

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

# DEPARTMENT OF VETERANS AFFAIRS INFORMATION TECHNOLOGY REFORM ACT OF 2022

Mr. TAKANO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2250) to amend title 38, United States Code, to improve the management of information technology projects and investments of the Department of Veterans Affairs, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2250

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SECTION 1. SHORT TITLE.

This Act may be cited as the “Department of Veterans Affairs Information Technology Reform Act of 2022”.

## SEC. 2. INFORMATION TECHNOLOGY PROJECTS AND ACTIVITIES.

(a) IN GENERAL.—Chapter 81 of title 38, United States Code, is amended by adding at the end the following new subchapter:

### “SUBCHAPTER VI—INFORMATION TECHNOLOGY PROJECTS AND ACTIVITIES

#### “§ 8171. Definitions

“In this subchapter:

“(1) The term ‘appropriate congressional committees’ means—

“(A) the Committee on Veterans’ Affairs and the Committee on Appropriations of the Senate; and

“(B) the Committee on Veterans’ Affairs and the Committee on Appropriations of the House of Representatives.

“(2) The term ‘information technology’ has the meaning given that term in section 11101 of title 40.

“(3)(A) The term ‘information technology project’ means a project or program of the Department (including a project or program of any element of the Department) for, or including, the acquisition or implementation of information technology.

“(B) In cases where the Secretary transmits to the Director of the Office of Management and Budget information regarding information technology investments, which may consist of individual or multiple projects, the term ‘information technology project’ refers to an individual project or program or a grouping of multiple projects or programs resulting in the acquisition or implementation of discrete information technology.

“(4) The term ‘life cycle costs’ means all direct and indirect costs to acquire, implement, operate, and maintain information technology, including with respect to costs of any element of the Department.

“(5) The term ‘major information technology project’ means an information technology project if—

“(A) the project is designated by the Secretary, the Chief Information Officer of the Department, or the Director of the Office of Management and Budget as a major information technology investment, as defined in section 11302 of title 40; or

“(B) the dollar value of the project is estimated by the Secretary to exceed—

“(i) \$1,000,000,000 (as adjusted for inflation pursuant to section 1908 of title 41) for the total life cycle costs of the project; or

“(ii) \$200,000,000 (as adjusted for inflation pursuant to section 1908 of title 41) annually.

“(6) The term ‘business owner’ means, with respect to an information technology project, the program manager, project manager, or other supervisory official of the Department responsible for the project.

#### “§ 8172. Management of major information technology projects

“(a) COST, SCHEDULE, AND PERFORMANCE INFORMATION.—(1) The Secretary, acting through the Chief Information Officer of the Department, shall submit to the appropriate congressional committees a report containing information on the cost, schedule, and performance of each major information technology project that begins after the date of the enactment of the Department of Veterans Affairs Information Technology Reform Act of 2022, as generated by the business owner of the project, prior to the commencement of such project.

“(2) Each report submitted under paragraph (1) for a project shall include, with respect to such project, the following:

“(A) An estimate of acquisition costs, implementation costs, and life cycle costs.

“(B) An intended implementation schedule indicating significant milestones, initial operating capability, and full operating capability or completion.

“(C) Key business, functional, and performance objectives.

“(b) BASELINE.—(1) The Secretary shall use the information on the cost, schedule, and performance of a major information technology project included in the report under subsection (a) as the baseline against which changes or variances are measured during the life cycle of such project.

“(2) The Secretary shall—

“(A) annually update the baseline of a major information technology project pursuant to subsection (c); and

“(B) include such updated baseline in the documents providing detailed information on the budget for the Department that the Secretary submits to Congress in conjunction with the President’s budget submission pursuant to section 1105 of title 31.

“(c) CHANGES AND VARIANCES.—(1) Not later than 60 days after the date on which the Secretary identifies a change or variance described in paragraph (2) in the cost, schedule, or performance of a major information technology project, the Secretary, acting through the Chief Information Officer, shall submit to the appropriate congressional committees a notification of such change or variance, including a description and explanation for such change or variance.

“(2) A change or variance in the cost, schedule, or performance of a major information technology project described in this paragraph is—

“(A) with respect to the acquisition, implementation, or life cycle cost of the project, or development increment therein, a change or variance that is 10 percent or greater compared to the baseline;

“(B) with respect to the schedule for a development increment or for achieving a significant milestone, initial operating capability, or full operating capability, or for the final completion of the project, a change or variance that is 180 days or greater compared to the baseline; or

“(C) with respect to the performance, an instance where a key business, functional, or performance objective is not attained, or is not anticipated to be attained, in whole or in part.

“(d) MANAGEMENT.—The Secretary shall ensure that each major information technology project is managed by an interdisciplinary team consisting of the following:

“(1) A project manager who—

“(A)(i) is certified in project management at level three by—

“(I) the Department;

“(II) the Federal Acquisition Institute pursuant to section 1201 of title 41; or

“(III) the Department of Defense pursuant to section 1701a of title 10; or

“(ii) holds an equivalent certification by a private sector project management certification organization, as determined appropriate by the Secretary; and

“(B) is an employee of the Office of Information and Technology of the Department or an employee of an element of the Department at which the project originates.

“(2) A functional lead who is an employee of the element of the Department at which the project originates.

“(3) A technical lead who is an employee of the Office of Information and Technology of the Department.

“(4) A contracting officer.

“(5) Sufficient other project management, functional, technical, and procurement personnel as the Secretary determines appropriate.

#### “§ 8173. Information technology activities of the Financial Services Center

“(a) MANAGEMENT.—Consistent with sections 11302 and 11319 of title 40—

“(1) the Chief Information Officer of the Department shall—

“(A) exercise authority over the management, governance, and oversight processes relating to existing or proposed information technology of the Financial Services Center of the Department, or such successor office; and

“(B) supervise the information technology employees and contractors of the Financial Services Center; and

“(2) the Director of the Financial Services Center of the Department, or the head of such successor office, may not enter into a contract or other agreement for information technology or information technology services unless the contract or other agreement has been reviewed and approved by the Chief Information Officer.

“(b) OVERSIGHT.—The Chief Information Officer shall have oversight and operational authority over all information security practices of the Financial Services Center of the Department.

#### “§ 8174. Submission of annual reviews of information technology

“(a) IN GENERAL.—The Secretary, acting through the Chief Information Officer of the Department, shall submit to the appropriate congressional committees each annual review of the information technology portfolio of the Department conducted pursuant to section 11319(d)(3) of title 40.

“(b) FIRST SUBMISSION.—The first annual review submitted under subsection (a) shall include a copy of each previous annual review conducted under section 11319(d)(3) of title 40.

#### “§ 8175. Information technology matters to be included in budget justification materials for the Department

“(a) LIST OF INFORMATION TECHNOLOGY PROJECTS IN EFFECT.—The Secretary shall ensure that whenever the budget justification materials are submitted to Congress in support of the Department budget for a fiscal year (as submitted with the budget of the President for such fiscal year under section 1105(a) of title 31), such budget justification materials include a list of every information technology project currently in effect at the Department (including not only congressional projects and subprojects as determined by the Director of the Office of Management and Budget or the Secretary).

“(b) PRIORITIZED LIST OF UNFUNDED PROJECTS.—(1) In addition to the list included in the budget justification materials required by subsection (a), the Secretary shall ensure that the budget justification materials described in such subsection also include summary descriptions and a prioritized list, in rank order, of every information technology project of the Department, proposed or intended to be proposed for the following one, two, or three fiscal years, that is unfunded as of the time of the inclusion of the list under this paragraph.

“(2) In producing the list required by paragraph (1), the Secretary shall—

“(A) ensure such list represents a ranking of all proposed information technology projects that reflects the needs of all elements of the Department;

“(B) produce one unified list for the entire Department demonstrating how the various proposed information technology projects of each of the elements of the Department rank in priority with the information technology projects of the other elements of the Department; and

“(C) ensure that the list—

“(i) does not disaggregate and rank information technology projects based on element of the Department; and

“(ii) does identify the element of the Department requesting the information technology project.

“(3)(A) In producing each list under paragraph (1), the Secretary shall prioritize and rank each information technology project based on an assessment of each of the following factors:

“(i) Degree of collaboration between business owners and the Chief Information Officer with respect to joint functional-technical planning, requirements, and management.

“(ii) Operational or efficiency benefits to employees of the Department created or produced by the information technology project.

“(iii) The life cycle cost of the information technology project.

“(iv) The cost savings or cost avoidance yielded by the information technology project.

“(v) Time to completion of the information technology project.

“(vi) The difficulty of the information technology project, the likelihood the information technology project will be completed, or the risks associated with undertaking the information technology project.

“(vii) Tangible benefits to veterans created or produced by the information technology project.

“(viii) Such other factors as the Secretary considers appropriate.

“(B) The Secretary shall ensure that each list produced under paragraph (1) includes, for each information technology project included in the list, a brief description of the findings of the Secretary with respect to each assessment carried out by the Secretary for each factor for the information technology project under subparagraph (A).

“(c) PROJECTED FUNDING NEEDS.—(1) In addition to the matters included under subsections (a) and (b), the Secretary shall ensure that the budget justification materials described in subsection (a) also include a projection of the one-year, two-year, and three-year funding needs of the Department for information technology, disaggregated by—

“(A) portfolio; and

“(B) the product line of the Department that requires the funding.

“(2) In addition to the projections under paragraph (1), with respect to each of the periods set forth in such paragraph, the Secretary shall include a description of the funding required for each technology business management category used by the Of-

fice of Information Technology of the Department (commonly referred to as ‘cost pools’ and ‘towers’).”

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

“SUBCHAPTER VI—INFORMATION TECHNOLOGY PROJECTS AND ACTIVITIES

“Sec. 8171. Definitions.

“Sec. 8172. Management of major information technology projects.

“Sec. 8173. Information technology activities of the Financial Services Center.

“Sec. 8174. Submission of annual reviews of information technology.

“Sec. 8175. Information technology matters to be included in budget justification materials for the Department.”

(c) APPLICATION AND REPORT REGARDING MANAGEMENT OF MAJOR INFORMATION TECHNOLOGY PROJECTS.—

(1) CURRENT AND NEW MAJOR PROJECTS.—Except as specifically provided in subsection (a) of section 8172 of title 38, United States Code, as added by subsection (a) of this section, such section 8172 shall apply with respect to major information technology projects that begin before, on, or after the date of the enactment of this Act.

(2) REPORT ON CURRENT PROJECTS.—

(A) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the appropriate congressional committees a report on each major information technology project that the Secretary is carrying out as of the date of the report.

(B) CONTENTS.—The report submitted under subparagraph (A) shall contain, with respect to each project described in such subparagraph, information on the cost, schedule, and performance of the project as described in subsection (a) of section 8172 of such title, as so added.

(3) DEFINITIONS.—In this subsection, the terms “appropriate congressional committees” and “major information technology project” have the meanings given those terms in section 8171 of title 38, United States Code, as added by subsection (a) of this section.

(d) INFORMATION TECHNOLOGY ACTIVITIES OF THE FINANCIAL SERVICES CENTER.—

(1) EFFECTIVE DATE.—Section 8173 of such title, as added by subsection (a), shall take effect on the date of the enactment of this Act.

(2) APPLICABILITY.—Subsection (a)(2) of such section shall apply with respect to contracts and agreements entered into on or after the date of the enactment of this Act.

(e) EFFECTIVE DATE OF REQUIREMENT FOR PROJECTS IN BUDGET JUSTIFICATION MATERIALS.—Subsection (c) of section 8175 of such title, as added by subsection (a) of this section, shall take effect on the first Monday in the second January beginning after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. TAKANO) and the gentleman from Texas (Mr. ELLZEY) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. TAKANO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and insert extraneous material on H.R. 2250, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TAKANO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Department of Veterans Affairs Information Technology Reform Act requires VA to report on the cost, schedule, and performance information for major information technology projects. A major information technology project is a project that exceeds \$500 million in total life cycle costs.

H.R. 2250, as amended, also requires VA to ensure that each major IT project is managed by an interdisciplinary team. The bill is necessary due to the numerous issues that the VA has had with technology modernization and management of its major IT programs. This bill provides Congress with key information to conduct proper oversight over those programs.

Mr. Speaker, I wholeheartedly support this bill. I urge all my colleagues to do the same, and I reserve the balance of my time.

Mr. ELLZEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2250, as amended, the VA Information Technology Reform Act of 2022. Mr. ROSENDALE, Mr. MRVAN, and Mr. BANKS have worked on this legislation in the Technology Modernization Subcommittee for over 2 years.

The VA relies on information technology to deliver nearly every service and benefit to our Nation's veterans. But it is no secret that there have been many struggles with IT projects that fail to deliver. Cost and schedule overruns and poor performance are routine.

This bipartisan legislation creates new accountability standards for VA to plan, initiate, and manage large IT projects. Congress has to be informed in advance, before any money is spent, and the VA has to create a baseline to measure each project's performance against.

The legislation also reforms how VA budgets for IT and increases transparency into the Department's activities and needs.

I commend Mr. ROSENDALE for being a watchdog on this important and difficult issue.

Mr. Speaker, I reserve the balance of my time.

Mr. TAKANO. Mr. Speaker, I have no further speakers, and I am prepared to close.

Mr. Speaker, I reserve the balance of my time.

Mr. ELLZEY. Mr. Speaker, I yield 2 minutes to the gentleman from Montana (Mr. ROSENDALE).

Mr. ROSENDALE. Mr. Speaker, I rise today in support of my legislation, H.R. 2250, the VA Information Technology Reform Act of 2022.

When I began serving on the Veterans' Affairs Committee, I was horrified to discover that Congress is shoveling roughly \$9 billion a year into VA

information technology, with disappointing results and very little useful information about how it is even being spent.

The VA's annual IT operations budget is nearly \$5.8 billion. The disastrous Electronic Health Record Modernization Program received \$2.6 billion last year alone, and several hundred million more dollars go to other IT programs annually.

To be sure, every year VA produces hundreds of pages of budget documents about IT. But when I examined them, I found very little relevance to what is actually happening and zero accountability. That is why I introduced H.R. 2250, the VA IT Reform Act. It would require VA to report on major IT projects, costs estimates, schedules, and performance goals before they begin and before any money is spent on them. If the project is approved, that information would then become baseline that progress is measured against annually.

If we had already been getting all this information, several of the VA big-ticket IT projects would have been canceled, and some would never have been started at all. Instead, we are working to contain the damage from the EHR, while still piecing together how it even began.

At the same time, VA is now on its second attempt to modernize its supply chain and its third attempt to replace its financial systems.

My legislation would also reform how VA budgets for IT. It would require the Department to rank each requested project in terms of costs, risks, and benefits, and present each office's IT needs in plain language, not the indecipherable categories that now exist.

Finally, my bill would make the VA Chief Information Officer responsible for the Financial Services Centers IT's activities and make troves of information from the Office of Management and Budget about the VA IT programs available to Congress.

Once Congress has all of this information, it is our responsibility to oversee the spending decisions VA is making. Every IT project has to improve the services and benefits our veterans receive or it should not receive a single dollar more of taxpayer money.

I thank Mr. MRVAN and Mr. BANKS for working with me on this bill, and I urge all of my colleagues to support it.

Mr. ELLZEY. Mr. Speaker, I encourage my colleagues to support this bill, and I yield back the balance of my time.

Mr. TAKANO. Mr. Speaker, in view of the fact that I know this Congress, the 117th Congress, is coming to a close and I may not see you up on the rostrum and the dais again, I wanted to say mahalo for your service in our military, mahalo for your service to the people of Hawaii, mahalo for your service to the American people.

I ask all my colleagues to join me in passing H.R. 2250, as amended, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. TAKANO) that the House suspend the rules and pass the bill, H.R. 2250, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. ROSENDALE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

## LYMPHEDEMA TREATMENT ACT

Mr. PALLONE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3630) to amend title XVIII of the Social Security Act to provide for coverage of certain lymphedema compression treatment items under the Medicare program, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3630

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Lymphedema Treatment Act".

### SEC. 2. MEDICARE COVERAGE OF CERTAIN LYMPHEDEMA COMPRESSION TREATMENT ITEMS.

#### (a) COVERAGE.—

(1) IN GENERAL.—Section 1861 of the Social Security Act (42 U.S.C. 1395x) is amended—

(A) in subsection (s)(2)—

(i) in subparagraph (GG), by striking "and" after the semicolon at the end;

(ii) in subparagraph (HH), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following new subparagraph:

"(II) lymphedema compression treatment items (as defined in subsection (III));"; and

(B) by adding at the end the following new subsection:

"(III) LYMPHEDEMA COMPRESSION TREATMENT ITEMS.—The term 'lymphedema compression treatment items' means standard and custom fitted gradient compression garments and other items determined by the Secretary that are—

"(1) furnished on or after January 1, 2024, to an individual with a diagnosis of lymphedema for the treatment of such condition;

"(2) primarily and customarily used to serve a medical purpose and for the treatment of lymphedema, as determined by the Secretary; and

"(3) prescribed by a physician (or a physician assistant, nurse practitioner, or a clinical nurse specialist (as those terms are defined in section 1861(aa)(5)) to the extent authorized under State law)."

#### (2) PAYMENT.—

(A) IN GENERAL.—Section 1833(a)(1) of the Social Security Act (42 U.S.C. 1395l(a)(1)) is amended—

(i) by striking "and" before "(EE)"; and

(ii) by inserting before the semicolon at the end the following: "and (FF) with respect to lymphedema compression treatment items (as defined in section 1861(III)), the amount paid shall be equal to 80 percent of the lesser of the actual charge or the amount

determined under the payment basis determined under section 1834(z)".

(B) PAYMENT BASIS AND LIMITATIONS.—Section 1834 of the Social Security Act (42 U.S.C. 1395m) is amended by adding at the end the following new subsection:

"(z) PAYMENT FOR LYMPHEDEMA COMPRESSION TREATMENT ITEMS.—

"(1) IN GENERAL.—The Secretary shall determine an appropriate payment basis for lymphedema compression treatment items (as defined in section 1861(III)). In making such a determination, the Secretary may take into account payment rates for such items under State plans (or waivers of such plans) under title XIX, the Veterans Health Administration, and group health plans and health insurance coverage (as such terms are defined in section 2791 of the Public Health Service Act), and such other information as the Secretary determines appropriate.

"(2) FREQUENCY LIMITATION.—No payment may be made under this part for lymphedema compression treatment items furnished other than at such frequency as the Secretary may establish.

"(3) APPLICATION OF COMPETITIVE ACQUISITION.—In the case of lymphedema compression treatment items that are included in a competitive acquisition program in a competitive acquisition area under section 1847(a)—

"(A) the payment basis under this subsection for such items furnished in such area shall be the payment basis determined under such competitive acquisition program; and

"(B) the Secretary may use information on the payment determined under such competitive acquisition programs to adjust the payment amount otherwise determined under this subsection for an area that is not a competitive acquisition area under section 1847, and in the case of such adjustment, paragraphs (8) and (9) of section 1842(b) shall not be applied."

(3) CONFORMING AMENDMENT.—Section 1847(a)(2) of the Social Security Act (42 U.S.C. 1395w-3(a)(2)) is amended by adding at the end the following new subparagraph:

"(D) LYMPHEDEMA COMPRESSION TREATMENT ITEMS.—Lymphedema compression treatment items (as defined in section 1861(III)) for which payment would otherwise be made under section 1834(z)."

(b) INCLUSION IN REQUIREMENTS FOR SUPPLIERS OF MEDICAL EQUIPMENT AND SUPPLIES.—Section 1834 of the Social Security Act (42 U.S.C. 1395m) is amended—

(1) in subsection (a)(20)(D), by adding at the end the following new clause:

"(iv) Lymphedema compression treatment items (as defined in section 1861(III))."

(2) in subsection (j)(5)—

(A) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(B) by inserting after subparagraph (D) the following new subparagraph:

"(E) lymphedema compression treatment items (as defined in section 1861(III))."

### SEC. 3. MEDICARE IMPROVEMENT FUND.

Section 1898(b)(1) of the Social Security Act (42 U.S.C. 1395iii(b)(1)) is amended by striking "\$7,308,000,000" and inserting "\$6,738,000,000".

### SEC. 4. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.