

**Statement
of
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on
Capital Asset Realignment for Enhanced Services (CARES)
Draft Market Plan for VISN 6
before the**

CARES Commission

September 12, 2003

Mr. Chairman, Members of the Commission, welcome to the VA Mid-Atlantic Health Care Network, VISN 6, and thank you for the opportunity to present our CARES testimony today. We're pleased to have you here in Durham, and I know our veteran leaders and other stakeholders also appreciate this opportunity to personally interface with you.

I want to thank the VISN 6 CARES workgroup members under the leadership of Jerry Husson, Director of the Beckley, West Virginia VA Medical Center, and Dan Mueller, VISN 6 Planning Manager, for their extensive work in preparing this VISN's draft market plan. I also want to thank our stakeholders, and particularly our veterans service organizations, for their input to the plan and for sharing their thoughts and concerns throughout the process of developing the market plan.

In VISN 6, our mission has remained steadfast for the last three years: ***"To provide for an integrated healthcare network that is veteran focused, cost effective, and value added."***

VISN 6 is unique in many respects, providing highly sophisticated health care for more than 219,000 (projected FYE'03) veterans living within our geographic boundaries. We also care for veterans who are referred to us from all over the country for specialized services. It is our great honor to serve these veterans, as well as active duty soldiers who have returned from combat in Iraq. We have treated several Iraq casualties with spinal cord or traumatic brain injuries at the Richmond VA Medical Center.

We provide veterans with virtually every level of care, from simple flu shots to complex open-heart surgery and organ transplantation. We have

inpatient spinal cord injury programs at two facilities, and strong affiliations with seven major medical schools and dozens of highly respected colleges and universities. Our affiliation with these institutions is critical to the services we provide for veterans. Our medical school partnerships enable us to engage in some of the most sophisticated medical research in the country, which benefits not only veterans but also the population at large.

We place great value on partnerships with veterans service organizations, and their leaders are represented on the VISN 6 Veterans Advisory Council. We are located in a geographic area that is perfectly suited to VA/DoD partnering, and we are already seeing benefits in that area between the Hampton VA Medical Center and its DoD partners at Langley Air Force Base, Ft. Eustis Army Base, and the Naval Medical Center, Portsmouth. A surgical program sharing agreement has been in effect with Portsmouth for more than one year. Pathology services have been implemented with Langley, and plans for several other shared services are on the table, including a jointly submitted response to a Request for Proposal to the VA/DoD Sharing Group in Washington, D.C.

For the past three years, VISN 6 has experienced dramatic growth. The number of unique patients we serve has increased from 179,000 in Fiscal Year 2000 to the projected number of 219,000 in Fiscal Year 2003. In North Carolina, we have seen significant growth in the areas of Raleigh-Durham; the I-85 corridor from Greensboro and Winston-Salem to Charlotte; and Fayetteville. In a recent analysis of the Census 2000, it was noted that seven of the top 10 areas with the highest percentage of veteran population were located within VISN 6. Six are located in Virginia's Tidewater area, and a seventh is in the Fayetteville, N.C. catchment area.

VISN 6 has historically taken a conservative approach to establishing outpatient clinics in comparison to other VISN's. Three years ago, we had six Community Based Outpatient Clinics, or CBOC's; currently, we have nine, and one Satellite Outpatient Clinic in Winston-Salem, North Carolina. The CBOC in Wilmington, North Carolina was designed to manage 2,500 veterans, was at capacity when it officially opened in 2001, and has doubled to 5,000 within two years.

By January 2003, the influx of new veterans and heavy growth experienced in VISN 6 created a waiting list of approximately 30,000 new veterans waiting to be scheduled for their first appointment. The Fiscal Year 2003 budget, approved in late February, enabled us to take aggressive action to reduce the waiting list, by adding additional primary care teams. Effective recruitment of physicians, nurses and other support personnel, along with an epic number of extra hours worked by our existing VA staff, has enabled us to reduce the waiting list to its current number of 1,271 (less than 1,500).

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When the CARES Phase II Process was launched in June 2002, we embraced the concept and began the work of identifying our market areas and planning initiatives, or gaps in service. Throughout the past year, we involved stakeholders in every step of the process. Our key stakeholders are identified as veterans, employees, affiliates, Congressional representatives, labor partners, volunteers, and the community. We actively solicited the input of stakeholders throughout the planning process. The VISN and medical center leadership sent a series of mass mailings about CARES to stakeholders, keeping them informed throughout the process. VISN and medical center leadership conducted town meetings, held congressional briefings, and shared information at state and VSO conferences. We solicited input through Intranet and Internet feedback, interviews with the news media, and many, many personal contacts. We also collaborated with VSO leaders to write articles about CARES for state and regional VSO publications.

In the process of developing our CARES market plan, it became clear that there are areas where we have failed our veterans. The most prominent of these is geographic access to outpatient services. Many veterans still face travel times in excess of two hours to receive primary care. Some veterans travel up to five hours one way from Beckley, West Virginia to Richmond for certain tertiary care services. This would be unacceptable to most of us sitting here today, and is certainly not the standard of our community.

In addition to the issue of access to services, the VISN 6 Draft CARES Market Plan also identified some inpatient gaps that needed to be managed, to respond to current and expected growth. However, these gaps are minor when compared to our outpatient access and capacity gaps.

Before I talk about access and capacity gaps, I will briefly describe how our CARES market areas were identified. It is important to know that for the past several years, the eight medical centers in VISN 6 have been paired as geographic partners. Working in pairs, medical centers have integrated services and managed their respective patients in a manner that has proven beneficial for veterans. These geographic partners became the cornerstones of the CARES markets for VISN 6, and are identified as the Northwest, Northeast, Southwest, and Southeast Markets.

The CARES market plan for VISN 6 recognizes the need for dramatic outpatient growth in three of our markets; the Northeast, Southeast, and Southwest. In the Northwest market of Salem, Virginia, and Beckley, West Virginia, the number of enrollees is expected to decrease slightly over the next 20 years.

In the Northeast, where Richmond and Hampton VA medical centers are located, we propose adding three new CBOCs in Emporia, Charlottesville and Norfolk. By the year 2007 the plan calls for expansion of the Norfolk site to a

satellite outpatient clinic with expanded services to accommodate the dense veteran population projected for that area.

In the Southeast, which includes the Durham and Fayetteville VAMCs, we propose expansion of two existing CBOCs in Greenville and Wilmington to Satellite Outpatient Clinics, and to build new outpatient facilities at both medical centers. Both medical centers are at capacity, having converted all available space to outpatient space within an outdated architecture. It is important to note that most of the facilities in VISN 6 are at least 50 years old, and converting outdated structures into modern health care facilities has affected our ability to meet our core mission. Also in the Southeast market, we propose adding 24 acute care beds at Durham VAMC and 29 beds at Fayetteville, primarily through renovation projects.

In the Southwest, which includes the Salisbury and Asheville facilities, we propose building a Satellite Outpatient Clinic in Charlotte, the most under-represented location in VISN 6. To improve access, we also propose adding six new CBOCs to reach veterans in outlying, mountainous areas, and in high population areas between Salisbury and Durham. On the inpatient side, we propose expanding acute care capacity by 40 beds, primarily through renovation at both facilities.

In the Northwest, where the Beckley and Salem facilities are located, we project a net decline in the veteran population and subsequent enrollees. Over the next 20 years, the Beckley VAMC will reduce acute inpatient beds and convert its operation to a Critical Access Hospital, providing basic inpatient medical, intermediate and long-term care services in addition to outpatient care.

In summary, VISN 6 has done many things well. We have successfully absorbed more than 40,000 new patients into our system in the last three years; reduced our wait times for services to veterans in our system; increased the quality of care; and increased patient satisfaction. But our work is not done. In order to maintain our hard fought gains and respond to the projected demand for services, we need to act forcefully and aggressively to implement the plans outlined in this document. Full funding of the Plan is an absolute requirement for implementation. Any delays would only serve to withhold the care our veterans deserve, and hamper the pursuit of the VISN 6 mission to “provide for an integrated healthcare network that is veteran focused, cost effective and value added.”

That concludes my synopsis of the VISN 6 draft CARES market plan. Thank you all for allowing me to share our thoughts and plans for the future. I would now be honored to address any questions you have of me, and my team, at this time.