

Testimony for CARES Commission Hearing – Poplar Bluff

Distinguished Commissioners, Veteran Service Officers, Congressional Delegates, Affiliates, Fellow Employees, Ladies and Gentlemen, Good Morning and welcome to the Capital Assets Realignment for Enhanced Services (CARES) Commission Hearings for the Eastern Market in VA Heartland Network-Veterans Integrated Service Network (VISN 15). Thank you for this opportunity to address you this morning. Please allow me to introduce the other members of the Leadership Panel to you. With me are Dr. James Sanders, Acting Chief Medical Officer for the Network; Mr. Carlos Escobar, Capital Assets Manager for the Network; Ms. Nancy Arnold, Director of the John J. Pershing VA Medical Center in Poplar Bluff, who also serves as the Chair for the Eastern CARES Market; Mrs. Linda Kurz, Director of the John Cochran and Jefferson Barracks VA Medical Center in St. Louis, MO, and Mr. Robert Morrel, who is the Director of the VA Medical Center in Marion, IL.

VISN 15's Eastern Market analyzed and accepted the official CARES data and projections. In the process we explored a variety of alternatives for health care delivery; such as contracting out services, establishing sharing agreements, referring patients to other medical centers throughout the VISN and developing Enhanced Use Lease agreements. Medical center staff, veterans service organizations, affiliates, union partners, Congressional offices and other key stakeholders were kept informed of the process and their input was encouraged.

Our study encompassed three Markets identified through the CARES process. For purposes of this hearing, we will be discussing the Eastern Market only.

Characteristics for the Eastern CARES Markets include:

- Counties in five states: Illinois, Missouri, Kentucky, Indiana, and Arkansas.
- Eighty-eight percent of the counties are considered highly rural or rural. It should be noted that, 88% of the counties in this Market are designated as medically underserved in the Department of Health and Human Services Medically Underserved Listing (MUL).
- Three VA Medical Centers serve the Eastern Market – St. Louis and Poplar Bluff, MO and Marion, IL. St. Louis is a two-division tertiary care medical center with hospitals at Jefferson Barracks and John Cochran divisions.

VISN 15 has had a significant increase in veteran enrollment over the past six years combined with a high percentage of active users. This can be attributed to the open enrollment decision in 1996, improved access to care, and the high quality of care of the services we provide. The plan addresses gaps identified for Primary Care and Specialty Care. Increased Primary and Specialty Care demand has been identified in the Eastern Market. This Market proposes to meet the majority of this need through expansion of in-house space via new construction of primary care/specialty care clinics, conversion of vacant space, lease space and utilization of community contracts. Due to the vast geography of

this market, the expansion of current Tele-video, Tele-Medicine, and Tele-imaging, will play a critical role in meeting this demand for services. In addition, some shifting of care between facilities is proposed. Concurrently, we will deploy state-of-the-art diagnostic imaging and digital equipment to improve access and enhance the delivery of care.

The market plan proposes that Poplar Bluff should retain its inpatient bed capacity. This will support its current mission as a Critical Access Hospital (CAH) and remain as such as VHA develops its CAH criteria.

Additionally, there are plans to relocate the Spinal Cord Injury (SCI) unit from Jefferson Barracks Division to the John Cochran division in a new state-of-the-art 40,000 gross square feet addition. This will place patients in closer proximity to Specialty Care services and high-tech diagnostics. The Spinal Cord Injury Unit is a Regional resource with workload from outside VISN 15 almost as large as the workload within VISN 15.

Vacant space in this market is being aggressively managed through the consolidation of patient care services in buildings on the south and west of the Jefferson Barracks Campus. Once vacated, buildings and land to the north and east would be transferred to the National Cemetery Administration for demolition of the buildings and land preparation for cemetery use. Space could range from 15 to 40 acres. In turn this will allow the VA Medical Center to concentrate its resources on upgrading, replacing, and maintaining the remaining infrastructure.

All the facilities will continue to provide support for their DoD installation (Scott Air Force Base).

Over the last six years, VISN 15 has seen many changes. The number of patients receiving care has risen over 58% from 128,000 in 1997 to 203,000 in 2002. The Market Plan shows that in 2012, the Eastern Market is projecting increases of 21% in Primary Care and 86% in Specialty Care over the baseline workload in 2001. While the demand diminishes somewhat between 2012 and 2022, the Eastern Market is still anticipating increases in workload of 21% in Primary Care to 57% in Specialty Care over the baseline in 2001. The number of Community Based Outpatient Clinics (CBOCs) has gone from zero to 15 in this market. Two of these CBOCs are co-located at Missouri State Homes and two are co-located with a National Guard Armory. Additionally, approximately three years ago the Network developed and implemented a concept to integrate its information system and medical records from a facility-based structure to a “hub and spoke” Orbit of Care concept. Collectively, the Eastern CARES market makes up the Eastern Orbit of Care for VISN 15.

Capital Assets planning for Network over the last six years has strategically aligned the Eastern Market consistent with the future growth identified in the CARES process. Some examples of this include:

- Renovation of Ambulatory Care Clinics in Marion, IL; Poplar Bluff, and St. Louis, MO.
- Renovation of space for same day Surgery at Marion, IL
- Inpatient privacy renovation at Marion, IL
- Renovation for new patient privacy standards in the Nursing Home at Poplar Bluff, MO

- St. Louis – John Cochran Division is working with Grand Center Inc. to develop an Enhanced Use Lease. The VA would commit \$2M towards the development of this initiative, which would later be leased to Grand Center in exchange for the construction of a nine-level parking garage adjacent to the VA and free parking for the term of the lease. This concept has been included in FY02 and FY03 appropriations language.
- The deployment of several Telemedicine program operations in the areas of Tele-psychiatry, Tele-dermatology, Tele-orthopedics, Tele-radiology and Telehome-health care.

We do have our share of challenges. For example, the Marion facility is grossly undersized. Total existing square footage at the facility is 198,000 gross square feet. In order to meet existing and projected workload, the facility will have to double in size through new construction and leased space. All of the facilities are faced with increased workload levels in structures that have reached maximum capacity. In addition, the existing structures, in the Eastern Market are aging and have infrastructure needs such as replacement of electrical systems, air handling systems, boiler plants, and generators.

What does the future hold for this Market in VISN 15?

- VA recognizes the need to work within the healthcare community to secure additional healthcare providers to meet the projected demand on the system.

- VA will continue to partner with our affiliates to ensure trained provider availability.
- Additional space will be needed to meet projected demands.
- Existing underutilized infrastructure will be addressed through Enhanced Use Leases, selling of property, or demolition.

This completes my testimony regarding the Eastern Market. Our Leadership Panel will gladly answer any of your questions at this time.