

*Congress of the United States
House of Representatives
Washington, D. C. 20515*

*Anna G. Eshoo
Fourteenth District
California*

September 30, 2003

Mr. Richard E. Larson, Executive Director
CARES Commission
Department of Veterans Affairs (00CARES)
810 Vermont Avenue, N.W.
Washington, D.C. 20420

Dear Mr. Larson,

Your mission as the CARES Commission will have failed if your proposal results in a decrease in patient care quality and the exclusion of thousands of veterans in Veterans Integrated Service Network (VISN) 21.

As you well know, a large number of these veterans receive medical benefits in California's 14th Congressional District. A recent report from the office of the Minority Staff of the Committee on Government Reform revealed some shocking statistics:

- Cuts in the VA budget will prevent 940 veterans from enrolling to receive care.
- 7,700 of my constituents will be forced to drop out of the VA Health Care System due to increased fees.
- Those who remain in the system will face an average of \$350 in annual increased costs.
- Those who use the prescription drugs benefits will face annual fee increases of as much as \$600.

This is not efficiency. It is betrayal.

Now the CARES Commission is threatening to close the Livermore Facility, decrease inpatient care, and contract out to other health care centers for certain outpatient services. These veterans, who were promised free health care when they so courageously put their lives on the line for our country, will be drastically affected by these cuts.

While I know you're not responsible for the cuts the Veterans Administration has been forced to take, I urge you to reverse your recommendations and put veterans first. Tell the Bush Administration that you cannot, in good conscience, make any recommendations that will directly or indirectly hurt veterans. It's imperative that other forms of "efficiency" are implemented, without severely undermining the purpose of the VA and imposing such hardships on veterans.

I look forward to your prompt response and thank you in advance for it.

Sincerely,



Anna G. Eshoo
Member of Congress

cc: Secretary Anthony Principi, Department of Veterans Affairs

WALLY HERGER

2^D DISTRICT, CALIFORNIA

PLEASE REPLY TO:

WASHINGTON OFFICE:
2268 RAYBURN HOUSE OFFICE BUILDING
(202) 225-3076

DISTRICT OFFICES:

55 INDEPENDENCE CIRCLE, SUITE 104
CHICO, CA 95973
(530) 893-8363

410 HEMSTED DRIVE, SUITE 115
REDDING, CA 96002
(530) 223-5898



COMMITTEE ON
WAYS AND MEANS

SUBCOMMITTEES:

CHAIRMAN
HUMAN RESOURCES

TRADE

Congress of the United States

House of Representatives

Washington, DC 20515-0502

September 26, 2003

Everett Alvarez, Jr.
Chairman, CARES Commission
Department of Veterans Affairs
Washington, DC 20420

Dear Chairman Alvarez:

I appreciate this opportunity to contact the Commission regarding the critical, unmet needs of veterans in the Second Congressional District, which extends from the Oregon border to northern Yolo County. As you know, there are no VA hospital facilities within this area.

Current travel distances/times are simply too far for many veterans to go for inpatient care. As it stands now, local hospital care is severely restricted to emergency medical care. Large numbers of area veterans, including medically fragile, 50% to 100% service connected veterans, are forced to travel three to five hours one way to receive hospital services from the VA. This is an undue hardship and inequitable. The CARES Commission should recommend that some of the cost savings realized through the CARES process be directed to contracts for inpatient beds in the Shasta/Butte area.

The Commission should understand the substantial costs associated with transporting veterans to distant VA hospitals. If VA transports the veteran by air, the flight cost is \$2,500. An ambulance costs about \$2,000 per trip. Why not save on these costs and use those dollars for local inpatient care at a contracted facility?

Although I am pleased to see a new medical tower in Sacramento, there will likely not be enough room in the new tower for Shasta/Butte veterans at the rate the Sacramento area veteran population is growing.

With the aging of the veteran population and the growth of that population in the North State, it would make sense for an outside, objective source to perform a cost analysis of contracting 15 to 25 acute care beds at one of the medical centers in Redding. Local financial planners tell me they estimate that the break-even point is somewhere about 15 to 20 admissions/month.

Everett Alvarez, Jr.
Page Two

When you figure in the current travel costs, and the fact that resources in Sacramento will likely not be available when needed, contracted care makes even more sense.

I fear that there will be a crisis if the veterans continue to have to travel long distances within VISN 21 for inpatient care. Local medical experts have noted that we will see more cases of patients being readmitted locally (costing in the end more days bed of care) because their illness was not fully resolved at a distant facility. These patients will likely have to be sent to a local hospital anyway due to the acuity of the case.

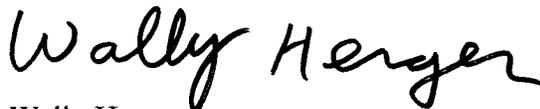
We can either pay the dollars up front locally with a contract to do it right the first time, or risk medical complications and readmissions later in a worse state, costing more in the long run.

I understand that VA resources are stretched too thin to provide services in every small town in America. However, the Commission should be aware that the greater Redding area and the greater Chico are each home to more than 100,000 people. In the past 3 years, the patient visits to the Shasta/Butte VA clinics have mushroomed dramatically, essentially doubling in this brief time frame. Clearly, there is a demonstrated need for increased VA services in the North State.

There is a growing need for CHAMPVA services, specialty services, and hospital services. Indeed, the State of California has selected Redding as the site for a new State Veterans Home. These veterans, many of whom will be elderly and frail, will be requiring hospital services and will not be able to make multiple hour trips one way, potentially multiple times per year, to receive hospital services at a distant VA facility.

The promise of CARES was to more rationally allocate scarce VA resources. I would argue, emphatically, that some of those cost savings resulting from the elimination of redundant, inefficient, or unnecessary expenditures can and should be allocated to the Shasta Butte area. I look forward to working with you to see that the promise of CARES is realized.

Sincerely,



Wally Herger
Member of Congress

WH:hh

Executive Board
Butte County
Colusa County
Glenn County
Shasta County
Siskiyou County
Tehama County
Trinity County
Pointman

Northern-California Organized
Veteran Advocates (NOVA)
351 Hartnell Avenue
Redding, California 96002

Executive Board
American Legion
AMVETS
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VFW
VVA
SCVAC
VA Ombudsman
VA Volunteers

Phone: (530) 226-7634

FAX: (530) 226-7505

09/17/03

Everett Alvarez, Jr.
Chairman CARES Commission
Department of Veterans Affairs
Washington DC 20420

Dear Mr. Alvarez, Jr.,

Thank you for your personal invitation to appear before the Commission at the public hearings on October 2, 2003 at McClellan, Ca.

Due to the distance of travel, (5hours one way) NOVA must decline but shall give the following response to Mr. Richard E. Larson at his E-Mail address.

Shasta-Butte a part of the VA Sierra Pacific Network VISN 21 due to the distance of travel,(3 to 7 hours one way) to the nearest VA Medical Center is in dire need of Urgent Care beds contracted locally. The Sacramento VA Medical Center with its new tower cannot support the demand from our established population growth. We need local contracts for specialty care for our Veterans with Female problems, Cancer Treatment and Cardiac Care. We also need increased space and staff at the Redding VA OPC because current staff cannot maintain the present t work load, let alone the anticipated increases over the next 20 years.

In closing, we are asking the Commission to investigate the fact that even though the North Valley Division of VA Sierra Pacific Network VISN 21 show numbers of a decreasing Veteran population, Shasta-Butte shows numbers of increases as high as 48% in some counties. The expansion to the Chico VA OPC will only address the problems of that geographical area with in a 1 hour distance of the Sacramento VA Medical Center; therefore leaving Redding VA OPC with out a committed program to address their projected growth. The Commission has the privilege to use their foresight to fix a problem before it becomes a catastrophe.


D.J. Boardman
Chairman

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09/14/03

Congressman Wally Herger
410 Hemstead Drive #115
Reading, Ca. 96002

Dear Congressman,

Would you please ask the CARES commission the following questions;

1. Was the North State migration pattern taken in consideration?
2. Was the impact of the State Veterans Home taken in consideration?
3. If the above questions were not addressed then how does the commission plan to provide health care services for the large migration coming from southern California to avoid the high costs of living in the urban centers?
4. Was a plan to contract or partnership with the State of California to 10 to 15 acute beds considered?
5. Was a plan considered to have urgent surgery done at a local hospital and recovery at the Veterans State Home?
6. Was the work load of Shasta Butte from Colusa, Modoc, Lassen, Humbolt and Del Norte counties considered.
7. Is BODC being used to cloud the issue of actual wookload?

NOVA is seeing a distortion of terminology hiding the actual fact that even though the numbers of veterans is decreasing in the North Valley area the work load is increasing in the Shasta-Butte area.



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Ombudsman

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09/12/03

SEP 15 2003

Congressman Wally Herger
410 Hemstead Dr. #115
Redding, Ca. 96002

Dear Congressman Herger,
NOVA is requesting that you write on or before 10/01/03 a letter to the C.A.R.E.S. commission Department of Veterans Affairs in Washington DC expressing the following needs of the Veterans in the Shasta-Butte area of VISN 21.

In combining the statistical numbers of an area geographically as large as 1/3 of most states in the United States there becomes a disproportionate vision of growth patterns and medical needs. In the case of Shasta-Butte this is magnified by a population concentration centered 475 miles away from the largest geographical area of need and therefore the smallest area receives the most services even though it has the greatest diminishing population.

The facts are that the Shasta-Butte area not only needs space and additional medical services in the Redding VA OPC it needs a contracted 24/7 service with a local non-VA medical hospital.

To improve and put \$600,000.00 in Chico VA OPC which has a 80% Veterans population less that 1 hour drive from the Sacramento VA Medical Center just compounds the problem because it still leaves 70% of the Redding Veterans population more than 2 ½ hours away from the nearest VA Medical Center.

Thank you for your help.


D.J. Boardman
Chairman

Testimony of Congressman Jim Gibbons
Before the CARES Commission
Livermore, California
October 1, 2003



Thank you for inviting me to be with you today, and thank you for the service you are providing for the veterans of America, those who have already served and those who are serving and who will serve in the uniform of our great nation.

Your important work will shape the future of health care for these men and women for decades to come.

The Capital Asset Realignment for Enhanced Services (CARES) is a landmark study of the nation's largest health care system, operated by the Department of Veterans Affairs. The National Plan is an important milestone in

the VA's CARES program to assess veterans' health care needs and develop a national plan to meet those needs in the future.

It is important to note that the Draft National CARES Plan is still an interim step of the CARES process. I am cautiously optimistic that the plan will positively impact Nevada, though no final decisions have been made. The plan is now with you, the CARES Commission. With the voice of my veteran constituency from Nevada, I want to weigh in on this process. Together, we express our support for these improvements.

The draft CARES plan is a victory for Northern Nevada. I am very pleased that Reno will keep its world-class telemedicine hub -- the Ioannis A. Lougaris VA Medical Center. Additionally, the suggested improvements for the Sierra Pacific Network identify the means to provide appropriate care closer to veterans' homes and to protect quality while expanding access by ensuring that VA's limited resources

are used for medical care rather than supporting underutilized or redundant infrastructure.

The Sierra Nevada Market Plan addresses the need for additional services at the fine VA Medical Center in Reno. It can be made better by extending clinic hours and adding necessary specialties that will reduce the amount of travel our veterans must endure, particularly in the Sierra-Nevada mountain range when highways are often treacherous or closed due to ice and snow. Also, addition of Community Based Outpatient Clinics in Fallon, Nevada, and Susanville, California, will reduce demands on staff and space in Reno, enabling reallocation of resources there to better serve our veterans.

The work you are undertaking is the most comprehensive look at VA health care to date, and for ten and twenty years out, that the VA has undertaken. I believe this is the basis of a complete national plan.

Today's veterans, as well as all of the men and women serving in the active duty and

reserve component around the world, remind us of why the Veterans Administration exists. They make extraordinary sacrifices for our country, and it is our duty to make sure they receive the health care and benefits they were promised. We have the opportunity before us to make vast improvements in long-term care, as well as in the way the VA health care system operates.

It is my goal to guarantee that Nevada's veterans receive quality and affordable medical care in an appropriate facility, as well as protecting the jobs of those working in these facilities.

I truly believe the CARES plan recognizes the needs of Nevada. I am profoundly grateful for the service of America's military personnel and the sacrifices they have made to defend and preserve our great nation. Be assured that I will continue to work with my colleagues in Congress and the veterans of the State of Nevada to ensure their needs are properly

addressed

I look forward to working closely with the Department of Veterans Affairs on these important issues.

Thank you for your time today and for the continuing service you are performing for the veterans of the United States.