

## MEMORANDUM

**From:** GuidePost Strategies

**Date:** June 10, 2022

**RE:** Defense and Veterans Affairs Partnership Opportunities

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### Overview

The purpose of this memo is to identify opportunities for partnerships with the Department of Defense (DOD) and the Department of Veterans Affairs (VA) with respect to medical facilities and the provision of healthcare services for veterans. The scope of our review was: (1) Fiscal Years (FYs) 2021 and 2022 Military Construction, Veterans Affairs, and Related Agencies (MilCon VA) appropriations; (2) the FYs 2021 and 2022 National Defense Authorization Act (NDAA); and (3) the John Hannon Veterans Mental Health Improvement Act. We outline our findings below.

### FYs 2021 and 2022 Appropriations

#### *FY 2021 MilCon VA Appropriations*

The [report](#) accompanying the FY 2021 MilCon VA appropriations [bill](#) highlights the various funding opportunities for Veteran-related “critical programs,” including those for “mental health, suicide prevention, and medical center construction.” We outline the applicable FY 2021 MilCon VA appropriations priorities below:

- ❖ **Medical Facilities.** The FY 2021 report notes that its accompanying bill appropriates funds for the operation and maintenance of VA’s healthcare system’s capital infrastructure, including costs associated with capital planning, leases, and property disposition and acquisition. According to the report, the FY 2021 bill:
  - Provides **over \$6 billion** in advance FY 2022 and includes bill language to make available through September 30, 2023 **\$250 million** of the advance Medical Facilities appropriation for FY 2022.
  - Directs VA to prioritize construction to increase the number of beds available for overnight mental health treatment for Veterans through **non-recurring maintenance (NRM) project funding for mental health**. The Committee accordingly appropriated **over \$20 million** for NRM projects to repurpose vacant and underutilized space for mental health needs and to expand women’s access to gender-specific care.

The report also notes that the Committee “urges VA to prioritize infrastructure projects *in high enrollee growth systems* to ensure that VA infrastructure is prepared for the

growing number of Veterans needing care” (emphasis added). The Report cites Texas and Florida as examples of areas where there are Veterans healthcare systems with high enrollee growth.

Furthermore, the report makes note of the Committee’s recognition of **community donations of well-maintained medical facilities that can be converted into VA facilities** as examples of innovative partnerships with community stakeholders. Accordingly, the report asserts that the Committee *“encourages VA to continue working with community stakeholders that have expressed an interest in medical facility donations”* (emphasis added).

- ❖ **Medical Services.** The Committee recommended in the report that the Department “actively seek out public-private partnerships, in particular with research universities, teaching hospitals, and other partners, to expand upon its existing efforts related to suicide prevention.” The bill appropriated **no less than \$5 million** to **expand public-private partnerships** in the interest of combatting the **“alarming number of suicides committed by Veterans each day.”**

#### ***FY 2022 MilCon VA Appropriations***

Like its 2021 predecessor, the FY 2022 MilCon VA appropriations bill [report](#) highlights the areas where the Committee emphasizes the benefits of public-private partnerships with VA. Such areas are outlined below:

- ❖ **Mental Health.** In the report, the Committee notes their appreciation of “the important work being done by the Department to combat suicide and improve mental health among Veterans,” but urges that “more can be done and must be done.” Accordingly, the Committee recommends that the Department continue to seek out **public-private partnerships** with entities such as research universities, teaching hospitals, and other partners **to “expand upon its existing efforts related to suicide prevention, PTSD, traumatic brain injury, and substance use disorders.”** To this end, the Committee appropriated **up to \$5 million** for expansion of these partnerships.
- ❖ **Telehealth and Connected Care Access.** The Committee “encourages the continued growth of the **Accessing Telehealth Through Local Area Stations (ATLAS) program** and investment in supportive peripheral technologies.” The report also notes that the Department is “encouraged” to “continue to seek partnerships, such as ATLAS sites, to bridge gaps in access to broadband services that prevent Veterans in rural and underserved communities from accessing telehealth resources.”
- ❖ **Long-Term and Extended Care.** The Committee **“encourages VA to increase the number of local VA Medical Center partnerships with Programs of All-Inclusive Care (PACE)”** in order to enable Veterans at high risk of nursing home placement to “continue living safely in their homes and enjoy improvement quality of life, heightened independence, and increased support for their family caregivers.” Accordingly, the

Committee “urges the Department to ascertain if its eligibility criteria for PACE should be expanded to facilitate serving more Veterans with this proven model of care.”

## **FYs 2021 and 2022 National Defense Authorization Act**

### ***FY 2021 NDAA***

The [FY 2021 NDAA](#) authorized **\$137 million** to be transferred by the Secretary of Defense to the **Joint DOD-VA Medical Facility Demonstration Fund**. Note that the facility authorized to use these funds for operations in the FY 2021 bill was the Captain James A. Lovell Federal Health Care Center, which consists of the North Chicago Veterans Affairs Medical Center, the Navy Ambulatory Care Center, and supporting facilities designated as a combined Federal medical facility per operational agreement under the FY 2009 NDAA.

### ***FY 2022 NDAA***

The [FY 2022 NDAA](#) authorized the Secretary of Defense to enter into agreements with the Secretary of VA **“for the planning, design, and construction of facilities to be operated as shared medical facilities.”** The FY 2022 bill defines “shared medical facility” as a building or buildings - or a campus - intended to be used by both VA and DOD “for the provision of health care service, whether under the jurisdiction of the Secretary of [VA] or the Secretary of Defense, and whether or not located on a military installation or on real property under the jurisdiction of the Secretary of [VA].” The bill also extended the authority for the Joint DOD-VA Medical Facility Demonstration Fund from September 30, 2022 to September 30, 2023.

## **The John Hannon Veterans Mental Health Improvement Act**

The [John Hannon Veterans Mental Health Improvement Act of 2019 \(S.785\)](#) provides for financial assistance to certain entities **“to provide or coordinate the provision of suicide prevention services for eligible individuals and their families.”** S.785’s suicide prevention assistance seeks to “reduce veteran suicide through a community-based grant program to award grants to eligible entities to provide or coordinate suicide prevention services to eligible individuals and their families.” **Eligible entities include (but are not limited to):**

- ❖ **Incorporated private institutions** or foundations - no part of the net earnings of which incurr to the benefit of any member, founder, contributor, or individual - that have governing boards that would be responsible for the operation of suicide prevention services;
- ❖ **A corporation wholly owned and controlled by an organization meeting the requirements listed above** for incorporated private institutions or foundations; and
- ❖ **A community-based organization** that can effectively network with local civic organizations, regional health systems, and other settings where eligible individuals and their families are likely to have contact.

Note that the term “suicide prevention services” as defined by S.785 includes, but is not limited to: (1) provision of clinical services for emergency treatment; (2) assistance with emergent need relating to healthcare services, among other services; and (3) such other services necessary for

improving mental health status and wellbeing, including substance use reduction programming.

Deemed the **“Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program”**, the Program - which has a total of **\$174 million** appropriated for FYs 2021-2025 - prioritizes, among other areas, rural communities, medically underserved areas, areas with a high number or percentage of minority veterans or women veterans, and areas with a high number or percentage of calls to the Veterans Crisis Line. Eligible entities may also enter into agreements with community partners for the provision of these suicide prevention services.