

United States Senate

January 9, 2017

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

Dear Mr. Gellert:

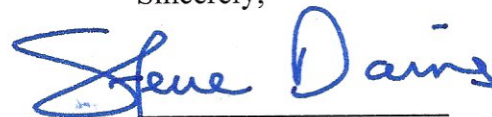
I write to you today with regard to issues plaguing the Veterans Choice Program (VCP) in Montana. I am deeply concerned by the numerous calls and letters I have received from veterans and health care providers across the state, expressing a complete loss of confidence in your ability to fulfill your obligations as a Third Party Administrator.

Veterans Choice is a critical component of the Veterans Access, Choice, and Accountability Act of 2014 and a lifeline to thousands of veterans in small towns and rural areas across the country. It provides a common sense solution for those who live hours from the nearest VA facility, by allowing them to receive treatment from qualified providers within their local communities. The ability for the VA to overcome geographic barriers is paramount in states such as Montana.

Unfortunately, the value of VCP has not been realized since it was signed into law in 2014. My staff has met with representatives from your company to discuss the challenges you faced with its implementation, and were hopeful that the remedial actions you proposed would be carried out without delay. It is unacceptable that over a year later, I continue to hear concerns from Montana providers and veterans that Health Net's performance remains woefully deficient. Some providers have made the difficult decision to withdraw from VCP entirely, further limiting veterans' ability to access timely care. In particular, several providers have indicated that they can no longer expend resources to combat bureaucratic failures such as payment delays ranging from three to eight months, the inability to reach claims representatives for hours at a time, and the frequent run-around on basic correspondence as simple as status checks. I am also greatly concerned that numerous payments for tens of thousands of dollars have been misrouted throughout the state, creating tax liability on small businesses and levying additional burdens on the providers who make the VCP possible. Most of all, I am concerned that too many veterans are not receiving timely care due to Health Net's unacceptable performance.

This demands your immediate attention. My staff will be in contact to schedule a meeting to discuss this matter further.

Sincerely,



STEVE DAINES
United States Senator