

VISN 9 NORTHERN MARKET SITE VISIT REPORT

LEXINGTON AND LOUISVILLE

I. VISN Visited

VISN 9

II. Dates of Trip

July 22 – 23, 2003

III. Sites Visited During Trip

- a. Lexington VAMC
- b. Wilmore State Veterans Home
- c. Louisville VAMC
- d. Ft Knox Ireland Army Hospital

IV. Commissioners/Staff in Attendance

Dr McCurdy, Commissioner
Mr Vogel, Commissioner
General Wyrick, Commissioner
Ms McBride, Staff

V. Overview of Visit to Lexington VAMC and Wilmore State Veterans Home

a. Commissioner/Staff Impressions of Tour

One of the planning initiatives for this market is the proximity of acute/tertiary care at the Lexington and Louisville VAMCs, 60 miles apart. There was no substantive discussion of creating complimentary services between Lexington and Louisville VAMCs.

The plan to consolidate all services in Lexington at the Cooper Drive facility appears to be in the preliminary stages of discussion. Benefits to the VA were not quantified. Proposed timetable is 2010 or beyond, even though acute care is already consolidated to Cooper Drive.

Leestown provides outpatient primary care, 60 nursing home beds, and support services for both divisions. Network has an interested partner for five buildings and they should move to implement the arrangement. This may not be possible since they will have to vacate nursing home building and make \$18M renovations. Wilmore Veterans Home provides outstanding care and could add 60 bed unit to replace the Leestown facility.

Commissioners noted Cooper Drive could support shared services with U. of Kentucky (UK) hospital without sacrificing the VA identity. Adjacent hospitals linked by a tunnel. After construction of new OR suites the VA has surgical capacity UK would like to access. Laundry, food production, and laboratory could be combined to support both hospitals with savings for VA.

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b. Summary of Meeting with VISN Leadership

- i. Names/Titles of Attendees
 - Mr Dandridge, Network Director
 - Ms Glover, Chief Communications Officer
 - Dr Alvarez, Network Chief Medical Officer
 - Mr Calderala, CARES Portal Manager
 - Dr Roth, CARES Co-Chair
 - Mr Shea, CARES Co-Chair
 - Dr Reese, Acting Chief of Staff
 - Mr Pfeffer, Associate Medical Center Director
 - Mr Larry Kuzma, CARES Sub-Committee Chairperson
 - Mr Tony Burgett, Associate Director for Patient Services
- ii. Meeting Forum – meeting with network and facility leadership at Lexington VAMC prior to tour
- iii. Topics of Discussion

IMPROVING VETERANS ACCESS TO CARE

1. General Wyrick shared comments from a recent American Legion report on delays in access to care. Market took waiting lists from 9,600 a year ago to current 2,000, adding 400 new patients a month. Appointment waiting times were reduced by adding provider hours and fee-based doctors.
2. Urology cited as leading example of improving access. Physician productivity now 70 – 80 clinic patients/day due to reconfiguring space and adding procedure room adjacent to exam rooms.
3. Co-management of surgery patients also an issue.
4. Adding CBOCs creates access for outpatient mental health and specialty care. Outpatient mental health is given in CBOCs but specialty care is facility-based. CBOCs are not large enough to entice teaching MDs.
5. Lexington wants to add 3 CBOCs in Grayson, DuPont, Scott and Carroll counties.
6. Network questioned if demand numbers are overstated. Mr Vogel responded that demand calculations were not based on historical utilization and Commission brought in technical experts to review “model”. While it is not perfect they reported it is adequate, recommended sensitivity analysis. Long term care and mental health need to be addressed.

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CONSOLIDATION OF LEXINGTON OPERATIONS TO COOPER DRIVE

1. **Cooper Drive.** Plan is to add 2-story addition at Cooper Drive to: a) bring existing building to standard and b) convert space to intended use. Also need to address limited parking and off-loading outpatient services from Cooper Drive.
 2. **Leestown.** Enhanced use lease opportunities available with Eastern State Hospital. Could have designated VA unit. Would need to find alternate space for outpatient care.
 3. Toured new OR suites which have excess capacity that is of interest to UK Hospital. Limited outpatient primary care on site.
- iv. What did we learn? Outline potential issues for hearings
1. What are the barriers to implementing consolidation without additional construction at Cooper Drive?
 2. What are the opportunities to create shared services and clinical contracting with UK to free up needed space at Cooper Drive?
 3. As new CBOCs are added how will Lexington meet the demand for specialty services?

c. Summary of Stakeholder Meetings

- i. Meeting Forum
Lunch meeting at Leestown campus
- ii. Stakeholders Represented
Mr Dave Huddleston, Executive Director Kentucky Veterans
Mr Mike Penny, VFW
Ms Brenda Duty, NAGE
Mr Murray Clark, UK CFO
Dr Bryon Young, UK Associate Dean for Clinical Affairs
Dr Alfred Cohen, UK EVP Health Affairs
Dr Emory Wilson, UK Dean and Associate VP
- iii. Topics of Discussion

CONSOLIDATION OF LEXINGTON OPERATIONS TO COOPER DRIVE

1. UK wants continuation of Cooper Drive as a teaching hospital, needs VA to support current number of residents. Facilities are adjacent and patient care is remarkably seamless.

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2. UK is unclear about the VA's plan for Cooper Drive. UK presented a slide with three options: a) contract to provide all care to VA patients; b) lease Cooper Drive facility and consolidate all clinical and support services; and c) build a new bed tower with designated beds for VA patients.
 3. Employees are concerned about a potential RIF, particularly if services are shared with UK.
- iv. What did we learn? Outline potential issues for hearings
1. Proximity of physical plant to UK provides a unique opportunity to reduce costs through shared services and potential clinical consolidation.
 2. Previously strained relationship with UK may be contributing to lack of more decisive plan for consolidation to Cooper Drive.

d. Summary of tour of Wilmore State Veterans Home

- i. Names/Titles of Attendees – Presentation and tour by Gen. Leslie Beavers, Commissioner Kentucky Veterans Affairs
- ii. Meeting Forum – Kentucky State Veterans Center in Wilmore, KY
- iii. Topics of Discussion
 1. In past eight years Kentucky has opened three nursing homes with 456 total residents: Wilmore – 241, Western Kentucky – 115, Eastern Kentucky – 100. Revenues come from three areas: VA per diem (\$56.24/day), Kentucky general funds, and monthly charges to residents.
 2. VA Leestown and State Homes duplicate services except VA takes ventilator and mental health patients. State Home willing to add beds and dedicate them to VA, if counted in KY total.
 3. Veterans like CBOCs, access very important. No primary care CBOC at State Homes. Patients driving 2 – 3 hours to VAMC.
- iv. What did we learn? Outline potential issues for hearings
 1. Gen. Beavers indicated the facility could support 60 additional beds if a replacement unit for Leestown was added at Wilmore.
 2. Veterans are concerned with inadequate enrollment projections. They think CARES is based on users, but density of veteran population and facility locations predict future enrollment.
 3. See attached letter from Gen. Beavers about need for correction of a discrepancy in reimbursement (PL 106-117) for most disabled veterans, since State Veterans Homes are not part of the placement options.

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VI. Overview of Visit to Louisville VAMC and Ft Knox

a. *Commissioner/Staff Impressions of Tour*

One of the planning initiatives for this market is the proximity of acute/tertiary care at the Lexington and Louisville VAMCs, 60 miles apart. There was no substantive discussion about creating complimentary services between the Louisville and Lexington VAMCs.

Network wants to build replacement hospital at the current site or downtown adjacent to the U. of Louisville (UL) Medical School. Estimated costs \$99M, no analysis presented. The Louisville VAMC would be costly to retro-fit.

If capital funds are not available, the network expressed interest in shared services and clinical contracting with UL.

VA/DOD Ft Knox arrangement illustrates a successful sharing of human resources that is now leading to shared capital assets. Commissioners also learned there are two access standards in government health programs. Louisville VAMC meets the tighter standard at Ft Knox CBOC but is not meeting the standard for other veterans.

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

- i. Names/Titles of Attendees
 - Mr Dandridge, Network Director
 - Ms Glover, Chief Communications Officer
 - Dr Alvarez, Network Chief Medical Officer
 - Mr Calderala, CARES Portal Manager
 - Dr Roth, CARES Co-Chair
 - Mr Shea, Facility Director
 - Mr Butch Miller, VSO Liason
 - Ms Kathy Rajcevich, AD for Patient Care Services
 - Mr Gary Million, Acting Associate Director
 - Ms Desti Stines, Public Affairs Officer
 - Mr Jodie Babb, VA/DOD Sharing Office
- ii. Meeting Forum – meeting with network and facility leadership at Louisville VAMC prior to stakeholder meeting and tour

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Topics of Discussion

IMPROVING VETERANS ACCESS TO CARE

1. Workload increasing due to pharmacy benefit, economy. Access to care improving through four CBOCs with 39 day overall wait for primary care appointments. Adding new primary care teams and additional hours, mainly off site.
2. No nursing home unit at Louisville but approved for a home based primary care program.

INADEQUATE LOUISVILLE VAMC PHYSICAL PLANT

1. Toured mental health unit, CCU, MICU and outpatient primary care clinic. Lack of renovation evident in communal baths, limited single rooms, poor HVAC, limited outpatient areas.
2. Louisville VAMC landlocked in residential area 5 miles north of UL. Patients like location, network sees benefits if closer to affiliate but concerns downtown will not have adequate space.

- iii. What did we learn? Outline potential issues for hearings
 1. Want to build replacement hospital, limited justification without increased workload from consolidation of services with Lexington VAMC.

c. Summary of Stakeholder Meetings

- i. Meeting Forum
Breakfast meeting at Leestown campus
- ii. Stakeholders Represented
Mr Dave Huddleston, Executive Director Kentucky Veterans
Dr Joel Kaplan, Dean, U. of Louisville Medical School (UL)
Ms Sandy Richardson, AFGE 1133
Mr Jimmy Wardle, Director, VA Regional Office
Mr xxx, vso
- iii. Topics of Discussion
 1. Stakeholders participated in process, no surprises. Veterans like central hospital but want access in outlying areas. Concerned where funding will come from; bricks and mortar of old VA may not be as important as CBOCs.
 2. See inefficiencies from two facilities offering similar services; low volume of surgeries, no open heart surgeries at UL. Surgery programs are prime area for sharing but sense resistance. VA wants to maintain tertiary facility but UL interested in shared programs.

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3. Dr McCurdy commented cost of tertiary care is in infrastructure more than surgeons, they have voracious appetite for equipment. He asked if station trusted cost of the affiliate, in order to keep it honest they may have to bid out. Network believes in a trust and verify approach, mechanisms in place to verify they get what they pay for in contractual arrangements. These arrangements would help manage increased enrollment and utilization over peak demand. If appropriations not there a “hospital-within-a-hospital” would become more appealing.
 4. Network looking at three options: status quo, new facility, and reengineering system without a new facility. Highest probability is identifying what can they do with what they have now.
- iv. What did we learn? Outline potential issues for hearings
 1. Each VAMC trying to maximize opportunities with their affiliate, no coordinated plan to rationalize services across the Louisville and Lexington VAMCs. Louisville affiliate also expressed interest in shared services and clinical contracting.
- d. Summary of tour of Ft Knox CBOC (included ribbon cutting for mobile MRI)*
- i. Names/Titles of Attendees – Presentation by Jodie Babb, VA and Mel Modderman, Chief of Managed Care, VA/DOD Sharing Office.
 - ii. Meeting forum – Lunch meeting at Ft Knox Ireland Army Hospital
 - iii. Topics of Discussion
 1. VA/DOD Sharing program established in 1996, revenue neutral initial two years. Implemented contractual arrangement in return for CBOC site, highest penetration of VA enrollees. VA now provides ~50% of Ft Knox outpatient care.
 2. Presence of VA doctors actually a stabilizing force during mobilization for Iraqi Freedom. Recently added joint mobile MRI unit. By combining volumes VA/DOD improved access and lowered costs. Ft Knox will be one of four pilots for shared credentialing information between VA and DOD.
 3. Ft Knox able to meeting DOD access standards.
 - iv. What did we learn? Outline potential issues for hearings.
 1. Gen. Beavers convinced this arrangement came about because of leadership at the bottom. Cannot be dictated from the top.
 2. Sharing arrangements require flexibility, communication, ability to spot opportunities for shared growth and develop plan.