

# CARES COMMISSION

## VISN 11 SITE VISIT REPORT

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**I. VISN VISITED**  
VISN 11

**II. DATE OF TRIP**  
Monday, July 14, 2003

**III. SITES VISITED DURING TRIP**  
Northern Indiana Healthcare System (NIHCS) 2 divisions:  
Ft Wayne, IN Division  
Marion, IN Division

**IV. COMMISSIONERS/STAFF IN ATTENDANCE**  
Bob Ray  
Jo Ann Webb  
Katy McBride

**V. OVERVIEW OF VISIT TO FORT WAYNE AND MARION VAMCS**

**a. Commissioner/Staff Impressions of Tour**

The Commissioners and staff agreed it was a very informative visit and provided insight on the issues facing Network 11 and the Ft Wayne and Marion facilities. It also helped Commissioners appreciate the rural nature of the Marion facility and the distances veterans travel to receive care.

**b. Summary of Meeting with VISN Leadership**

*i. Names and Titles of Attendees*

1. Linda Belton, Network 11 Director
2. Dr Murphy, NICHHS Director
3. Butch Miller, Veterans Liaison Officer
4. Craig Anderson, CARES Coordinator

*ii. Meeting Forum*

Breakfast meeting with network and NIHCS leadership

*iii. Topics of Discussion*

**1. CHANGING THE WAY HEALTHCARE IS GIVEN**

Veterans want more services in local CBOCs. At NIHCS outpatient care grew 25% while inpatient care is declining. Although the number of admissions is up slightly the cumulative patient days are down due to shorter LOS. Enrollment at NIHCS has grown from 12,800 in FY96 to nearly 34,000 for FY03. The growth rate has flattened out in FY03 to 10%. Enrollment is expected to level out at about 80K over the twenty years, with a 2012 peak. Current 21% market share projected to 32%.

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Network 11 wants to convert inpatient space to provide more outpatient care. It is a challenge to get the needed operational funds, increase the number of exam rooms, provide parking, etc.

Physician “champions” are promoting tele-medicine and the network is piloting it in seven areas with a \$1 million grant. Veterans in rural areas may be the biggest beneficiaries – improved satisfaction and quality.

### **2. CHANGING FT WAYNE’S MISSION TO OUTPATIENT CARE**

Ft Wayne is the obvious candidate for a change in mission since it averages only 26 admits but provides specialty care for veterans across Northern Indiana. A few years ago they gave up inpatient surgeries for a day surgery program. Labor is anxious a mission change will result in staff reductions. Retraining may be needed.

### **3. MAXIMIZING RESOURCES AT THE MARION FACILITY**

Network 11 requested closing Marion’s acute beds 24 months ago but closure has been delayed due to concerns from Congressman Lane Evans. This initiative was identified even before CARES. Marion averages six acute patients in 16 beds. Plan is to direct patients to Indianapolis or the local hospital. Director wants to keep intermediate beds in Marion.

Marion’s mission is long term care and psych; even though it is an older, rural campus it has the newest beds in the network. The 240 bed Geropsych building opened in 1997 and the 100 bed general psychiatry building opened 2000. In August 2001 NIHCS relocated (with appropriate/required VACO approval) moved 53 nursing home beds from Ft Wayne to Marion to take advantage of the new facility. Last year they closed one psych unit due to staffing shortages.

The Marion campus is listed on the historic register which complicates efforts to manage unused space. Management has worked for several years to obtain approval to demolish numerous old and unusable buildings. This effort continues but with slow progress; some buildings have been vacant for upward of 30 years. There are some asbestos issues but they have nothing to do with the difficulties in winning demolition approval at the national level. NIHCS has 30% of the network’s 500,000 sq ft vacant space.

Marion is a collapsing town and stakeholders are nervous the facility will ultimately be closed. VA is the second largest employer in the city and county. Staff reductions from shared services and fire department transfer have been handled by attrition but the union rep is concerned.

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#### **4. IMPROVING ACCESS AND OUTPATIENT CARE**

Network 11 is proud of the variety of CBOC arrangements put in place, with 50% VA staffed and 50% contract. Two CBOCs are nurse managed (Lansing, Benton Harbor) and another one (Muskegon) is collocated with the city veteran services and supported by a mil rate.

Network 11 generally has positive customer satisfaction for its CBOCs. Two CBOCs, attached to NIHCS, are operated by private contractors on a PMPM basis. These are dedicated clinics with an established “VA” environment using flags and plagues, which patients love. The network would like to expand this concept.

Increasing the amount of specialty care at NIHCS is a challenge since it comes from “town doc’s”. Finding specialists in Ft Wayne is moderately hard vs. Marion where it is very difficult. Some specialists are unwilling to see patients at the VA so patients must go to their private office. Waiting times have gone down but ortho, audiology, ophthalmology, and optometry still average 30 – 45 days. Specialty payments are based on usual and customary charges.

Network 11 is trying to do a proposal through the Clinical Leadership Board to add specialty care in selected CBOCs like South Bend and Muncie. Their rationale is that they are already paying for care by “town doc’s” so why make veterans drive to Ft Wayne for services.

#### **5. IMPROVING VALUABLE BUT CUMBERSOME ENHANCED USE PROCESS**

Using enhanced leasing (EU) Network 11 was able to establish a trust fund that generated \$1.9 million purchase for tele-cardiology program this past year. It provides monies for innovative programs. EU opportunities are slipping away because the process is cumbersome and takes too long. Every month the VA loses interested partners because of EU delays and declining state and municipal budgets.

Although the VISN has been aggressive in its attempt to encourage enhanced use lease projects, the state climate toward innovation is not supportive. Legal and attitudinal obstacles at the state level have made it difficult to impossible to initiate enhanced use lease projects.

*iv. What did we learn? Outline potential issues for hearings*

1. CARES process should demonstrate adding CBOCs has not increased the need for inpatient beds. Rationale for closing Ft Wayne appears justified if the network adds CBOCs over the next several years. The number of medical admissions at Ft Wayne has increased in FY03 over FY02, but the ADC has actually decreased slightly.

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2. Need to expand CBOCs, add audiology and specialty services.

v. *Outstanding Questions/Follow-up Items*

1. Would like more information about the four hospitals that set up trust funds with EU proceeds. In addition to learning how it works what are viable alternatives to the current EU process? If we could re-do the EU process how would we eliminate barriers?

2. Would like more information on the various tele-medicine pilots, both physician-to-physician and physician-to-patient programs. What is the experience of patients and specialists with tele-medicine programs? How many veterans will benefit from tele-medicine? Barriers?

c. **Summary of Stakeholder Meeting**

i. *Describe Meeting Forum*

Breakfast meeting at Ft Wayne VAMC.

ii. *Stakeholders Represented*

Paul Curtice, VFW

John Hickey, AL

Marcus Barlow, Congressman Chris Chocola

Gina Zimmerman, Congressman Mark Souder

Rick Wilson, Congressman Dan Burton

John Shettle, Congressman Mike Pence

Larry Wilson, Grant County VSO

George Jarboe, Allen County VSO

Jerry Griffis, Delaware County VSO

Del Ponka, St Joseph County VSO

Gary Whitehead, Elkhart County VSO

Ralph Anderson, President, AFGE 1383, Ft Wayne

iii. *Topics of Discussion*

1. Veterans like CBOCs, successful additions to VA, want more CBOCs and more services. They don't like long wait times for appointments and going to Ft Wayne for specialty care. They don't like traveling 60 – 100 miles for care. Also concerned Muncie CBOC capped off enrollment. Want CBOCs in Elkhart and Peru to improve access.

2. Veterans are concerned about losing inpatient care at Ft Wayne and think projections are low. As VA adds more CBOCs they will need inpatient beds but they will be gone. Also, projections don't take into account military call-ups going on right now. County service officers do not think the VA has seen the impact of Vietnam and Gulf War vets.

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Dr Murphy talked about the way healthcare is changing. As more care can be given on an outpatient basis the need for inpatient care goes down. That will continue to be true in the future.

3. Veterans don't like going to community hospitals like Parkview. They don't get the attention they deserve. Some veterans don't understand why Ft Wayne is targeted for closure -- is it because there is no medical school affiliation? Couldn't it be a loss leader?
  4. Veterans want mandatory funding to ensure adequate services. In response Bob Ray talked about the risk of mandatory funding if the enrollment base declines.
  5. Employees are concerned about staff reductions and facility closures.
- iv. *What did we learn? Outline potential issues for hearings.*
1. How will the CARES process promote expanding CBOCs?
  2. Are the utilization projections likely to understate or overstate the need for inpatient care, especially if the VA adds CBOCs?
  3. Can contracted providers meet the veteran needs for care in a supportive environment?
  4. What is the likelihood of staff reductions if the mission changes at Ft Wayne and Marion?
- v. *Outstanding Questions/Follow-up Items*
1. How can the VA ensure veterans do not receive second class service if they are referred to community providers?
  2. What has been the experience in other networks with staff reductions after a mission change or facility closure?

### **d. Other Comments**

The staff did a very good job organizing and facilitating the Commission visit.

## **VI. VISN Related Comments**