

# About H.R. 4457 "Veterans Empowerment Act"

**Overview:** H.R. 4457 "Veterans Empowerment Act" is a bill that will "amend title 38, United States Code, to establish the Veterans Accountable Care Organization and to provide veterans access to private health insurance plans, and for other purposes." The Veterans of Foreign Wars has stated that the bill **"would dismantle the VA health care system, require veterans to pay for care they need to recuperate from military injuries and illnesses and reduce VA's role to an insurance program for veterans."** In essence, H.R. 4457 would transform the VA's health care system to an insurance program for veterans. Under this plan the VA would continue to operate "centers of excellence" as care facilities. Veterans would choose between continuing to use the centers and enrolling in the "VetsCare" health insurance program for non-service connected care.

## What you can do:

Help us voice our concern to congress that this bill will dismantle our VA health care system and require veterans to pay for the care that they have already earned defending our country. Use the URL to the VFW Action Alert to tell your Congressman that they were elected to improve, not dismantle, the health care America provides her veterans and that **veterans do not want this bill!**

## Key points of H.R. 4457:

- Excludes nursing home and domiciliary care.
- Creates the "Veterans Accountable Care Organization", governed by a Board of Directors (see page 3 for details).
  - All VA assets and staff will be transferred to the organization.
    - Permits reduction in force.
  - **Terminates all functions** of the current VA Health Administration directly relating to furnishing of hospital care, medical services and other health care.
  - VA will continue to administer "centers of excellence" relating to service-connected injuries and other medical issues under the direction of the organization Board of Directors.
- Creates the "Veterans Accountable Care Organization Fund" to fund "centers of excellence" and related costs of health care or medical services furnished to a veteran at the organization's facilities.
- Establishes the "Veterans Health Insurance Program" also referred to as the VetsCare Federal program and VetsCare Choice program.
- Establishes secondary payer, i.e. TRICARE, Medicare, for non-service connected care provided under the program.
- Cost of care, including copayments, will be determined by the organization.

## About VetsCare Choice:

- All veterans currently eligible VA services under 38 U.S.C 1705(a) are eligible participate in VetsCare and may elect health insurance support **in lieu of** eligibility for hospital care, medical services, and other health care.
  - Veterans may continue to use the Department (VA) pharmacies.
- **Health Insurance Support** - paying or reimbursing eligible veterans for costs associated with health insurance support.. in a manner similar to Medicare and Medicaid Services. There are four types of health insurance support:
  - **Premium support** will be tiered based on eligibility:
    - Tier 1 - Priority Group 1 and 100% disabled = full actuarial value (premium) of benefits (no copay).
    - Tier 2 - Priority Group 1 not 100% disabled and Priority Group 2 = 90% actuarial value (premium) of benefits (10% co-pay).

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- Tier 3 - Priority Group 3 or 4 = 80% actuarial value (premium) of benefits (20% co-pay).
- Tier 4 - Priority Group 5 or 6 = 70% actuarial value (premium) of benefits (30% co-pay).
- Tier 5 - Other eligible veterans that are not covered in Tier's 1 - 4 = 60% actuarial value (premium) of benefits (40% co-pay).
- **Premium Support Based on Need** - tiered support for veterans with an annual gross household income that is less than 400 percent of the poverty line. See pages 20 - 21 for details and <https://aspe.hhs.gov/poverty-guidelines> for poverty guidelines.
- **Cost Sharing Support** - Support for copayments, deductibles, or other health insurance provider charges in order to ensure that the effective minimum actuarial value of benefits a prescribed percentage, based on income. See 21 - 22 for details.
- **Alternative Support** - Veterans who obtain a high deductible health plan that includes a health savings account are eligible for alternative support. See pages 22-23 for details.
- **VetsCare Senior program** - for Medicare eligible veterans - Medicare or a Medicare supplement policy will be responsible for non-service connected disability health care costs.

## References:

URL to this article: <http://www.vfwpost3917.org/index.php>

URL to bill status: <https://www.congress.gov/bill/115th-congress/house-bill/4457>

URL to bill text (pdf): <https://www.congress.gov/115/bills/hr4457/BILLS-115hr4457ih.pdf>

URL to Title 38, US Code: <http://codes.findlaw.com/us/title-38-veterans-benefits/#!tid=NB92F0A440A044393BB3F1A4B1CC409B9>

URL to US Poverty Guidelines: <https://aspe.hhs.gov/poverty-guidelines>

URL to Congressman Lamborn: <https://lamborn.house.gov/>

URL to VFW Action Alert: <http://capwiz.com/vfw/utr/1/IAJGBARZHWP/ISJQBARZJIV/11612121316>