

Congress Is Poised to Push Veterans' Health Care Closer to Privatization

The VA Mission Act sends more veterans into private health care without giving the VA the resources it so badly needs.

by Suzanne Gordon and Jasper Craven
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In an overwhelmingly bipartisan vote last Wednesday, the House passed [The VA Mission Act](#). The Senate is expected to pass companion legislation Wednesday, and President Trump quite likely will sign it into law on Memorial Day.

The objective of the VA Mission Act is clear: further privatization of key services inside the Department of Veterans' Affairs. It has been plotted out behind closed doors by a bipartisan group of lawmakers, powerful business interests, and savvy conservative veterans' groups who find themselves newly influential in Trump's Washington.

The first strike in this war over privatization occurred in 2014, when Republicans blocked a bill introduced by Bernie Sanders that would have provided the VA with much-needed funds and expanded services to veterans. A compromise measure, the 2014 VA Choice Act, gave the VA a fraction of the funds it needed while allocating \$10 billion for care in the private sector. (More than one-third of all VA-funded medical appointments last year took place in the private sector.)

The Choice Act, cast initially as a temporary measure, has been extended repeatedly. The Mission Act will make permanent its privatizing principles by allowing and even encouraging more veterans to seek care outside the VA. The Congressional Budget Office estimates that the act would result in 640,000 additional veterans seeking private care in the first few years after its passage, and that the agency's current annual allocation of \$9 billion for private care would increase substantially.

The act's drafting has taken more than a year, and traditional veterans service organizations (VSOs) and Democratic lawmakers have successfully fought to remove some provisions that would have made the law even worse. But the act as currently composed creates new pathways to private care, without meaningfully addressing longstanding budget and staff shortages throughout the agency.

Despite this, Washington's most influential lawmakers and 38 veteran groups have lined up in support of the bill. They run the gamut from the American Legion to Concerned Veterans for America, a conservative group backed by the Koch brothers. Interim VA Secretary Robert Wilkie, who last week was nominated by President Trump to permanently replace former secretary David Shulkin, is also in favor of the comprehensive package, claiming it will patch up agency problems while making care more accessible in rural areas.

The act includes a massive expansion of the VA's caregiver program, a benefit veterans' advocates have long sought. The program, which provides family caregivers of severely disabled veterans with a modest stipend, health insurance, and training, currently applies exclusively to veterans who served after 9/11; the Mission Act would extend benefits to millions more caregivers.

Yet while expanding this program is a good idea in principle, the Mission Act doesn't actually provide funding for it. Meanwhile, the expansion can easily distract from the bill's more ideological provisions, which will further fuse the VA with private health care networks. Even as they voted for the Act, a number of Democratic lawmakers expressed reservations about it. That's because the bill contains a number of provisions that would channel more and more veterans into private sector care, deplete the Veterans Health Administration of billions of dollars, and, potentially, lead to closings of VA facilities across the nation. The bill's \$47 billion price tag over five years will also quickly trigger agency budget caps, which could result in cuts to other crucial agency services, including direct patient care. (The agency is already in need of emergency funding to fill 36,000 vacancies and make infrastructure repairs.)

The bill is essentially a Trojan Horse, and the provisions tucked inside it will further usher in privatization without meaningfully addressing core agency challenges. According to a detailed [analysis](#) by the Veterans Healthcare Action Campaign, a veterans advocacy group that opposes the law, the bill imposes stringent new quality metrics

that are untested and fail to consider key health outcomes such as symptom reduction. Moreover, if a VA hospital is found to be underperforming in a certain area, a huge swath of patients can be pushed into the private sector. The act loosens other restrictions that determine a veterans' eligibility to seek care from a private doctor or hospital.

Without providing the funding to hire extra staff, the law also imposes new time-consuming bureaucratic challenges on the VA (or, potentially, a contractor), including setting up appointments with private providers, coordinating care, processing payments to private providers and making sure they provide documentation of the care delivered. The law would also require VA employees to develop and deliver training materials for the private sector.

The bill does require that private-sector providers follow VA opioid-prescription guidelines. But, crucially, it doesn't require training around military-related PTSD, Agent Orange and burn pit-related diseases, military sexual trauma, and other veteran-specific problems. Studies have [documented](#) that most private-sector providers know little or nothing about these complex conditions. Because of lack of knowledge, veterans may receive substandard care. The next PTSD or toxic exposure may go unrecognized and treatments and compensation for these problems may not be developed or provided.

Another wide-ranging provision allows veterans to seek unfettered care from private walk-in-clinics. (The VA has already established pilot projects with CVS Minute Clinics in two locations.) While the walk-in program was pitched as a solution to simple problems, like pink eye or a cough, the language is so vague that it could allow private clinics to offer treatment for complex issues, like depression, PTSD or anxiety. This provision threatens to fragment a model of integrated model primary care, one that has helped the VA deliver care that is typically [superior](#) to that in the private sector.

Finally, the bill would establish a nine-person commission, beginning in 2021, to assess the VA's future infrastructure

needs. The commission will make recommendations of facility closures based on utilization. The upshot is that if the push to shift veterans into private-sector care continues, the corresponding decline in utilization of VA facilities could be used to justify closing those facilities permanently—regardless of who’s providing the highest-quality care.

The commission wouldn’t be created until 2021, and recommendations to Congress would come a year later. The body will be composed of various stakeholders, including veterans advocates and healthcare executives. Depending on the political makeup of Washington at the time, it could lead to the shuttering of VA hospitals. The entire act, like most bills, is frustratingly vague in certain sections, and VA bureaucrats and the agency secretary will wield incredible power over the details (in which the devils always lie) of its implementation.

This privatization push comes on the heels of numerous studies that have documented that private sector providers lack the expertise to provide veteran-centric care. As the bill moved through Congress, lobbyists for national health care companies—including CVS, Centene Corporation, Quality Health Strategies, and Ascension Health—worked to influence the legislation. So did regional health networks that are eager to offer up their services to VA patients. Other contractors that may take on some of the VA’s new bureaucratic tasks also lobbied, including TriWest Healthcare Alliance, which is under investigation from the VA’s Inspector General for contract work received through the Choice Act.

Given the potential power change in Congress after November’s election, Republicans seem eager to pass legislation that will fast-track VA privatization and make for a good talking point on the

campaign trail. But the Senate still has a chance to protect the nation’s veterans by blocking this legislation. Yes, veterans need a caregiver program. They also need a more rational system of coordinating and managing care in the private sector to supplement, not replace, VA care. This legislation, however, is not the answer.

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Is This Hedge-Fund Titan Greasing the Levers for Privatizing the Veterans Health Administration?

Billionaire Steven A. Cohen funds an expanding network of private clinics for veterans—and he’s personally hired five lobbyists in Washington.

by Jasper Craven and Suzanne Gordon
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On March 28, via Twitter, President Donald Trump publicly dismissed David Shulkin, the embattled veterans-affairs secretary. Almost immediately, Shulkin fired back with an op-ed in *The New York Times*, charging that conservatives had pushed him out because of his resistance to outsourcing health care at the Department of Veterans Affairs. “They saw me as an obstacle to privatization who had to be removed,” Shulkin wrote. “That is because I am convinced that privatization is a political issue aimed at rewarding select people and companies with profits, even if it undermines care for veterans.” Though Shulkin did not mention specific names, the group of privatization advocates he alluded to includes hospital CEOs, business leaders, and the Koch brothers.

Among the most significant of these players is a hedge-fund titan named Steven A. Cohen. Cohen rose to prominence as the founder of SAC Capital Advisors, amassing a personal fortune estimated at roughly \$14 billion. But from 2013 to

2016, eight of SAC’s leaders pleaded guilty or were convicted of organizing what was the largest insider-trading scheme in US history, and the firm received a \$1.8 billion fine. In 2016, to settle charges that Cohen “fail[ed] to supervise a former portfolio manager who engaged in insider trading,” the Securities and Exchange Commission banned Cohen from managing other people’s money for two years. (Reportedly, Cohen inspired the character Bobby Axelrod on Showtime’s popular series *Billions*.)

That same year, with an initial investment of \$275 million, Cohen founded the Cohen Veterans Network, a private nonprofit mental-health-care network. Cohen’s son served in the US Marine Corps, and Cohen took a special interest in Post-Traumatic Stress Disorder and other mental-health challenges for those returning home from war. During his two years in exile from Wall Street, Cohen worked to build CVN into an extensive private mental-care system. There are now 12 CVN clinics across the United States, several in large metropolitan areas, including Los Angeles and Philadelphia, offering short-term therapy for veterans

with mental-health conditions like PTSD, anxiety, and depression. The organization estimates that it has treated 5,000 veterans, including those with other-than-honorable discharges, and their family members, free of charge. Cohen has laid out a grand vision for more than a dozen additional facilities across the nation.

While the venture sounds altruistic, some lawmakers and veterans advocates worry that Cohen’s long-term goal is to replace much of the Veterans Health Administration’s exceptional mental-health-care services with what could be a more expensive, untested, and less accountable treatment network. Recently, CVN announced a partnership with the VA to “increase veterans’ access to mental health resources.” The network is also developing plans to accept VA patients, and government dollars, through the agency’s controversial Choice program, which allows veterans to seek care from private doctors and hospitals. While CVN is billed chiefly as a charitable organization, its long-term business plan incorporates various funding streams to cover the majority of its revenue, including

money from the VA, Medicare, Medicaid, and TRICARE.

As Cohen promotes the network, he's also greasing political levers in Washington. Cohen has personally employed a handful of lobbyists, made generous political donations, and forged important alliances, most notably with Shulkin—who, despite his comments after his dismissal, did support some outsourcing of services during his tenure, in part by making the Choice program permanent. Meanwhile, Cohen is mounting a comeback on Wall Street, running a new hedge fund called Point72 Asset Management, which has a curiously close relationship to CVN and is currently embroiled in a sexual-discrimination scandal.

"You have to wonder where [Cohen's] sudden burst of eleemosynary instincts came from," said Rick Weidman, the executive director for policy and government affairs at Vietnam Veterans of America. "This guy was in hot water, he was... swindling people through his hedge fund and he made billions. And suddenly he thinks, 'Okay let me figure out what to do to up my image,' and he starts the Cohen Veterans Network." (Through a spokesperson, Cohen declined an interview request.)

The VHA's mental-health-care services are consistently rated as good or better than the private market's. However, its network of over 1,200 hospitals and clinics are too often underfunded and understaffed—problems that have exacerbated wait times as a new generation of veterans returns home from the wars in Afghanistan and Iraq. While many veterans advocate argue that Congress should infuse the VHA with money to increase capacity, there's bipartisan agreement in Washington that the private sector should provide supplementary care. The worry is that if and when VA funds are used to pay private providers like CVN, efforts to "supplement" care will instead siphon off money from VA budgets, leading to reductions in the agency's mental-health staff and services.

Cohen, described in a 2017 *New Yorker* profile as "short and thick," with "a fierce mind and a quick temper," formally launched CVN in April 2016. The first four CVN clinics opened soon thereafter. The network's board is chaired by retired admiral Michael Mullen and the network employs a significant number of veterans and former VA officials, including Caitlin

Thompson, who previously ran the VA's office of suicide prevention.

Shulkin, who was then the VA's under secretary of health for President Obama, attended a CVN summit later in 2016 and made remarks on the "necessity for collaboration and innovation," according to a recap of the event. The summit came at a tumultuous time for the VA, which was still recovering from a 2014 wait-time scandal at a Phoenix facility. The scandal spurred passage of the Choice Act, which made it much easier for veterans to seek care in the private sector.

Shulkin and Cohen came into contact at a number of other events, including a brunch salon on veterans' health at Cohen's East Hampton home last August. The salon was part of a weekend retreat hosted by the Milken Institute, a conservative California think tank founded by Michael Milken, another infamous financier, who pushed high-yield junk bonds and was later convicted of violating US securities laws. Also at the retreat was David Koch who, with his brother Charles, finances Concerned Veterans for America, a political organization whose alumni have moved on to senior VA roles under Trump.

In September, Shulkin returned as a guest to Cohen's annual health-care retreat in Washington. Shortly after, in October 2017, the VA entered into a formal agreement with CVN, which greatly legitimized Cohen's fledgling operation. The memorandum of agreement between the two entities specifically stipulates that it should not be "construed to create a partnership, joint venture, agency, employment, or any other relationship between VA and CVN." It also stipulated that CVN not use the MOA to "sell or promote any products or services, except that CVN may promote educational and outreach activities." Yet, after the deal was sealed, CVN and the VA published matching press releases announced that the two had entered a "partnership." Dr. Anthony Hassan, president and CEO of CVN, said in a statement, "We are excited about partnering with VA and advancing the field through innovative clinician training initiatives and public messaging."

Details of the deal remain somewhat murky, but the VA has said it will help guide the establishment of Cohen Clinics in "regions believed to have underserved Veterans in need of mental health care services." So far, CVN has set up shop in major metropolitan areas, including Orlando and Los Angeles. New clinics are slated for San Diego, Tacoma, and

Honolulu—all in areas already served by the VHA. CVN has no plans to establish clinics in rural areas, which have the greatest gaps and need for services. While the most current VA data available, from 2014, shows the highest rate of veterans suicide in Montana, Utah, Nevada, and New Mexico, no CVN clinics exist or are planned in any of those states.

CVN has also been criticized for prioritizing post 9/11 veterans over older generations; veterans advocates point to recent statistics showing that the majority of veterans who die by suicide are over 50. A CVN mental-health worker, who requested anonymity as they were not authorized to speak to the press, said CVN offered free care to veterans of all eras in its early months because it had a hard time identifying Iraq and Afghanistan veterans. But as it solved that problem, the employee said, CVN issued "a national mandate to all of its clinics" that no more than 10 percent of patients can be from pre-9/11 conflicts. "I almost walked off the job one day because we got a call from a VA social worker who needed help [with a vet]," the employee said. "I said, 'Well, let's do it,' and my supervisor said, 'We can't because our policy has changed.'" (In an e-mail, a spokesperson for CVN confirmed that the network's priority is post-9/11 veterans and their families, but added that the clinics "will not turn away a veteran in distress from any era.")

As Cohen was establishing CVN clinics across America, he was also using his fortune to advocate for privatization measures in Washington. Cohen has historically donated to Democrats, but he gave \$1 million to President Donald Trump's inaugural committee. (In January, Trump signed an executive order requesting detailed plans to provide more mental-health-care options and suicide-prevention services to veterans. The omnibus bill Trump signed in March included more mental-health resources for veterans with other-than-honorable discharges.) According to Fox Business, Cohen sunk a total of \$3 million into the Republican Party's Senate and House reelection funds in 2017, making him the top contributor to each PAC.

Cohen has also underwritten direct lobbying on veterans' policy, personally spending some \$300,000 on five personal lobbyists in Washington, according to federal lobbying disclosures. (CVN is a nonprofit and cannot legally lobby Congress.) Two of Cohen's lobbyists are

former House members: Republican Jeff Miller and Democrat Jim Moran. Miller, the former chairman of the House Veterans Affairs Committee, was a chief architect of the Choice Act, which facilitated private-care appointments for 149,000 veterans in its first year. He was an early contender to be Trump's veterans-affairs secretary, though he was later passed over for Shulkin. According to federal lobbying disclosures, Miller has lobbied the White House directly on veterans' issues on behalf of Cohen.

According to lobbying disclosures, Miller's work on behalf of Cohen included "efforts to increase access to mental health care for veterans." Specifically, according to sources at veterans-service organizations, Miller promoted a bill that would allow veterans to bypass the VHA and seek treatment at CVN clinics and other private providers. The VHA would be on the hook to pay for up to eight visits to a private clinic per episode without any referral or preauthorization from the VHA, potentially straining the agency's resources. VSOs and other veterans advocates were deeply concerned that the bill's prescription of uncoordinated care could be dangerous—for instance, it did not require providers to use only evidence-based treatment. Titled "Furnishing Mental Health Care to Veterans by Choice Program Providers," the draft legislation was presented by Representative Mike Gallagher (R-WI) at a hearing in October 2017, but withdrawn a few weeks later after groups representing VA psychologists, social workers, and nurses, and others submitted written testimony opposing the bill, and after a group of VSOs met with Miller to express their discontent. (Gallagher's office did not respond to questions.)

When asked about CVN's long-term goals, CEO and president Hassan said, "We have no ambition to take over all mental health care from the VA, we just want to fill a gap." Cohen has argued that financing CVN in perpetuity is impossible, and that it will have to be self-sustaining in the coming years. In an interview, Hassan reiterated that Cohen's investment would not be enough to sustain the network forever, and that a combination of state and federal money would soon help support the clinics. "This is not some money-making moment," he said. "Federal reimbursements will soon make up some of our costs. They will help to extend Mr. Cohen's gift."

CVN's new arrangement with the VA, as well as the network's relationship to Cohen's new hedge fund, are both under scrutiny by lawmakers. On March 5, Senator Jon Tester and Congressman Tim Walz, ranking members of the Senate and House Committees on Veterans Affairs, wrote to Shulkin raising a series of "concerns and questions" about the partnership between CVN and the VA. "We wish to know," the legislators wrote, "why CVN was selected for a partnership versus other provider organizations and veterans' charities." They also requested details about the "VA's legal authority to enter into a sole-source contract or agreement with CVN" and how much the CVN partnership would cost over 10 years, as it was not detailed in the VA's 2019 budget request.

The letter also raised concerns about an alleged sexual-discrimination scandal at Point72. *The New York Times* reported in early February that Lauren Bonner, an associate director at Point72, was suing the company for paying women less than men and creating a hostile work environment for women. In late March Point72's president, Douglas Haynes, resigned; he still serves on the board of CVN, and both Cohen and Haynes are named as defendants in Bonner's suit. In their letter, Tester and Waltz raised the concern that the suit could "lead to the conclusion that discrimination in CVN's organization and against veterans and family members may also be tolerated." (Point72 declined to answer questions on the record.)

Hassan claimed there is no connection between CVN and Cohen's hedge-fund work. But four of members of CVN's board of directors and its scientific advisory board, including Cohen, have ties to Point72 Asset Management. (A fifth CVN board member, Gary Goldring, is a retired Goldman Sachs executive who served on Point72's inaugural advisory board.) The hedge fund's headquarters in Stamford, Connecticut, shares the same address as CVN. At a closed meeting on the future of health care held in Washington last October with lawmakers and VA officials, Point72 Managing Director Michael Sullivan attended as a representative of CVN, according to two of the meeting's attendees.

To some veterans advocates, the controversy surrounding Cohen's Wall Street work is less concerning than the concrete steps he is taking to outsource veterans' mental-health care. One representative of a prominent veterans

organization described Cohen as "very aggressive, a 'get in and take over' kind of guy."

"We would oppose [CVN] even if Steven Cohen were a saint," the representative told *The Nation*. "We are opposed to creating programs that divert money out of the VA when you can build VA capacity to deliver these services."

But Craig Bryan, an Iraq War veteran and executive director of National Center for Veterans Studies at the University of Utah, said CVN clinics "provide a much needed compliment to the VA." His attributed his confidence in the organization to his personal relationship with some CVN employees whom he served with. He also pointed out that CVN's leadership includes a number of former federal bureaucrats, many of whom are veterans. "All of them that I know personally have dedicated their lives to promulgating effective mental-health treatment for service members and veterans," Bryan said.

Veterans advocates are now worried that Shulkin's intended replacement, White House physician Ronny Jackson, will be more open to privatizing the agency's health-care services. Jackson has no administrative experience, and likes to please Trump, as exemplified by a bizarre press conference in January where he praised Trump as being blessed by "incredibly good genes." There's also newfound concern over a section of the Caring for Our Veterans Act, a proposal co-sponsored by Senators Tester and Johnny Isakson (R-GA), who is the chairman of the Senate Veterans' Affairs Committee. The legislation, if passed, would allow veterans to seek walk-in mental care at CVN clinics and others without a VA referral.

A few days after Shulkin's ouster, CVN held a webinar with veterans-service organizations, military-service organizations, and research foundations. According to Weidman and his Vietnam Veterans of America colleagues who participated, the group announced efforts to create a repository of data on Traumatic Brain Injury and PTSD, so that the organization can conduct research on biomarkers that could be used to diagnose TBI and PTSD. Weidman is concerned about the privacy of those who contribute private health information to CVN—and he pointed out that what the network is proposing is largely a duplication of current VA activities.

“They talked about doing research on genetics. The VA is already doing that,” Weidman said. “They talked about creating a national repository of data on these conditions—the VA has done that. They talk about researching risk factors. The VA is doing that. They talk about

creating coalitions, which is what the VA is doing.”

Jasper Craven is a freelance reporter interested in overlooked policy changes at the local, state and federal levels. He has written for *Vermont Digger*, *The Boston Globe*, and the *Chicago Tribune*, among

other outlets. Healthcare journalist **Suzanne Gordon** is the author of the *Battle for Veterans’ Healthcare: Dispatches from the Frontlines of Policy Making and Patient Care* (Cornell Publishing), and other books about healthcare policy and labor conditions.

Unreliable Sources: How corporate funders influenced mass media coverage of veterans’ healthcare

Veterans Healthcare Policy Institute

By Suzanne Gordon and Jasper Craven

Read the full report at <https://bit.ly/2Qt5xxW>

Introduction

In early September 2018, the Concerned Veterans for America Foundation, a relatively new wing of an advocacy and organizing group largely backed by Charles and David Koch that bears the same name, rented out a movie theater on Camelback Road in Phoenix, Arizona for a screening of their new film, “The Care They’ve Earned.”

The documentary tracks the experiences of six veterans navigating the healthcare system inside the Department of Veterans Affairs. The film’s subjects describe the agency as deeply troubled, one staffed by callous bureaucrats and corrupt physicians. “How many veterans are suffering right now, because they are trapped in that system?” one unidentified individual [asks in a trailer for the film](#). “Why are we forcing our veterans to be limited to [the VA]?” another demands.

Roughly 60 veterans and military family members attended the Concerned Veterans for America Foundation screening. After the film ended, two of the film’s subjects, Shannon Hubbard and Steve Cooper, answered questions regarding their own frustrations with the VA’s Phoenix facility.

Phoenix is where today’s deep disdain of the VA first germinated. In the summer of 2014, evidence emerged that administrators at the VA Phoenix hospital had tampered with scheduling data, leaving veterans to wait months for an appointment. The scandal spurred passage of the [Veterans Access, Choice and Accountability Act](#), which made it much easier for veterans to seek care in the private sector, and ignited a deeply divisive national debate over the government’s ability to deliver health care.

When the Phoenix scandal broke, Concerned Veterans for America (CVA)

was a fledgling advocacy group working from the fringes. As the [Washington Monthly](#) reported, the group’s staff – led by telegenic veteran Pete Hegseth – brilliantly packaged, framed and fed the Phoenix story to a salivating news media desperate for a scandal in the Obama administration. The most serious charges out of Phoenix – that veterans died because they were unable to access care – were never substantiated. The cover up of wait times was more indicative of the agency’s chronic capacity and funding challenges than anything else – issues that to this day have not been meaningfully addressed.

Today, CVA holds incredible sway in Washington. Numerous CVA officials have entered President Donald Trump’s White House, or his Department of Veterans Affairs. Hegseth is now an anchor on the president’s favorite morning news show, Fox & Friends. And the group has built an incredibly effective organizing and messaging apparatus. In Phoenix, four years after the scandal broke, CVA was again flexing its messaging muscle with a new documentary they plan to tour across the country.

In 2014, the media largely ran with CVA’s sensational narrative while ignoring countless studies that favorably compare care at the Veterans Health Administration (VHA) to that delivered in the private sector. This slanted media coverage has created an alternative universe in which one of the most successful healthcare systems in the country has become one of the most reviled.

Just a few years ago, the VA was one of the most popular agencies in Washington. [According to the Pew Research Center](#), the percentage of Americans with a favorable view of the VA rose from 57 percent to 68 percent from March 2010 to October 2013.

According to Pew, public disapproval of the VA doubled following the Phoenix coverage and the agency’s public standing hasn’t recovered since. Data from Google Trends shows that web searches for “Phoenix VA” and “VA bad” spiked in the summer of 2014 and remain popular in searches today.

The VA’s problems, including at Phoenix, clearly merit media attention. VA accountability reporting has shed light on important issues requiring immediate remediation, from the agency’s [over-prescription of opioids](#) to its [continued struggles to get veterans in front of doctors in a timely fashion](#).

But national journalists also bear a responsibility to follow up and report on those remediation efforts. The two aforementioned mentioned problems, for instance, have both seen effective remediation actions: [wait times are improving](#) and are often better than in the private sector and [opioid prescription rates have decreased 41 percent in the last five years](#).

Equally important, the press has a responsibility to cover the VHA as it does other healthcare systems – reporting not only on problems but also on innovations, research and patient care successes. In all of this, journalists have largely failed and in so doing have had made privatization arguments more palatable to both the public and Congress.

Former VA Secretary David Shulkin said he was frustrated with the relationship between the news media and the VA during his tenure. In an interview, he said a major challenge of the job was contending with unbalanced coverage of the agency.

“Of course, there are a few bad actors in the agency, there are 370,000 people in it,” Shulkin said. “But the organization is

unfairly labeled as a failure which casts a shadow over the agency despite the fact that people are getting extraordinary care.”

“We didn’t get the type of balanced reporting that would have helped us accelerate the culture and morale improvements that are underway,” Shulkin concluded. “Bad news gets more attention than good news.”

Part 1: The Phoenix Story: Pack Journalism at Work

As Chairman of the House Veterans Affairs Committee, Florida Republican Jeff Miller was the first lawmaker to widely promulgate the tale of Phoenix. On April 9, 2014, Miller revealed that his office had discovered a systematic cover-up of wait times in Phoenix. He further alleged that these long wait times had resulted in unnecessary stress, suffering, and death for Arizona veterans.

“It appears as though there could be as many as 40 veterans whose deaths could be related to delays in care,” Miller proclaimed during a committee hearing. That explosive allegation quickly circulated throughout Congress, and in the national media. CNN, in particular, breathlessly reported the Phoenix story for weeks in front of a national audience. The network had recently been blasted for its overzealous coverage of the disappearance of Malaysia Airlines Flight 370, but media observers proclaimed a CNN comeback over its Phoenix coverage.

“Without CNN, we wouldn’t see it reach the scandal level that’s it reached now,” then-Politico Media Reporter Hadas Gold said shortly after the scandal caught fire.

CNN featured interviews with CVA contributors and the network’s cornerstone report, entitled “A Fateful Wait,” parroted Miller’s claim that 40 veterans had died waiting for care in Phoenix. The problem was that number was the allegation of a whistleblower, and could not be independently verified.

For weeks newspapers and cable stations ran with stories of malfeasance and deaths at Phoenix. However, the VA’s Inspector General conducted and released an exhaustive report that could not substantiate the allegation made by Miller and others that 40 veterans had died because they were waiting for care. The OIG could only confirm that there were six deaths in Phoenix and no one could determine if those veterans died *while* they were waiting for care or *because* they were waiting for care (a significant difference). While much of The New York Times’

Phoenix coverage landed on the front page of the paper, a short story about the Inspector General’s Phoenix findings ran in the back pages of the paper, on A14.

A similar story played out last summer at the VA hospital in Manchester, New Hampshire. Last July, the Boston Globe Spotlight Team reported on serious allegations at the Manchester hospital, from botched surgeries to a fly infestation. The investigation led to a string of embarrassing national headlines, the immediate dismissal of top Manchester managers, as well as pledged reforms from agency brass. CVA highlighted the Manchester report on their “#VAFail” blog.

After the allegations surfaced, the former network director, Dr. Michael Mayo-Smith, penned a scathing op-ed in the Concord Monitor pushing back on the troubling allegations made by the Manchester whistleblowers, noting that the VA had found “no systematic breakdowns in patient care” and graded leadership as “engaged and responsive to problems.”

“Unsubstantiated allegations have come to be accepted as fact,” he wrote. “Careers and reputations have been damaged. Veterans have hesitated in seeking VA services. Individuals have used the allegations for personal and political gain.”

In an interview, Dr. Mayo-Smith poked holes in various allegations made in the Spotlight report, and accused the chief whistleblower, of being “largely driven by political and personal motivations.” A September report from the VA’s Inspector General report found no wrongdoing or neglect at the Manchester hospital.

Dr. Mayo-Smith noted that Manchester administrators were aware of the issues before the Globe report, and had actually submitted ten written reports to national VA leadership describing problems and plans for remediation. When Dr. Mayo-Smith and others looked to push back against the report, they were silenced by national VA press staff.

“The approach that was being taken at the national level was a philosophy of no response,” he said. “When you put this hospital under a microscope, things weren’t perfect. But to say there were serious breakdowns in care was not substantiated.”

Part 2: Corporate-Funded Critics

News outlets are now bursting with a cadre of corporate-funded voices who came to prominence following Phoenix.

These pundits, some of whom have connections to the Koch brothers, are regularly quoted in press reports and interviewed on cable news. A host of regional and national outlets – including USA Today, The Hill and the Washington Examiner – regularly run columns by CVA’s Executive Director Dan Caldwell which rail against the agency. In 2015, the editorial board of the Arizona Republic, which is part of the USA Today network and reported extensively on the scandal, released an op-ed lauding CVA’s work on veterans issues while faulting President Obama for not inviting them to a policy roundtable.

Avik Roy, co-founder and President of the Foundation for Research on Equal Opportunity – another Koch-funded group – has also spilled ink in major papers, including The New York Times, where he debated VHPI Advisory Board member Phillip Longman – who has written extensively on the merits of VHA care. Papers also routinely run opinion pieces by the Koch-funded Pacific Research Institute, whose executive director Sally Pipes relentlessly churns out op-eds which depict the VHA as a poster child for why government healthcare won’t work and proposals for single payer healthcare should be opposed.

“Standards of care at the VA are notoriously low,” Pipes wrote in a November op-ed for the Philadelphia Inquirer. “But some doctors still fail to meet them. When that happens, the VA generally doesn’t fire them. It quietly lets them off the hook and asks them to find different employers.” (Pipes seems unaware that this is also standard practice in the private sector, as evidenced by the egregious case of surgeon Jayent Patel – nicknamed Doctor Death – or nurse Charles Cullen.)

What is left out of most coverage is the voices of veterans who have been helped by the VA, as are studies demonstrating the high quality of VA care or explaining the countless challenges of privatization.

The RAND Corporation has been studying VA care since at least the early aughts, and its findings have consistently given the VA high marks while warning that the private sector is unprepared to deal with the complex needs of veterans.

This year alone, RAND has released two comprehensive studies: one that documented the excellence of VA healthcare; the other which revealed the gross inadequacies of New York state’s private healthcare system to treat veteran

patients. Neither report attracted serious media attention.

“A lot of things we report aren’t headline grabbers and they don’t get incorporated into the mainstream media,” said Terri Tanielian, a RAND researcher and nationally recognized expert on veterans’ mental health. “But our studies aren’t designed to make headlines, they are done in a rigorous and empirical way that inform officials within a system on what is working and what needs to be improved.”

Other scientific studies that have gone unreported confirm that the agency continues to pioneer advances in healthcare, and a slew of recent polls show veterans are satisfied with the care they receive at the agency.

Despite chronic underfunding at a time when America is involved in its longest conflict, the VA has managed to reduce wait times at many hospitals and remedy bureaucratic problems. Its wait time problems, reports have documented, are no worse and sometimes better than in the private sector. Difficulties hiring primary care physicians, mental health providers and other staff are produced by our broader

healthcare system’s failure to address critical shortages that have long plagued the American healthcare system as a whole. In fact, the VA is routinely blamed for problems –like veteran suicide – that should be more accurately attributed to the Department of Defense, or actions taken by Congress.

Consider, for example, a recent documentary produced in 2017 and funded, to the tune of \$1 million, by Lois Pope, a philanthropist whose husband founded the National Inquirer. The title of the documentary, “VA: The Human Cost of War,” implies that the VHA, not the Pentagon, is responsible for the mental and physical scars of battle. While the film, which was eventually broadcast on PBS, highlights the failure of Congress to allocate sufficient funds to the VHA, it barely acknowledges the successes in treatment that have occurred in spite of funding gaps. No veterans who have been helped by the VA are interviewed. Only at the very end of the film do we get a snippet of Shulkin, then Under Secretary for Health, treating veterans in his clinical practice. Still, the enduring message of the

film is unmistakable: the VA is badly broken, perhaps irreparably.

What is left out of this film and many other reported stories are experiences of veterans like Philip Niedelman, an Afghanistan combat veteran who seeks treatment at the VA in Coatesville, Pennsylvania. After a recent CVA event in the suburbs of Philadelphia, Niedelman described his care as “perfect.” He has knee problems and hearing aids, as well as PTSD. He said VA staff has expertly helped remediate all three conditions, and that the prevailing media narrative about the agency contradicts his personal experience.

“The doctors in Coatesville really care about you, they can relate, they’ve been working in the field for years,” Niedelman said. “I hear everyone else has horror stories about the VA and, I mean, I had a brief taste with it while waiting for care in Philly. But I generally have no idea what these guys are talking about.”

Read the full report at <https://bit.ly/2Qt5xxW>