

CHARLES E. SCHUMER
NEW YORK

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**STATEMENT OF SENATOR CHARLES E. SCHUMER
CARES COMMISSION PUBLIC HEARING
CANANDAIGUA, NY
October 20, 2003**

I thank the CARES Commission for allowing me to present this testimony today, and to express the concerns that I share with Rochester/Finger Lakes area's veterans about the effect that the plan to close down this hospital would have on veterans' healthcare here. This plan would put cost cutting over quality healthcare to those who have earned it through service to their country. The Commission should reconsider the plan's conclusions before making final recommendations to Secretary Principi.

Before I detail my concerns about the plan, first I'd like to express my concern about what I feel to be a fatal flaw in these proceedings. I am extremely disturbed by the fact that the people most affected by the recommendations -- the veterans of this community -- are not able to publicly express their views at this hearing. Veterans should be allowed to directly comment on the CARES plan, so that the Commission can fully understand the challenges and burdens that the plan would place on the veterans whose healthcare services would be relocated. While I appreciate that the CARES Commission moved this hearing here to Canandaigua, where the most direct impact of the recommendations would be felt, I believe area veterans should be given the opportunity to speak.

That is why I take special pride in presenting the commission with a petition signed by over 80,000 New Yorkers from across the state supporting the continued operation of the Canandaigua Veterans' Hospital. These voices show the overwhelming support for this hospital and the overwhelming opposition to closing it down. The outcry that the Commission is seeing today -- not only from elected officials, but from the thousands of people who are here today or signed these petitions -- is a loud and clear message to the CARES commission: This is no ordinary hospital and closing it down would be a monumental mistake. I caution the Commission to listen to these voices and urge it to keep them in mind as it prepares its final recommendations.

Under the CARES plan's recommendations for VA Network 2, inpatient services at the Canandaigua Veterans' Hospital would be eliminated. The approximately 200 beds in the facility would be removed, and those veterans who still require inpatient psychiatric, residential rehabilitation and nursing home care would be forced to travel to facilities in Bath, Batavia, Syracuse and Buffalo.

This reduction in services at Canandaigua will have a significantly detrimental effect on veterans' healthcare in Canandaigua and the rest of Central New York. Currently, 92% of the veterans who receive inpatient care at Canandaigua come from the five-county area surrounding the facility. It is simply impractical and unfair to force veterans to travel greater distances and experience longer waits to receive medical care, and I am afraid that is exactly what will occur with the transfer of inpatient services from Canandaigua to the other identified facilities.

By transferring the almost 200 inpatients currently being treated at this facility, and by forcing the 774 veterans who are treated for severe mental illness to seek care elsewhere, the CARES plan will move services away from veterans population centers, and require these veterans and their families to travel greater distances. Veterans generally utilize nursing home services locally, within 30 miles of their homes. All three proposed sites of nursing home bed expansion, Bath, Buffalo, and Batavia, are located at distances from Canandaigua and Rochester that exceed this limit. For many veterans and their families the increased distance, travel time, and travel costs will create an unnecessary barrier to receiving treatment, and will degrade the quality of veterans' healthcare services in the Finger Lakes-area.

Canandaigua was recently ranked as the top facility in upstate New York, and received a rating of 94 out of 100, placing it among the very top facilities in the nation. Most facilities receive rankings in the 80's. It makes no sense to shut down one of the premier veterans healthcare facilities in the country, and it is impossible to believe that by eliminating services at that facility the overall quality of veterans' healthcare in the Finger Lakes-area can be anything but harmed.

In addition, closing this facility would not just damage the health care veterans receive, but would have tremendous effects on the local economy. Since its opening, this facility has been a linchpin of the community, providing 800 local residents with jobs that would be placed in jeopardy by a decision to close the hospital. The hospital is one of the top employers here in Ontario County and the CARES plan could cause significant economic ramifications here.

I've spoken with my colleagues in Congress about the CARES process, and in those discussions it's become apparent that the outcry over the possible closure of the Canandaigua Veterans' Hospital is among the loudest in the entire country. This isn't at all surprising given the quality of the hospital and the role it has played in the community for so many years.

I strongly believe that the CARES Commission and the Department of Veterans Affairs should enter into continuing discussions with the Rochester/Finger Lakes veterans' community to figure out how Canandaigua can continue to fulfill its role in the community. These types of discussions, which are going on in other communities where the CARES plan proposes closing a facility, can hopefully lead to a resolution where services are maintained and modernized at the Canandaigua Veterans' Hospital. It is absolutely critical to have these discussions, rather than to simply talk of closing or not closing the hospital.

The CARES Plan also fails to adequately answer the question of exactly how the other facilities, clinics, and private care centers that are expected to absorb Canandaigua's patients will be able to meet the demands placed on them as a result of Canandaigua's closure. The infrastructure may not be in place to facilitate the movement of these patients within the Finger Lakes-area's healthcare system.

The other facilities would need to undertake significant changes in order to accommodate additional patients, and it has been extraordinarily difficult to place inpatients from the Canandaigua Veterans' Hospital in private facilities. Efforts have been ongoing to place eleven patients in private care for over 90 days to no avail. The Canandaigua Veterans' Hospital has

experienced such trouble because getting veterans into private facilities that are already at 92 % capacity is difficult at best. Additionally, the movement of inpatient services to facilities in Bath and Batavia will require a major reorganization of the professional and support staff at those facilities, due to the differences in the type of care currently provided at there and at the Canandaigua Veterans' Hospital.

At the Canandaigua Veterans' Hospital, for example, the focus of the domiciliary and residential rehabilitation programs is on intensive substance abuse services, with shorter stays than those at the Bath facility, that are supplemented by vocational rehab services. The goals of the program target the needs of homeless veterans, most of which are located in nearby Rochester. Clearly, this type of treatment requires the type of localized care center and experienced staff that would be lost if responsibility for these services were transferred to other facilities in the wake of the Canandaigua Veterans' Hospital closure. There are countless other examples.

I am deeply concerned that CARES has not fully contemplated the effects of its recommendations on long-term and psychiatric care, and these facts only strengthen my objection to the current plan. Veterans in the Finger Lakes-area are extremely fortunate to have a quality mental health facility at the Canandaigua Veterans' Hospital. Closing this facility and attempting to transfer services elsewhere, the ability of veterans like Ralph Barnes, Oliver Williams, and Roger Griffith to receive treatment would be drastically impacted.

Ralph Barnes was a fighter pilot during World War II. He lost the ability to speak when he started suffering the devastating effects of progressive dementia 10 years ago, and has been an inpatient at Canandaigua for eight years. Ralph's wife, Mavis travels from Hilton to the Canandaigua Veterans' Hospital to visit him twice each week. Mrs. Barnes has said that if the Canandaigua Veterans' Hospital were to close, it would become much more difficult to maintain such close contact with her husband because, "...it would be hard if I had to drive farther than Canandaigua."

Oliver Williams served in the United States Air Force for eight years, including about a year and half spent in Vietnam. Following his service in the military, Mr. Williams fell on hard times, and became intermittently homeless until participating at the Canandaigua's Veterans' Hospital treatment programs in 1991. With the help of the treatment he received, Mr. Williams secured a job working in the hospital's dietetics department and was able to move to Geneva. Mr. Williams was recently quoted as saying that, "I will be indebted to this place until the day I die....There's a bond here between patients and staff...I worry that some of these vets will just totally give up if this place is closed and they have to move somewhere else. ... Closing this place would just be a great disservice to veterans."

Roger Griffith continues to suffer from post-traumatic stress disorder and other psychological problems, as well as the effects of a crush legged suffered during his service in the Navy. Mr. Griffith was referred to VA healthcare centers throughout the Finger Lakes-area, including Bath, Steuben County, Syracuse and Rochester. However, it was not until he was able to get treatment at the Canandaigua Veterans' Hospital that he began to get the help he needed. Mr. Griffith recently said, "I find good physical and mental help on a daily basis to help me out of my

depression. I was homeless off and on for about 10 years. If they close this hospital, I'll be on my own and all alone again. I don't know what I'll do if I start having manic behavior again."

These three individuals are just some examples of the hundreds of veterans who depend on the Canandaigua Veterans' Hospital for services, and who would be negatively affected by its closure.

On top of all this, I am troubled that closing the Canandaigua Veterans' Hospital won't help the VA healthcare system become more financially efficient, which is one of the main goals of the CARES initiative. Buildings 9 and 3 of the Canandaigua Veterans' Hospital are currently undergoing renovations that are scheduled to be completed in December at a cost of \$4.6 million. It would seem to me that it is not good business to spend almost \$5 million renovating a facility slated for closure.

There is also concern that many of the savings estimates used to support the closure of the Canandaigua Veterans' Hospital are based on overstated or flawed assumptions, and that some of the savings will not be reinvested in veterans healthcare within upstate New York. For example, there is a significant chance that over \$6 million of projected savings stemming from such items as building depreciation costs and reductions in VA headquarters costs and network support may not occur. The cost estimates used for the transfer of inpatient capacity from Canandaigua to other upstate veterans facilities also make no allowance for any increase in indirect costs. The number of beds at the Bath facility will be increased by 130 with no increase in indirect costs, such as food, laundry services, and utilities. It is unrealistic to assume that facilities can significantly upgrade their patient load without also experiencing increases in these costs. These assumptions regarding direct costs require the utmost scrutiny.

The bottom line is that it would appear that this process is being conducted in a haphazard manner. While the CARES process was intended to comprehensively assess veterans' health care needs and services across the nation, the reality of the situation shows this effort to be flawed and incomplete. In FY 02, the VA spent close to \$3.3 billion on long-term care for veterans; over the next ten years demand will most likely increase. The number of veterans nationwide using VA health care has grown from 2.9 million in 1996 to 6.8 million as of January. Estimates tell us that the veterans most in need of long-term care will more than double to about 1.3 million in 2012. Yet long-term care of veterans has yet to be discussed in the CARES plan.

Further, domiciliary and outpatient mental health care services were not addressed in the CARES planning. Thus, while the CARES initiative ostensibly seeks to better address the growing needs of our veterans, it is truly doing a disservice to those who fought for their country in a time of need. Now, they are in need and we have a duty to be there for them.

The CARES process is moving far too rapidly to address any of these concerns. The CARES Commission goal of submitting final recommendations to Secretary Principi by the end of the year allows only a little over three months to hold hearings and examine a plan that constitutes a building-by-building review of 5,000 structures nationally containing more than 118 million square feet of space. This does not provide enough time for the Commission and other stakeholders to adequately examine these recommendations and address their flaws. Likewise,

the goal of having final approval of a plan by the end of the year unnecessarily accelerates an important process that requires significant deliberation.

I fear that by needlessly hurrying this process, the Department of Veterans Affairs will make hasty decisions that will downgrade the quality of veterans' healthcare in New York and the United States for years to come. Accordingly, I urge the CARES Commission and the Department of Veterans Affairs to extend the review process for the CARES Draft National Plan and to hold additional, localized hearings to fully explore the impact of its proposals.

The veterans of New York and the United States have been forced to face extreme challenges in recent years. The Veterans Equitable Resource Allocation (VERA), which is used to determine the level of veterans funding disbursed to each of the nation's service networks, has had a particularly negative impact on New York's veterans hospitals because it has had the effect of shifting funds to the South and Southwest, despite the fact that healthcare costs in New York continue to rise.

I am deeply troubled by the message that we would be sending to those future veterans by brashly moving forward with the reductions contained in the Draft National Plan. This nation made a pact with the generations of brave men and women who we've been so fortunate to have don the uniform and risk the ultimate sacrifice for us. In return for their service, we would take care of them when they got back. We need to make good on this promise by keeping the Canandaigua Veterans' Hospital open.

I thank the Commission for the opportunity to present testimony at today's hearings.

2469 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-3615

3120 FEDERAL BUILDING
100 STATE STREET
ROCHESTER, NY 14614
(585) 232-4850

465 MAIN STREET SUITE 105
BUFFALO, NY 14203
(716) 853-5813

1910 PINE AVENUE
NIAGARA FALLS, NY 14301
(716) 282-1274

Email: <http://www.louise.house.gov/contact.htm>
Web: <http://www.louise.house.gov>



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TESTIMONY BEFORE THE VA CARES COMMISSION
CANANDAIGUA, NEW YORK
OCTOBER 20, 2003

I want to thank the Commission for this opportunity to testify. I appreciate the Commission's willingness to hear this community's concerns.

I have been a Congressional Representative to the Rochester area for almost 17 years, and during that time I have enjoyed a close relationship with our veterans' community. You can imagine the reaction among my constituents to the news that after 60 years the Canandaigua VA Medical Center would close.

I feel a great sense of duty to present a strong case for why such action would be a mistake. Hundreds of veterans have called, written, and emailed their strong opposition to this decision. They are relying on me to speak for them.

Let me share with you what I know about the Canandaigua VA Medical Center. This facility is one of the best in the country. Thousands of veterans in the surrounding counties depend on it for their medical care. In addition to providing standard health care, the Canandaigua facility offers a comprehensive program of services that includes everything from skills training to women's wellness to neurology.

Of long-term care patients at this facility, 92 percent originate from the immediate area surrounding Canandaigua. Furthermore, this medical center is the premier treatment facility for mental illness among veterans in the region. These are two issues that were completely overlooked by this body.

I am particularly troubled that the Commission did not consider the needs of veterans with mental illness when drafting this plan. The proposed closure makes no reference to where these patients would go once the Canandaigua facility is closed. My Congressional district is 100 miles long, and I can tell you that requiring patients or their families to travel to Syracuse or Batavia would be a significant hardship. It goes beyond inconvenience when we consider the prospect of patients having nowhere to go to receive the care they need. That would be an injustice!

I have to ask, what kind of message would this closure send to our young men and women currently in uniform? What does it say to those dedicated soldiers who are returning from Iraq and Afghanistan with injuries, both physical and mental? "Thanks for your service and good luck getting the help you need to reclaim your life."

It is unconscionable that the VA is considering a total elimination of this source of veterans' medical care in Upstate New York.

This facility does not lie within my Congressional district. In fact, it lies outside the districts of many of my colleagues here today. The presence of these public officials is a testament to the value of this facility to the five surrounding counties. It is a vital center that treats patients that span the entirety of the Finger Lakes Region and beyond.

My own constituents who live 30 miles north in the Greater Rochester area have clearly voiced to me their very strong opposition to this closure. Their grandparents, their parents, their brothers and sisters, and they themselves have depended on this beautiful facility for over 60 years. It must continue to be here for my constituents and for generations to come. They deserve the same outstanding care that has been available here for decades.

I urge the Commission to reconsider its earlier recommendation. I strongly believe that the evidence provided today has shed new light on the devastating impact such action could have on this community.

As I have said, the Canandaigua VA Medical Center has a longstanding reputation for providing efficient, quality care to thousands of veterans in the region and has established itself as an integral part of the Finger Lakes community. The complete closure of this facility is not in the best interest of the veterans' community, the very men and women you are entrusted to care for.

Thank you for this opportunity to voice my concerns.