

My name is John Dodson, mailing address PO Box 3, at West Point, New York. I am a Graduate and former professor of West Point, who served in the Corps of Engineers in Vietnam and with the 5th Special Forces on additional tours. I was a part of the **Montrose Elders**, the winning competitor of the Reply for Proposal/Qualifications that was conducted in 1999-2000 to select the private sector Asset Manager to partner the redevelopment of Montrose. This is planned to be done under the Enhanced Use Lease procedure established by Congress for the VA in the late 1990's to retain ownership of the land, but redevelop excess VA assets in a way that would benefit the VA and veterans. Our project, with a number of veterans in its management, was chosen, we believe, because it was designed directly for veterans, and includes a Life Care Community as its centerpiece, with age restricted (55+) housing and a commercial component in later stages to support a true veterans oriented community. We have reached out to the local community of Cortlandt, originally a competitor for the project, and will include its resources and participation in the current Master Plan.

I serve also as the Executive Officer under the Chairman and CO, MG Bill Ward of Goshen, New York, to the **Montrose Elders Veterans Exploratory Team, or ME-VET**. The ME-VET, composed of twenty veterans from WWII, Korea, Viet Nam and Desert Storm, has met each month for 26 months now to guide and advise the work of this project. It has served as the working board of directors and the "heart" of the project to insure that the interests of Veterans of all wars are respected. The new administration's Secretary of Veterans Affairs cut back the original scope of the advertised project, which had drawn such major competitors as Lend Lease Bovis, L-Corp, and HRH Sterritt. With the land reduced after award from 60 acres to 20 acres for initial redevelopment, and from 11 buildings to six, the original commercial developers in the Montrose Elders were discouraged from continuing, and it was the ME-VET that conducted a search and found new partners who would follow our Veteran's Plan and still provide funding and the ability to execute the comprehensive Master Plan of three activities described above: Life Care, Senior Housing, and Supportive Commercial. In addition, we have asked that whatever private money is paid to the VA be retained locally to improve the Veteran's Healthcare capability at Montrose.

Just as the Master Plan was completed in July of 2002, leading to the anticipated signing an Enhanced Lease in the December of 2002, the CARES initiative was cited as a reason for putting the entire MOU between the VA and Montrose Elders, signed in January of 2002, on hold. We constantly hear from veterans who had participated in our 4,000 questionnaire poll to design the project as to why we are not proceeding, particularly when our project is privately funded, at approximately \$68 million in the first phase will be the largest veteran project ever built in this State, and requires no money from Congress! Moreover, we have been billing the VA for over a year for the remaining \$40,000 owing from the VA for the Master Plan, unpaid as to this date. We respectfully remind the Commission that there is a plan for the Montrose hospital, worked out with local veterans and governments that needs badly to proceed. We entreat your support for our helping the VA solve this part of the budget problem. Thank you so very much for this opportunity to enter this statement into your record, along with Copy #8 of the Master Plan. - John Dodson, XO, ME-VET, (845) 446 - 7704, thayer22@aol.com.

RE: MONTROSE VA HOSPITAL

The Montrose VA Medical Center opened in 1950 as a 2,000-bed fully funded hospital on roughly 200 acres of the northern Westchester Riverfront. Half a century later, with all the medical advances, it is now a 200-bed hospital in the red, still supporting the massive maintenance costs and acreage. The community hospital in Nyack, New York has nearly double the beds and sits on a city block. From a business point of view this VA Hospital makes no sense. However, if one could sell off or lease 80% or more of the land and build a state of the art, multi-story hospital on a small footprint, it could work more efficiently. According to 38 USC, Section 81, 61, that was first passed by Congress in 1991, the maximum time to lease VA property was 35-years. However, in 2000, Congress wisely extended this authority to a possible 75-year lease. Therefore, there is a precedent for getting income from the additional land. This, obviously, has national implications and not just local.

The point that underscores the need for medical care in the New York area is that a few years ago, working with Rockland County the FDR VA Hospital opened a VA Clinic in New City, New York. At that time, there were 250 veterans in Rockland who were using the outpatient services of the VA. The reason for the small number was the inconvenience and distance. Since that clinic opened a few years ago, the number of veterans enrolled has surged from 250 to 6,000. This works both in terms of cost saving for the VA and convenience for the veteran. I would recommend establishing more such clinics and even expanding them to include x-ray, more involved testing, even minor surgery. Not necessarily every clinic every day but on a schedule where physicians and technicians could rotate and serve several clinics with the same individual. In addition, Washington should consider allowing veterans, who have earned medicare to use it in the VA system. This would bring more dollars to the VA and give veterans the right to use their benefit wherever they choose to.

However, at this point, put the veterans aside and look at the realities of this hospital staying as a large facility. Once these clinics were in place, it would make more sense to close some hospitals because the work could be carried on in the community at far less expense than would be at the hospital. Since 1993 both the Department of Defense as well as the VA bed space has been reduced by approximately 60%. We are now involved in a long war. Fortunately the casualties are, (and I hate to say this word) light, but they are. If, God forbid, we start to take heavy casualties from nuclear, chemical or biological either in Iraq, Korea or wherever, where are the injured or wounded going to go? The Department of Defense has little space for them at this point. The Department of Defense would be overwhelmed. However, the VA is tasked to backup the military. They are also tasked in national emergencies. Most experts on terrorism say it's not a case of if, but when we will be attacked again. If there was another massive terrorist attack in New York City and that creates thousands of wounded, where would these casualties go? Further, Montrose is only a few minutes away from the Indian Point Power Plant. We are in what is known as target rich area. Now there is talk of not only closing Montrose but the Manhattan VA which makes this position even more dangerous in that Manhattan is slated to be the first responder in case of a national disaster and Montrose is the second.

At this point, the VA nationally has established that in a mass casualty situation within 24-hours they could have 3200 beds available, within 72-hours 5500 beds and within 30-days, 7574 beds. While the VA does have access to beds and space at this time it doesn't have the necessary staff to put this in line and if we begin closing hospitals we won't even have the beds and space. Therefore, some consideration should be given to funding coming from the Department of Defense and Homeland Security to be allocated to the VA to maintain this hospital space in case of a national disaster.

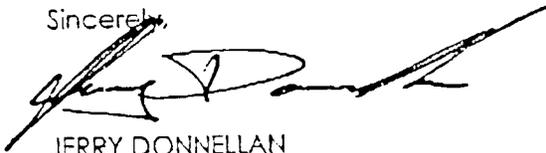
Another thought we often hear about is national healthcare. Should that come to be we would need facilities. The VA has in the neighborhood of 170 hospitals across the country that could be the skeletal system for a national healthcare program. However, if we allow these facilities to be closed that option is gone. So it seems to be non-cost-effective to have a hospital operating on such large space. There are ways of dealing with it. The current plan to close the hospital and leave the clinic open seems to make the scenario more ridiculous to have a clinic on 200-acres and we all know that would be the next thing to close. Furthermore, once the hospital is closed and veterans are told to go to a more distant hospital, odds are, many won't go for a variety of reasons, age, financial situations and disability. The powers that be will then read that as a drop in veterans seeking care in hospitals. So by closing the hospital it becomes a self-fulfilling prophecy that there isn't a need.

In fairness, we have to give the VA its due. Funding for VA medical operations was supposed to have been based on a 1996 level of care. If it were, the VA budget for medical operations would be around \$35 billion for fiscal year 2004. However, the proposed budget was in the range of \$28 billion, well below the number that had been agreed upon and now Congress has moved to cut another \$1.8 billion out of that budget. That vote was 316 to 109.

Yes, we do need the VA to operate more efficiently and take care of veterans, however, the reality is without the funding or creating a way of finding dollars for them, they will not be able to do so.

The frustration in the veterans' community has gotten to the point where veterans are gathering to form their own political party. This is an outgrowth of years of veterans pleading with both the VA and Washington for medical care and not being heard. This veterans' party could have great potential in that there are 25 million veterans in this country. Statisticians tell us to multiply it by three assuming a spouse and child. Now we are talking 75 million just in the immediate family of veterans, let alone others who may be sympathetic to the veterans cause. For years the American Legion, Veterans of Foreign Wars, Jewish War Veterans, etc., have lobbied Washington, however, based on their own Congressional Charters they are prohibited from endorsing a political candidate. It seemed to make sense, initially, however, it seems to be used as a means of control, at this point in time.

Sincerely,



JERRY DONNELLAN
Director
JD:af

Ben Spadaro

Hudson Valley Veterans Coalition

CARES Commission Hearing

October 21, 2003

Mr. Chairman, Commission members, and interested veterans and citizens:

I feel proud and appreciate the opportunity to provide testimony before the CARES commission today.

I have been actively involved in veterans' issues in the Bronx as well as the Hudson Valley for many years. More recently, I have been involved in the strategic planning process with the VA Hudson Valley Healthcare System.

Secretary Principi is a visionary leader. Under his direction, the CARES initiative has been set forth as a result of a congressional mandate and a GAO report.

The Secretary wants increased access and the delivery of services to be there when needed by veterans in future years.

During the past two years, the VSO's have been actively involved in development of the CARES plan.

Throughout the CARES process, local VA administration staff continued to involve veterans throughout the community in gaining an understanding of CARES goals. The Hudson Valley Veterans Advisory Committee helped formulate the CARES submittal to the VISN and VA Central Office. There was significant communication with the

veterans through meetings and newsletters. I believe it was a well thought out plan and addressed the need for change at both campuses.

Members of the Hudson Valley Coalition reject the revised plan as put forward by Dr. Roswell which changes the operations at Montrose to outpatient only (five days a week) and relocates residential care programs to the Castle Point campus. The Montrose residential program has historically provided high quality services in PTSD, substance abuse and care to homeless veterans. In the initial plan the VAC felt it was important to provide a strong residential care presence in the Montrose geographical area since it provides a central location for those veterans living in the greater metropolitan area. Approximately 50% of

Montrose residential patients are from the Hudson Valley area. In addition many come from southern Westchester County and the Bronx. Moving the residential programs to Castle Point would create transportation and other barriers to access for these patients. In addition, Castle Point has fewer jobs available for placement, limited opportunities for housing placement at discharge, and decreased access to community supports such as AA and NA programs than at Montrose. The result will be decreased access to PTSD, Homeless and Substance Abuse services to the veteran population in Westchester and the Bronx.

We also strongly object the proposal to close the Manhattan VA inpatient programs and for that

campus to become outpatient only. That facility provides outstanding specialty care to all veterans in this VISN, which includes open heart, surgical, and neurosurgical care. The elimination of those services would create significant access problems for veterans in the Hudson Valley.

With the changes in delivery of health care and the increasing use of outpatient services and decreasing demand for inpatient bed services, buildings and land at the Montrose campus became available for other uses. In the late 1990s, even before the development of the CARES process, VA Hudson Valley staff had the foresight to identify an enhanced use lease process to provide new services to veterans. In discussion with many veterans such as myself, a

concept was initiated to develop senior independent housing and assisted living for veterans and an idea to create a Life Care community for veterans at the Montrose campus. This was a precursor to veteran involvement in the CARES process and future changes.

In an ever increasingly climate of fiscal responsibility, Congress must act to make VA funding mandatory, not discretionary. VA has heard figures of a 1.2, 1.4, or 3 billion dollar increase over last year's budget.

How is VA to manage without adequate resources? I know of no VA person who can vote in the Halls of Congress.

In conclusion, I am proud to have worked closely with Mr. Farsetta, Mr. Sabo and Ms. Musumeci over the

years in the planning process for development of new services for veterans in a changing environment. As a part of the continued CARES process, we need to assure that services continue to be accessible to veterans in the communities where they live.



Andrew J. Spano
County Executive

Oct. 21, 2003

Richard E. Larson
Executive Director, CARES Commission
Veterans Health Administration
810 Vermont Ave.,NW
Washington, D.C., 20420

Dear Mr. Larson,

I would like to take this opportunity to thank the commission for holding this additional hearing today in Montrose. The veterans of the Hudson Valley deserve the right to comment on a decision that will have such a profound affect on their health and the health of future veterans.

As County Executive of the county where the Montrose Veterans Hospital is located, I can testify to the critical role this hospital plays in providing care to veterans. More than 64,000 veterans in Westchester are served by this hospital as well as another 77,000 veterans from Rockland, Orange and Dutchess counties.

Under the plan proposed by CARES, all in-patient services, including psychiatric, medical and nursing home services, would be eliminated and veterans forced to travel to either the Castle Point hospital in Beacon or the Kingsbridge facility in the Bronx.

There are many reasons why this is an ill conceived plan. Veterans, many of whom are elderly or incapacitated, and their families, would be forced to travel long distances to hospitals that are already overburdened with patients. How will the tiny Castle Point hospital with only 122 beds absorb the additional 230 inpatients currently being treated at Montrose? And even if the physical plant can be converted, can veterans receive the specialized care they need at Castle Point?

It is a well-known fact, that Montrose is second to none in providing mental health services – particularly when it comes to Post Traumatic Stress Disorder. Veterans come from as far away as Long Island and northern New Jersey because the VA at Montrose is one of the few places they can get quality care for PTSD.

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Mr. Richard Larson

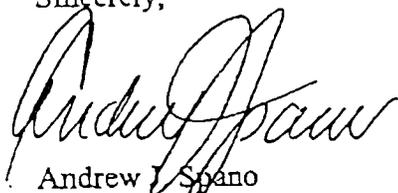
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At a time when our servicemen and women are risking their lives in Iraq and Afghanistan, does it make sense to eliminate the very services they will need when they return home? Does it make sense to eliminate nursing home and medical services for aging veterans who will need more medical care, not less?

I support your mission to restructure the VA health system, which at the current rate of growth cannot be sustained by taxpayers. But the commission must step back and reevaluate the process. To overhaul an entire system of care in less than two months is not only impossible, but irresponsible.

I urge commission members, to extend this review process and to more closely examine patient needs before making a hasty decision that will affect the quality of care received by veterans for years to come.

Sincerely,



Andrew J. Spano
County Executive

AJS:GW:mt

CARES COMMISSION CONFERENCE

October 21, 2003

Montrose, New York

HELLO, MY NAME IS ANTHONY ZIPPO. I AM DIRECTOR OF VETERANS SERVICES FOR ORANGE COUNTY, NEW YORK. I CURRENTLY REPRESENT 27,000 VETERANS IN ORANGE COUNTY, WHICH IS AN INCREASE OF 2,000 IN THE SPAN OF ONE YEAR. THREE YEARS AGO, CASTLE POINT VA MEDICAL CENTER WAS SERVING 3,999 VETERANS FROM MY COUNTY. TODAY THE FIGURE IS 6,532, A 63% INCREASE IN THREE YEARS. SO, AS YOU CAN SEE, MY COUNTY VETERANS DEPEND HEAVILY ON THE VETERANS' ADMINISTRATION FOR THEIR HEALTH CARE.

I ALSO SIT ON THE STAKEHOLDERS COMMITTEE FOR THE HUDSON VALLEY HEALTH CARE SYSTEM. FROM THE VERY BEGINNING, THIS COMMITTEE HAS WORKED ON A PLAN IN ACCORDANCE WITH VISN (VETERANS INTEGRATED SERVICES NETWORK) 3 MEDICAL CENTERS, WITH GUIDANCE FROM THE VA CENTRAL OFFICE. THIS PLAN WOULD KEEP ACUTE MEDICAL BED SERVICES AND NURSING HOME CARE BED SERVICES -- INCLUDING RELOCATED MONTROSE BEDS, AND PRIMARY AND SPECIALTY OUTPATIENT SERVICES. AMBULATORY SURGERY, MENTAL HEALTH OUTPATIENT SERVICES, ACUTE AND CHRONIC PSYCHIATRY BED SERVICES WOULD BE RELOCATED FROM MONTROSE. SPINAL CORD INJURY INPATIENT AND OUTPATIENT SERVICES WOULD BE RELOCATED TO THE BRONX VAMC.

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AT MONTROSE, YOU WOULD HAVE PRIMARY AND SPECIALTY CARE, OUTPATIENT SERVICES, MENTAL HEALTH OUTPATIENT SERVICES, DOMICILIARY CARE, SUBSTANCE ABUSE, AND POST TRAUMATIC STRESS DISORDER RESIDENTIAL SERVICES. ALSO OF HIGH IMPORTANCE IS THE ENHANCED USE LEASE PROGRAM AT THE MONTROSE CAMPUS.

HUDSON VALLEY VETERANS COMPRISE SOME OF THE OLDEST VETERANS IN THE COUNTY. WHAT THESE VETERANS NEED IS AFFORDABLE HOUSING AND ASSISTED LIVING / HOUSING, AS WELL AS NURSING HOMES FOR VETERANS WITH SPECIAL NEEDS. THESE THINGS ARE PRESENTLY NOT BEING OFFERED BY THE VA HEALTH SYSTEM. THAT IS WHY THE ENHANCED USE LEASE IS AN IMPORTANT PART OF THE PLAN WE DEVELOPED AT OUR MEETINGS.

I BELIEVE THAT THIS PLAN BENEFITS OUR VETERANS FROM ORANGE COUNTY, BECAUSE OF GEOGRAPHIC LOCATION AND THEIR SPECIFIC NEEDS. WE WOULD LIKE TO SEE SOME SERVICES OFFERED AT THE CASTLE POINT LOCATION THAT WOULD ADDRESS THE SPECIAL NEEDS OF THESE OLDER VETERANS.