

JOINT ACQUISITION OF MEDICAL EQUIPMENT

1. SUMMARY OF MAJOR CHANGES: None.

2. RELATED ISSUES: VA Directive 1663, Health Care Resources (HCR) Contracting – Buying Title 38 U.S.C. 8153, dated May 10, 2018; VHA Directive 1660.01, Health Care Resources Sharing Authority - Selling, dated June 13, 2023; VHA Directive 1660.03, Conflict of Interest for Sharing of Health Care Resources, dated September 13, 2021; VHA Directive 1660.07, Medical Sharing/Affiliate National Program Office, dated February 21, 2023; VHA Directive 1820, Enhanced Sharing Use of Space Program, dated November 7, 2017.

3. POLICY OWNER: The Veterans Health Administration (VHA) Office of Acquisitions (19ACQ), Medical Sharing/Affiliate National Program Office (MSO) is responsible for the content of this directive. Questions may be referred to the Director, MSO at VHACOMSOG@va.gov.

4. LOCAL DOCUMENT REQUIREMENTS: There are no local document requirements in this directive.

5. RESCISSIONS: VHA Directive 7026, Joint Acquisition of Medical Equipment, dated August 22, 2020, is rescinded.

6. RECERTIFICATION: This VHA directive is scheduled for recertification on or before the last working day of September 2030. This VHA directive will continue to serve as national VHA policy until it is recertified or rescinded.

7. IMPLEMENTATION SCHEDULE: This directive is effective upon publication.

**BY DIRECTION OF THE OFFICE OF THE
UNDER SECRETARY FOR HEALTH:**

/s/ Gregory W. Goins, FACHE
Acting Chief Operating Officer, VHA

NOTE: All references herein to Department of Veterans Affairs (VA) and VHA documents incorporate by reference subsequent VA and VHA documents on the same or similar subject matter.

DISTRIBUTION: Emailed to the VHA Publications Distribution List on September 10, 2025.

CONTENTS

JOINT ACQUISITION OF MEDICAL EQUIPMENT

1. POLICY 1

2. RESPONSIBILITIES 1

3. FUNDING 4

4. OVERSIGHT AND ACCOUNTABILITY 4

5. TRAINING 5

6. RECORDS MANAGEMENT 5

7. BACKGROUND 5

8. REFERENCES 5

APPENDIX A

JOINT ACQUISITION OF MEDICAL EQUIPMENT OVERVIEWA-1

JOINT ACQUISITION OF MEDICAL EQUIPMENT

1. POLICY

It is Veterans Health Administration (VHA) policy that, one or more Department of Veterans Affairs (VA) medical facilities procure necessary equipment jointly with institutions affiliated with VA, or other approved entities that are legally associated with affiliated institutions, to provide high-quality health care to Veterans and maintain VHA policy, responsibilities, and standards for all Joint Acquisition of Medical Equipment (JAME). **AUTHORITY:** 38 U.S.C. §§ 7301(b), 8153, and 8157-8158.

2. RESPONSIBILITIES

a. **Under Secretary for Health.** The Under Secretary for Health is responsible for ensuring overall VHA compliance with this directive.

b. **Chief Operating Officer.** The Chief Operating Officer is responsible for:

(1) Communicating the contents of this directive to each of the Veterans Integrated Services Networks (VISN).

(2) Assisting VISN Directors to resolve implementation and compliance challenges in all VA medical facilities within that VISN.

(3) Overseeing VISNs to ensure the effectiveness of and compliance with this directive as well as with relevant standards and applicable regulations.

(4) Providing VHA-wide guidance regarding JAME under 38 U.S.C. §§ 8153, 8157-58 and this directive.

(5) Supporting the Office of Acquisitions with implementation and oversight of this directive.

c. **Director, Medical Sharing/Affiliate National Program Office, Office of Acquisitions.** The Director, Medical Sharing/Affiliate National Program Office (MSO) within the Office of Acquisitions is responsible for:

(1) Providing administrative direction and guidance to ensure that the policy standards specified by this directive are being implemented as intended for JAME requirements processed for review through MSO and noncompliance is identified and communicated to the Chief Operating Officer to ensure corrective action is taken.

(2) Ensuring JAME concept proposals and Joint Acquisition and Escrow Agreements received from the VHA Contracting Officer (CO) are submitted to the Office of General Counsel (OGC) for legal review in accordance with Appendix A.

(3) Following OGC review, reviewing and approving all JAME concept proposals and Joint Acquisition and Escrow Agreements in accordance with Appendix A.

(4) Informing the VHA CO of approvals for JAME concept proposals and processing the Joint Acquisition and Escrow Agreement draft from the VISN Director in accordance with Appendix A.

(5) Informing the VHA CO of JAME concept proposals and Joint Acquisition and Escrow Agreements that MSO did not approve, requesting additional information if needed, and providing instructions for revision and resubmission in accordance with Appendix A.

(6) Monitoring JAME requirements via the [JAME tracking log on the MSO SharePoint](#) and tracking the percentage of JAME requirements submitted for review that result in fully executed agreements. **NOTE:** *This is an internal VA website that is not available to the public.*

d. **VHA Contracting Officer.** The VHA CO, who is duly appointed and authorized under Federal Acquisition Regulation (FAR) 1.603 to enter JAME procurements on behalf of VA, is responsible for:

(1) Reviewing each JAME concept proposal sent from the VISN Director for processing to the Director, MSO in accordance with Appendix A.

(2) Submitting Joint Acquisition and Escrow Agreements received from the VISN Director to the Director, MSO for processing for legal review in accordance with Appendix A.

(3) Notifying the VA medical facility Business Team Manager of approval or disapproval of JAME concept proposals and Joint Acquisition and Escrow Agreements, and any additional information requested or instructions for revision and resubmission.

e. **Veterans Integrated Service Network Director.** The VISN Director is responsible for:

(1) Ensuring that all VA medical facilities within the VISN comply with this directive and informing the Chief Operating Officer when barriers to compliance are identified.

(2) Overseeing corrective actions to address noncompliance at the VISN and VA medical facilities within the VISN.

(3) Reviewing and approving all JAME concept proposals forwarded by the VA medical facility Director and sending approved proposals to the VHA CO in accordance with Appendix A.

(4) Reviewing and approving all Joint Acquisition and Escrow Agreements forwarded by the VA medical facility Director and forwarding approved agreements to the VHA CO in accordance with Appendix A.

f. **VA Medical Facility Director.** The VA medical facility Director is responsible for:

(1) Ensuring overall VA medical facility compliance with this directive and taking corrective action if noncompliance is identified.

(2) Establishing a VA medical facility Business Team and designating a VA medical facility Business Team Manager to coordinate activity when considering an opportunity for JAME.

(3) Reviewing and approving all JAME concept proposals submitted by the VA medical facility Business Team and forwarding approved concept proposals to the VISN Director in accordance with Appendix A.

(4) Reviewing and approving all Joint Acquisition and Escrow Agreements submitted by the VA medical facility Business Team and forwarding approved agreements to the VISN Director in accordance with Appendix A.

(5) Signing all Joint Acquisition and Escrow Agreements as the authorized VA medical facility official to include the VHA CO in accordance with Appendix A.

i. **VA Medical Facility Business Team Manager.** *NOTE: The VA medical facility Business Team is established by the VA medical facility Director and consists of clinical, contracting, finance, legal, human resources, supply chain management, health care technology management, and VA medical facility management and safety representatives.* The VA medical facility Business Team Manager is responsible for:

(1) Coordinating the development of JAME concept proposals and Joint Acquisition and Escrow Agreements, including obtaining appropriate input from all relevant stakeholders (e.g., clinical, contracting) in accordance with Appendix A.

(2) Drafting JAME concept proposals and Joint Acquisition Escrow Agreements and submitting them to the VA medical facility Director in accordance with Appendix A.

(3) Ensuring appropriate coordination by the VA medical facility Business Team for reviewing and obtaining required approval and contract administration processes for each distinct transactions and legal instruments that comprise a single JAME, as follows:

(a) The Joint Acquisition and Escrow Agreement.

(b) Any selling sharing agreements and procurement contracts - pursuant to 38 U.S.C. § 8153 - that are necessary to share Health Care Resources (HCR) related to use of the equipment (e.g., use of space, equipment maintenance, or related medical or administrative services) in the manner required for both parties to use the JAME as intended. *NOTE: Selling sharing agreements are defined in VHA Directive 1660.01, Health Care Resources Sharing Authority – Selling, dated June 13, 2023.*

(c) The procurement contract for the JAME.

(4) Ensuring compliance with all funding requirements outlined in paragraph 3.

3. FUNDING

a. Pursuant to 38 U.S.C. § 8157(b)(1), VA must not pay more than one-half of the purchase price of JAME. The purchase price of JAME must be calculated separately from the price or cost of related but distinct services or supplies, such as equipment installation or maintenance.

b. Site preparation and VA medical facility improvements must not be funded by VA unless the equipment is located at VA medical facilities.

c. VA must not enter into a contract to purchase JAME or obligate funds for that purpose, until all the following have occurred:

(1) The Director, MSO has approved the JAME concept proposal and Joint Acquisition and Escrow Agreement.

(2) VA has entered into a Joint Acquisition and Escrow Agreement under which the joint purchaser is obligated to provide VA at least one-half of the purchase price of the equipment.

(3) VA has received the joint purchaser's portion of the purchase price and has placed those funds in an escrow account in accordance with 38 U.S.C. § 8158 and the terms of the Joint Acquisition and Escrow Agreement.

(4) At least one-half of the purchase price of the equipment is available in a VA appropriation or fund for the expenditure or obligation. Refer to 38 U.S.C. §§ 8157(b)(4), 8158(c)(1). **NOTE:** *Even if the joint purchaser is contributing more than one-half of the equipment purchase price, VA must nevertheless have at least one-half the purchase price of the equipment available in a VA appropriation or fund at the time VA enters into a procurement contract to purchase the JAME. This anomalous result is mandated by subsection 8158(c)(1).*

d. Revenue received from the sale of JAME to the joint purchaser, as authorized under 38 U.S.C. § 8157(c)(1), must be credited to the applicable VA medical appropriation. **NOTE:** *All other sales of VA's interest in JAME (i.e., all sales other than sales to joint purchasers pursuant to subsection 8157(c)(1), including any sale to any party other than the joint purchaser) are subject to different laws governing the disposition of the resulting revenue. The fiscal aspects of any sale—other than a sale pursuant to subsection 8157(c)(1)—are beyond the scope of this directive.*

e. Funds held in an escrow account under 38 U.S.C. § 8158 are not public funds. Refer to 38 U.S.C. § 8158(c)(2).

4. OVERSIGHT AND ACCOUNTABILITY

a. **Internal Controls.** The internal controls in this directive are:

(1) Monitoring to ensure that all JAME concept proposals submitted to MSO for review have the necessary documentation and have been reviewed and approved by the VA medical facility Director, VISN Director, and VHA CO at appropriate steps in accordance with paragraph 2.

(2) Compliance with Appendix A.

b. **Metrics.** The metric in this directive that assesses the directive or program effectiveness is the percentage of JAME requirements submitted for review which result in fully executed agreements by the Director, MSO.

5. TRAINING

There are no formal training requirements associated with this directive.

6. BACKGROUND

a. JAME is authorized by the VA and institutions affiliated with VA, or other approved entities that are legally associated with affiliated institutions, in accordance with 38 U.S.C. §§ 7302, 8157, and 8158. Medical equipment that is jointly acquired under 38 U.S.C. § 8157 is jointly owned by VA and the joint purchaser.

b. VA is authorized by 38 U.S.C. § 8158 to enter into escrow agreements with joint purchasers for the purpose of facilitating JAME under 38 U.S.C. § 8157. Under such escrow agreements, VA receives the joint purchaser's portion of the equipment purchase price, administers those funds in an escrow account, disburses the escrowed funds to pay for the joint purchaser's portion of the equipment purchase price, and returns the undisbursed funds (e.g., accrued interest) to the joint purchaser.

7. RECORDS MANAGEMENT

All records regardless of format (for example, paper, electronic, electronic systems) created by this directive must be managed as required by the National Archives and Records Administration (NARA) approved records schedules found in VHA Records Control Schedule 10-1. Questions regarding any aspect of records management can be addressed to the appropriate Records Officer.

8. REFERENCES

a. 38 U.S.C. §§ 7301(b), 7302, 8153, and 8157-8158.

b. VHA Directive 1660.01, Health Care Resources Sharing Authority - Selling, dated June 13, 2023.

c. VHA Directive 1820, Enhanced Sharing Use of Space Program, dated November 7, 2017.

d. VHA Intranet: [MSO SharePoint JAME Tracking Log](#). **NOTE:** *This is an internal VA website that is not available to the public.*

JOINT ACQUISITION OF MEDICAL EQUIPMENT OVERVIEW

1. JOINT ACQUISITION OF MEDICAL EQUIPMENT

Joint Acquisition of Medical Equipment (JAME) is an acquisition of medical equipment, by the Department of Veterans Affairs (VA) and an institution affiliated with VA in accordance with 38 U.S.C. § 7302 or another approved entity that is legally associated with an affiliated institution, that is conducted under the authorities of and complies with the parameters set forth in 38 U.S.C. §§ 8153, 8157, and 8158. The parameters set forth in those authorities include:

- a. VA cannot pay more than one-half of the purchase price of the medical equipment acquired through JAME.
- b. VA - not the joint purchaser - must purchase the equipment by means of a procurement contract subject to the Federal Acquisition Regulation (FAR) and all other applicable procurement laws. **NOTE: Equipment is not processed through the Medical Sharing/Affiliate National Program Office (MSO).**
- c. VA must receive the joint purchasers' share of the purchase price of the medical equipment before awarding the contract to purchase the equipment.
- d. Title to the jointly acquired equipment is jointly held by VA and the joint purchaser.

2. JOINT ACQUISITION MEDICAL EQUIPMENT LEGAL OVERVIEW

JAME is comprised of several distinct legal instruments and transactions, including but not limited to the following:

- a. VA and the joint purchaser executing a Joint Acquisition and Escrow Agreement consistent with the requirements of 38 U.S.C. § 8158.
- b. VA receiving the joint purchaser's portion of the equipment purchase price and administering those funds in an escrow account in accordance with the terms of the Joint Acquisition and Escrow Agreement.
- c. VA and the joint purchaser executing any selling sharing agreements and/or procurement contracts - pursuant to 38 U.S.C. § 8153 - that are necessary to share health care resources (HCR) related to use of the equipment (e.g., use of space, equipment maintenance or related medical or administrative services) in the manner required for both parties to use the jointly acquired equipment as intended.
- d. VA conducting the acquisition and awarding the contract for the equipment.
- e. VA returning any undisbursed funds in the escrow account (e.g., accrued interest) to the joint purchaser, in accordance with the terms of the Joint Acquisition and Escrow

Agreement. JAME also encompasses VA and the joint purchaser administering the Joint Acquisition and Escrow Agreement and any related selling sharing agreements and procurement contracts under 38 U.S.C. § 8153 throughout their respective terms.

3. JOINT ACQUISITION OF MEDICAL EQUIPMENT CONCEPT PROPOSAL

A JAME concept proposal is a written proposal, from the requesting VA medical facility to the Veterans Integrated Services Network (VISN) Director, to pursue a joint acquisition of one or more specific items of medical equipment using the authorities set forth at 38 U.S.C. §§ 8153, 8157-58. A JAME concept proposal contains all pertinent information and supporting documentation regarding the key details that are relevant to determining whether proceeding with the proposed joint acquisition is feasible and in the best interest of VA, including:

- a. A detailed description of the VA medical facility's relevant needs.
- b. The medical equipment to be jointly acquired and an explanation as to why any identified specifications are necessary to meet the VA medical facility's need.
- c. The joint purchaser.
- d. Where the equipment would be located and used.
- e. The estimated cost of the equipment.
- f. VA's portion of the equipment purchase price (cannot exceed 50%).
- g. Any HCR, including services (e.g., equipment maintenance or use of space), that VA would need to sell to the joint purchaser to permit that purchaser to use the medical equipment as desired, and a preliminary assessment as to feasibility of selling such HCR under 38 U.S.C. § 8153, taking into account:
 - (1) The certification and full cost recovery requirements set forth in Veterans Health Administration (VHA) Directive 1660.01, Health Care Resources Sharing Authority - Selling, dated June 13, 2023.
 - (2) All applicable requirements set forth in VHA Directive 1820, Enhanced Sharing Use of Space Program, dated November 7, 2017.
 - (3) Any HCR, including services (e.g., equipment maintenance) or use of space, that VA would need to buy from the joint purchaser to permit VA to use the medical equipment as desired and a cost estimate for all such resources.
 - (4) Any other details identified in this policy or procedures, or that are requested by the VA medical facility through the VISN Director, the Director, MSO or any other office involved in reviewing or approving the proposal (e.g., the Office of General Counsel, VHA Contracting Office).

4. JOINT ACQUISITION AND ESCROW AGREEMENT

a. A Joint Acquisition and Escrow Agreement is a contract, between VA and an institution affiliated with VA in accordance with 38 U.S.C. § 7302 or another approved entity that is legally associated with an affiliated institution, that authorizes a JAME under 38 U.S.C. §§ 8153, 8157-8158 and sets forth the terms and conditions governing that joint acquisition.

b. A Joint Acquisition and Escrow Agreement serves two specific statutory roles: it is simultaneously an “agreement” within the meaning of 38 U.S.C. § 8157(a) and an “escrow agreement” within the meaning of 38 U.S.C. § 8158(a). Consequently, it can be used for the purposes authorized under those sections and is subject to the statutory limitations set forth in those sections. **NOTE: A Joint Acquisition and Escrow Agreement is not a procurement contract subject to the FAR and other procurement laws. VA cannot and does not buy or lease anything from the joint purchaser under a Joint Acquisition and Escrow Agreement. Any acquisitions arising under or related to JAME, including purchasing HCR (e.g., use of space or equipment maintenance) from the joint purchaser, as well as procuring the medical equipment, are accomplished separately through procurement contracts.**

c. A Joint Acquisition and Escrow Agreement contains terms governing the following aspects of the joint acquisition, at a minimum:

(1) The medical equipment to be purchased and any related requirements (e.g., warranties).

(2) The parties’ respective interests in - and rights and obligations regarding - the jointly acquired medical equipment.

(3) VA receiving the joint purchaser’s portion of the equipment purchase price, administering those funds in an escrow account and disbursing or returning such funds.

(4) The subsequent execution of any selling sharing agreements or procurement contracts, under 38 U.S.C. § 8153, that are necessary to HCR related to use of the equipment (e.g., use of space, equipment maintenance or related medical or administrative services) in the manner required for both parties to use the jointly acquired equipment as intended.

(5) All other relevant rights, obligations, and liabilities of the parties.

5. JOINT ACQUISITION OF MEDICAL EQUIPMENT APPROVAL PROCESS

The process for approving JAME under 38 U.S.C. §§ 8153, 8157 and 8158 consists of two steps: review and approval of the JAME concept proposal and review and approval of the draft Joint Acquisition and Escrow Agreement.

a. **Joint Acquisition of Medical Equipment Concept Proposal Review.**

(1) The VA medical facility Business Team prepares the JAME concept proposal and submits it to the VA medical facility Director.

(2) The VA medical facility Director reviews and, if appropriate, approves JAME concept proposal. If approved, the proposal is forwarded to the VISN Director by the VA medical facility Director for concurrence.

(3) The VISN Director reviews and, if appropriate, concurs. If approved by the VISN Director, the proposal is forwarded to the VHA CO by the VISN Director for processing to the Director, MSO.

(4) The Director, MSO submits the proposal to the Office of General Counsel (OGC) for review. The Director, MSO then reviews and approves.

(5) When the concept proposal is approved, the Director, MSO informs the VHA CO and requests the draft Joint Acquisition and Escrow Agreement be submitted to MSO for processing.

(6) If, for any reason, the Director, MSO determines the concept proposal should not be approved, the Director, MSO must inform the VHA CO of that decision, any additional information requested and any other instructions for revision and resubmission. Revised proposals must be processed as above.

(7) The VHA CO notifies the VA medical facility Business Team Manager that the concept proposal has been approved.

b. **Joint Acquisition and Escrow Agreement Review.**

(1) The VA medical facility Business Team Manager prepares the Joint Acquisition and Escrow Agreement and submits it to the VA medical facility Director.

(2) The VA medical facility Director reviews and, if appropriate, approves. If approved, the agreement is forwarded to the VISN Director for review and approval.

(3) The VISN Director reviews and, if appropriate, approves. If approved by the VISN Director, the proposal is forwarded to the Director, MSO by the VHA CO.

(4) The Director, MSO reviews and submits the Joint Acquisition and Escrow Agreement to OGC.

(5) If OGC provides legal concurrence, the Director, MSO then approves.

(6) When approved, the Director, MSO informs the VHA CO, and the VHA CO notifies the VA medical facility Business Team Manager.

(7) The Joint Acquisition and Escrow Agreement is executed by the joint purchaser

and the VA official at the VA medical facility. For tracking purposes, the VHA CO electronically sends the executed Joint Acquisition and Escrow Agreement to MSO at VHACOMSOG@va.gov.

(8) If, for any reason, the Director, MSO decides the draft Joint Acquisition and Escrow Agreement should not be approved, the Director, MSO must inform the VHA CO of that decision and the VHA CO must notify the VA medical facility Business Team Manager, any additional information requested and any other instructions for revision and resubmission. Revised draft agreements must be processed as above.