

Veteran's in Medicare August 30, 2011

A recent article in the *Omaha World-Herald* (August 20, 2011), "Fate of New VA Hospital Remains Up in the Air" can be a fate of good fortune for veterans. Before spending a reported \$600,000,000 for a new hospital and with it the yoke of 30 plus years of an out-dated and dysfunctional health care delivery model for American veterans, other options need to be examined.

The VA health care system took root on behalf of soldiers who fought against the Pequot Indians in 1636 and has since undergone many changes since, particularly with the introduction of Medicare in 1965 as part of the War on Poverty. Both are federal programs and together constitute a needless duplication.

Veterans need a horizontal community-based integrated health delivery system, not a vertical national system like the VA and its 23 networks across the country. We should provide veterans high quality health care with choice and access in their own communities at an affordable cost to taxpayers. One way to do this is to consolidate the federal VA health care system into Medicare. This way, all eligible veterans in the Veterans Administration Nebraska-Western Iowa Health System would have immediate access to Medicare.

In addition to benefiting veterans and taxpayers, local communities will benefit substantially. Physicians, nurses and other health care professionals are not easy to recruit and retain to midsized towns and small rural communities. Having more patients and admissions for local physicians and local hospitals benefit the local community and may be an important economic factor to sustain health services in rural America. Instead the VA has placed clinics in a number of rural communities in Nebraska and Iowa, which has resulted in needless duplication and competition for healthcare resources.

Having veterans in Medicare may not be a perfect solution, but it is certainly better than having duplicate and competing programs. Most everyone recognizes changes will be required in Medicare. Senator Mike Johanns stated "Medicare is...flat broke, and even its IOUs to the federal Treasury will run out in 2020." That said, Medicare continues to be the best buy of the two options as the true cost to administer Medicare is just under 10 percent ("Health Care Policy and Marketplace Review, "Cost to Administer Medicare, Google, 2011). In a 1997 agreement between the VA and Medicare, the VA was allowed to retain 18 percent to cover administrative costs ("Decision May Be April 1 on

VA Center Plan," Omaha World-Herald, February 22, 1997).

Another suggestion would be to allow eligible veterans a health care voucher to purchase insurance, but vouchers have been proposed and converted into political fear mongering. The likelihood that veterans would accept changes is greater with a transition to Medicare.

The concept of having veterans in Medicare is not as radical a step as it might initially seem. Reps. Pete Sessions (R-Texas), Bill Pascrell (D-NJ) and Todd Platts (R-Pa) have introduced Amendment 21, HR1540, to the 2012 defense appropriations bill that will allow veterans to receive treatment of traumatic brain injury and post-traumatic stress disorder from private health care facilities and physicians. This legislative move away from the VA structure is an important first step.

Enrolling eligible veterans in Medicare would not reduce the needs of homeless veterans or those that might benefit from job training, special rehabilitation, residential facilities and other special services. It would, however, serve the majority of veterans with access, choice, quality and efficiency. In a recent editorial, columnist Cal Thomas ("Free Spending Costs America Dearly," *Omaha World Herald*, August 10, 2011) noted that Veteran's Affairs might be better served if it was placed under the jurisdiction of the Defense Department. With a move towards putting veterans in Medicare, such an observation is particularly worthy of discussion.

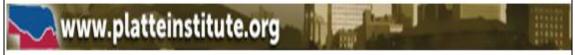
Veterans deserve a delivery system that is readily accessible in their local community. They have earned the choice of selecting providers and services--general care or specialized services.

It is not necessary to spend upwards of \$600,000,000 for a Veterans Affairs hospital in Omaha to perpetuate an old and unsustainable delivery model. Instead, eligible veterans should be incorporated into Medicare and the duplicate and bureaucratic maze that is the Nebraska-Western Iowa Health System should be eliminated.

Change is seldom easy. Change has been described as different, but better. Putting veterans in Medicare would indeed be a change that is better for patients, families and taxpayers.

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