

**STATEMENT OF
JOHN KATZ, DEPARTMENT SERVICE OFFICER
THE AMERICAN LEGION
BEFORE THE
CAPITAL ASSET REALIGNMENT FOR ENHANCED SERVICES
(CARES) COMMISSION
ON
THE DRAFT NATIONAL CARES PLAN**

AUGUST 28, 2003

Mr. Chairman and Members of the Commission:

Thank you for the opportunity today to express the local views of The American Legion on the Department of Veterans Affairs' (VA)'s Capital Asset Realignment for Enhanced Services (CARES) initiative as it concerns Veterans Integrated Services Network (VISN) 4. As a veteran and stakeholder, I am honored to be here today.

The CARES Process

The VA health care system was designed and built at a time when inpatient care was the primary focus and long inpatient stays were common. New methods of medical treatment and the shifting of the veteran population geographically meant that VA's medical system was not providing care as efficiently as possible, and medical services were not always easily accessible for many veterans. About 10 years ago, VA began to shift from the traditional hospital based system to a more outpatient based system of care. With that shift occurring over the years, VA's infrastructure utilization and maintenance was not keeping pace. Subsequently, a 1999 Government Accounting Office (GAO) report found that VA spent approximately \$1 million a day on underused or vacant space. GAO recommended, and VA agreed, that these funds could be better spent on improving the delivery of services and treating more veterans in more locations.

In response to the GAO report, VA developed a process to address changes in both the population of veterans and their medical needs and decide the best way to meet those needs. CARES was initiated in October 2000. The pilot program was completed in VISN 12 in June 2001 with the remaining 20 VISN assessments being accomplished in Phase II.

The timeline for Phase II has always been compressed, not allowing sufficient time for the VISNs and the National CARES Planning Office (NCPO) to develop, analyze and recommend sound Market Plan options and planning initiatives on the scale required by the magnitude of the CARES initiative. Initially, the expectation was to have the VISNs submit completed market plans and initiatives by November, 2002, leaving only five months to conduct a comprehensive assessment of all remaining VISNs and develop recommendations. In reality, the Market Plans were submitted in April 2003. Even with the adjustment in the timeline by four months, the Undersecretary for Health found it necessary in June 2003, to send back the plans of several VISNs in order for them to reassess and develop alternate strategies to further consolidate and compress health care services.

The CARES process was designed to take a comprehensive look at veterans' health care needs and services. However, because of problems with the model in projecting long-term care and mental health care needs into the future, specifically 2012 and 2022, these very important health care services were omitted from the CARES planning. The American Legion has been assured that these services will be addressed in the next "phase" of CARES. However, that does not negate the fact that a comprehensive look cannot possibly be accomplished when you are missing two very important pieces of the process.

The American Legion is aware of the fact that the CARES process will not just end, rather, it is expected to continue into the future with periodic checks and balances to ensure plans are evaluated as needed and changes are incorporated to maintain balance and fairness throughout the health care system. Once the final recommendations have been approved, the implementation and integration of those recommendations will occur.

Some of the issues that warrant The American Legion's concern and those that we plan to follow closely include:

- ? Prioritization of the hundreds of construction projects proposed in the Market Plans. Currently, no plan has been developed to accomplish this very important task.
- ? Adequate funding for the implementation of the CARES recommendations.
- ? Follow-up on progress to fairly evaluate demand for services in 2012 and 2022 regarding long-term care, mental health, and domiciliary care.

VISN 4- EASTERN MARKET

The Eastern Market is comprised of five medical centers located in Coatesville, Lebanon, Philadelphia, Wilkes-Barre and Wilmington, Delaware. Coatesville is the specialty referral center providing services for substance abuse, Post-Traumatic Stress Disorder (PTSD) and domiciliary.

There are significant demand increases projected for the entire market in Inpatient Medicine, Outpatient Primary Care and Outpatient Specialty Care. The Draft National

CARES Plan (DNP) proposes to meet this increase by expanding ambulatory care services at all of the five facilities through contracting out, renovations and in-house expansions. The American Legion would caution that contracting out of veterans' care should be the last resort. Every effort should be made to provide the needed services within VA. Veterans seek out VA facilities and are comfortable with the familiar surroundings and excellent care that they provide.

The VISN Market Plan called for two new Community Based Outpatient Clinics (CBOCs) to be established, however, there are no CBOCs proposed in the DNP for this market. Of the 234 CBOCs proposed VA wide, only 48 made the high priority list in the DNP.

The DNP proposes building a Spinal Cord Injury Outpatient Clinic at Philadelphia. The American Legion is pleased to support this proposal. We also support the renovations and Nursing home construction proposed at Lebanon and Coatesville. With the aging veteran population, and a definite need for these services on the rise, it is certainly much needed and a positive step for the veterans.

The DNP alludes to enhanced use arrangements to help meet the specialty care increase, however, there was no mention as to what arrangements have been looked into, if any, for this market. This is rather vague and indefinite and The American Legion is concerned that a well thought out plan has yet to be drawn up regarding specialty care services.

We believe the CARES process should be as seamless as possible and veterans should not experience undue disruption of services.

Thank you for allowing me to present the views of The American Legion.

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REVISED CARES TALKING POINTS (8/1/03)

Members of the Commission, the Paralyzed Veterans of America (PVA) is pleased to provide its input to you regarding VA's plan for the future delivery of medical services to veterans with spinal cord injury or disease (SCI/D) during this phase of VA's Capital Asset Realignment for Enhanced Services (CARES) initiative. PVA recognizes the vital importance of the CARES process. VA's CARES initiative is designed to meet the future health care needs of America's veterans by charting a course to enhance VA health care services through the year 2022.

For PVA members, there is no alternative health care delivery system in existence that can deliver the complex medical services required to meet the on-going health care needs of veterans living with spinal cord injury or disease. For us, VA's spinal cord injury centers are in a matter of life or death, a matter of health or illness, and a matter of independence and productivity. Additionally, PVA is please to see that VA's recent CARES document understands the need to assure the availability of neurosurgical medical services at all SCI center locations.

Following World War II, the life expectancy of a veteran with a spinal cord injury was just over one year, but now because of important medical breakthroughs, many achieved through VA medical research, and the development of VA's network of spinal cord injury centers a veteran lifetimes we depend, time and again, on the VA SCI center system to meet and resolve the healthcare crises we encounter as we grow older.

Our local PVA chapters have been seriously involved with the CARES process since its inception; they attended local CARES meetings, and provided comments on the VA's VISN Market Plans affecting VISN to the national office that in turn provided them to you. Overall, PVA feels relieved that VA's SCI population and workload demand projections model recognizes the need for increased VA SCI acute and long-term care medical services through fiscal year 2022. VA's VISN Market Plans call for the addition of four new SCI centers located in VISN 2, 16, 19, and 23 and for additional long-term care beds in VISN's 1, 8, 9, and 22. These new centers and long-term care beds are essential to meet the growing medical needs of PVA members across America and in our local area.

We also feel that the VA must make every effort to plan for and meet the growing demand for long-term SCI care in our area. For us, long-term care means a mix of services such as hospital based home care, on-going home visits for medical equipment and accessibility evaluations, respite care, assisted living, and SCI nursing home long-term care.

VISN 4 CARES COMMISSION TALKING POINTS (REVISED 8/8/03)

Paralyzed Veterans of America (PVA) is extremely disappointed that the VISN 4 CARES Market Plan report presented no proposal for the construction of a new SCI Center. VA's CARES SCI demand and workload model easily supports the construction of an SCI

Center in VISN 4. PVA is further disappointed that the DRAFT National CARES Plan did not correct this situation and call for the construction of an SCI Center in VISN 4.

Because VISN 4 has no SCI Center, our members are forced to travel long distances to receive SCI Center specialized acute and sustaining medical care. For example, many PVA members residing within the boundaries of VISN 4 travel to McGuire VAMC SCI Center in Richmond, Virginia for needed care. Others are forced to travel to the Bronx VAMC, or the Wade Park SCI Center in Cleveland.

PVA supports, the planned activation of an SCI Clinic to be located at the Philadelphia VAMC. However, we must point out that this new SCI Clinic does not reduce the need or importance of the SCI Clinics currently operating in Pittsburgh, Pennsylvania or in Wilmington, Delaware. The Pittsburgh and Wilmington SCI Clinics provide necessary services to veterans residing in these areas, are vital components (spokes) of VA's hub, and spoke system configuration.

With the activation of a new SCI at the Philadelphia VAMC and the continuation of needed SCI services currently being provided at the Pittsburgh VAMC and the Wilmington VAMC SCI Clinics, medical care for veterans with spinal cord injuries or disease will improve in VISN 4.

Finally, the Paralyzed Veterans of America must speak about the importance of intra-VISN coordination and collaboration, if VA's CARES SCI plan is to be a success. VA's SCI center system has evolved into a highly efficient hub and spoke system. Each VA VISN must understand and abide by VA's SCI handbook 1176.1. In our area, our members may choose to receive medical services from a variety of VA SCI providers that best meets their SCI medical needs. This is their right. It is vital that VA's SCI referral protocols be respected by each VISN, so, that individual SCI veterans can receive care in the most appropriate setting according to their choice and medical need.

Once again, the Paralyzed Veterans of America stand ready to assist the Commission in understanding the unique SCI medical care needs in our geographical area. If I can be further assistance, please do not hesitate to contact me at

Thank you for listening to our concerns.

**STATEMENT OF
JAMES E. UCKELE
NATIONAL SERVICE OFFICER
OF THE
DISABLED AMERICAN VETERANS
BEFORE THE
CAPITAL ASSETS REALIGNMENT FOR ENHANCED SERVICES COMMISSION
COATESVILLE, PENNSYLVANIA
AUGUST 28, 2003**

Mr. Chairman and Members of the Commission:

On behalf of the local members of the Disabled American Veterans (DAV) and its Auxiliary, we are pleased to express our views on the proposed Capital Assets Realignment for Enhanced Services (CARES) Market Plans for this area in VISN 4.

Since its founding more than 80 years ago, the DAV has been dedicated to a single purpose: building better lives for America's disabled veterans and their families. Preservation of the integrity of the Department of Veterans Affairs (VA) health care system is of the utmost importance to the DAV and our members.

One of VA's primary missions is the provision of health care to our nation's sick and disabled veterans. VA's Veterans Health Administration (VHA) is the nation's largest direct provider of health care services with 4,800 significant buildings. The quality of VA care is equivalent to, or better than, care in any private or public health care system. VA provides specialized health care services—blind rehabilitation, spinal cord injury care, post traumatic stress disorder treatment, traumatic brain injury and prosthetic services—that are unmatched in the private sector. Moreover, VHA has been cited as the nation's leader in tracking and minimizing medical errors.

As part of the CARES process, VA facilities are being evaluated to ensure VA delivers more care to more veterans in places where veterans need it most. DAV is looking to CARES to provide a framework for the VA health care system that can meet the needs of sick and disabled veterans now and into the future. On a national level, DAV firmly believes that realignment of capital assets is critical to the long-term health and viability of the entire VA system. We do not believe that restructuring is inherently detrimental to the VA health care system. However, we have been carefully monitoring the process and are dedicated to ensuring the needs of special disability groups are addressed and remain a priority throughout the CARES process. As CARES has moved forward, we have continually emphasized that all specialized disability programs and services for spinal cord injury, mental health, prosthetics, and blind rehabilitation should be maintained at current levels, as required by law.

Additionally, we will remain vigilant and press VA to focus on the most important element in the process, enhancement of services and timely delivery of high quality health care to our nation's sick and disabled veterans.

Furthermore, local DAV members are aware of the proposed CARES Market Plan and what the proposed changes would mean for the community and the surrounding area.

We support the following recommendations:

1. Move forward on a new outpatient spinal cord clinic at the Philadelphia VA Medical Center.
2. Move forward on a new Community-Based Outpatient Clinic in Gloucester County, New Jersey.
3. Enhance/improve medical services for women veterans.
4. Carefully review the needs for long-term medical care as well as chronic mental health care services.
5. Address transportation needs to VA Medical Center/VA Outpatient Clinic.
6. Carry out the plans for pharmacy needs thru private/civilian pharmacy while veterans await appointments for VA primary physician.
7. Address the projected significant increase in demand for inpatient medical care services in fiscal year 2012.
8. Recommend a new Community-Based Outpatient Clinic in Northampton County.

There has been an increase in demand for specialty/primary care in the eastern market. In-house expansion, contracting out, and enhanced use arrangements will handle the specialty care workload. Space for additional in-house specialty clinics will be achieved through increased use of Community-Based Outpatient Clinics for primary care to free up specialty care space at VA Medical Centers. These Community Base Outpatient Clinics are proposed but are not in the national high priority category.

VISN 4 will have a total of 446,001 square feet of vacant space in 2022. This represents an increase of 15% over 2001 total vacant space (387,373 sq. ft.). Further analysis is required in order to determine how this erosion can be avoided through improved space planning.

In closing, the local DAV members of VISN 4 sincerely appreciate the CARES Commission for holding this hearing and for its interest in our concerns. We deeply value the advocacy of this Commission on behalf of America's service-connected disabled veterans and their families.

Thank you for the opportunity to present our views on these important proposals.

Panel
of
Norm Scott

CAMDEN COUNTY'S VETERANS TESTMONEY ON VA CARES PROGRAM.

As a Camden County Veterans Service Officer, I have the opportunity to present our/my opinion on the Capital Asset Realignment for Enhanced Services (CARES).

Camden County alone has over 47,000 veterans and by our estimates we would say 25% or about 16,000 are currently registered in the Primary Care program.

We have found that the majority of our veterans are interested in primary care with the VAMC. By being eligible for this outpatient medical program our veterans can receive at a reasonable co-pay pharmaceutical products. This seems to be the greatest asset to our veterans today. Most of our veterans use the pharmaceutical program at the VA.

Our county is central to a lot of the outpatient clinic's and VAMC. Once someone is eligible, which takes between 3 month in Delaware to 1 year in Philadelphia, PA. You start to receive good dependable service. The general consensus is that the VA medical care is number one. The time frame may be difficult but the service product is good. The scheduling after eligibility is right on target. The cycle of an appointment every 6 months with your VA primary care Doctor seems to be a good care schedule.

This outpatient care imitative has greatly increased the well being of our aging veterans in our county.

Through this managed care program, veterans can be followed on a more individual basis. The medical screening and routine health monitoring can keep our veterans from falling into poor health and hopefully keep from being admitted into a Veterans facility for any long term. The CARES program has been responsible for catching a lot of early medical problems for our veterans. I'm sure that if these veterans were not seen semi-annually they would most likely have more problems than if not seen.

Our Veterans are very satisfied with the VA's new direction regarding the outpatient clinics and personal care they receive.

Eastern Paralyzed Veterans Association

September 4, 2003

Richard E. Larson
Executive Director, CARES Commission
(00CARES) 810 Vermont Avenue, NW,
Washington, DC 20480

VIA FAX 202-501-2196

Dear Mr. Larson,

As requested by Commissioner McCormick at the CARES Commission hearing on August 27th in Pittsburgh, PA, Eastern Paralyzed Veterans Association would like to share with the commission our thoughts on what the Spinal Cord Injury (SCI) Acute and Long Term Care (LTC) CARES plan should look like for Veterans Integrated Service Network (VISN) 4.

The CARES SCI data, on which this entire process has been based, projects that by the year 2022 there will be a need for at least 47 SCI acute care beds in network 4. We believe that these projections clearly support the establishment of at least one, if not two, 30-bed SCI acute care centers within the VISN. We believe that the center should be placed at the Philadelphia VA Medical Center, with perhaps a second center placed at the Pittsburgh VAMC.

At the hearing it was suggested that perhaps a new SCI center could be co-located at the Magee Rehabilitation Hospital in Philadelphia or a similar private health care facility. Eastern Paralyzed Veterans Association strongly opposes this idea for a variety of reasons. It is our belief that co-locating a VA SCI center with a private rehabilitation facility would ultimately lead to the diminution of services and care offered to our veterans. There is no equal to the range and continuum of services offered by VA for spinal cord injury on the private market. Additionally, as a for-profit entity, a private market facility is more inclined to hasten patient turnover to minimize costs. We therefore oppose the co-location of an SCI center with the Magee Rehabilitation Hospital, or any other private rehabilitation facility.

With regard to SCI Long Term Care (LTC), the CARES data projects that VISN 4 will require 66 designated SCI LTC beds in 2022. The nature of SCI care dictates a specialized level of training and acuity that can only be maintained with an SCI patient concentration. Therefore, it is our position that all SCI LTC services must be provided on an SCI designated ward. A minimum of 20 contiguous extended care beds must exist in order for VA to comply with preexisting staffing requirements, as outlined in VHA Directive 2000-022. Furthermore, as SCI patients are more inclined to need acute care on a regular basis these SCI LTC Units should be co-located with a tertiary care facility. Eastern Paralyzed Veterans Association believes that no SCI designated extended care bed can exist outside of a Spinal Cord Injury LTC unit and still bear the designation. Finally, there should be no difference in the quality of care provided at an extended care unit co-located with an SCI Center of Excellence or those units simply co-located with a non-SCI specific tertiary care facility.

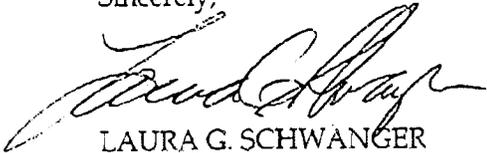
In view of the 66 LTC bed projected need for VISN 4, the possibility exists to have three separate VA SCI LTC units located throughout the network with each co-located at a different Tertiary Care facility. In fact, this new unit could be co-located with the newly established acute care center in Philadelphia that

we propose above. Additionally, multiple units would negate many proximity concerns and allow the individual veteran to access SCI specific LTC relatively close to their homes.

As we stated at the hearing, Eastern Paralyzed Veterans Association fully intends to continue monitoring the CARES process as it continues to ensure that the Special Emphasis programs remain intact throughout the years to come. We hope that you will consider our proposal for the sake of all SCI veterans residing in network 4.

If you require any further information or clarification, please let me know.

Sincerely,



LAURA G. SCHWANGER
Pennsylvania Regional Administrator