

*Steve Dennison*

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

**AUGUST 27, 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 - WESTERN MARKET

##### Small Facility

There are three small facilities located in the Western Market; Butler, Altoona and Erie. The VISN Market Plan proposed that all three of these facilities maintain their acute beds. However, the Draft National CARES Plan (DNP) proposes to close Butler's acute care services and likewise, Altoona is to close its hospital acute care services by Fiscal Year (FY) 2012 and convert to a critical access hospital. Erie is closing its inpatient

surgical services to Pittsburgh and contracting in the local community to meet the needs of the local veterans.

The American Legion opposes the closing of the acute care services at these facilities. Once the beds are gone, there is nothing left but a glorified clinic. From there, it will not take long before the decision to close the facilities comes altogether. If you take away the services, the veterans are forced to go elsewhere for their care, artificially suppressing the demand for those services. Once the demand goes down, there is no need for that facility anymore, and it gets closed.

Contracting of veterans' care should be used as a last resort. The DNP proposes to close inpatient surgical needs in Erie, and then contract those same services in the community. Similar to artificially suppressing demand, once you start to excessively contract services, it leads to vouchering, privatization and the eventual dismantling of VA. The American Legion believes contracting of care should be used on a limited basis. Additionally, the private sector has to be willing and capable of providing the needed services within the community.

Critical Access Hospitals (CAHs), as a proposed mission change for Altoona, are new to VA and currently they do not have any criteria governing the running of such a facility. The American Legion believes it is too early to tell what the outcome of such a proposal would be.

#### Enhanced Use

Butler is exploring several enhanced use lease projects in conjunction with the community. The American Legion does not oppose enhanced use leasing, however, service to the veteran must be a priority. None of the projects listed in the DNP have been developed enough to render an informed opinion.

#### Campus Realignment/Consolidation of Services

The DNP proposes to close Highland Drive and transfer the existing services to the University Drive and Aspinwall campuses. A major construction project, estimated at \$92 million would be required at University Drive and Aspinwall to accommodate the move.

This consolidation is a very complicated proposal. The Highland Drive Division is not a small campus. It is an acute care, tertiary neuropsychiatric, homeless domiciliary facility serving the tri-state area of western Pennsylvania, northern West Virginia, and eastern Ohio. It is designed for the total care and treatment of neuropsychiatric, substance abuse, and intermediate medicine patients. There is an active research program specializing in the study of schizophrenia, sleep and cognitive disorders, and related psychiatric illnesses. The specialty programs offered include:

- ▶ Comprehensive Acute and Extended Psychiatric Care
- ▶ Comprehensive Substance Abuse
- ▶ Post-Traumatic Stress Disorder (PTSD)
- ▶ Schizophrenia
- ▶ Comprehensive Homeless Program

This campus services a very distinct population. The transition and transfers that would have to happen need to be seamless, with as little disruption as possible to these veterans. In addition, assurances would have to be given that the construction project, all of it will be completed and open for business before the closure of the Highland Drive Campus. At no time would there be a void in a veteran's health care service. Would all services be transferred or merely parts of some and none of others? Is the plan to do it incrementally or all at once? This facility is authorized 210 beds at this time. Will that be the case in the future? Frankly, what is the plan?

There are too many unanswered questions and concerns at this time. The American Legion cannot support such a proposal as this one when there is not enough detail in the plan.

Again, thank you for the opportunity to be here today.

**STATEMENT OF  
ANDREW A. KISTLER  
PAST NATIONAL COMMANDER  
OF THE  
DISABLED AMERICAN VETERANS  
BEFORE THE  
CAPITAL ASSETS REALIGNMENT FOR ENHANCED SERVICES COMMISSION  
PITTSBURGH, PENNSYLVANIA  
AUGUST 27, 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 it's 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 utmost importance to the DAV and our members.

One of VA's primary mission 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 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, posttraumatic stress disorder treatment, 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 for 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 care to our nation's sick and disabled veterans.

Furthermore, local DAV members are aware of the proposed CARES Market Plans and what the proposed changes would mean for the community and the surrounding area. Our concerns address all the VA Medical Centers (VAMCs) in the northwestern area of VISN 4,

including the smaller inpatient facilities in Erie and Butler and the three large-bed VAMCs in Pittsburgh, and the continuation and addition of Community-Based Outpatient Clinics (CBOCs).

Erie and Butler VAMCs have the same proposed market plans, which propose to maintain acute care beds, offer inpatient services and partnership with the local health care community for other quality health care services for veterans.

Many elderly veterans that reside mostly in small cities and villages, who use the Erie and Butler facilities, must travel long distances, on rural roads, in severe winter weather from November through April where it is not unusual for interstate highways to be closed for several hours.

Erie VAMC serves a veteran population from three states: Pennsylvania, New York, and Ohio, with 79,000 veterans eligible. Butler serves Pennsylvania and Ohio, a potential 61,000 veterans. To maintain a high quality of health care, both hospitals need to maintain acute beds, 20 in Erie, and 8 in Butler. This is due in a major part to the above-mentioned conditions.

Erie VAMC provides payment to the Pennsylvania Soldiers and Sailors Home for 75 nursing home beds and 79 personal care and domiciliary beds. Erie wants to maintain its acute care component, including inpatient surgery, to provide quality health care to the patients in the Veterans Home, when needed, and to all Erie VA patients.

Keeping its commitment to provide quality health care close to home, Erie VAMC has been engaged in an integrated partnership with the local health care community. Community physicians provide sub-specialty care for cardiology, urology, gynecology, ophthalmology, optometry, podiatry, and pain management. Neurology and Otolaryngology services are provided on-site at the Butler VAMC through VA Pittsburgh Health Service (VAPHS).

Through contracting with the Butler Memorial Hospital (BMH), several diagnostics are provided to veterans, including echocardiography, mammography, nuclear studies (liver, brain, bone), cardiac testing, pelvic ultrasounds for women veterans, CAT scans, and MRIs for \$1 for veterans. The CAT scan purchased by the VAMC is housed and operated in the BMH.

The Butler VAMC is situated on a very large parcel of land, with many buildings. Unused buildings have been leased for over \$100,000 per year, to several community human service organizations. A 16-bed community hospital to house and treat mental health patients, with space reserved for veteran patients, has already been approved. There are also ongoing discussions with the overcrowded Butler Community Hospital to build on Butler VAMC land.

Area disabled veterans and many local veterans are pleased with the proposed Market Plans for the small-bed hospitals as submitted by VISN 4. We feel these plans will help ensure that both aspects of CARES—the capital assets realignment *and* the enhanced services—are being met.

The three Pittsburgh campuses fall into the 60-mile range. The planning initiative includes the integration of VAPHS into two facilities, one at University Drive and Heinz, and the

other close to Highland Drive. Major construction projects at the other campus must be undertaken to accommodate relocated services. A cost savings of \$15 million per year over a 5-year period is projected through integration.

VAPHS also plans, like Erie and Butler, to maintain current services, and recommends adding a total of at least three CBOCs. This is in keeping with the CARES initiative to bring quality health care services closer to where veterans reside.

The local DAV, veterans service organizations, Venango County Veterans Coalition, and many other veterans support the VISN 4 CARES Market Plan as submitted by the Network Director.

We remain hopeful that the VA will do its utmost to meet its responsibility to care for those that are disabled and have become ill in defense of our nation. However, VA must remain mindful of its promise of enhanced service to carry out all its missions.



Testimony- Steve Price, Black Vietnam Era Veterans

As a Veterans Service Officer, I have been extremely pleased with the service provided to veterans by the VA facilities in this area. I have participated actively with VISN 4 and the VA facilities planning for the care of veterans in the coming years. With the expected increase in demand for health care services over the next ten years, the CARES proximity plan to consolidate to two divisions in Pittsburgh does an excellent job in preparing to enhance services provided to local veterans and those coming to Pittsburgh from the network's spoke facilities, if the necessary funds are provided to complete the plans.

Although the Highland Drive division will be replaced as a part of the CARES plan, we are pleased to know that services at Heinz and University Drive will be expanded and will allow for health care to be delivered to veterans as effectively and efficiently as possible. While the buildings on the campus where we sit today have been used well for many years to heal our nation's heroes, it is the excellent staff of Highland Drive that has been instrumental in delivering high quality health care to our veterans, not the buildings. Knowing that these same employees and services will be moved into brand new space in the other two divisions of the VA Pittsburgh is a great relief for many of our Veterans, because it gives us assurance that the important services received at Highland Drive for so many years will not be interrupted. It also allows for needed improvements in patient privacy and comfort that were not considered when the original facilities were constructed some 50 years ago.

While the proposed consolidation in Pittsburgh is something that I believe in passionately and support fully, my support relies on the provision of all the funding needed to add space and enhance services at the Heinz and University Drive divisions so that no Veteran is left behind in the event that CARES is implemented. With this funding, the planned consolidation can provide the infrastructure to assure that the growing number of veterans choosing VA care will continue to receive the care they need and deserve.

*Pittsburgh*

**STATEMENT OF THE  
EASTERN PARALYZED VETERANS ASSOCIATION  
BEFORE THE CARES COMMISSION  
CONCERNING THE CAPITAL ASSET REALIGNMENT  
OF ENHANCED SERVICES (CARES) MARKET PLAN  
FOR VETERANS INTEGRATED SERVICE NETWORK  
(VISN) 4**

*Submitted by:*

***Laura Schwanger***  
*Pennsylvania Regional Administrator*  
*Eastern Paralyzed Veterans Association*

August 27, 2003

The Eastern Paralyzed Veterans Association appreciates the opportunity to comment on the Department of Veterans Affairs ongoing Capital Asset Realignment for Enhanced Services (CARES) process and the draft National Plan for Veterans Integrated Service Network (VISN) 4, covering Pennsylvania, Delaware and parts of West Virginia. We have closely monitored this process since its initiation and are deeply concerned by the network's failure to address not only the need for an SCI Center, but also the needs of SCI patients residing in VISN 4.

The CARES process offered individual networks the opportunity to analyze patient usage data and make determinations as to their future infrastructure needs. Network 4's data projections clearly identify a growing need for both acute and long-term SCI care. Currently, no VA SCI specific beds exist in the state of Pennsylvania or the rest of the network's catchment area, forcing veterans with spinal cord injuries to travel out of state to access neighboring networks' SCI care. Still, despite this clear need identified by the CARES data, network 4 market planners completely disregarded the network's SCI patient population and made no proposals to address their acute and long-term care needs.

The CARES data projects that by the year 2022 there will be a need for at least 47 SCI acute care beds and at least 57 long-term care beds in network 4. We believe that these projections clearly support the establishment of at least one, if not two, SCI centers within the VISN. In fact, other networks with comparable or even less need have requested the

creation of SCI centers and those requests have been incorporated into the draft national plan.

According to the draft national plan, four networks will gain new SCI acute care centers. These centers will be placed in Syracuse, Minneapolis, Denver, and Little Rock. It is worth noting that three of the four VISN's designated for new SCI Centers have less acute care need than that of VISN 4. While it is unclear what criteria VA used to determine which VISNs would receive new SCI centers, it is clear that the data undeniably justifies the need for an SCI center in VISN 4. Nonetheless, this network never bothered to ask for an SCI center. Although VISN 4 proposed the creation a new outpatient SCI clinic in Philadelphia, this fails to address the need for SCI inpatient capacity as identified in the CARES projections.

Another issue of concern is the vacuum in which each VISN developed their individual market plans without the collaboration of nearby networks. As a result of this lack of collaboration among networks, we do not feel that inter-VISN referral patterns are adequately addressed within the draft national plan and veterans across the country will suffer as a result. VISN 4 is a prime example.

Historically, VISN 4 has referred patients to facilities in either network 3 (Castle Point, East Orange or the Bronx VAMC) or 10 (Cleveland VAMC) to obtain their SCI care. Proposed

changes in VISN 3's care delivery plan will have a negative impact on SCI veterans in network 4. This impact is not addressed or reflected at all in VISN 4's market plan.

In their market plan submitted to the VA Under-Secretary for Health, network 3 proposed the consolidation of all SCI in-patient care from both the Castle Point and East Orange VAMCs to the Bronx medical center. Because of network 3's plans for these consolidations it is imperative that networks 2,3 and 4 openly communicate to ensure the protection of SCI veterans throughout all three networks.

During this process Eastern Paralyzed Veterans Association hosted several inter-VISN meetings and conference calls to promote the requisite collaboration and communication among the networks. Despite these efforts, by not requesting a new SCI center, VISN 4 failed to address the needs of SCI veterans in their network. Fortunately for those SCI veterans in network 4, subsequent changes were made on the national level to maintain inpatient SCI services at East Orange until their VISN resolves its SCI plan.

Eastern Paralyzed Veterans Association supports the transfer of the inpatient SCI unit from East Orange to the Bronx, as we believe that veterans with SCI in VISN3 would be better served if all services were consolidated to the Bronx SCI Center of Excellence. We are disappointed that network 3's proposal for consolidation has been hindered as a result of VISN 4's lack of planning for SCI care, causing SCI veterans in both networks to suffer.

As noted earlier, the projected need for SCI Long Term Care services is even greater than the need for acute care services in VISN 4. As CARES projects at least 57 SCI patients needing SCI long term care by 2022, Eastern Paralyzed Veterans Association believes that, again, network 4 was negligent by refusing to address this growing segment.

It is the position of the Eastern Paralyzed Veterans Association that a Spinal Cord Injury LTC unit must consist of a minimum of 20 contiguous extended care beds, and that these units must be co-located with tertiary care facilities. No SCI designated extended care bed should exist outside of an SCI LTC unit. Additionally, as mandated by VHA Directive 2000-022, all 260 SCI extended care beds must comply with all staffing requirements in this directive. 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.

Eastern Paralyzed Veterans Association urges the commission to review VA's data with regard to SCI Acute and Long Term Care projected needs and make recommendations for the establishment of an SCI Center(s) to accommodate the obvious need for SCI specific services in VISN 4.

The Association fully intends to continue monitoring the CARES process as it continues so as to ensure that the Special Emphasis programs remain intact throughout the years to come.