



Capital Asset Realignment for Enhanced Services (CARES)

Business Plan Studies for Livermore, California

Presentation to the Local Advisory Panel



Introduction and Background



- **The Secretary's CARES Decision Document, May 2004, calls for additional studies to improve the previous analyses for eighteen sites**
- **Livermore, CA is one of these study sites**
- **Team PricewaterhouseCoopers (PwC) was selected as the prime contractor to complete these studies**

Study Objective



Identify the optimal approach to provide veterans with healthcare equal to or better than is currently provided in terms of:

- **Access**
- **Quality**
- **Cost Effectiveness**

Study Outcomes



As a result of this study, VA will receive a broad range of capital and re-use options to meet VA's current and forecasted needs, from which the VA will select 3 to 6 options to study further, from which one option will be recommended.

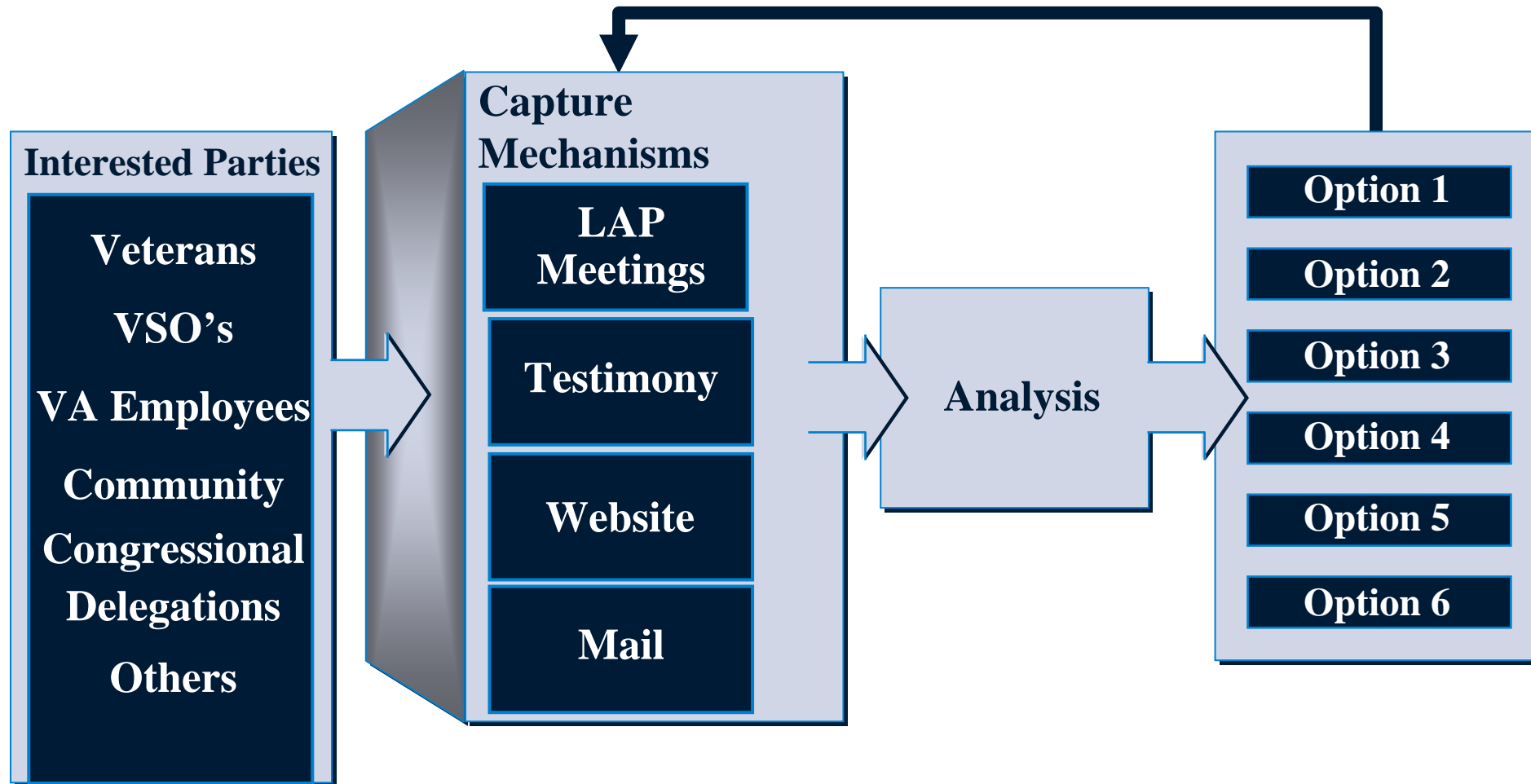
Any option selected by the Secretary which requires capital investment will have to compete with all other construction initiatives currently requiring funding.

Study Considerations



- **Demand for services based on VA forecasts**
- **Capital requirements**
- **Cost – operating and capital**
- **Re-use/Redevelopment**
- **Consider co-location opportunities**

Public and Interest Group Input Process

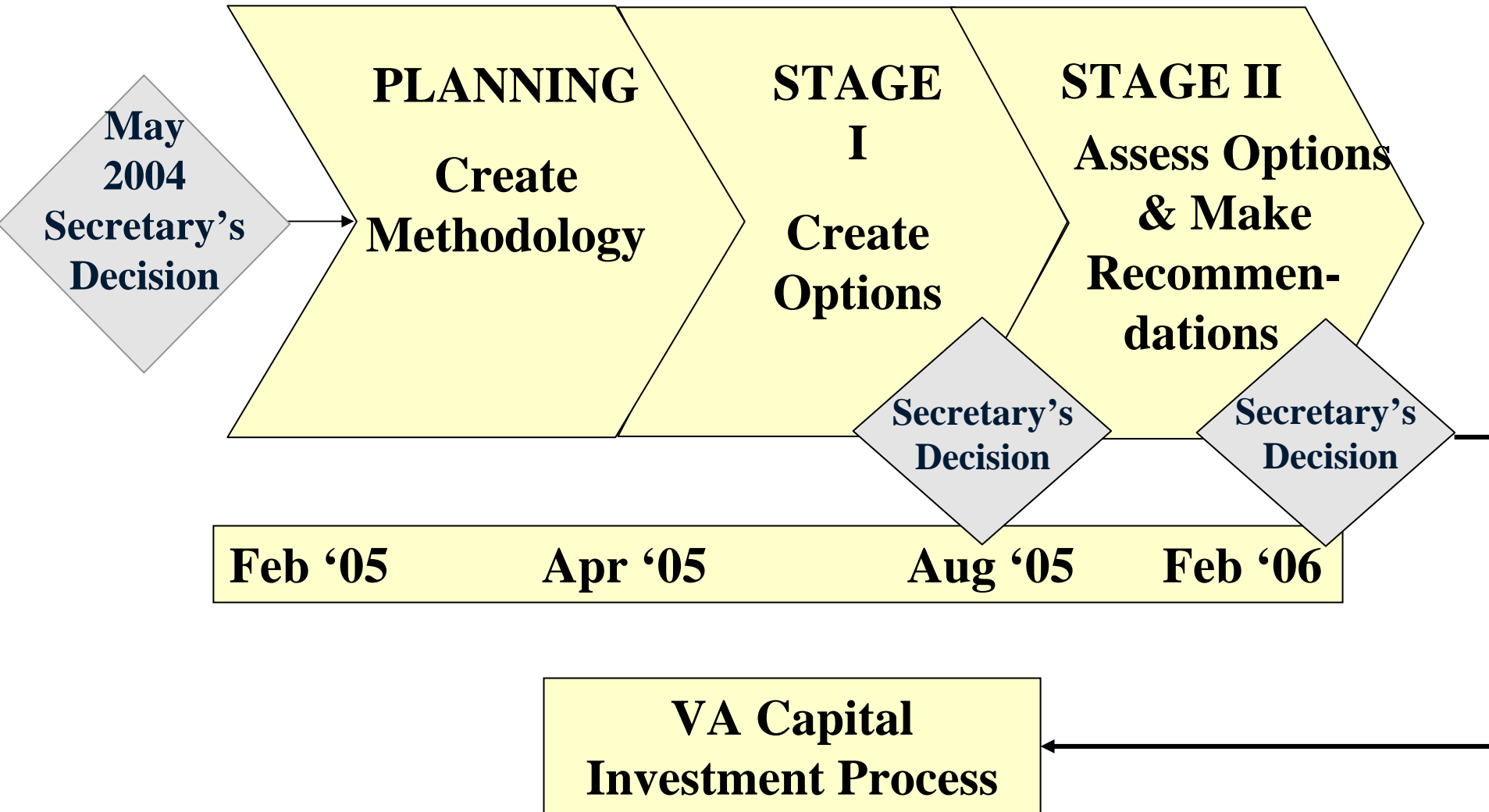


Study Scope for Livermore, CA

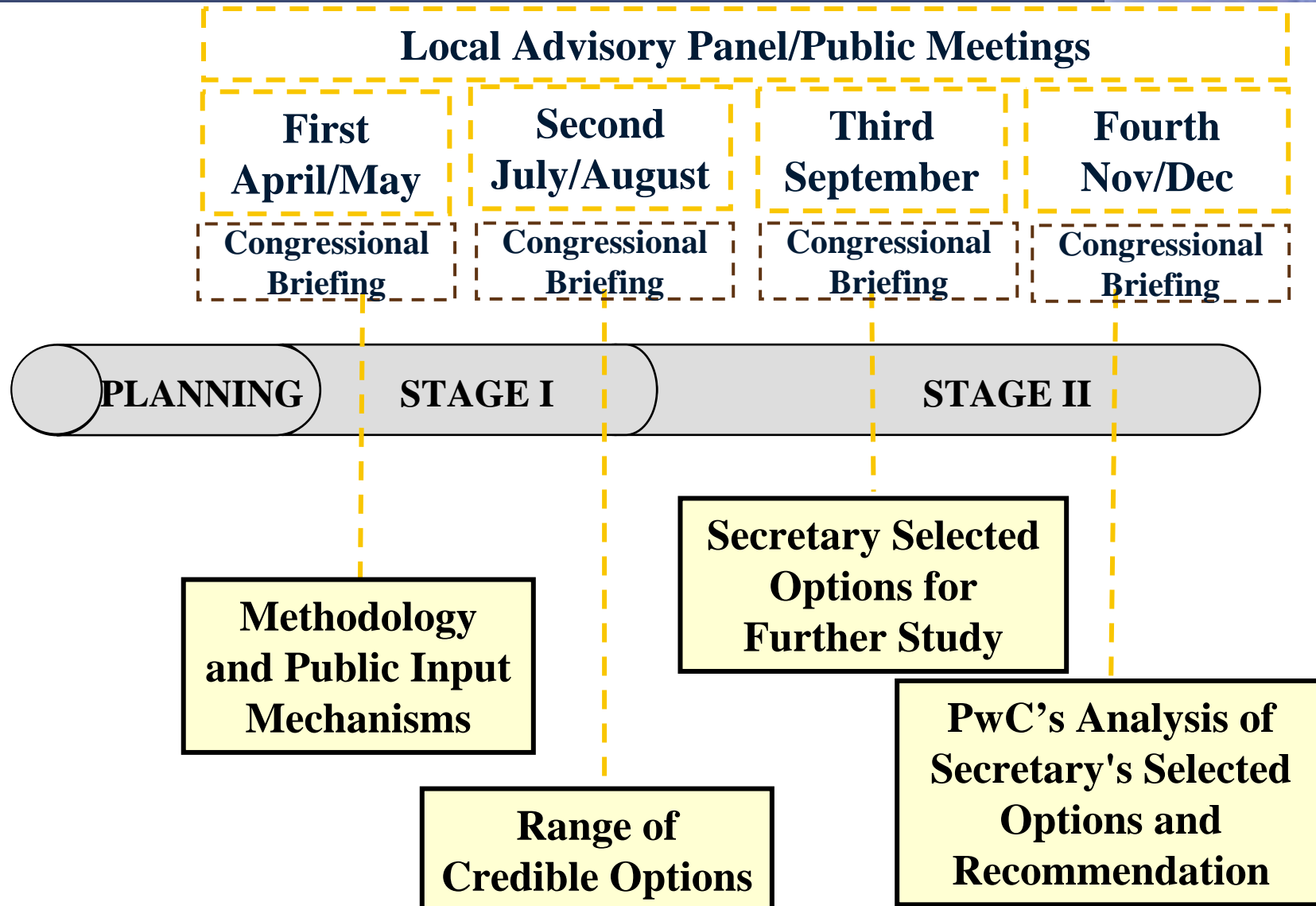


- **General Capital Plan – Determine best design and use of VA’s assets**
- **General Re-use/Redevelopment Plan – Determine real estate potential for each campus**
- **Financial Analysis – Develop a cost effectiveness analysis**
- **Public and Veterans’ Interest Group Input – Capture Public/Veterans’ Opinions and Preferences**

Project Overview



Veteran and Public Input



Stage I Business Plan Options and Decisions



Stage I

- **Develop a broad range of credible options**
 - Alternative capital / infrastructure plans
 - Re-use/Redevelopment potential of VA healthcare resources
- **Assess each option's potential to meet or exceed the CARES objectives**
- **Take into account veteran/public needs and concerns**
- **All options will be presented from which six credible options will be considered for further study in Stage II**

VA Decision

Which of the options should be selected for detailed study in Stage II

Stage II Business Plan Options and Decisions



Stage II

- Detailed development and analysis by Team PwC of VA's selected business plan options
- Provide opportunity for veteran/public input
- Take into account veteran/public needs and concerns
- PwC independently selects a recommended business plan option
- Prepare a draft business plan for the recommended option

VA Decision

Approval of a recommended business plan option for implementation at each study site

Overview of the Option Development Process



Inputs & Analysis

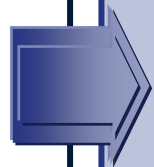
VA Forecast of Demand for Healthcare

Existing Facilities and Services

Future Modernization Needs

Public/Veteran Opinions and Preferences

Potential Re-use / Redevelopment of Land or Buildings



Option Development

Facilities Requirements



Capital Planning

Land and Space that could be Marketed



Re-use / Redevelopment Planning

Alternative Options

Financial Evaluation and Assessment

The Baseline Option



No significant change either to the location or type of services provided in the study site, taking account of:

- Projected changes in healthcare volume for particular procedures**
- Ongoing preventative maintenance of buildings**
- Capital investment required to maintain a safe & secure healthcare delivery environment**

Alternative Business Plan Options



Alternatives to consider and as defined in the Secretary's CARES Decision Document, May 2004. Options could contain any combination of the following, but not limited to:

Locating in-house services

Transferring care

Locating complementary services

Leasing of space

Contracting/fee-based services

Sharing agreements

Renovation of an existing site

Joint Ventures with DoD

Enhanced Use Lease Authority

Business Plan Option Decision Criteria



Each acceptable Business Plan Option (BPO) will meet or exceed the following screening criteria:

- **Maintain or improve overall healthcare quality**
- **Result in a cost effective configuration of VA physical and operational resources**
- **Result in a modernized, safe and secure healthcare delivery environment**
- **Maximize the re-use/redevelopment potential of VA-owned sites**

The VA's Role



Oversight of Contract

- **Review of all deliverables**
- **Evaluation of feedback from Local Advisory Panels**

VA Provided Information

- **Local site team assistance**
- **Demand forecasts**
- **Baseline operating costs**
- **Facility plans and facility quality assessments**
- **Collaboration opportunities**
- **Environmental hazards**

Team PwC



PricewaterhouseCoopers LLP

- **Overall Program Management**
- **Overall Quality Assurance**
- **Financial Analysis / Business Planning**
- **Public/Veteran Relations**

Perkins + Will - **Capital Planning**

Davis Langdon - **Capital Cost Estimates**

Widmeyer - **Communications**

S&S Construction Services / American Commercial Group

- **Re-use and Redevelopment**

How Can You Provide Feedback?



Local Advisory Panel Meetings

- **Provide testimony at the public meetings**

CARES Project Website –

<http://www.va.gov/cares>

- **Information on each of the 18 study sites**
- **An electronic comments form is available to share your views and opinions. This is available for 2 weeks after each Local Advisory Panel meeting**
- **Website provides public meeting information, agendas, meeting summaries, and links to background documents**

How Can You Provide Feedback?



- **Written comments can be sent to:**

Livermore Division Site Study

VA CARES Studies

P.O. Box 1427

Washington Grove, MD 20880-1427

You may send letters or paper comment forms to this address

- **All paper comment forms will be analyzed and provided to members of the Local Advisory Panel and considered during option development**
- **The paper and electronic comment forms are the same and should only be completed once**

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or

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