimbursement agreements with THPs of which 26 are in Alaska and cover Native Veterans and Non-Native Veterans.

From August 2012 through September 2019, VA has reimbursed IHS and THPs over $104 million covering approximately 10,645 unique Native Veterans. Of the $103 million, VA has reimbursed approximately $38 million to Alaska THPs for covering an estimated 1,523 unique Native Veterans. Additionally, VA has reimbursed Alaska THPs approximately $27.9 million for approximately 4,825 unique Non-Native Veterans.

IHS and several THPs have requested that the agreements be expanded to cover reimbursements for purchased referred care under which IHS and THPs can refer Native Veterans to their contracted community care. They feel this will enhance care coordination. VA is also looking to enhance care coordination with IHS and THP facilities. At the request of the Veteran, VA has the primary responsibility for care provided to Veterans and related care coordination. As a result, VA is seeking to develop a standardized care coordination process that will enhance care coordination for Native Veterans. Initial steps include establishing an Advisory Board for care coordination and inviting Tribal Officials to be members on the Board. The Board's main scope will be to implement the standardized care coordination process and to improve care coordination including community referrals between VA and IHS/THP sites for the benefit of Veterans.

## Tribal Department of Housing and Urban Development – VA Supportive Housing (HUD-VASH)

Tribal HUD-VASH, is a partnership between VHA, HUD's Office of Native American Programs, and tribes, which provides permanent supportive housing in Indian areas to homeless and at risk of homelessness Native Veterans. The program currently

serves 26 tribes with expansion in the next 6 months. VA provides case management and supportive services to promote tenancy in housing supported by HUD grant funding for rental assistance. VA case managers work with local resources and the appropriate VA employment programs to assist Native Veterans to access employment when appropriate for the Veteran.

**Housing Programs for Native American Veterans**

VA is authorized under the Native American Direct Loan (NADL) program to make loans to eligible Native American Veterans who reside on trust land. The Veteran's tribal or other sovereign governing body must enter into an MOU with VA before VA can offer the program to a Veteran. Once the MOU is in place, the Veteran applies directly to VA for a loan. The Veteran can apply for up to a 30-year fixed-rate loan to purchase, build, or improve a home located on trust land.

The NADL program is a loan and not a grant; therefore, the Veteran must repay it. If eligible, the Veteran can also refinance a previous NADL to lower the interest rate. The NADL program offers many advantages, such as no down payment, no private mortgage insurance, a low fixed interest rate, low closing costs, and the option for multiple uses.

Since 1992, VA has entered into 108 MOUs with Federally Recognized Tribes or Native Hawaiian, Pacific Islander, or Alaska Native communities, and made 1,040 loans to Native Veterans, totaling over $137.9 million. VA staff are required each year to contact all entities that can, or already have, agreed to an MOU. All Federally Recognized Tribes, Villages, Nations, Bands, and Communities, as well as communities of the Hawaiian Homelands, American Samoa, Guam, and the Commonwealth of the Northern Marianas Islands are part of VA's outreach efforts. VA staff also participate in tribal consultations to provide information about the availability of this program and to seek input from tribal leaders on how to improve benefit delivery. VA staff attend stakeholder conferences to discuss Federal housing issues germane to American Indian Veterans. For properties not located on trust land, Native Veterans can use the VA-Guaranteed Home Loan program.

**Other VA Services**

In addition to these initiatives, VA provides vocational rehabilitation and employment (VR&E) services to Native American Veterans who meet eligibility and entitlement criteria. VR&E's mission is to increase independence in daily living and to assist Veterans with service-connected disabilities prepare for, obtain, and maintain suitable employment. These services are provided by highly trained Vocational Rehabilitation Counselors who recognize the cultural differences and issues impacting the Native American population. VR&E beneficiaries are eligible for any needed health care services, provided by VHA, to help them meet all identified rehabilitation goals. By addressing these specific needs—independence in daily living and employment—the VR&E program is another VA resource available that positively impacts our Native American Veteran population.

**Legislation**

Mr. Chairman, we know the Committee is also interested in our comments on two pieces of legislation. We offer the following broad comments, and I know our second panel will be ready to talk to them in more detail.

**S. 1001 Tribal Veterans Health Care Enhancement Act**

S. 1001 would amend the Indian Health Care Improvement Act to authorize IHS to pay the cost of copayments assessed by VA to certain eligible Indian Veterans for covered medical care. Covered medical care would consist of any medical care or service that is authorized for an eligible Indian Veteran (as such term would be defined) under the contract health service and referred by IHS and administered at a VA facility. This would include any services rendered under a contract with a non-VA health care provider.

VA does not support S. 1001 as written. We note that VA business processes related to copayment collections and interagency transfers of funds could present technical challenges, so we look forward to discussing with the Committee the best way to create parity with regard to copayments for eligible Veterans who are referred from

IHS to VA for care. We look forward to discussing the bill in more detail with the Committee.

We also note that the Congressional Budget Office concluded that a similar bill from the 115th Congress would cost less than $500,000 over the 5-year period from 2017 through 2021 (letter from the Congressional Budget Office to Chairman John Hoeven regarding S. 304 (115th Congress) dated May 2, 2017, reproduced in Senate Report 115-112 (June 15, 2017)).

**S. 2365 Health Care Access for Urban Native Veterans Act of 2019**

As background, VHA has entered into reimbursement agreements with IHS and THPs under which VHA reimburses IHS and THP for direct health care services provided in IHS and THP facilities. These reimbursement agreements are authorized by 38 United States Code (U.S.C.) § 8153 and 25 U.S.C. § 1645. The latter authority refers specifically to IHS, Indian tribes, and tribal organizations, and excludes urban Indian organizations.

S. 2365 would amend 25 U.S.C. § 1645 by adding references to urban Indian organizations in subsections (a) and (c), thus authorizing VA to enter into reimbursement agreements with urban Indian organizations.

VA does not object to the bill but would appreciate the opportunity to discuss with the Committee the differences between reimbursement agreements and other methods of procuring health care that are available. VA cannot project costs with specificity for S. 2365, but believes the net cost impact would be minimal, given the number of potentially covered Native Veterans.

## Conclusion

The health and well-being of all our nations' Veterans is of the utmost importance. We strive to consistently provide high quality care to all Veterans and continue to make significant strides in enhancing the practice and culture of the Department to be more accessible to our Native American Veterans. Working with many diverse, sovereign tribes is essential to successfully achieve the goals of the MOU between VA and IHS. VA is committed to ensuring that our goals align with IHS

and that the needs of our Native American Veterans are met.  I want to thank the Committee for hosting this hearing.  This concludes my written testimony.