

A collection of military medals and a compass are arranged on a wooden surface. The medals include a red ribbon with a circular emblem, a blue ribbon with a circular emblem, and two large silver stars with intricate designs. A pair of gold-rimmed glasses is also visible. In the bottom left corner, there is a circular compass with a white face and black markings.

Forecasting VA Health Care Demand

**Management Assistance Council
(MAC)**

VA Medical Center, Muskogee


June 16, 2005



Presentation Outline

Key Concepts

- ◆ Five Demand Models
 1. Inpatient/Outpatient Care
 2. Nursing Home Care
 3. Domiciliary Care
 4. Spinal Cord Injury
 5. Blind Rehabilitation



VA National Level Demand Forecasts

CARES Implementation Categories	Inpatient Medicine	Primary Care
FY 03 Actual	2.0m Bed days	15.6m Clinic Stops
FY13 Model Projection	2.3m	17.7m
% Change FY13 – FY03	11%	13%
FY23 Model Projection	2.0m	16.3m
% Change FY23 – FY03	0%	4%



Basic Definitions

- ◆ Who is a veteran?
 - Title 38
- ◆ How are veterans enrolled in the VA to be eligible to receive health care benefits?
 - Veterans Health Care Eligibility Reform Act of 1996 (PL104-262) classified Enrollees by a set of priority levels



Priority Level Definitions

- ◆ 1a: Veterans with SC Conditions rated 70% or more disabling
- ◆ 1b: Veterans with SC Conditions rated 50% or more disabling
- ◆ 2: Veterans with SC Conditions rated 30% or 40% disabling
- ◆ 3: Veterans with SC Conditions rated 10% or 20% disabling



Priority Level Definitions

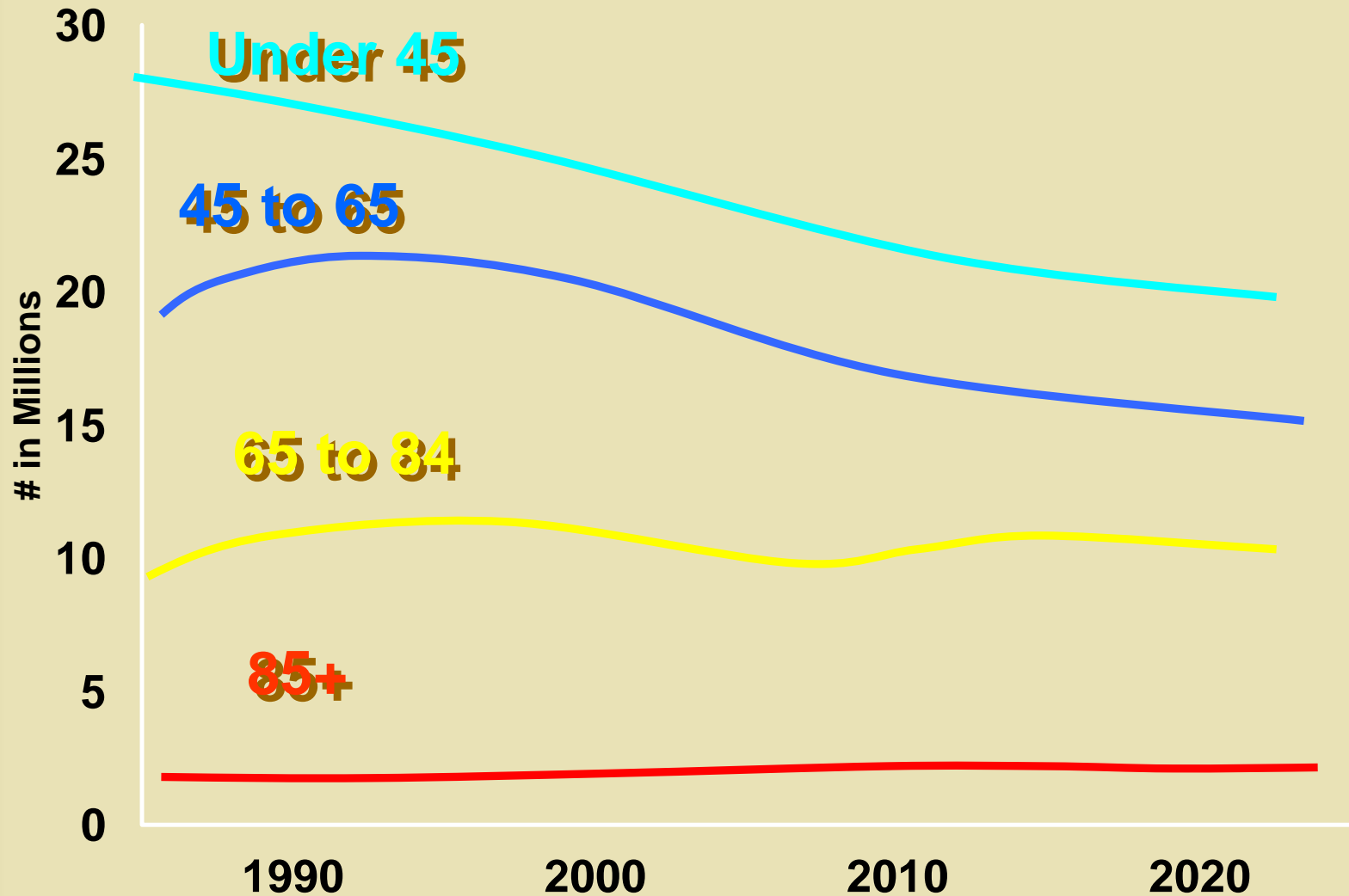
- ◆ 4: Veterans who are catastrophically disabled, plus others
- ◆ 5: Non-service connected veterans whose income & net worth are below the established dollar threshold, plus others



Priority Level Definitions

- ◆ 6: Catastrophically disabled
- ◆ 7: Veterans with income above VA Means Test Threshold but below the applicable Geographic Means Test threshold
- ◆ 8: Veterans not included in priority group 4,6 or 7

Only Vets Over 84 yrs Projected to Increase





Projecting Enrolled Veteran Population

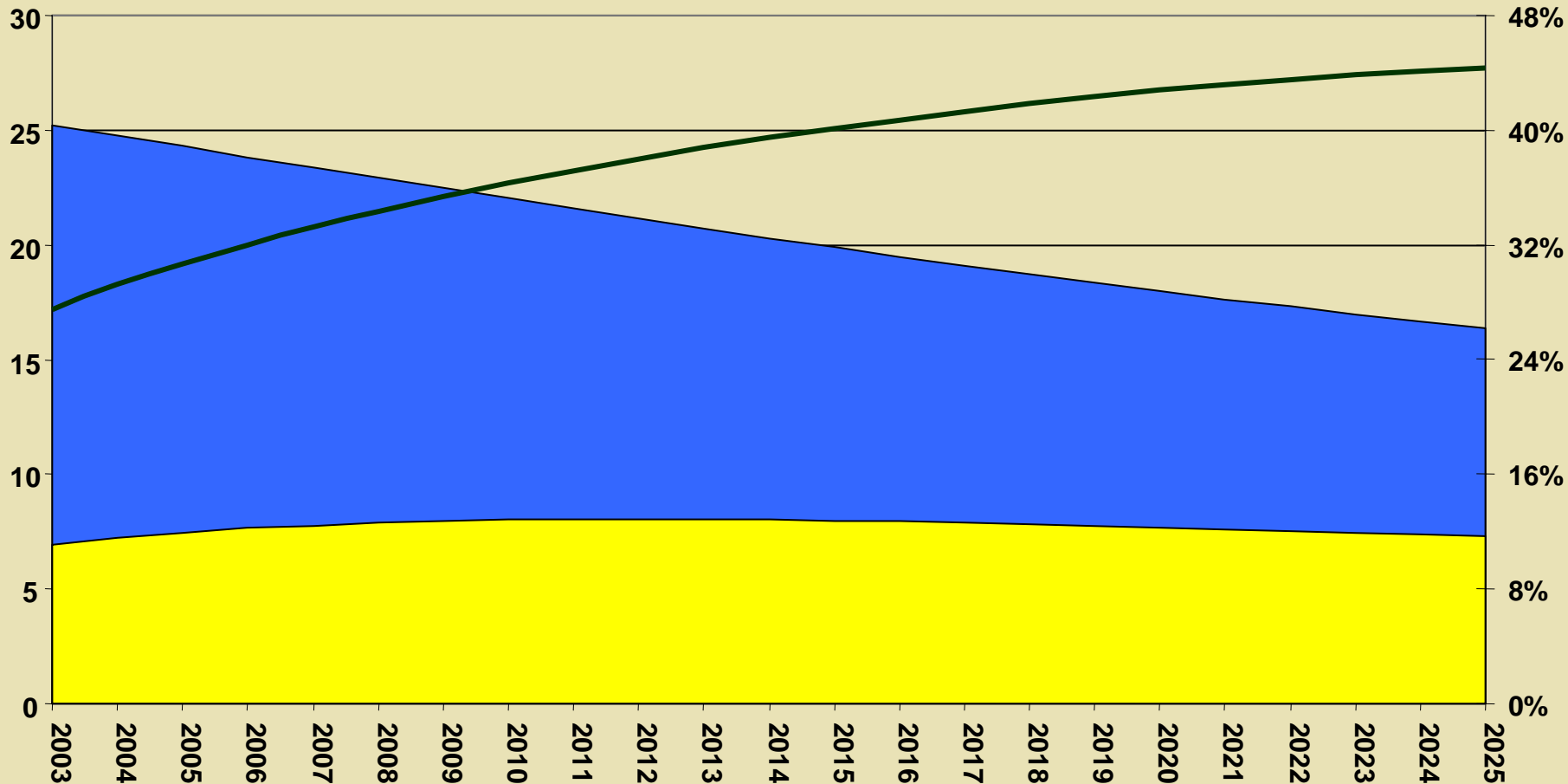
- ◆ 25 Million Veterans as of FY 03
- ◆ 7 Million Enrolled as of FY 03
- ◆ Enrollment is forecasted twenty years into the future by:
 - Age groups,
 - Gender,
 - Priority groups,
 - Geographic areas

Veteran Population & Enrollee Projection

**Total Veterans,
National Population & Enrollee Projections
FY2003 - FY2025**

Millions

Percent Market Share



Fiscal Year

Population Enrollees Market Share




Projecting Health Care Demand at a Market Area Level

- ◆ CARES Commission Report
 - “CARES model provides a reasonable analytical approach for estimating VA enrollment, utilization and expenditures.”



Geographic Areas

- ◆ Health Care Market Area - A geographic area having a sufficient population and geographic size both to benefit from the coordination and planning of health care services through either VA facilities, DoD or private sector facilities and can support a full health care delivery system across the continuum of care. (78 markets)



Inpatient and Outpatient Demand Forecasts

- ◆ For CARES Business Plan Studies are aggregated by:
 - Twenty-five Categories of Care (e.g. Cardiology)
 - Geographic Area (where the enrollees live)
 - VA Treating Facility (e.g. Waco VAMC)

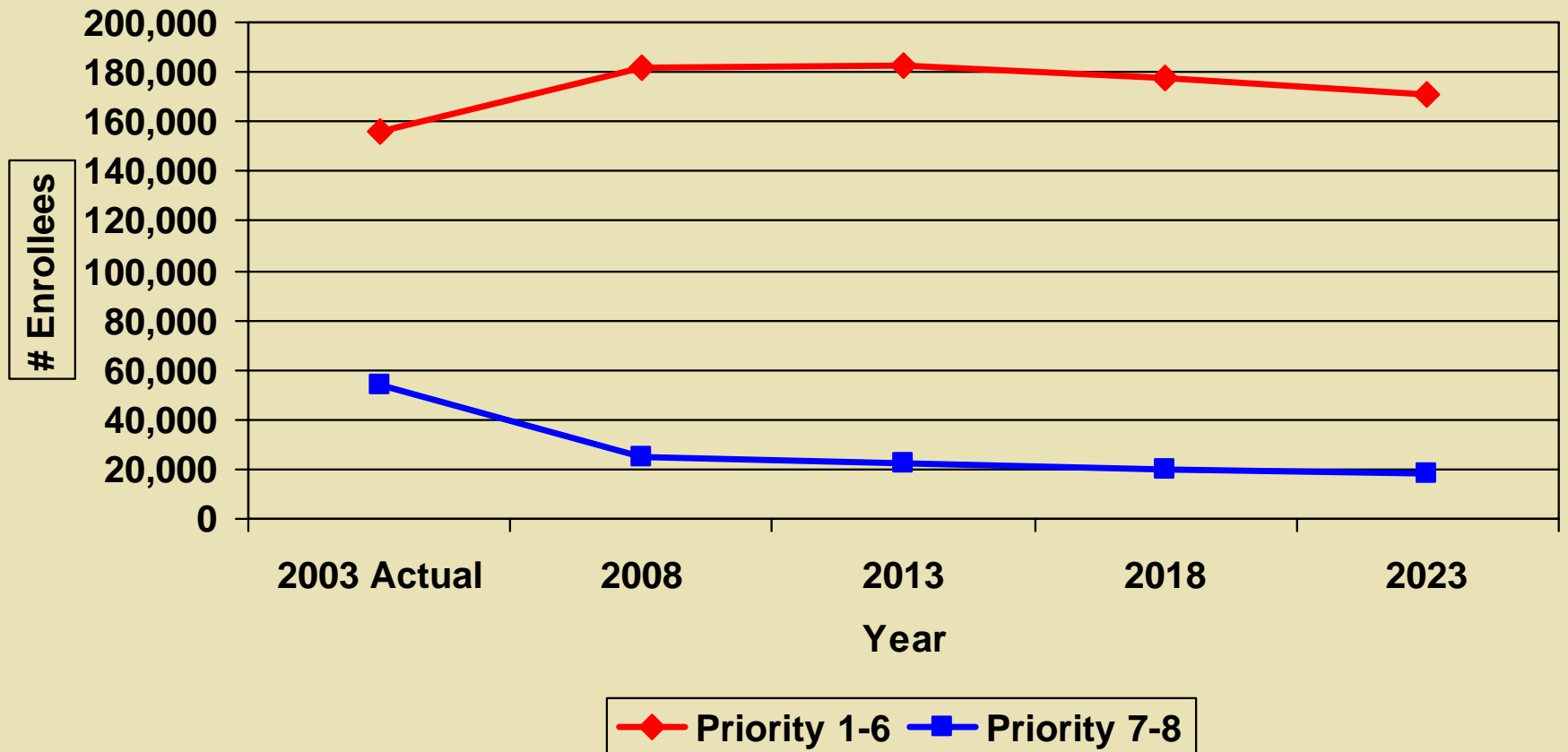


Reliance Factor Issues

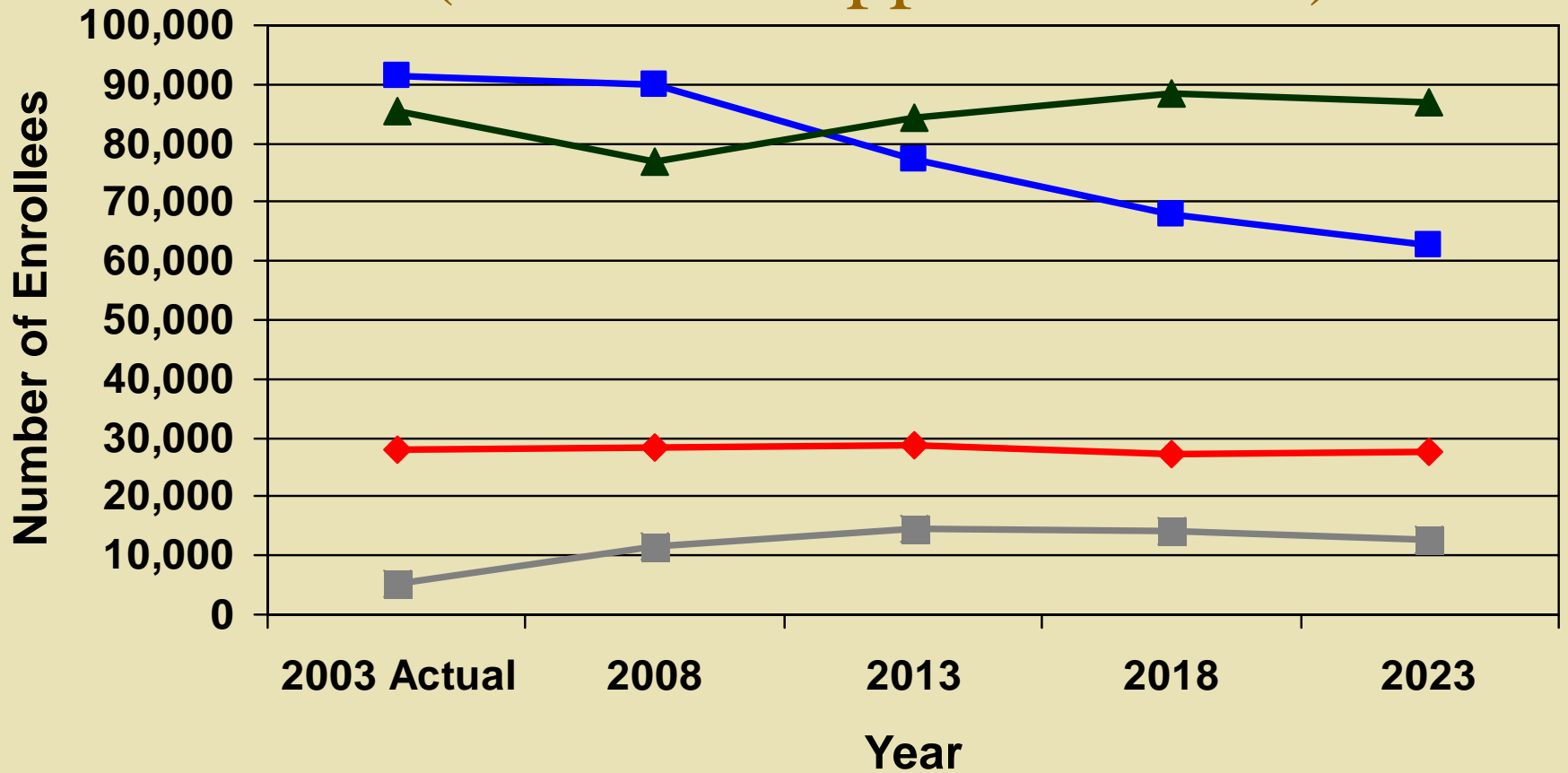
- ◆ Enrollee reliance varies ...
- ◆ Enrollee preference for VA services in light of other health care options
- ◆ Supply available in VA health care system in a given geography:
 - Wait lists
 - Varying services provided at each facility
 - Geographic location of VA facilities

Enrollment and Demand Forecasts

Enrollment by Priority Group (VISN 16 Upper Western Market)

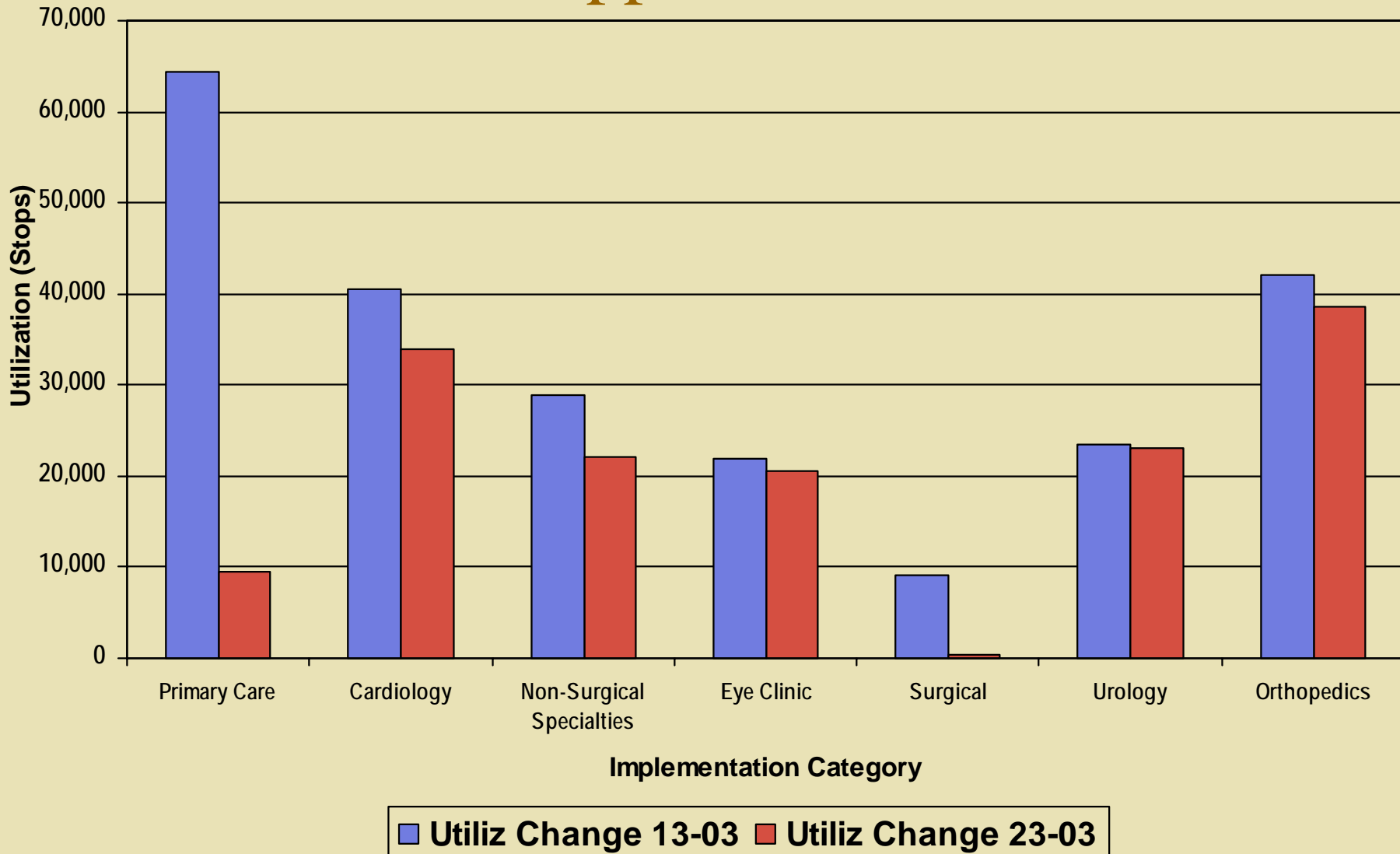


Enrollment by Age Group (VISN 16 Upper Western)

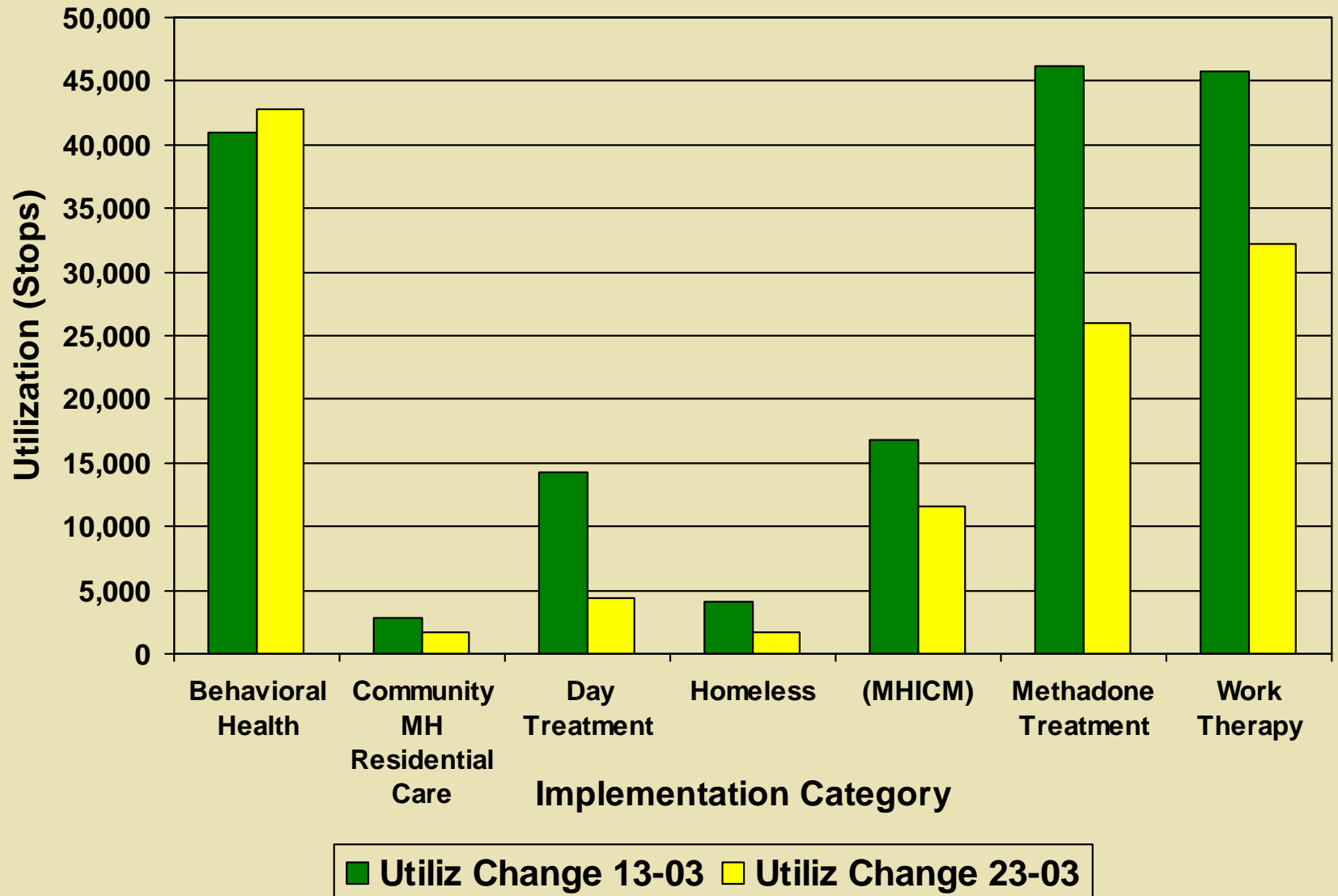


—◆— Age <45 —■— Age 45-64 —▲— Age 65-84 —■— Age 85+

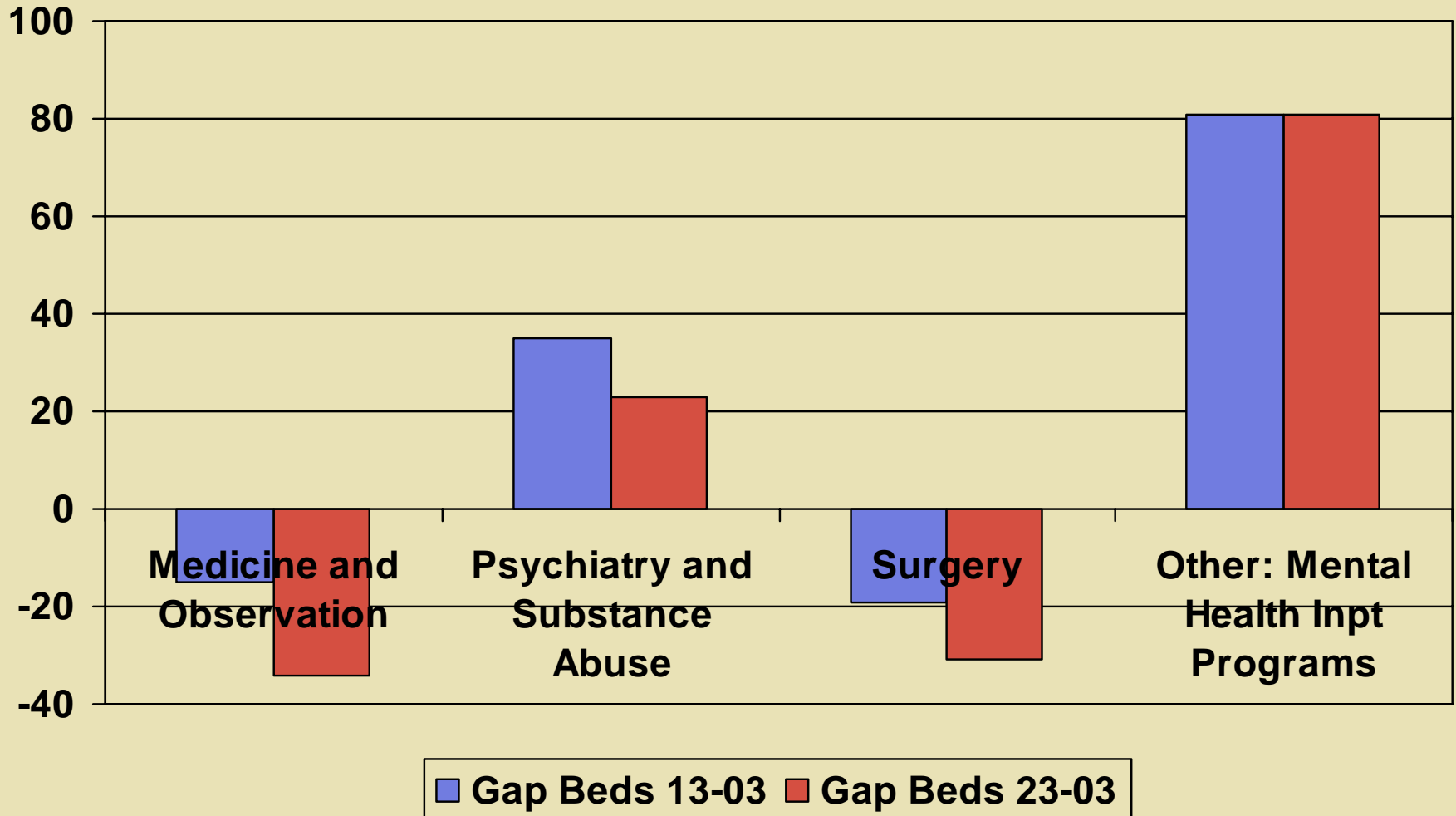
Change in Utilization (Ambulatory) for VISN 16 Upper Western Market



Change in Utilization (Outpatient Mental Health) for VISN 16 Upper Western Market




Change in Utilization (Inpatient) for VISN 16 Upper Western Market



VISN 16 Markets

Legend and Overview X



Custom Territories

- Central Lower
- Central Southern
- Eastern Southern
- Upper Western

Pushpins

- VA Nursing Home
- VA Hospitals
- Cemeteries (Crematoria)
- Cemeteries (Open)
- Cemeteries (Closed)
- VBA Sites
- DOD Medical Sites
- VA Clinics

