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GOVERNMENTAL AFFAIRS

United States Senate

January 5, 2017

The Honorable Robert A. McDonald
Secretary of Veterans Affairs
810 Vermont Avenue, NW
Washington, DC 20420

Jay M. Gellert
President and Chief Executive Officer
Health Net, Inc.
21650 Oxnard Street
Woodland Hills, CA 91367

Dear Secretary McDonald and Mr. Gellert,

I write today regarding ongoing problems with the Veterans Choice Program in Montana. And while I appreciate steps taken by both the VA and Health Net to respond to and address my previously raised concerns on this matter, I am beyond frustrated that I continue to hear many of the same unresolved issues from veterans, community providers and even VA employees in Montana. My hope was for a concerted effort on your part to identify and address fundamental barriers to the success of the program that would ultimately help win back the trust of these folks. That has not happened. And though progress has been made in some areas, others problems have simply become worse. An opportunity has been lost, and my patience is gone. But this program will not expire until August, and will be used by thousands of veterans in my state until that time. That is why these problems must be fixed, and they must be fixed now.

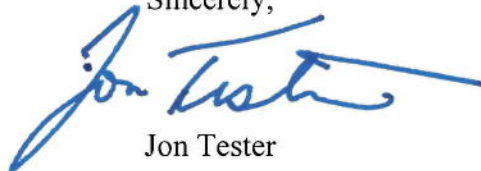
As you know very well, Health Net is charged with assisting veterans in scheduling appointments for care, contracting with providers to provide care, and paying providers in a timely manner. In Montana, these core responsibilities have fallen short. In particular, despite repeated promises to improve, veterans and providers are frustrated with call center service and wait times that can last for more than two hours. This comes after I received assurances from Health Net that 300 additional employees were being staffed at its call center. Meanwhile, two years into the program, veterans remain frustrated with delayed appointment scheduling, which runs contrary to the underlying impetus for the Choice Program - to address delays in care. Additionally, providers are frustrated with the processing of claims. Despite providers' access to availability.com, additional call center employees, the hiring of Health Net referral specialists at Fort Harrison, and the decoupling of medical records from claims to expedite the reimbursement process for providers, Montana providers continue to opt out of the Choice Program. They are declining to work directly with Health Net because they want to be paid in a timely manner and without the hassle of waiting on hold for hours to speak with someone about a billing concern. I don't blame them. Given that it is a problem more than two years in the making, I find it hard to believe that it remains unresolved.

Just recently, Northern Montana Hospital in Havre, Montana dropped out of the Choice Program citing Health Net as an unreliable payer. Thankfully, Fort Harrison can now schedule appointments with Choice funds if Health Net is unable to provide the specific service or care sought by the veteran or has not scheduled the veteran for care within seven days. This means veterans may still get care in Havre if VA and the hospital can come to an agreement. But in the meantime, Health Net's failure has once again left veterans in the cold.

Moving forward, I request that both VA and Health Net address the concerns outlined in this letter, and report back to me on what is being done to provide Montana veterans with the timely, high-quality health care that they need and have earned. I acknowledge that Congress has a responsibility to enact the policies that allow the program to be most successful. And I have been leading that charge. But it is also absolutely incumbent upon you to act to the extent of your authority to do right by veterans, and to do right by taxpayers. To date, that has not happened.

I thank you for your attention to this matter and look forward to your response.

Sincerely,

A handwritten signature in blue ink that reads "Jon Tester". The signature is written in a cursive style with a long horizontal stroke at the end.

Jon Tester