Public Law 99-166 99th Congress

To amend title 38, United States Code, to establish, extend, and improve certain Veterans' Administration health-care programs, and for other purposes.

Dec. 3, 1985 [H.R. 505]

Veterans' Administration

1985

Health-Care Amendments of

38 USC 101 note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Administration Health-Care Amendments of 1985".

(b) Table of Contents.—The table of contents for this Act is as

follows:

Sec. 1. Short title; table of contents.

Sec. 2. References to title 38, United States Code.

TITLE I—HEALTH-CARE PROGRAMS

Sec. 101. Alcohol and drug treatment and rehabilitation. Sec. 102. Special contract-care authority outside the 48 contiguous States.

Sec. 103. Extension of interim health-care eligibility based on exposure to dioxin or other toxic substances in Vietnam or to nuclear radiation. Sec. 104. Outpatient and ambulatory services following nursing home or domicili-

ary care.

Sec. 105. Vietnam Veteran Resource Centers pilot program. Sec. 106. Technical amendment relating to continuing availability of readjustment counseling.

Sec. 107. Counseling for former prisoners of war.

Sec. 108. Transfers for nursing home care. Sec. 109. Chiropractic services pilot program.

TITLE II—HEALTH-CARE ADMINISTRATION

Sec. 201. Medical quality-assurance records.

Sec. 202. Authority to expand Geriatric Research, Education, and Clinical Centers program. Sec. 203. Revision of authority for appointment of student nurses and graduate

nurses.

Sec. 204. Quality assurance and credentialing.

Sec. 205. Availability of State financial support for approved State home projects.

Sec. 206. Procedures for reduction or revocation of clinical privileges.

TITLE III-VETERANS' ADMINISTRATION MEDICAL FACILITIES

Sec. 301. Clarification of requirement of congressional approval of construction and acquisition projects.

Sec. 302. Operational and construction planning requirement.

Sec. 303. Major facility prospectus requirement.

Sec. 304. Development of medical-facility modular components.

Sec. 305. Feasibility study of and plan for the purchase of a facility for furnishing hospital and nursing home care.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Servicemen's Group Life Insurance and Veterans' Group Life Insurance. Sec. 402. Extension of authority to operate an office in the Republic of the Philip-

Sec. 403. Veterans' Administration grade reduction.

Sec. 404. Land transfer, Phoenix, Arizona.

Sec. 405. Modification of restrictions on real property, Milwaukee County, Wiscon-

TITLE IV-MISCELLANEOUS PROVISIONS-Continued

Sec. 406. Authority to release limitation on use of real property, McKinney, Texas.
Sec. 407. Modification of restrictions on real property and conveyance of a fence on such property, Salt Lake City, Utah.

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I-HEALTH-CARE PROGRAMS

SEC. 101, ALCOHOL AND DRUG TREATMENT AND REHABILITATION.

Ante, p. 481. 38 USC 620A.

- (a) Extension of Special Contract Authority.—Section 620A is amended—
 - (1) in subsection (a)(1)—

(A) by striking out "may conduct a pilot program under which the Administrator" in the first sentence; and

(B) by striking out the second sentence;

(2) by striking out "October 31, 1985" in subsection (e) and inserting in lieu thereof "September 30, 1988"; and

(3) by striking out subsection (f) and inserting in lieu thereof

the following:

"(f)(1) The Administrator shall monitor the performance of each contract facility furnishing care and services under the program carried out under subsection (a) of this section.

"(2) The Administrator shall use the results of such monitoring to

determine-

"(A) with respect to the program, the medical advantages and cost-effectiveness that result from furnishing such care and services; and

"(B) with respect to such contract facilities generally, the

level of success under the program, considering-

"(i) the rate of successful rehabilitation for veterans fur-

nished care and services under the program;

"(ii) the rate of readmission to contract facilities under the program or to Veterans' Administration health-care facilities by such veterans for care or services for disabilities referred to in subsection (a) of this section;

"(iii) whether the care and services furnished under the program obviated the need of such veterans for hospitaliza-

tion for such disabilities;

"(iv) the average duration of the care and services furnished such veterans under the program;

"(v) the ability of the program to aid in the transition of

such veterans back into their communities; and

"(vi) any other factor that the Administrator considers appropriate.

"(3) The Administrator shall maintain records of-

"(A) the total cost for the care and services furnished by each contract facility under the program;

"(B) the average cost per veteran for the care and services

furnished under the program; and

"(C) the appropriateness of such costs, by comparison to—
"(i) the average charges for the same types of care and services furnished generally by other comparable halfway

Records.

houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment

facilities: and

"(ii) the historical costs for such care and services for the period of time that the program carried out under subsection (a) of this section was a pilot program, taking into account economic inflation.

"(4) Not later than February 1, 1988, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the experience under the program carried out under this section during fiscal years 1984 through 1987. The report shall include-

'(A) a description of the care and services furnished;

"(B) the matters referred to in paragraphs (1), (2), and (3) of this subsection; and

"(C) the Administrator's findings, assessment, and recommendations regarding the program under this section.".

(b) Conforming Amendments.—(1) The heading for such section is amended by striking out the semicolon and the last two words.

(2) The item relating to such section in the table of sections at the beginning of chapter 17 is amended by striking out the semicolon and the last two words.

SEC. 102. SPECIAL CONTRACT-CARE AUTHORITY OUTSIDE THE 48 CONTIG-UOUS STATES.

(a) REVISION OF SPECIAL CONTRACT CARE AUTHORITY.—Section 601(4)(C)(v) is amended-

(1) by striking out "(except with respect to Alaska and Hawaii) shall expire on October 31, 1985" and inserting in lieu thereof "with respect to the Commonwealth of Puerto Rico shall expire on September 30, 1988"; and

(2) by striking out "and to the Virgin Islands".

(b) Phase-Out of Special Authority in Puerto Rico.—(1) Effective on October 1, 1988, such section is amended-

(A) by inserting "(other than the Commonwealth of Puerto Rico)" after "in a State"; and
(B) by striking out "contiguous States" the second place it appears and all that follows through "medical services;" and inserting in lieu thereof "contiguous States and the Commonwealth of Puerto Rico;"

(2) During fiscal year 1986, the obligations incurred for Puerto Rico contract care may not exceed 85 percent of the obligations

incurred for such care for fiscal year 1985.

(3) During fiscal year 1987, the obligations incurred for Puerto Rico contract care may not exceed 50 percent of the obligations incurred for such care for fiscal year 1985.

(4) During fiscal year 1988, the obligations incurred for Puerto Rico contract care may not exceed 25 percent of the obligations

incurred for such care for fiscal year 1985.

(5) For the purpose of this subsection, the term "obligations 38 USC 601 note. incurred for Puerto Rico contract care" means the total obliga-tions incurred during a fiscal year for medical services for veterans residing in the Commonwealth of Puerto Rico under the Administrator's authority to contract for hospital care or medical services under clause (v) of section 601(4)(C) of title 38, United States Code, in the Commonwealth of Puerto Rico.

Report.

Puerto Rico. Ante, p. 481. Alaska. Hawaii.

Virgin Islands.

Effective date

Prohibition. 38 USC 601 note.

38 USC 601 note.

38 USC 601 note.

SEC. 103. EXTENSION OF INTERIM HEALTH-CARE ELIGIBILITY BASED ON EXPOSURE TO DIOXIN OR OTHER TOXIC SUBSTANCES IN VIETNAM OR TO NUCLEAR RADIATION.

38 USC 610.

Section 610(e)(3) is amended by striking out "after the end of" and all that follows and inserting in lieu thereof "after September 30, 1989.".

SEC. 104. OUTPATIENT AND AMBULATORY SERVICES FOLLOWING NURS-ING HOME OR DOMICILIARY CARE.

Section 612(f)(1) is amended—

(1) by striking out "where" the first two places it appears and

inserting in lieu thereof "if";

(2) by inserting a comma and "nursing home care, or domiciliary care" after "hospital care" the second place it appears;
(3) by striking out "hospital" and inserting in lieu thereof

(4) by striking out "in-hospital" and inserting in lieu thereof "such".

SEC. 105. VIETNAM VETERAN RESOURCE CENTERS PILOT PROGRAM.

38 USC 612A.

Section 612A is amended by adding at the end the following new subsection:

"(h)(1) During the period beginning on January 1, 1986, and ending on September 30, 1988, the Administrator shall conduct a pilot program to provide and coordinate the provision of services described in paragraph (2) of this subsection. The pilot program shall be carried out in order to evaluate the effectiveness, feasibility, and desirability of providing veterans eligible for readjustment counseling under this section with additional services through facilities furnishing such counseling.

"(2) The services referred to in paragraph (1) of this subsection

are-

"(A) counseling with respect to, and assistance in applying for, all benefits and services under laws administered by the Veterans' Administration for which veterans participating in the pilot program may be eligible;

"(B) employment counseling, training, placement, and related services described in sections 2003 and 2003A of this title or provided under any other law administered by the Secretary of

Labor

"(C) initial intake and referral services with respect to disabilities related to alcohol or drug dependence or abuse and follow-up services for veterans who have received treatment for such disabilities; and

"(D) assistance in coordinating the provision of benefits and services to veterans participating in the pilot program with

respect to such veterans' receipt of-

"(i) services provided under the pilot program; and

"(ii) other benefits and services provided under laws administered by the Veterans' Administration, the Secretary of Labor, or any other Federal agency or official. "(3)(A) In order to carry out the pilot program, the Administrator shall—

"(i) designate as sites for demonstration projects 10 facilities which on the date of the enactment of this section are providing readjustment counseling under this section; and

"(ii) assign such staff and other resources to such facilities as are necessary to enable such facilities to provide the services

Employment and unemployment. 38 USC 2003, 2003A. Drugs and drug referred to in subparagraphs (A) and (C) of paragraph (2) of this subsection.

"(B) Facilities designated under subparagraph (A) of this paragraph shall be known as Vietnam Veteran Resource Centers (hereinafter in this subsection referred to as 'Centers').

"(4) The Administrator-

"(A) shall be responsible for coordinating the assignment and use of employees, on full- or part-time bases, as appropriate, in

each Center; and

"(B) shall, in carrying out that responsibility, make maximum feasible use of the Veterans' Administration employees who are providing services at each facility on the date it is designated as a Center under this subsection.

"(5) The Secretary of Labor shall provide for the assignment to each Center, on full- or part-time bases, as the Secretary considers appropriate, of disabled veterans' outreach specialists appointed under section 2003A of this title or employees on the staffs of local employment service offices who are assigned to perform services under section 2004 of this title.

"(6) Not later than April 1, 1987, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the experience under the pilot program during its first 15 months of operation. The report shall include-

(A) the Administrator's assessment of—

"(i) the effectiveness of the pilot program in providing and coordinating the provision of the services described in paragraph (2) of this subsection and counseling and services furnished under subsections (a) and (b) of this section; and "(ii) the appropriateness of the use of the personnel

assigned to the program;

"(B) a description of any administrative action that the Administrator plans to take generally to increase the coordina-tion of the provision of such services to veterans eligible for readjustment counseling services under this section;

"(C) any recommendation that the Administrator considers

appropriate; and "(D) a comparison of such assessment, plans, and recommendations with the evaluation of and the recommendations relating to the readjustment counseling program included in the report required by subsection (g)(2) of this section.

"(7) Not later than January 1, 1989, the Administrator shall Report. submit to such Committees a final report on the pilot program. The

report shall include-

"(A) updates of all information provided in the report submitted pursuant to paragraph (6) of this subsection; and

"(B) the Administrator's final assessment of the pilot program based on 33 months of operation.".

SEC. 106. TECHNICAL AMENDMENT RELATING TO CONTINUING AVAIL-ABILITY OF READJUSTMENT COUNSELING.

Section 612A(g)(1)(B) is amended by striking out "who requested 38 USC 612A. counseling before such date" and inserting in lieu thereof "who request such counseling".

SEC. 107. COUNSELING FOR FORMER PRISONERS OF WAR.

(a) In General.—Subchapter II of chapter 17 is amended by inserting after section 612A the following new section:

38 USC 2003A.

38 USC 2004.

Report.

38 USC 612B.

"§ 612B. Counseling for former prisoners of war

"The Administrator may establish a program under which, upon the request of a veteran who is a former prisoner of war, the Administrator, within the limits of Veterans' Administration facilities, furnishes counseling to such veteran to assist such veteran in overcoming the psychological effects of the veteran's detention or internment as a prisoner of war.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to

section 612A the following new item:

"612B. Counseling for former prisoners of war.".

SEC. 108. TRANSFERS FOR NURSING HOME CARE.

38 USC 620.

(a) In General.—Subsection (a) of section 620 is amended to read as follows:

"(a)(1) Subject to subsection (b) of this section, the Administrator may transfer to a non-Veterans' Administration nursing home, for care at the expense of the United States-

"(A) a veteran—

"(i) who has been furnished hospital care, nursing home care, or domiciliary care by the Administrator in a facility under the direct jurisdiction of the Administrator; and "(ii) who the Administrator determines—

"(I) requires a protracted period of nursing home care which can be furnished in the non-Veterans' Adminis-

tration nursing home; and

"(II) in the case of a veteran who has been furnished hospital care in a facility under the direct jurisdiction of the Administrator, has received maximum benefits from such care: and

"(B) a member of the Armed Forces-

"(i) who has been furnished care in a hospital of the

Armed Forces;

"(ii) who the Secretary concerned determines has received maximum benefits from such care but requires a protracted period of nursing home care; and

"(iii) who upon discharge from the Armed Forces will

become a veteran.

"(2) The Administrator may transfer a person to a nursing home under this subsection only if the Administrator determines that the cost to the United States of the care of such person in the nursing home will not exceed-

"(A) the amount equal to 45 percent of the cost of care furnished by the Veterans' Administration in a general hospital under the direct jurisdiction of the Administrator (as such cost may be determined annually by the Administrator); or

"(B) the amount equal to 50 percent of such cost, if such higher amount is determined to be necessary by the Administrator (upon the recommendation of the Chief Medical Director)

to provide adequate care.

"(3) Nursing home care may not be furnished under this subsection at the expense of the United States for more than six months in the aggregate in connection with any one transfer except-

(A) in the case of a veteran-

Prohibition.

"(i) who is transferred to a non-Veterans' Administration nursing home from a hospital under the direct jurisdiction of the Administrator; and

"(ii) whose hospitalization was primarily for a service-

connected disability;

"(B) in a case in which the nursing home care is required for a service-connected disability; or

"(C) in a case in which, in the judgment of the Administrator,

a longer period of nursing home care is warranted.

"(4) A veteran who is furnished care by the Administrator in a hospital or domiciliary facility in Alaska or Hawaii may be furnished nursing home care at the expense of the United States under this subsection even if such hospital or domiciliary facility is not under the direct jurisdiction of the Administrator."

(b) Admission to Contract Nursing Homes of Certain Veter-

ANS.—Subsection (d) of such section is amended—

(1) by inserting "(1)" after "(d)";(2) by striking out "to any public or private institution not under the jurisdiction of the Administrator which furnishes nursing home care" in the first sentence and inserting in lieu thereof "to any non-Veterans' Administration nursing home";

(3) by inserting after the first sentence the following new sentence: "The Administrator may also authorize a direct admission to such a nursing home for nursing home care for any veteran who has been discharged from a hospital under the direct jurisdiction of the Administrator and who is currently receiving medical services as part of home health services from the Veterans' Administration."

(4) by striking out the sentence beginning "Such admission"

and inserting in lieu thereof the following:

"(2) Direct admission authorized by paragraph (1) of this subsection may be authorized upon determination of need therefor-

"(A) by a physician employed by the Veterans' Administra-

"(B) in areas where no such physician is available, by a physician carrying out such function under contract or fee arrangement,

based on an examination by such physician."; and

(5) by designating the last sentence as paragraph (3).(c) Definition of Non-Veterans' Administration Nursing Home.—Subsection (e) of such section is amended—

(1) by inserting "(1)" after "(e)";

(2) by striking out "subsection (a)(ii)" in the second sentence and inserting in lieu thereof "subsection (a)(2)(B)"; and

(3) by adding at the end the following:

"(2) For the purposes of this section, the term 'non-Veterans' Administration nursing home' means a public or private institution not under the direct jurisdiction of the Administrator which fur-

nishes nursing home care."

(d) Improvement in Pension Program Administration.—(1) In order to improve the timeliness of adjustments made pursuant to section 3203(a) of title 38, United States Code, in the amount of pension being paid to a veteran who is being furnished nursing home care by the Veterans' Administration, the Chief Medical Director of the Veterans' Administration shall develop improved procedures for notifying the Chief Benefits Director of the Veterans' Administration when a veteran is admitted to a nursing home.

Physicians.

38 USC 3203 98 Stat. 43.

Report.

(2) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the development and implementation of such procedures. The report shall be submitted not later than 90 days after the date of the enactment of this Act.

38 USC 610 note.

SEC. 109. CHIROPRACTIC SERVICES PILOT PROGRAM.

38 USC 601 et seq.

(a) Establishment of Pilot Program.—(1) The Administrator of Veterans' Affairs shall conduct a pilot program to evaluate the therapeutic benefits and the cost-effectiveness of furnishing certain chiropractic services to veterans eligible for medical services under chapter 17 of title 38, United States Code. Such a veteran is eligible to receive chiropractic services under the pilot program if the veteran was furnished hospital care or medical services by the Veterans' Administration for a neuromusculoskeletal condition of the spine within the 12-month period immediately preceding the commencement of the furnishing of such chiropractic services.

(2) The pilot program shall consist of not less than one demonstration project in each of five geographic regions of the United States

designated by the Administrator for the purpose of this section.

(3) The pilot program shall be carried out during the period beginning on January 1, 1986, and ending on December 31, 1988.

(b) CONSULTATION AND COORDINATION.—In developing the pilot program, the Administrator shall consult with the Secretary of Defense regarding the demonstration projects carried out by the Secretary under section 632(b) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 1092 note). In designing, conducting, and evaluating the pilot program, the Administrator shall obtain advice and recommendations from recognized medical or scientific authorities in the treatment of neuromusculoskeletal conditions of the spine. The Administrator shall ensure that there is adequate participation by chiropractors in the design and evaluation of the demonstration projects, including participation by representatives from chiropractic colleges recognized by an approved accrediting organization.

(c) Payment for Chiropractic Services Under the Pilot Pro-GRAM.—(1)(A) The Administrator shall pay the reasonable charge for chiropractic services furnished to eligible veterans under the

pilot program.

(B) The Administrator may not pay for such services to the extent that the veteran is entitled to such services (or reimbursement for the expenses of such services) under-

(i) an insurance policy or contract;

(ii) a medical or hospital service agreement or membership or

subscription contract; or

(iii) a similar arrangement for the purpose of providing, paying for, or reimbursing expenses for such services.

(2) The Administrator-

(A) shall reimburse the veteran for such reasonable charges if

the veteran has paid for such services; or

(B) in lieu of reimbursing a veteran for a charge for chiropractic services under subparagraph (A), may pay the reasonable charge for such chiropractic services directly to the chiropractor who furnished the services.

(3) The amount paid for chiropractic services under this subsection may not exceed the amount for such services prescribed under the schedule of reasonable charges established under subsection (d).

98 Stat. 2543.

Insurance. Contracts.

(4) Chiropractic services may be provided in private facilities or chiropractic colleges approved in guidelines issued by the Administrator.

Schools and colleges.

(5) Reimbursement of veterans and payments to chiropractors under this subsection shall be carried out under regulations which the Administrator shall prescribe.

Regulations.

(d) SCHEDULE OF REASONABLE CHARGES.—The Administrator shall establish a schedule of reasonable charges for chiropractic services furnished under the pilot program. Such schedule shall-

(1) be consistent with the reasonable charges allowed under section 1842 of the Social Security Act (42 U.S.C. 1395u); and

(2) be established in consultation with-

(A) appropriate public and nonprofit private organizations: and

(B) other Federal departments and agencies that provide

reimbursement for chiropractic services.

(e) Program Cap.—The amount spent in any calendar year for chiropractic services under the pilot program may not exceed \$2,000,000.

Prohibition.

(f) REPORT.—Not later than April 1, 1989, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the implementation, operation, and results of the pilot program. The report shall include-

(1) the number of requests made by eligible veterans for reimbursement or payment for chiropractic services under this section and the number of such veterans who made such requests:

(2) the number of such reimbursements and payments made and the number of veterans to (or for whom) such reimbursements and payments were made; and

(3) the total amount spent for such reimbursements and

payments.

(g) Definitions.—For the purposes of this section:

(1) The term "chiropractic services" means the manual manipulation of the spine performed by a chiropractor to correct a subluxation of the spine. Such term does not include physical examinations, laboratory tests, radiologic services, and any other tests or services determined by the Administrator to be excluded.

(2) The term "chiropractor" means an individual who is licensed as such by the State in which the individual performs chiropractic services and who meets the uniform minimum standards promulgated for chiropractors under section 1861(r)(5) of the Social Security Act (42 U.S.C. 1395x(r)(5)).

TITLE II—HEALTH-CARE ADMINISTRATION

SEC. 201. MEDICAL QUALITY-ASSURANCE RECORDS.

Section 3305 is amended-

(1) by inserting "(other than reports submitted pursuant to 38 USC 3305. section 4152(b) of this title)" in subsection (a) after "program";

(2) by adding at the end of subsection (b) the following new paragraph:

"(6) Nothing in this section shall be construed as authorizing or requiring withholding from any person or entity the disclosure of statistical information regarding Veterans' Administration healthcare programs (including such information as aggregate morbidity and mortality rates associated with specific activities at individual Veterans' Administration health-care facilities) that does not implicitly or explicitly identify individual Veterans' Administration patients or employees or individuals who participated in the conduct of a medical quality-assurance review.".

SEC. 202. AUTHORITY TO EXPAND GERIATRIC RESEARCH, EDUCATION, AND CLINICAL CENTERS PROGRAM.

38 USC 4101.

Section 4101(f)(1)(A) is amended by striking out "fifteen" and inserting in lieu thereof "25".

SEC. 203. REVISION OF AUTHORITY FOR APPOINTMENT OF STUDENT NURSES AND GRADUATE NURSES.

Section 4114(a)(3) is amended—

(1) by striking out "one year" in the second sentence of subparagraph (A) and inserting in lieu thereof "two years"; and

(2) by adding at the end the following new subparagraph: "(C) A student nurse who has a temporary appointment under this paragraph and who is pursuing a full course of nursing in a recognized school of nursing approved by the Administrator may be reappointed for one year. Other personnel whose appointments are limited by this section to one year may not be reappointed under this subsection."

SEC. 204. QUALITY ASSURANCE AND CREDENTIALING.

(a) IMPROVEMENTS IN PROGRAMS TO EVALUATE AND ASSURE HEALTH-CARE QUALITY.—(1) Chapter 73 is amended by adding at the end the following new subchapter:

"Subchapter V-Quality Assurance

38 USC 4151.

"§ 4151. Quality assurance program

"(a) The Administrator shall-

"(1) establish and conduct a comprehensive program to monitor and evaluate the quality of health care furnished by the Department of Medicine and Surgery (hereinafter in this section referred to as the 'quality-assurance program'); and

tion referred to as the 'quality-assurance program'); and "(2) delineate the responsibilities of the Chief Medical Director with respect to the quality-assurance program, including the

duties prescribed in this section.

"(b)(1) As part of the quality-assurance program, the Chief Medi-

cal Director shall periodically evaluate-

"(A) whether there are significant deviations in mortality and morbidity rates for surgical procedures performed by the Department of Medicine and Surgery from prevailing national mortality and morbidity standards for similar procedures; and

"(B) if there are such deviations, whether they indicate deficiencies in the quality of health care provided by the Depart-

ment of Medicine and Surgery.

"(2) The evaluation under paragraph (1)(A) of this subsection shall be made using the information compiled under subsection (c)(1) of this section. The evaluation under paragraph (1)(B) of this subsection shall be made taking into account the factors described in subsection (c)(2)(B) of this subsection.

Infra.

"(3) If, based upon an evaluation under paragraph (1)(A) of this subsection, the Chief Medical Director determines that there is a deviation referred to in that paragraph, the Chief Medical Director shall explain the deviation in the next report submitted under section 4152 of this title.

"(c)(1) The Chief Medical Director shall—

"(A) determine the prevailing national mortality and morbidity standards for each type of surgical procedure performed by

the Department of Medicine and Surgery; and

"(B) collect data and other information on mortality and morbidity rates in the Department of Medicine and Surgery for each type of surgical procedure performed by the Department and (with respect to each such procedure) compile the data and other information so collected—

"(i) for each medical facility of the Veterans' Administration, in the case of cardiac surgery, heart transplant, and

renal transplant programs; and

"(ii) in the aggregate, for each other type of surgical procedure.

"(2) The Chief Medical Director shall-

"(A) compare the mortality and morbidity rates compiled under paragraph (1)(B) of this subsection with the national mortality and morbidity standards determined under paragraph (1)(A) of this subsection; and

(B) analyze any deviation between such rates and such

standards in terms of-

"(i) the characteristics of the respective patient populations:

"(ii) the level of risk for the procedure involved, based

on-

"(I) patient age;

"(II) the type and severity of the disease;

"(III) the effect of any complicating diseases; and "(IV) the degree of difficulty of the procedure; and "(iii) any other factor that the Chief Medical Director considers appropriate.

"(d) Based on the information compiled and the comparisons, analyses, evaluations, and explanations made under subsections (b) and (c) of this section, the Chief Medical Director, in each report under section 4152 of this title, shall make such recommendations with respect to quality assurance as the Chief Medical Director considers appropriate.

"(e)(1) The Administrator shall allocate sufficient resources (including sufficient personnel with the necessary skills and qualifications) to enable the Department of Medicine and Surgery to

carry out its responsibilities under this section.

"(2) The Inspector General of the Veterans' Administration shall allocate sufficient resources (including sufficient personnel with the necessary skills and qualifications) to enable the Inspector General to monitor the quality-assurance program.

"§ 4152. Quality-assurance reports

"(a)(1) Not later than February 1 of 1987, 1989, and 1991, the Chief Medical Director shall submit to the Administrator a report on the experience through the end of the preceding fiscal year under the quality-assurance program carried out under section 4151 cf this title.

38 USC 4152.

Ante, p. 950.

"(2) Each such report shall include—

"(A) the data and other information compiled and the comparisons, analyses, and evaluations made under subsections (b) and (c) of such section with respect to the period covered by the report; and

"(B) recommendations under subsection (d) of such section.
"(b) Not later than 60 days after receiving each such report, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a copy of the report, together with any comment concerning the report that the Administrator considers appropriate.

"(c) A report submitted under subsection (b) of this section shall not be considered to be a record or document as described in section

3305(a) of this title."

(2) The table of sections at the beginning of chapter 73 is amended by adding at the end the following:

"SUBCHAPTER V-QUALITY ASSURANCE

"4151. Quality assurance program.

"4152. Quality-assurance reports.".

(b) Report on Credentials of Health-Care Professionals.—(1) The Administrator of Veterans' Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report describing in detail the current efforts and procedures and future plans of the Veterans' Administration for determining and monitoring the credentials of health-care professionals in connection with their furnishing care to veterans under chapter 17 of title 38. United States Code.

(2)(A) The report shall include a description of each current and planned Veterans' Administration policy or procedure regarding, or

arrangement for, credentialing information exchanges.

(B) With reference to any such policy, procedure, or arrangement that is planned and has not been implemented at the time the report required by paragraph (1) is submitted, the Administrator shall—

(i) include in the report a timetable for such implementation;

and

(ii) report to the committees on progress toward such implementation every three months thereafter until implementation of each such policy, procedure, and arrangement is achieved.

Upon implementation of each such policy, procedure, and arrangement, a final report on such implementation shall be submitted to the Committees.

(3) For the purposes of this subsection, the term "credentialing information exchanges" includes the exchange of relevant informa-

tion with a license issuing or monitoring entity-

(A) in order to determine, with respect to an individual who is seeking employment with, or who is employed by, the Veterans' Administration as a health-care professional for the furnishing of care to veterans under chapter 17 of title 38, United States Code—

(i) whether the individual has completed medical or other health-care professional education satisfactorily;

(ii) the current and past licensure and clinical privilege status of the individual; or

(iii) the full employment history of the individual; or

38 USC 3305.

38 USC 601 et seq.

(B) in order to provide appropriate information to such an entity about an individual whose employment with the Veterans' Administration as a health-care professional is terminated-

(i) following the completion of a disciplinary action relat-

ing to such individual's clinical competence;

(ii) voluntarily after having had such individual's clinical

privileges restricted or revoked; or

(iii) voluntarily after serious concerns about such individual's clinical competence have been raised but not resolved. (4) For the purposes of this subsection, the term "license issuing or

(A) an appropriate State medical or other health-professional

licensing body:

monitoring entity" means-

(B) the Federation of State Medical Boards: (C) the American Medical Association; and

(D) any other public or private entity that the Administrator considers appropriate that is involved with the issuance or monitoring of health-care professional licenses.

(5) The report required by this subsection shall be submitted not Report. later than 90 days after the date of the enactment of this Act.

SEC. 205. AVAILABILITY OF STATE FINANCIAL SUPPORT FOR APPROVED STATE HOME PROJECTS.

(a) DEADLINE FOR AVAILABILITY OF STATE CONSTRUCTION FUNDS.— Subsection (a)(6) of section 5035 is amended by inserting "by July 1 of the fiscal year for which the application is approved" before "and for its maintenance"

(b) Deferral of Certain Applications.—Subsection (b) of such

section is amended-

(1) by inserting "(1)" after "(b)";

(2) by redesignating clauses (1) through (4) as clauses (A)

through (D), respectively; and

(3) by adding at the end the following new paragraph:

"(2)(A) The Administrator shall defer approval of an application that meets the requirements of this section if the State submitting the application does not, by the July 1 deadline (as defined in subparagraph (C) of this paragraph), demonstrate to the satisfaction of the Administrator that the State has provided adequate financial support for construction of the project.

"(B) In a case in which approval of an application is deferred

under subparagraph (A) of this paragraph—

"(i) the Administrator, in accordance with guidelines established by the Administrator, shall select for award of a grant or grants under this section an application or applications for a nursing home project or projects that the Administrator determines-

'(I) to be most in need;

"(II) would, but for the deferral, not have been approved during the fiscal year in which the deferral occurred;

"(III) have been provided adequate financial support by the State and are otherwise qualified for approval during the fiscal year; and

"(ii) during the next fiscal year, the application with respect to which approval was deferred shall be accorded priority for

98 Stat. 2689. 38 USC 5035.

Grants. Nursing home. approval ahead of applications that had not been approved

before the first day of such fiscal year.

"(C) For the purposes of this paragraph, the term 'July 1 deadline' means July 1 of the fiscal year in which the State is notified by the Administrator of the availability of funding for a grant for such project.".

SEC. 206. PROCEDURES FOR REDUCTION OR REVOCATION OF CLINICAL PRIVILEGES.

38 USC 4110 note

(a) Guidelines.—Not later than April 1, 1986, the Administrator of Veterans' Affairs shall prescribe uniform guidelines establishing administrative procedures to be followed in any case in which a reduction or revocation of the clinical privileges of any person employed in a position described in paragraph (1) of section 4104 of title 38, United States Code, is proposed on the basis of a deficiency in the employee's performance of professional responsibilities.

(b) Report.—Not later than May 1, 1986, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report (containing a copy of such guide-

lines) on the implementation of this section.

TITLE III—VETERANS' ADMINISTRATION MEDICAL FACILITIES

SEC. 301. CLARIFICATION OF REQUIREMENT OF CONGRESSIONAL AP-PROVAL OF CONSTRUCTION AND ACQUISITION PROJECTS.

38 USC 5004.

Subsection (a) of section 5004 is amended to read as follows: "(a)(1) The purpose of this subsection is to enable Congress to ensure the equitable distribution of medical facilities throughout the United States, taking into consideration the comparative urgency of the need for the services to be provided in the case of each particular facility.

"(2) After the adoption by the committees during a fiscal year of resolutions with identical texts approving major medical facility projects, it shall not be in order in the House of Representatives or in the Senate to consider a bill, resolution, or amendment making an appropriation for that fiscal year or for the next fiscal year which

may be expended for a major medical facility project-

"(A) if the project for which the appropriation is proposed to

be made is not approved in those resolutions; or

"(B) in the event that the project is approved in the resolutions, if either-

"(i) the bill, resolution, or amendment making the appro-

priation does not specify-

"(I) the medical facility project for which the appropriation is proposed to be made; and

"(II) the amount proposed to be appropriated for the project; or

"(ii) the amount proposed to be appropriated for the project (when added to any amount previously appropriated for the project) exceeds the amount approved for the project.

Prohibition.

"(3) No appropriation may be made for the lease of any space for use as a medical facility at an average annual rental of more than \$500,000 unless each committee has first adopted a resolution approving such lease and setting forth the estimated cost thereof.

"(4) For the purpose of this subsection, the term 'major medical facility project' means a project for the construction, alteration, or acquisition of a medical facility involving a total expenditure of more than \$2,000,000. Such term does not include an acquisition by exchange.".

SEC. 302. OPERATIONAL AND CONSTRUCTION PLANNING REQUIREMENT.

(a) REQUIREMENT FOR IMPROVED PLANNING.—Subsection (a) of section 5007 is amended-

(1) by inserting "(1)" after "(a)";

(2) by striking out "and alteration" the second place it appears in the first sentence and inserting in lieu thereof alteration, and operation":

(3) by striking out the second and third sentences; and (4) by adding at the end the following new paragraphs: "(2) Each such report shall contain-

"(A) a five-year strategic plan for the operation and construction of medical facilities-

"(i) setting forth-

"(I) the mission of each existing or proposed medical facility;

"(II) any planned change in such mission; and

"(III) the operational steps needed to achieve the facility's mission and the dates by which such steps are planned to be completed; and

"(ii) a five-year plan, based on the factors set out in subclause (i) of this clause, for construction, replacement, or alteration projects for each such facility;

"(B) a list, in order of priority, of not less than 10 hospitals Hospitals. that, in the judgment of the Administrator, are most in need of

construction or replacement; and

"(C) general plans (including projected costs, site location, and, if appropriate, necessary land acquisition) for each medical facility for which construction, replacement, or alteration is planned under clause (A)(ii) of this paragraph.

"(3) The report under this subsection shall be submitted not later Report.

than June 30 of each year.".

(b) TECHNICAL AMENDMENTS.—Subsection (b) of such section is amended-

(1) by striking out "(beginning in 1981)";

(2) by inserting "(1)" after "medical facility"; and (3) by striking out "title and, in the case of the second and each succeeding report made under this subsection," and inserting in lieu thereof "title, and (2)".

(c) CLERICAL AMENDMENTS.—(1) The heading for such section is

amended to read as follows:

"\$ 5007. Operational and construction plans for medical facilities".

(2) The item relating to such section in the table of sections at the beginning of chapter 81 is amended to read as follows:

"5007. Operational and construction plans for medical facilities.".

SEC. 303. MAJOR FACILITY PROSPECTUS REQUIREMENT.

Section 5004(b)(1) is amended by inserting "and, in the case of a prospectus proposing the construction of a new or replacement medical facility, a description of the consideration that was given to

38 USC 5007.

Report.

38 USC 5004.

acquiring an existing facility by lease or purchase" after "such facility".

38 USC 5003 note.

SEC. 304. DEVELOPMENT OF MEDICAL-FACILITY MODULAR COMPONENTS.

In order to evaluate the applicability to the Veterans' Administration of the use of modular components in the design and construction of medical facilities for the furnishing of hospital care and to determine the efficiency and cost-effectiveness of that approach, the Administrator of Veterans' Affairs shall, not later than one year after the date of the enactment of this Act, develop a modular approach to the planning and design of an appropriate Veterans' Administration medical facility for the furnishing of hospital care.

SEC. 305. FEASIBILITY STUDY OF AND PLAN FOR THE PURCHASE OF A FACILITY FOR FURNISHING HOSPITAL AND NURSING HOME CARE.

President of U.S. Florida.

98 Stat. 2324.

In the documents submitted by the Administrator of Veterans' Affairs to the appropriate committees of the Congress at the time of and in connection with the submission, pursuant to section 1105 of title 31, United States Code, of the Budget for fiscal year 1987, the Administrator shall include the results of a feasibility study which he shall conduct of, and if indicated by such study provide a feasibility plan for, the purchase for Veterans' Administration use of a medical facility that is located in an urban area and is suitable for furnishing both hospital and nursing home care services, and meets the current and projected needs and specifications of the Veterans' Administration for furnishing health care to eligible veterans. In such Budget, the President, as warranted by such feasibility plan, shall include a request for an appropriate amount to purchase such a facility which meets those needs and specifications: Provided, That this section shall not be construed to require the Administrator to provide a feasibility plan with respect to the purchase of a facility that would have the effect of making it infeasible to construct, acquire, or lease a medical facility in the Florida panhandle or to expand the Biloxi/Gulfport Veterans' Administration Medical Center to furnish health care to veterans in the area.

TITLE IV-MISCELLANEOUS PROVISIONS

SEC. 401. SERVICEMEN'S GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE.

(a) Servicemen's Group Life Insurance.—(1) Subsection (a) of section 767 is amended—

(A) by striking out "\$35,000" and inserting in lieu thereof "\$50,000"; and

(B) by striking out "the amount of \$30,000, \$25,000, \$20,000, \$15,000, \$10,000 or \$5,000" and inserting in lieu thereof "an amount less than \$50,000 that is evenly divisible by \$10,000".

(2) Subsection (c) of such section is amended by striking out "the amount of" the first place it appears and all that follows through "as the case may be," and inserting in lieu thereof "any amount less than \$50,000, such member may thereafter be insured under this subchapter in the amount of \$50,000 or any lesser amount evenly divisible by \$10,000".

(3) Subsection (d) of such section is amended—

38 USC 767.

(A) by striking out "the effective date of this subsection" each place it appears and inserting in lieu thereof "January 1, 1986";

(B) by striking out "up to a maximum of \$35,000 (in any amount divisible by \$5,000)" and inserting in lieu thereof "in the amount of \$50,000 or any lesser amount evenly divisible by \$10,000".

(b) VETERANS' GROUP LIFE INSURANCE.—(1) Subsection (a) of sec-

tion 777 of such title is amended-

(A) by striking out the first sentence and inserting in lieu thereof the following: "Veterans' Group Life Insurance shall be issued in the amounts specified in section 767(a) of this title. In the case of any individual, the amount of Veterans' Group Life Insurance may not exceed the amount of Servicemen's Group Life Insurance coverage continued in force after the expiration of the period of duty or travel under section 767(b) or 768(a) of this title."; and

(B) by striking out "\$35,000" in the sentence immediately following the matter inserted by clause (A) and both places it appears in the last sentence and inserting in lieu thereof "\$50,000".

(2) Such section is further amended by adding at the end the

following new subsection:

"(h)(1) Notwithstanding any other provision of law, members of the Individual Ready Reserve and the Inactive National Guard are eligible to be insured under Veterans' Group Life Insurance. Any such member shall be so insured upon submission of an application in the manner prescribed by the Administrator and the payment of premiums as required under this section.

"(2) Notwithstanding subsection (b)(2) of this section, Veterans' Group Life Insurance coverage under this subsection shall be issued on a renewable five-year term basis, but the person insured must remain a member of the Individual Ready Reserve or Inactive National Guard throughout the period of the insurance in order for

the insurance of such person to be renewed.

"(3) For the purpose of this subsection, the terms 'Individual Ready Reserve' and 'Inactive National Guard' shall have the meanings prescribed by the Administrator in consultation with the Secretary of Defense."

(c) Effective Date.—The amendments made by subsections (a) 38 USC 767 note.

and (b) shall take effect on January 1, 1986.

SEC. 402. EXTENSION OF AUTHORITY TO OPERATE AN OFFICE IN THE REPUBLIC OF THE PHILIPPINES.

Section 230(b) is amended by striking out "October 31, 1985" and inserting in lieu thereof "September 30, 1988".

SEC. 403. VETERANS' ADMINISTRATION GRADE REDUCTION.

(a) Section 210(b) is amended by adding at the end the following

new paragraphs:
"(3)(A) The Administrator may not implement a grade reduction described in subparagraph (B) of this paragraph unless the Administrator first submits to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing a detailed plan for such reduction and a detailed justification for the plan. Such report shall include a determination by the Administrator (together with data supporting such determination) that, in the

38 USC 777.

Ante, p. 956.

38 USC 767, 768.

Individual Ready Reserve. Inactive National Guard.

Ante, p. 481.

38 USC 210.

Effective date.

personnel area concerned, the Veterans' Administration has a disproportionate number of employees at the salary grade or grades selected for reduction in comparison to the number of such employees at the salary levels involved who perform comparable functions in other departments and agencies of the Federal Government and in non-Federal entities. Any grade reduction described in such report may not take effect until the end of a period of 90 calendar days (not including any day on which either House of Congress is not in session) after the report is received by the committees.

"(B) A grade reduction referred to in subparagraph (A) of this paragraph is a systematic reduction, for the purpose of reducing the average salary cost for Veterans' Administration employees described in subparagraph (C) of this paragraph, in the number of such Veterans' Administration employees at a specific grade level.

"(C) The employees referred to in subparagraph (B) of this para-

graph are-

"(i) health-care personnel who are determined by the Administrator to be providing either direct patient-care services or services incident to direct patient-care services;

"(ii) individuals who meet the definition of professional em-

ployee as set forth in section 7103(a)(15) of title 5; and

"(iii) individuals who are employed as computer specialists.
"(D) Not later than the forty-fifth day after the Administrator submits a report under subparagraph (A) of this paragraph, the Comptroller General shall submit to such Committees a report on the Administrator's compliance with such subparagraph. The Comptroller General shall include in the report the Comptroller General's opinion as to the accuracy of the Administrator's determination (and of the data supporting such determination) made under such subparagraph.

Prohibition.

Report.

"(E) In the case of Veterans' Administration employees not described in subparagraph (C) of paragraph (3), the Administrator may not in any fiscal year implement a systematic reduction for the purpose of reducing the average salary cost for such Veterans' Administration employees that will result in a reduction in the number of such Veterans' Administration employees at any specific grade level at a rate greater than the rate of the reductions systematically being made in the numbers of employees at such grade level in all other agencies and departments of the Federal Government combined."

Real property.

SEC. 404. LAND TRANSFER, PHOENIX, ARIZONA.

(a) REQUIREMENT FOR TRANSFER.—The real property described in subsection (b) and the structures on such property on the date of the enactment of this Act shall be transferred without compensation or reimbursement from the control and jurisdiction of the General Services Administration to the control and jurisdiction of the Veterans' Administration.

(b) DESCRIPTION OF LAND.—The real property referred to in subsection (a) is a tract of land consisting of 3.4 acres, more or less, in

Phoenix, Arizona, that-

(1) was formerly part of the Veterans' Administration Medi-

cal Center, Phoenix, Arizona; and

(2) was declared to be excess to the needs of the Veterans' Administration in a report to the General Services Administration dated September 25, 1959.

SEC. 405. MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, MILWAUKEE COUNTY, WISCONSIN.

(a) Release of Reversionary Interest.—The Administrator of Veterans' Affairs shall execute such instruments as may be necessary to modify the conditions under which the land described in subsection (b) will revert to the United States in order to permit Milwaukee County, Wisconsin, to lease all or part of such land to a nonprofit corporation which—

(1) shall construct and equip on such land structures, facilities, and other permanent improvements useful for public rec-

reational purposes or general civic purposes; and

(2) shall use such land for such recreational or civic purposes.
 (b) Description of Land.—The land referred to in subsection (a) is—

(1) the land conveyed to Milwaukee County, Wisconsin, pursuant to the Act entitled "An Act to authorize the Administrator of Veterans' Affairs to convey lands and to lease certain other land to Milwaukee County, Wisconsin", approved September 1, 1949 (63 Stat. 683); and

(2) the land conveyed to Milwaukee County, Wisconsin, pursuant to the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to Milwaukee County, Wisconsin", approved August 27, 1954 (68 Stat. 866).

(c) General Limitations.—The Administrator may carry out this section subject to such terms and conditions (including reservations of rights for the United States) as the Administrator determines to be necessary to protect the interests of the United States.

SEC. 406. AUTHORITY TO RELEASE LIMITATION ON USE OF REAL PROP-ERTY, MCKINNEY, TEXAS.

(a) Release of Limitation.—The Administrator of Veterans' Affairs shall execute such instruments as may be necessary to release the limitation to recreational purposes only on the use of the land

described in subsection (b).

(b) Description of Land.—The land referred to in subsection (a) is two parcels of land, consisting of a total of 38.741 acres, that were conveyed by the Administrator to the city of McKinney, Texas, by deed of May 5, 1965, under the authority of Public Law 88-438 (78 Stat. 444, approved August 14, 1964).

SEC. 407. MODIFICATION OF RESTRICTIONS ON REAL PROPERTY AND CONVEYANCE OF A FENCE ON SUCH PROPERTY, SALT LAKE CITY, UTAH.

(a) Modification of Restriction.—(1) The Administrator of Veterans' Affairs shall execute such instruments as may be necessary in order to authorize the land conveyed under the authority of the Act referred to in paragraph (3) to be used—

(A) without regard to any limitation required by section 2 of

that Act, but

(B) subject to the limitations set forth in paragraph (2).

(2) Any instrument executed under paragraph (1) shall provide, with respect to the tract of land conveyed under the Act referred to in paragraph (3)—

(A) that such tract may be used only for hospital, educational,

civic, residential, or related purposes;

(B) that, if any part of such tract is used in any manner that is determined by the Administrator to interfere with the care and

68 Stat. 580.

treatment of any patient at a Veterans' Administration healthcare facility located in the reservation described in such Act, such use shall cease immediately upon notice by the Administrator of such interference to the person holding legal title to such part at the time such use occurs;

(C) that, if any part of such tract is used for a purpose other than a purpose prescribed in clause (A), title to such part shall

revert to the United States; and

(D) that, if any interference referred to in clause (B) does not cease as required under such paragraph, title to the part of such land that is being used in a manner to cause such interference shall revert to the United States.

Any such instrument may contain such additional terms and conditions (including reservations of rights to the United States) as the Administrator determines to be necessary to protect the interests of the United States.

(3) The Act referred to in paragraphs (1) and (2) is the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to the Armory Board, State of Utah",

approved July 29, 1954 (68 Stat. 579).

(b) Conveyance of Fence.—The Administrator shall convey, without consideration, to the Armory Board of the State of Utah all right, title, and interest of the United States in the fence erected as required by the quitclaim deed issued to the Armory Board by the Administrator on October 14, 1954, under the authority of the Act referred to in subsection (a)(3). The conveyance shall contain such terms and conditions as the Administrator determines to be necessary to protect the interests of the United States.

Approved December 3, 1985.

LEGISLATIVE HISTORY-H.R. 505 (S. 876):

HOUSE REPORT No. 99-114 (Comm. on Veterans' Affairs). SENATE REPORT No. 99-101 accompanying S. 876 (Comm. on Veterans' Affairs). CONGRESSIONAL RECORD, Vol. 131 (1985):

May 21, considered and passed House.
July 30, considered and passed Senate, amended, in lieu of S. 876.
Oct. 30, House concurred in Senate amendments with amendment.
Nov. 6, 13, Senate concurred in House amendment with amendment.
Nov. 14, House concurred in Senate amendments.