DEPARMENT OF VETERANS AFFAIRS

STRATEGIC PLAN ON
EXPANSION OF HEALTH CARE COVERAGE FOR VETERANS TRANSITIONING FROM SERVICE IN THE ARMED FORCES

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Contents

I. Table of Contents 1

Introduction 2

Overview 2

II. Alignment with VA Strategic Plan and Executive Order 13822 4

Part 1: Increase Enrollment of Transitioning Service Members Within the First Year of Separation 6

Goal 1: Increase the Provision of Proactive Health Care Services

Objective 1: Deliver Comprehensive and Integrative Healthcare 7

Goal 2: Improve TSMs Trust and Confidence

Objective 1: Strengthen Outreach and Communications 7

Objective 2: Reduce Misinformation about VA and the Transition Process 8

Objective 3: Strengthen Veteran Interactions through improved Health Equity..... 9

Goal 3: Ensure Continuous Improvement

Objective 1: Expand Quality Measures 9

Objective 2: Expand existing programs and processes to reach all TSMs 10

Objective 3: Reduce Health Disparities through expanded Health Equity Initiatives..... 11

Part 2: Expand Eligibility of Transitioning Service Members 11

Goal: Understand needs of Veteran populations not currently eligible or who choose not to enroll in VA care

Objective: Identify Legislative policy, regulatory and administrative actions to provide Health Care to any Veteran for 1 year following separation..... 11

III. Impact and Cost Analysis 12

Methodology and Assumptions 13

For eligible TSMs and Veterans 13

For TSMs and Veterans 14

Projected Impact and Cost Analysis of Improved Outreach and Communications for Eligible Veterans 14

Table 1. Projected Enrollment and Expenditure Impact of Eligible Veterans (Assumes 2.5% Increase in s Enrollment Rate) 15

Projected Impact and Cost Analysis of Ineligible Veterans 15

Table 2. Projected Registration and Expenditure Impact of Ineligible Veterans (Assumes 15% Increase Ineligible Opt-out Rate) 16

IV. Conclusion 17

Implementation 17

Our Path Forward 17

Introduction

The process for Transitioning Service Members (TSMs) and Veterans to transition from the military to civilian life is a 2-year process. It begins 365-days pre-separation from military service and extends 365-days post-separation from military service. The Department of Veterans Affairs (VA) collaborates with the Department of Defense (DoD), Veteran Service Organizations (VSOs) and other community partners to provide transition assistance planning and services at multiple stages throughout this journey. Once a TSM begins the separation process, benefits advisors, working with Transition Assistance Program (TAP) and the VA Liaisons for Healthcare, provide TSMs with an overview of available benefits. The benefits advisors also provide one-on-one assistance to TSMs. Following discharge from the military, eligibility for enrollment can be determined and TSMs can seek VA health care benefits.

Due to the many challenges associated with the transition, Veterans face the highest risk of suicide during their first year after military service and therefore, prompt connection to health care services is a priority for VA. On October 17, 2020, the Commander John Scott Hannon Veterans Mental Health Care Improvement Act of 2019 (P.L. 116-171) was signed into law. P.L. 116-171 § 101 requires VA, in consultation with the Secretary of Defense, to publish on its website and submit to Congress a strategic plan for the provision of VA health care to any Veteran during the 1-year period following the discharge or release of the Veteran from active military, naval or air service.

In response to this requirement, VA developed the “Strategic Plan on Expansion of Health Care Coverage for Veterans Transitioning from Service in the Armed Forces” in coordination with DoD. This plan addresses both near and longer-term strategies with the goal to enhance the quality of life for every TSM, Veteran, caregiver, and family member by providing comprehensive VA health care to as many Veterans as possible at both the critical juncture of transition, as well as continuously engaging, adapting, and enhancing care throughout a Veteran’s journey.

Overview

P.L. 116-171 § 101 requires VA to provide a strategic plan to examine a scenario where any Veteran can receive VA health care during the year following separation from the military. We recognize that there are significant statutory, operational, and ethical considerations to consider while pursuing this significant change because currently not all Veterans are eligible to receive VA health care benefits. Generally, individuals may be eligible for VA health care benefits if they served in the active military, naval or air force and didn’t receive a dishonorable discharge; meet the minimum active-duty service requirements in 38 U.S.C. § 5303A; and are not subject to the bars to benefits in 38 U.S.C. § 5303. There are certain exceptions to the minimum active-duty requirement (for additional details on Veteran Health Care Eligibility, refer to VA’s website or VHA Directive 1601A.02(3)). Title 38 U.S.C. § 1705 requires VA to establish and implement

a national enrollment system to manage its delivery of health care benefits. It further provides that most Veterans must be enrolled to receive care. VA has implemented this authority in 38 C.F.R § 17.36. Veterans who do not met the eligibility criteria outlined by public law and VA's rules, regulations and policy are considered ineligible for VA health care.

As noted, one consideration when providing health care to any Veteran are the current statutory bars under 38 U.S.C. § 5303 to certain benefits including health care. For example, bad conduct discharges by general court-martial may prohibit those Veterans from receiving any VA benefits, subject to a VA character of discharge determination. VA will need to determine the appropriate path to make the necessary statutory, regulatory, and policy-based changes to waive all limits to benefits for the first year and explore the comprehensive impacts of those changes. Additional analysis is necessary to identify any additional barriers to providing health care to any Veteran during the first year after discharge.
In addition, VA will need to analyze our capacity and operational ability to accommodate a potential influx of newly eligible patients and how the VA could effectively manage the varying eligibility status based on the time following separation. VA has identified a significant ethical challenge with providing health care for only a set term. VA is concerned about the risks for currently ineligible Veterans following the first year, as well as the potential negative perceptions of offering care only to take it away for some Veterans who are not eligible long term. These considerations influenced VA's approach for this strategic plan.

It is important to note that VA currently can provide direct care or support to ineligible Veterans in limited circumstances, to include:
Veterans not eligible for VA health care are able to receive emergency care from VA under 38 U.S.C. § 1784A (examination and treatment for emergency medical conditions and women in labor). However, VA must charge for any care or service provided under section 1784A in accordance with billing and reimbursement authorities available to VA. Veterans may receive support from the Veterans Crisis Line (1-800-273-8255 and Press 1) and the National Call Center for Homeless Veterans (877-424-3838).

All Veterans may contact VA to be screened for benefit eligibility or to relate to VA partners, like Vet Centers, and community resources outside of VA, like VSOs.
VA is committed to working with Congress and DoD on efforts to continue to improve the transition process. While VA conducts a full exploration of the possibility of expanding eligibility during the first year after separation, VA has identified many opportunities to increase enrollment of eligible Veterans within the first year of separation and greatly improve several aspects of the transition process. Under current authorities, approximately 150,000 TSMs are eligible to enroll each year. In fiscal year (FY) 2019 only 45,000 TSMs, representing approximately 25% of eligible TSMs, enrolled within the first year of separation. This low enrollment percentage demonstrates the many opportunities to improve communications and outreach to TSMs throughout the transition process.

Therefore, to address near- and long-term goals and objectives, VA organized this Strategic Plan into two parts:
"Part 1: Increase Enrollment of Transitioning Service Members Within the First Year of Separation" outlines goals and objectives to improve the transition process and increase enrollment in VHA health care services in the first year of separation.

"Part 2: Expand Eligibility of Transitioning Service Members" will provide a comprehensive outline of the required steps along with potential impacts to provide health care to any Veteran for 1 year following separation.

This stepped approach will allow for the operationalization of impactful, near-term improvements and lay the foundation for additional consultation with Congress on how to expand eligibility in a way that honors Veterans and builds trust in VA. VA also will be able to apply lessons learned from the expected increase in VA health care services use from the improvements made for currently eligible Veterans. This process will enable VA to best meet the needs of Veterans and to create lasting and trusting relationships between Veterans and the VA health care system.

The goals and objectives stated in this strategic plan address the important questions raised by P.L. 116-171 § 101 at a high-level. Due to the need for additional analysis, input from Congress and other stakeholders on the high-level strategic approach and the current statutory barriers to operationalize the provision of VA health care to any Veteran, VA commits to further analysis, scenario planning and a supplemental report to Congress with additional details covering all aspects of P.L. 116-171 § 101.

I. Alignment with VA Strategic Plan and Executive Order 13822

The VA Strategic Plan provides direction for all programmatic and management functions in VA and the framework for the "Strategic Plan on Expansion of Health Care Coverage for Veterans Transitioning from Service in the Armed Forces." The goals and objectives outlined in this strategic plan strengthen and align with VA's top clinical priority: suicide prevention. VA designed the "Strategic Plan on Expansion of Health Care Coverage for Veterans Transitioning from Service in the Armed Forces" to support VA's strategic goals and objectives encouraging Veterans to choose VA for their care, improving customer experiences and timeliness of care, ending Veteran suicide, enhancing Veteran well-being, and improving trust in VA.

In addition, the goals, and initiatives of Executive Order (EO) 13822 (83 Fed. Reg. 1513; relating to supporting Veterans during their transition from uniformed service to civilian life) served as a foundation for developing the goals and objectives of this strategic plan. EO 13822 directs VA, DoD, and the Department of Homeland Security (DHS) to collaboratively address the complex challenges faced by our TSMs and Veterans to provide seamless access to high-quality mental health care and suicide prevention resources to TSMs and Veterans as they transition, with an emphasis on the 1-year period following separation. The goals and objectives of this plan are expected to further the ongoing initiatives of EO 13822. For example, Part 1, Goal 2, Objective 1 ("Strengthen Outreach and Communications") and

Objective 2 (“Reduce Misinformation About VA and the Transition Process”) align with the EO 13822 awareness efforts, to include modifications made to the TAP curriculum, the ongoing communications campaign and partnerships with VSOs and the community.

In addition, Part 1, Goal 3, Objective 2 (“Expand Existing Programs and Processes to Reach All Transitioning Service Members”) aims to expand VA Solid Start. The expanded eligibility scenario described by P.L. 116-171 § 101 encompass all Veterans under consideration for mental health care under EO 13822. VA will continue to leverage efforts already implemented from EO 13822 and further analyze how the tactics developed out of this strategic plan will enhance the efforts of EO 13822 initiatives.

Part 1: Increase Enrollment of Transitioning Service Members Within the First Year of Separation

Increase Enrollment of Transitioning Service Members Within the First Year of Separation” of the strategic plan is focused on improving the transition process to allow TSMs to have better control over their transition from military service with input, guidance and resources provided by DoD, VA, and community partners. This modernized process will:

Help identify potential risk factors earlier during the transition process. Connect all TSMs and Veterans with resources and programs that fit their transition plan; and empower TSMs and Veterans to make informed health decisions by choosing health care that best suit their needs.

VA will continue to build trust with TSMs and Veterans by creating a seamless transition process ensuring the TSMs have consistent access to VA services that will help them achieve total wellness. VA intends to implement Part 1 of the strategic plan in FY 2023– 25, with three goals driven by seven objectives. During the implementation phase, VA will ensure alignment on specific tactics with existing resources, initiatives, and frameworks, such as the Military to Civilian Readiness Pathway (M2C Ready), which provides interagency support to help ensure a holistic and successful transition for Service Members, Veterans, and their families.

Goal 1: Increase the Provision of Proactive Health Care Services

Objective 1: Deliver Comprehensive and Integrative Healthcare

- VA will focus on continuity of care for TSMs and Veterans by ensuring all enrolled in VA health care services receive a timely primary care and/or mental health appointment after separation. This approach will leverage the current DoD separation health assessment process and ensure the provision of person-to-person connections from DoD services to VA health care services. This process will safeguard Veteran access to consistent, high-quality, and time-sensitive care in the first year of separation. Primary Care services are often the main connection point to other health care services. Through the provision of primary care as the first entry point to VA health care and robust outreach efforts, we expect to see an increase in use of all VA health services including mental health, women’s health, and treatment for service-connected disabilities. By ensuring early connection to VA health care services, TSMs and Veterans will have an

improved perception of VA health care and may be encouraged to enroll in VA health care.

- In coordination with primary care and mental health visits, VA also will connect each Veteran with a Patient Aligned Care Team (PACT) once enrolled in VA health care. PACT is a patient-driven, proactive, and personalized, team-based approach h focused on wellness and disease prevention resulting in improvements in Veteran satisfaction, health care outcomes and costs. The PACT team will coordinate with the Veteran to develop a plan for whole-person care, life-long health and wellness centered on the Veteran's health care priorities.

- VA also will outline metrics of success to monitor how the objectives increase provision of health care services over time. VA will focus on cost-effective and value-based health care delivery models to optimize resources, expand access to care and reduce barriers TSMs and Veterans may face when seeking health care services.

Goal 2: Improve TSM Trust and Confidence

Objective 1: Strengthen Outreach and Communications

- VA will expand, simplify, and implement robust communication and outreach efforts to improve awareness of VA services by developing tailored communication messages that address the TSM's and Veteran's concerns and highlight the importance of enrolling in health care. Leveraging human-centered design insights where applicable, messages will be tailored to address the unique concerns, needs and priorities for every TSM and Veteran, with special attention to diverse population groups on dimensions such as age, gender identity, race, sexual orientation, and geographic location. VA will ensure the use of technology and social media as key outreach modalities to increase our reach and expand access to resources to TSMs and Veterans.

- As part of our long-term planning, VA will streamline benefits processes and tools, allowing TSMs and Veterans to easily access their benefits in a simple and intuitive e manner. In coordination with DoD, VA will implement streamlined communications providing a step-by-step simple process to apply and enroll to access VA health

- care services. These processes will be supported by user-friendly tools to improve enrollment status tracking, health information access and application availability. Also, VA will institute a clear process to connect with TSMs and Veterans. This connection pathway will link TSMs and Veterans with a VHA point of contact allowing the TSM or Veteran to stay connected with VA services and get their questions and needs addressed.

- VA will collaborate with VSOs and community organizations to provide welcoming events modeled after the Yellow Ribbon Reintegration Program pre-deployment and post-deployment resource support events. The welcome events will provide support and connect TSMs and Veterans to community resources that target Veteran's unique needs. These events will be held regularly in the community and will be open to all TSMs, Veterans, caregivers, and family members. They will serve as key connection points for VA, VSOs, and other partners to continuously engage TSMs and Veterans and ensure they have the resources and health care access required to successfully transition into civilian life.

Objective 2: Reduce Misinformation about VA and the Transition Process

- To promote transparency and allow the TSM and Veteran to make an informed choice, VA will continue to provide user-friendly data on all VA health care services and facilities on a public-facing VA.gov website. This effort empowers the Veteran to choose their best health care options by providing relevant health data allowing Veterans to compare satisfaction, efficiency, and health care data to other private/public facilities. For example, VA includes Hospital Compare data on its accesstocare.va.gov website allowing Veterans to make informed decisions on where to receive care based on applicable health care data.

- VA will improve the quality of information of VA services by developing clear messages around VA health care services and other VA services available to TSMs and Veterans. VA will tailor messaging to ensure inclusive language targeting diverse population groups on dimensions such as age, gender identity, race, sexual orientation, and geographic location. In addition, VA will develop marketing objectives to showcase VA success stories and leading health care programs and initiatives to raise awareness about the wide range of available VA services.

- VA will collaborate with DoD in accordance with the established TAP memorandum of agreement to develop supplemental informational training modules based on human-centered design insights offering additional insight on the transition process. The goal of the trainings will be to help DoD staff and personnel understand the importance and nuances involved in the transition process, using targeted techniques, such as case scenarios. Through this training, DoD leadership will provide an overview of all required and optional programs available to the TSMs, allowing leadership to offer guidance, recommendations, and additional resources for their TSMs.

Objective 3: Strengthen Veteran interactions through improved Health Equity

- VA will establish feedback loops with TSMs and Veterans to ensure their perspective continues to be used as a guiding voice in VA initiatives. For example, VA will leverage existing Diversity, Equity and Inclusion town halls and listening sessions with Veteran minority populations to seek their input on tailoring initiatives. These town halls and listening sessions will allow TSMs and Veterans an opportunity to express concerns and collaborate with VA to identify potential solutions. The collaborative nature of these sessions can help improve trust within VA.

- VA will expand research and data collection efforts to better understand health disparities within VA. Through pilot programs, research projects and literature reviews, VA will continue to examine the difference in health outcomes for different populations and identify enterprise-wide solutions to reduce health disparities.

- VA will update the cultural competence and health equity training for VA employees. The training will focus on educating staff on the meaning of health equity and cultural competence. The training will focus on the impact of social and structural determinants of health and how to address those determinants using a whole health approach.

Goal 3: Ensure Continuous Improvement

Objective 1: Expand Quality Measures

- VA will further enhance the quality of care and experience for TSMs by developing a process to track TSMs in collaboration with DoD. This process will allow VA and DoD to monitor the progress on TSM cohorts as they move through the transition process and complete various transition programs towards Veteran status, using a common minimum dataset. This process will support the VA's Electronic Health Record Modernization (EHRM) plan. VA's EHRM program establishes the necessary platform between DoD and VA to transfer, aggregate and reconcile the TSM's longitudinal data. This process enables VA to ensure all TSMs are moving seamlessly through the transition process, receiving appropriate referrals to various programs, and receiving the same transition touchpoints, even at the clinical point of care. The tracking process will be accessible to DoD and VA personnel allowing for feedback loops to be incorporated for all TSMs. Metrics such as satisfaction survey results, feedback from outreach and programs, annual listening sessions, program pathways and program enrollment rates will be incorporated in the tracking process. Implementation and development of the tracking process will be iterative, beginning with intra-agency collaboration on the common minimum dataset, initial agency-specific reporting requirements prior to full data sharing in the common environment and iterative implementation of the tracking ecosystem commensurate with the rolling implementation of the shared electronic health record (EHR).

- In alignment with the dashboard, a transition action plan will be created providing each TSM with a clear flow map of the transition process ensuring the TSM and DoD and VA personnel are in alignment with the required transition steps. The action plan will be an expansion of the current DoD Individual Transition Plan and will detail all required, optional and recommended resources and programs available to the TSM to ensure a successful transition process. This action plans may include clinical and non-clinical resources and programs and will allow TSMs to map out their ideal transition process and prioritize programs and resources that are most important to their transition.

- VA will create a streamlined and integrated transition process using human-centered design, Lean, Six Sigma and Prosci Change Management methodology to ensure the Veteran perspective remains the focus of all initiatives. In alignment with EO 14058 and the President's Management Agenda (PMA), VA and DoD will continue to coordinate their efforts through the DoD and VA Collaboration Office's Joint Executive Committee (JEC) and the TAP executives to further develop clear roles and responsibilities throughout the transition process ensuring a seamless and integrated transition approach is provided to the TSMs. VA will develop journey maps to track the current process and identify key areas to incorporate feedback loops among DoD, VHA and Veterans Benefits Administration.

Objective 2: Expand existing programs and processes to reach all TSMs

- VA and DoD offer several programs assisting TSMs and Veterans, such as VA Solid Start and TAP. VA and DoD will continue to collaborate by evaluating and expanding upon these programs to incorporate a holistic approach creating a streamlined, proactive, and personalized Veteran-centered transition process for each TSM and Veteran. VA will capitalize on existing DoD strategies to integrate trackable person-to-person connections, referrals, and wrap-around opportunities to TSMs and Veterans. This approach will incorporate streamlined touchpoints with TSMs early in the transition process to connect them to evidence-based and high- impact clinical and community programs.

- VA also will incorporate additional Veteran post-transition mental and physical health assessments, education/training on mental health services from VA social workers and/or whole health coaches and Veteran-peer focus groups on all available VHA services. VA also will leverage an existing DoD self-assessment to incorporate a universal public health approach (person-to-person connections) to TSMs and Veterans to make referrals to VA and community resources. This effort will ensure TSMs, and Veterans are being advised about available program is directly from the trained staff conducting the programs.

- By expanding and integrating these programs, VA and DoD can create a cohesive message throughout the transition process and ensure TSMs and Veterans receive a high-quality, coordinated, and efficient experience. For example, by increasing the number of VA Liaisons for Healthcare nationwide, VA can assess the needs of every TSM and Veteran, provide direct access to

individualized health care for eligible Veterans and bridge the gap during the vulnerable time of transition. In addition, by expanding the Post-9/11 Military2VA Case Management Program and funding additional advanced practice Social Worker or Registered Nurse Case Managers per VA Health Care System, VA will ensure appropriate levels of clinical staffing are devoted to targeted approaches supporting newly separated Veterans' readjustment challenges—as research indicates is needed.

Objective 3: Reduce Health Disparities through expanded Health Equity Initiatives

- VA will develop and incorporate measures of success to monitor VA's progress towards reducing health disparities. VA will increase examination efforts of quality metrics using quality improvement techniques across different groups of Veterans. In addition, VA will work to define metrics that address differences in health outcomes by demographics groups. Data collection will include tracking social determinants of health, health status, health referrals, use of health services and health outcomes. VA will conduct further analysis to determine strategies to eliminate disparities.

- VA also will establish quality improvement teams or workgroups dedicated to progressing VA's health equality, diversity, and inclusion initiatives in alignment with existing infrastructure. The team will work to form strategies and recommendations to institute VA as an innovative leader in health equity and diversity best practices. In addition, the team will expand VA recruitment efforts to identify strategies to recruit VA staff, including clinical staff, who better reflect the Veteran population served. Of critical importance are VA's recruitment and hiring initiatives focused on clinical staff who are Veterans, given the lack of such providers within the VA.

Part 2: Expand Eligibility of Transitioning Service Members

Expand Eligibility of Transitioning Service Members" outlines the scenario planning for how VA can provide health care to any Veteran for 1 year following separation. Part 2 also identifies potential impacts, risks, and needs to providing health care to any Veteran for 1 year following separation. Throughout this process VA will consult with Congress on the best path forward to meet the intent of P.L. 116-171 § 101 as it relates to an expansion in eligibility. The goal and objective stated in Part 2 lays the foundation for finalizing the path forward.

Due to the need for additional analysis, input from Congress and other stakeholders on the high-level strategic approach and the current statutory barriers to operationalize the provision of VA health care to any Veteran, within Part 2 VA commits to a supplemental report to Congress with additional details on its path forward to meet the intent of P.L. 116-171 § 101. This supplemental report will identify how VA plans to provide health care to ineligible Veterans (including specifying categories of Veterans fitting this description and their ability to enroll in current enrollment systems) and eligible Veterans who wish to not enroll as well as the results from Part 2 scenario planning and analysis.

Goal: Understand needs of Veteran populations not currently eligible or who choose not to enroll in VA Care

Objective: Identify Legislative policy, regulatory and administrative actions to provide Health Care to any veteran for 1 year following separation.

Following submission of this strategic plan and consultation with Congress, VA will conduct an assessment on how to address legislative and administrative barriers to providing healthcare to currently ineligible Veterans. This process will identify any needs for the development of legislative proposals, regulatory changes, policy changes or other relevant actions. While currently ineligible Veterans will benefit from the improvements to the transition process outlined in Part 1, VA also will consider additional actions needed to increase registration and use among this newly eligible population.

VA will assess risks, unintended consequences, and operational barriers to providing care to any Veteran for 1 year following separation. The assessment will consider any legislative or administrative actions identified. For example, if all Veterans become eligible for VA health care services for the first year following separation, VA will need to identify the risks to certain Veterans if, after the first year of separation, they suddenly no longer have health care services. VA, in consultation with Congress, will need a plan to mitigate or eliminate those risks in an individualized manner. VA will engage with community partners and non-VA resources to identify viable care options following the first year from separation. In addition, VA will need to identify administrative systems that will allow VA to provide care to Veterans not enrolled in VA health care, including those Veterans who are eligible but choose not to enroll.

VA will conduct further analysis, including human-centered design research, on the assumption that currently ineligible Veterans will use VA health care in the same manner as currently eligible Veterans, including mental health services. This analysis will allow for better understanding of what services currently ineligible Veterans would use during their first year after separation, thus updating the cost analysis included in this report. In addition, this analysis will allow VA to conduct an in-depth assessment of operational needs allowing VA to identify implementation strategies, partners, resources, personnel, and other needs. The analysis also will allow VA to identify and address any barriers in availability and accessibility of services, including provider capacity, training, and information technology.

II. Impact and Cost Analysis

To lay the groundwork for implementing Part 1 and Part 2 of this plan, VA conducted an Impact and Cost Analysis to identify the number of potential Veterans receiving health care due to the goals and objectives of this plan. The impact and costs associated with each part is based on similar assumptions but are broken out based on current eligibility status. For the purpose of this Impact and Cost Analysis, eligible Veterans are those Veterans who are eligible to enroll in VA health benefits as defined by public law, rules, regulations and policies (for additional details on eligibility, refer to VA's health career eligibility website. All other Veterans are considered ineligible. This analysis generally defines ineligible Veterans as Veterans with Bad Conduct Discharges (BCD), Other than honorable (OTH)

discharges considered disqualified for VA purposes and Veterans with incomes above 110% of the Geographic Means Test, no combat eligibility from Post- 9/11 Era Combat and no service-connected disabilities (suspended Priority 8 Category), or who otherwise fail to meet any eligibility criteria. Please note, this analysis does not consider the impact and costs of Veterans who are eligible for enrollment but choose not to enroll but desire to receive health care services in the first-year post-separation. If implemented on October 1, 2023, and current assumptions hold true, collectively the two parts of this plan would provide health care to approximately 56,000 Veterans over 5 years with an expenditure impact of $323 million. Additional information can be found in Attachment A: Projected Enrollment and Expenditure Impact Analysis.

Methodology and Assumptions

This Impact and Cost Analysis is based on patient rate, use and average cost per enrollee model in the 2020 Enrollee Health Care Projections Model. This model includes the impact of anticipated health care needs across 140 health services categories, including mental health care. To this analysis, VA applied a broad definition to "any Veteran" to include those former Service members ineligible for VA health care. While additional analysis is necessary to validate the assumptions for ineligible Veterans, below are assumptions included in this model:

- After accounting for priority and age mix, it was assumed both eligible and ineligible populations would have similar morbidity levels as enrolled population.
- The patient rates are adjusted upward to reflect all newly separated Veterans being offered a primary care appointment shortly after separation.

For eligible TSMs and Veterans:

- All benefits were included since this population is eligible for full enrollment.
- The portion of new enrollment within a year of separation is estimated based on recent historical data, adjusted for age, priority and Post-9/11 mix.
- It is assumed that 20% will be Veterans who would not otherwise have enrolled in VA, and so represent a long-term increase in the number of enrolled Veterans. The other 80% were assumed to be Veterans who would have e enrolled anyway and for whom this impact is earlier enrollment.

For ineligible TSMs and Veterans:

- Dental (currently has limited eligibility for enrolled Veterans) and long-term services and supports were excluded from the analysis since this population is not currently eligible for full enrollment past the initial year.
- The counts were further reduced to account for the assumed 15% opt-out and were then multiplied by the enrollment rate for recently separated non-service- connected enrollees.
- The number of registrations for temporary health benefits from Veterans with income above 110% of the Geographic Means Test, not Post-9/11 and not service-connected was estimated from the annual separations projected by

the Veteran Population Projection Model (VetPop) with several adjustments. Post- 9/11 Era Combat Veteran separations were removed, the age mix was adjusted to match that of recently separating Veterans, the counts were allocated by priority using the priority mix from the Base Year (BY) 2019 VetPop Proxy and priorities other than 8a and 8c were removed.

- The number of registrations for temporary health benefits from Veterans with OTH or BCD discharges was estimated from historical annual separations and the overall VetPop separation trajectory, with several adjustments. The age mix was adjusted to match that of recently separating Veterans, the counts were allocated by priority using the priority mix from the BY 2019 VetPop Proxy and priorities other than 5, 7, 8a, and 8c were removed.

Projected Impact and Cost Analysis of Improved Outreach and Communications for Eligible Veterans

Part 1 of this plan outlines efforts to improve enrollment of eligible Veterans in VA health care during the first year after separation from the military due to outreach and communications initiatives. Based on previous VA outreach initiatives, the objectives outlined in Part 1 are projected to increase enrollment by 2.5% among newly separated eligible Veterans. Approximately 5,400 additional Veterans are estimated to enroll by FY 2027 with a 5-year expenditure impact of $109 million.

Table 1 below shows the projected additional enrollment take-up (the estimated 2.5% increase in enrollment), and additional patient counts among eligible Veterans along with projected expenditures. Patients receiving care rate, use and average cost per enrollee assumptions are based on the BY19 Model Scenario SAA9.The number of eligible Veterans who enroll and become patients receiving care drives the additional expenditures. (Note: Not all Veterans who enroll in benefits become patients receiving care.) Among the additional enrollees, 20% were assumed to be Veterans who would not otherwise have enrolled in VA, and so represent a long-term increase in the number of enrolled Veterans. The other 80% were assumed to be Veterans who would have enrolled anyway and for whom this impact is earlier enrollment. For the latter group, earlier enrollment increases the number of enrollees, but incremental growth is limited in out-years as they are already included in the baseline projection.

The results are shown as incremental impacts relative to a current policy baseline. Future improvements in health outcomes and potential health care savings, which could arise from the early intervention of health care, have not been explicitly modeled. In addition, revenues from co-pays and third-party payors have not been modeled and could change the expenditure projections.

Table 1. Projected Enrollment and Expenditure Impact of Eligible Veterans (Assumes 2.5% Increase in the Enrollment Rate)

Fiscal Year	Impact on Eligible Veterans - Enrolled to receive care	Impact on Eligible Veterans - Patients receiving care	Additional Expenditures (in thousands)
2023	1,597	1,597	**$5,625**
2024	2,760	2,367	**$13,925**
2025	3,746	3,033	**$21,966**
2026	4,621	3,643	**$30,023**
2027	5,413	4,214	**$38,224**
2028	6,131	4,741	**$46,588**
2029	6,631	5,072	**$54,554**
2030	7,060	5,390	**$61,993**
2031	7,445	5,690	**$69,319**
2032	7,871	6,022	**$77,510**
5-year total (FY2023-2027)			**$109,763**
10-year total (FY2023-2032)			**$419,726**

To represent health care needs, including mental health care, VA has estimated the increased health care costs disaggregated by geographic location (Attachment A, exhibit 3-1) and anticipated services costs by major health service category nationally (Attachment A, Exhibit 2-1). Disaggregating by geographic location the newly enrolled Veteran populations and anticipated service use raises concerns about data reliability in smaller geographic areas.

Projected Impact and Cost Analysis of Ineligible Veterans

To lay the groundwork for the scenario planning outlined in Part 2, VA conducted this Impact and Cost Analysis to show the number of ineligible Veterans who would receive health care and the cost of that health care by expanding eligibility for 1 year post- separation to Veterans with BC discharges, OTH discharges VA determines are disqualifying and Veterans with incomes above 110% of the Geographic Means Test, no combat eligibility from Post-9/11 Era Combat and no service-connected disabilities (subcategories within Priority 8 Category that are not enrolled). Based on the analysis, approximately 52,000 currently ineligible Veterans would register to receive health care

during their first year after separation by FY 2027 with an expected 5-year expenditure of $213 million.

Table 2 below shows the projected number of Veterans eligible for temporary health benefits and additional registration counts among currently ineligible Veterans along with projected expenditures. The number of registrations for temporary health benefits from this population was estimated from historical annual separations and the overall VetPop separation trajectory, with several adjustments. The counts were reduced further to account for the assumed 15% opt-out and were then multiplied by the enrollment rate for recently separated non-service-connected enrollees.

Use and average cost per enrollee assumptions are based on the BY19 Model Scenario SAA9 for Priority 8 enrollees of similar age mix. Veterans who register for the temporary health benefits receiving care drives the additional expenditures. (Note: Not all Veterans who are newly eligible for temporary health benefits will register and receive care.) Revenues from co- pays and third-party payors have not been modeled and could change the expenditure projections.

Table 2. Projected Registration and Expenditure Impact of Ineligible Veterans (Assumes 15% Ineligible Opt-out Rate)

Fiscal Year	Veterans Eligible for Temporary Health Benefits	Temporary Health Benefit Registrations Receiving Care	Additional Expenditures (in thousands)
2023	27,534	10,272	**$37,919**
2024	28,512	10,253	**$39,670**
2025	29,767	10,360	**$42,208**
2026	31,673	10,535	**$45,237**
2027	33,375	10,713	**$48,353**
2028	34,790	10,918	**$51,464**
2029	35,692	10,936	**$53,991**
2030	36,656	10,984	**$56,908**
2031	37,207	11,054	**$59,975**
2032	37,500	11,126	**$63,081**
5-year total (FY2023-2027)			**$213,388**
10-year total (FY2023-2032)			**$498,806**

To represent health care needs, including mental health care, VA estimated the increased health care costs disaggregated by geographic location (Attachment A, exhibit 3-2 OTH discharges, exhibit 3-3 BC discharges, exhibit 3-4 suspended Priority 8 Category) and anticipated services costs by major health service category nationally (Attachment A, exhibit 2-2 OTH discharges, exhibit 2-3 BC discharges, Exhibit 2-4 suspended Priority 8 Category). Disaggregating by geographic location the ineligible Veteran populations and anticipated service utilization raises concerns about data reliability in smaller geographic areas.

III. Conclusion

Implementation

Although not required by P.L. 116-171 § 101, following submission of this strategic plan to Congress, VA will seek feedback from Congress and other stakeholders, initiate implementation of Part 1 and Part 2 objectives and develop a supplemental analysis to address expanded eligibility for Veterans the 1 year following separation. During implementation, VA will develop tactics to accomplish the goals and objectives outlined in the Plan. VA will also map the tactics to each other and with ongoing VA and DoD efforts to improve the transition process through an integrated approach.

VA recognizes that several legislative and administrative actions would need to be accomplished to provide VA health care to any Veteran during the 1-year period following separation, to include addressing eligibility authorities and making system changes to appropriately care for this new cohort. Full identification of these actions requires further analysis during implementation of Part 1 of the strategic plan. VA commits to completing this further analysis, implementation and to submitting a supplemental report with additional details to Congress. VA looks forward to continuing to engage with Congress on these matters.

Our Path Forward

VA's "Strategic Plan on Expansion of Health Care Coverage for Veterans Transitioning from Service in the Armed Forces" will ensure easier and earlier access to comprehensive health care services to more TSMs and Veterans. In collaboration with our interagency and community partners, VA will work to grow clinical and community interventions to ensure TSMs and Veterans experience fewer reintegration difficulties and more connectedness and have the skills required for a successful transition.

This plan will help connect TSMs and Veterans to comprehensive care and resources focused on prevention and whole health using a public health approach. The plan will also reduce health disparities by developing programs and communications targeted to address the needs of every diverse Veteran population, with programs informed by accurate health data. VA continues to move forward as a leader in Veteran health care by leveraging technologies and

VA's clinical workforce to deliver exceptional, trusted care beginning in transition and lasting throughout the Veteran journey in life. The approach outlined in this plan allows VA to provide excellent health care to the broadest TSM and Veteran population possible.

Department of Veterans

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