

STATEMENT OF
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VETERANS OF FOREIGN WARS OF THE UNITED STATES

BEFORE THE

SUBCOMMITTEE ON HEALTH
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

VA CONSTRUCTION AUTHORIZATION

WASHINGTON, D.C.

FEBRUARY 27, 2008

MR. CHAIRMAN AND MEMBERS OF THIS SUBCOMMITTEE:

On behalf of the men and women of the Veterans of Foreign Wars of the U.S. and the constituent members of the Independent Budget, I thank you for inviting us to present our views at this most important legislative hearing. The VFW handles the construction portion of the IB and we will be representing the collective position of the IBVSOs regarding the draft bill under discussion today cited as the "Department of Veterans Affairs Medical Facility Authorization and Lease Act of 2008."

With respect to construction, the IB's most fundamental objective is to produce a set of policy and budget recommendations that reflect what we believe will best meet the needs of America's veterans. In this regard, and as we have recently testified, the administration's Fiscal Year 2009 budget request for Major and Minor construction is woefully inadequate. Despite hundreds of pages of budgetary documents that show a need for millions of dollars in construction projects, the administration saw fit to halve the major and minor construction accounts from the FY 2008 levels, failing to meet the future needs of our veterans.

The legislative proposal under discussion today demonstrates that this Congress is ready, able and willing to correct this situation, and to advance VA's construction priorities so that future generations of veterans – such as those currently serving in the deserts of Iraq and the mountains of Afghanistan – will have a first-rate VA health care system ready to fully meet their needs.

It is also our view that VA construction and infrastructure maintenance must be carried out in a methodically planned and orchestrated manner. One of the strengths of VA's Capital Asset Realignment for Enhanced Services (CARES) process is that it was not just a one-time snapshot of needs. Within CARES, VA has developed a health care model to estimate current and future demand for health care services and to assess the ability of its infrastructure to meet this demand. VA uses this model

throughout its capital planning process, basing all projected capital projects upon demand projections from the model.

This model, which drives many of the health-care decisions VA makes, produces 20-year forecasts of the demand for services. It is a complex model that adjusts for numerous factors including demographic shifts, changing needs for health care as the veterans' population ages, projections for health care innovation and many other factors.

We applaud that the construction, renovation and maintenance projects covered in this draft-bill are in keeping with this planning process, and will now briefly address its specific sections.

Section 2 of this bill provides for up to \$54 million for seismic corrections at the Denver VAMC; up to \$66 million for construction of a Polytrauma Center at the VAMC in San Antonio, and up to \$225.9 million for seismic corrections at the VAMC in San Juan. The IB supports these provisions.

Section 3 provides for the modification of funding amounts for major construction projects previously authorized. Construction for the VAMC in New Orleans is authorized at \$625 million from \$300 million and the construction project at Denver moves from \$98 million to \$769.2 million. The cost of the correction of patient privacy deficiencies at the Gainesville VAMC is updated to \$136.7 million from \$85.2 million. The construction of the new VAMC in Las Vegas is authorized at \$600.4 million from \$400.6 million. We note that this reflects the rapid escalation of construction costs over time and illustrates the IB view that construction and renovation projects be authorized, funded and then carried out in a timelier manner. The construction of a new VA outpatient clinic in Lee County, Florida is authorized at \$131.8 million in place of \$65.1 million. Construction of a new VAMC is set at \$656.8 million from \$377.7 million. Lastly under this section, consolidation of campuses in Pittsburgh rises from \$189.205 million to \$295.6 million.

Section 4 authorizes major medical facility leases in FY 2009, Provided for: \$4.326 million for an outpatient clinic in Brandon, Florida; \$3.995 million for a clinic in Colorado Springs; \$5.826 million, Eugene, Oregon; \$5.891 million for the expansion of a clinic in Green Bay; \$3.731 for a clinic in Greenville, SC; \$2.212 million for a clinic in Mansfield, Ohio; \$6.276 million, Mayaguez, Puerto Rico; \$5.106 million, Mesa, Arizona; \$8.636 million for interim research space in Palo Alto; \$3.168 million for a clinic expansion in Savannah; \$2.295 million for an outpatient clinic in Sun City, Arizona; and, lastly under this section, \$8.652 million for a primary care annex, Tampa Florida.

Section 5 provides for the authorization of appropriations for FY 2009 Medical Facility Projects covered under this act. Provided for: \$345.9 million for projects authorized in Section 2 and \$1.635 billion for the increased amounts for projects modified by Section 3. Under this section, \$60.114 million is authorized for the leases provided for in Section 4.

Section 6 imposes a 60-day congressional reporting requirement on the Secretary regarding compliance with section 312A of Title 38 USC and is supported by the IB VSOs. **Section 7** delineates technical correction in which we concur.

Mr. Chairman, this concludes my testimony and I will be pleased to respond to any questions you or the members of this Subcommittee may have. Thank you.