Statement of

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Before the

VA CARES Commission

On the

CARES Market Plan Development

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New Jersey Market

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Mr. Chairman, I am honored to testify before the Commission on the CARES plan for the New York/New Jersey Veterans Integrated Service Network (VISN 3). I would like to take this opportunity to introduce the members of the VISN 3 Leadership panel: Ms. MaryAnn Musumeci, Director of the Bronx VA Medical Center; Mr. Michael Sabo, Director of the VA Hudson Valley Healthcare System which includes the Castle Point and Montrose Campuses; Mr. John Donnellan, Director of the VA New York Harbor Healthcare System which includes the New York (Manhattan), Brooklyn and St. Albans (Queens) Campuses; Mr. Robert Schuster, Director of the Northport VA Medical Center

and Mr. Kenneth Mizrach, Director of the VA New Jersey Healthcare System, which includes East Orange and Lyons NJ campuses.

Outlined in this testimony are the key issues related to CARES planning for VISN It is our goal this afternoon to provide an overview of three key areas of the CARES planning process. In our testimony we will;

1. Discuss the scope and responsibilities of the New York/New Jersey Veterans Integrated Service Network (VISN 3);
2. Highlight our Network's CARES planning process resulting in VISN level recommendations;
3. Review planning initiatives that were identified for our Network to address proximity issues, space gaps and program overlaps.

Following my remarks we will be happy to answer any questions.

1. New York/New Jersey Veterans Integrated Service Network (VISN 3)

The VA New York/New Jersey Veterans Integrated Service Network (VISN 3) is an integrated health care delivery system that provides care to eligible veterans. The 10,000 full and part-time dedicated employees of this Network provide care and support along a seamless continuum based in primary care supported by five healthcare systems covering the most densely populated area in the nation from the Hudson Valley, Metropolitan New York area, Long Island and much of New Jersey. Facilities in VISN 3 include:

Major Healthcare Facilities

VA Hudson Valley Healthcare System (Castle Point and Montrose Campuses)

VA Medical Center Bronx, NY

VA New York Harbor Healthcare System (New York, Brooklyn and St. Albans Campuses)

VA Medical Center, Northport, NY

VA New Jersey Healthcare System (East Orange and Lyons Campuses)

In addition to 32 additional Community Based Outpatient Clinics and 11 Vet Centers.

VISN 3 serves 343,000 veterans (FY 01 enrollees) with a total budget of approximately $1.1 billion, which excludes MCCF collections forecasted to exceed $75 million, this fiscal year. Medical centers currently operate 2,848 inpatient beds for acute medical/surgical, mental health, nursing home and domiciliary care. Annually VISN 3 facilities have 27,000 admissions and over 2.1 million outpatient visits.

The Network approach has centralized many functions which has led to a unique functioning of the VISN 3 healthcare system, specifically Mental Health, Geriatrics and Extended Care have been functionally centralized under a lead director resulting in a matrix organization and other functions such as Prosthetics, Acquisition, Laundry and Commissary services which have been centralized organizationally supporting the entire VISN. These programs are integrated across the Network to enhance the quality of care by developing

consistent standards of care. The models provide for better coordination of care among facilities and better continuity of care for patients. Patients are now able to move among facilities and levels of care more easily. Full implementation of the electronic medical record and further development of telemedicine will facilitate this process and ensure improved access to patient records for all care providers.

The comprehensive continuum of care offered by the VISN 3 includes primary care, acute medical and surgical care, psychiatric care, long-term care, nursing home care and ambulatory surgery. Special programs in VISN 3 include: Acute and Long-Term Spinal Cord Injury Centers, Cancer Evaluation, Treatment and Care, Domiciliary, Cardiac Surgery Centers, MRI, Homeless Veterans Outreach Programs, Women Veterans Programs. Centers of Excellence in VA are clinical programs that exemplify the best of VA care and stand as world-class leaders in their fields. We are proud that many Centers of Excellence are located in our Network, including:

- **Cardiac Surgery**: VA New York Harbor Healthcare System (New York Campus)
- **Renal Dialysis**: VA New York Harbor Healthcare System (New York & Brooklyn Campuses)
- **Comprehensive Rehabilitation**: VA New York Harbor Healthcare System (all campuses)

- **HIV/AIDS**: VA New York Harbor Healthcare System (New York and Brooklyn Campuses)

2. VISN 3 CARES Process and Recommendations

Identifying the need for this level of planning, responding to external reviews such as the GAO identifying infrastructure issues faced by the VA will be the most dramatic change the VA has undertaken in a number of years. From our perspective and that of our stakeholders, the level of business information that drove the CARES process to make data based recommendations to issues facing our aging infrastructure and program realignment effectively shifting the process from a subjective process to an analytical analysis of demand is key to success.

The VA developed demographic projections through the year 2022, conducted a comprehensive capital inventory, assessed usage and vacant space, clinical inventory of programs offered at sites and developed access standards for all VA's to evaluate the accessibility of services. This was the basic footprint of the CARES process. Based on this information, VA nationally coordinated an assessment of high priority planning initiatives for VISN's to address in collaboration with stakeholders, just as the entire CARES process was inclusive of stakeholders. Because of this process, VISN 3 was asked to address or solve the following CARES gaps:

New Jersey Markets

- Outpatient Demand increases over the period at all locations.
- Inpatient Demand decreases in most locations.
- Proximity – four facilities were selected for proximity analysis:
  - VA New York Harbor HCS (Brooklyn Campus)
  - VA New York Harbor HCS (New York Campus)
  - VA Medical Center, Bronx, NY
  - VA New Jersey Healthcare System (East Orange Campus)

  The VISN was required to consider mission changes and/or realignment of tertiary care facilities that fall within the 120-mile proximity standard.
- Long Term Care/Nursing Home Care – Meet the Millennium Bill requirements for LTC.
- SCI – Coordination with Chief Consultant, Spinal Cord Injury and Disorders Strategic Health Care Group and other referral facilities in VISN's 2 and 4.
- Vacant space – 1,001,997 gsf to be addressed. Most vacant space was located in the suburban campus style facilities.
- Enhanced Use Leasing: Lyons, Northport and St. Albans identified in the top 15 High-Potential Enhanced Use Lease Opportunities for VHA Montrose, Castle Point, Brooklyn and Bronx identified on the secondary list of Enhanced Use Lease Opportunities.
- VBA – Co-locate the VA Regional Office, Newark, NJ at the Lyons Campus of the VA New Jersey Healthcare System.

- DoD and 4th Mission concerns:
    - Ft. Monmouth and East Orange

Based on collaboration with stakeholders, analysis of the IBM planning model and knowledge of local market issues the VISN made a preliminary recommendation on April 15, 2003 to resolve planning initiatives identified which in summary took the form of:

- Outpatient Demand various new construction projects/renovations to address increased outpatient demand. Site a Community Based Outpatient Clinic (CBOC) in the Passaic County, NJ area.
- Inpatient Demand – accommodate increased demand by new construction and use of outside contractors.
- Proximity – Consolidate the Inpatient SCI program to the VA Medical Center, Bronx, NY (also discussed in special disability planning initiatives.
- Long Term Care/Nursing Home Care – meet the Millennium Bill requirements.
- Special Disability Planning Initiative – Consolidate VA Hudson Valley HCS (Castle Point Campus) and VA New Jersey HCS (East Orange Campus) SCI programs to Bronx, build a comprehensive SCI Center to support this population. East Orange and Castle Point to maintain a SCI outpatient program.

- Vacant space – numerous resolutions including enhanced use leasing and elminate obsolete buildings.
- DoD and 4th Mission concerns:
  - Identified CBOC at Ft. Monmouth (Opened)
  - Continued collaboration with local, state and federal terrorism taskforces and first responder collaborative for chemical, biological or nuclear terrorist event, particularly focused in the Metro New York area.

3. Review additional planning initiatives that were identified for our Network by the National CARES Program Office to address proximity issues, space gaps and program overlaps.

The VISN 3 plan was evaluated and considered in the development of the Draft National CARES plan which looked at the VA on a macro level and based on the scope of local considerations developed the final draft recommendation that is currently under consideration by the CARES Commission and will result in a recommendation by the Commission to the Secretary of Veterans Affairs. The Draft National CARES plan differed slightly from the VISN 3 plan. The high priority considerations that made the final plan include:

- Proximity – SCI program in New Jersey will remain at the current time.
- Long Term Care/Nursing Home Care – Meet the Millennium bill requirements.

- Outpatient Services – Increase outpatient care through new construction and expansion of in-house space to accommodate the increase in outpatient demand. This reflects a need to construct 138,000 sq. ft., and a conversion of vacant space reaching 70,000 sq. ft. A new CBOC for Passaic County, NJ is included in the plan. The CBOC at Ft. Monmouth identified was approved and has been opened.
- Inpatient Services –
    - Medicine, increased demand for the New Jersey Market will be accommodated in-house through 50,000 sq. ft. new construction and conversion of approximately 77,200 sq. ft of vacant space.
    - Psychiatry, increased demand for the New Jersey Market will be accommodated in-house through 107,000 sq. ft. new construction and conversion of approximately 129,000 sq. ft of vacant space.

- Special Disability Programs – Consolidate SCI at VA Hudson Valley HCS (Castle Point Campus) with the Bronx, VA New Jersey HCS (East Orange Campus) SCI program to remain and possibly relocate at a later date; renovate current space at the VAMC Bronx, NY to accommodate the consolidation.
- Extended Care – VA New Jersey to approximately 20,000 sq. ft. to accommodate demand for Extended Care Services.
- Vacant space – numerous resolutions including enhanced use leasing and eliminate obsolute buildings.

- DoD and 4th Mission concerns:
    - Identified CBOC at Ft. Monmouth (Opened)

4. Stakeholder Involvement in CARES

Throughout the CARES process, our Network has been committed to ensuring that stakeholder partners have been involved, informed, and provided an opportunity to share their comments about CARES. In fact, our DoD partners were appointed to the VISN 3 CARES Committee. Over the past year, numerous meetings to discuss CARES were held with representative stakeholders throughout VISN 3. Information regarding the CARES process was distributed to the different groups via briefings, forums, e-mail and informational mailings and a comprehensive web site and e-mail listing. Congressional offices were regularly briefed on CARES. Employees were briefed on the CARES process during employee forums, which are conducted on a regular basis; through newsletter articles; via electronic messages and updates; and through the distribution of CARES Bulletins.

5. Summary

We support the Undersecretary for Health's vision to realign the VA to ensure that scarce dollars are utilized wisely, for patient care rather than maintenance of vacant buildings. We acknowledge this process will identify difficult issues to resolve and attempt to resolve them in the best interest of our nation's veterans, which after all is the goal of every employee within the Department of Veterans

Affairs. We have seen an increase in patients seeking VA care in this region over the last few years. Having worked in deficit situations due to the VERA model for the last few years, we have learned to deliver high quality care in a high cost urban area with limited dollars. Since the average age of our buildings is in excess of 40 years old, the maintenance of unused buildings uses a portion of the annual budget allotted. Prior to the CARES process, we have worked to reduce vacant space at all of our facilities from small out leases to enhanced use proposals to lease large amounts of land and facilities. Having aggressively pursued these avenues, we find that the Enhanced Use Lease process is not particularly business and investor friendly.

Most Americans believe that healthcare for a veteran is an obligation of the government to those men and women who step forward to defend freedom and this nation. At a time when our President is asking a new generation of Americans – our sons and daughters to bear the burden of defending freedom, we must maintain our commitment to serve those men and women who have worn the uniform.

Concerns associated with the VA's fourth Mission and Public Health Assistance in the event of terrorism is of concern within the Metro New York Area. It is widely known that the New York City area and Washington DC are considered vulnerable targets for the political and economical impact of terrorism. On September 11, 2001, VISN 3 played a vital role in the initial patient treatment and

the post attack treatment and recovery. We began a new type of war; one where the theater of operation was on our soil – within walking distance of VA facilities. We provided care for the injured, served at the family assistance centers and set up a clinic at the WTC recovery center at Fresh Kills in Staten Island. It should be known that despite the public health notices to review various scenarios of terrorism days after 9/11 to ensure we had not been exposed to other weapons of mass destruction, VA employees remained on duty and cared for all patients. This despite the lock-down of the city and other factors post 9/11. Additionally two months later, the crash of American Flight 587 in the neighborhood of Far Rockaway, the VA supported that effort and then the biological terrorist attack of anthrax laced envelopes in October 2001 where the VA stood ready to provide treatment of thousands of postal workers prophylacticly. Maintaining this level of response must be a consideration when proposing change in missions, particularly in highly vulnerable locations such as New York City and the surrounding areas.

This Network and every employee and volunteer we have are committed to serving the needs of veterans. Thank you for the opportunity to discuss these issues with you today.

CBOC Locations

South Bronx VHA Clinic, Bronx, NY

Queens VHA Clinic, Sunnyside, NY

James J. Howard Outpatient Clinic, Brick, NJ

Trenton Health Practice, Trenton, NJ

Elizabeth CBOC, Elizabeth, NJ

Hackensack Health Practice, Hackensack, NJ

Jersey City Health Practice, Jersey City, NJ

New Brunswick CBOC, New Brunswick, NJ

Newark VA CBOC, Newark, NJ

Morristown CBOC, Morris Plains, NJ

New City (Rockland County), New City, NY

Carmel (Putnam County), Carmel, NY

Middletown CBOC, Middletown, NY

Port Jervis CBOC, Port Jervis, NY

Monticello CBOC, Monticello, NY

Poughkeepsie CBOC, Poughkeepsie, NY

Soho VA Care Clinic, New York, NY

Opiate Substitution Program, New York, NY

VA Harlem Care Center, New York, NY

Staten Island Health Care Center, Staten Island, NY

Chapel St. OPC, Brooklyn, NY

Plainview Clinic, Plainview, NY

Plainview (Hicksville) Clinic, Plainview, NY

Patchogue Primary Care Clinic, Patchogue, NY

Lynbrook Clinic, Lynbrook, NY

Riverhead Clinic, Riverhead, NY

Islip Clinic, Islip, NY

Mt Sinai Clinic, Mt Sinai, NY

Lindenhurst Clinic, Lindenhurst, NY

Sayville Clinic, Sayville, NY

Westhampton Air Base, Westhampton, NY

And recently opened Ft. Monmouth CBOC, Ft. Monmouth, NJ

Vet Center Locations

Jersey City Vet Center, Jersey City, NJ

Brooklyn Vet Center, Brooklyn, NY

Manhattan Vet Center, New York, NY

Queens Vet Center, Woodhaven, NY

Bronx Vet Center, Bronx, NY

Newark Vet Center, Newark, NJ

Trenton Vet Center, Trenton, NJ

Babylon Vet Center, Babylon, NY

White Plains Vet Center, White Plains, NY

Staten Island Vet Center, Staten Island, NY

Harlem Vet Center, New York, NY