



**THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON**

April 26, 2018

The Honorable Johnny Isakson
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

The purpose of this letter is to update you on the status of funding for the Veterans Choice Program (VCP). In my letter, dated April 9, I projected that we would exhaust funding for VCP in approximately the first 2 weeks of June, and this continues to be our best estimate.

In the absence of Congressional action, I plan to submit a letter to the Congressional Committees within the first 2 weeks of May notifying members that we anticipate exhausting all VCP funds within 30 days, and VCP will cease to be a viable program in early to mid-June. The committees have been extremely supportive of the Department of Veterans Affairs in general, and the VCP in particular, and I look forward to working with you and your staff on a solution that will avoid shutting VCP down entirely. I believe we are in agreement that legislation reforming VCP and the Department's other Community Care programs is our best course of action.

To ensure House and Senate Appropriations and Authorizing Committees are fully apprised of our funding requirements for VCP, Administration representatives have met with the professional staff from all four committees to provide updated funding requirements for both fiscal year (FY) 2018 and FY 2019 resulting from the delay in enacting VCP reforms. VCP requires \$1.3 billion in FY 2018 and an additional \$2.0 to \$3.6 billion (dependent on time of enactment of the CARE legislation) in FY 2019. This is in addition to the \$1.9 billion requested in the FY 2019 President's Budget. To allow time for the development of regulations and to ensure seamless transition to the new program, the Choice Program must continue for 12 months from the passage of the community care legislation. At this point, I believe all parties fully understand the requirements and how they were calculated.

It is the Administration's preference that VCP be addressed holistically with reform legislation and that all Community Care programs, including VCP, be consolidated and funded via discretionary resources. Continuing to apply funding "band aids" only prolongs the transition to a more efficient and effective program for our

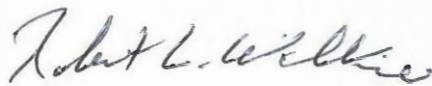
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The Honorable Johnny Isakson

Veterans. You have been one of our greatest champions so I know you understand this well. I look forward to working with you to address this important issue.

A similar letter has been sent to the leadership of the House and Senate Veterans' Affairs Committees and the House and Senate Appropriations Subcommittees on Military Construction and Veterans Affairs.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert L. Wilkie".

Robert L. Wilkie
Acting