

# Capital Asset Realignment for Enhanced Services (CARES)

## Business Plan Studies for St. Albans Primary and Extended Care Center

Presentation for Local Advisory Panel

September 29, 2005



This report was produced under the scope of work and related terms and conditions set forth in Contract Number V776P-0515. PricewaterhouseCoopers' work was performed in accordance with Standards for Consulting Services established by the American Institute of Certified Public Accountants (AICPA). PricewaterhouseCoopers' work did not constitute an audit conducted in accordance with generally accepted auditing standards, an examination of internal controls or other attestation service in accordance with standards established by the AICPA. Accordingly, we do not express an opinion or any other form of assurance on the financial statements of the Department of Veterans Affairs (VA) or any financial or other information or on internal controls of the VA.

The VA has also contracted with another government contractor, The Pruitt Group EUL, LP, to develop re-use options for inclusion in this study. The Pruitt Group EUL, LP issued its report, Enhanced Use Lease Property Re-use/Redevelopment Plan Phase One: Baseline Report, Veterans Affairs Medical Center, St. Albans, New York, and as directed by the VA, PricewaterhouseCoopers LLP has included information from their report the following sections in this report: Real Estate Market and Demographic Overview, Environment, Re-Use Options and Development and specific Re-Use options. PricewaterhouseCoopers LLP was not engaged to review and therefore makes no representation regarding the sufficiency of nor takes any responsibility for any of the information reported within this study by The Pruitt Group EUL, LP.

This report was written solely for the purpose set forth in Contract Number V776P-0515 and therefore should not be relied upon by any unintended party who may eventually receive this report.

# Recap of First LAP Meeting



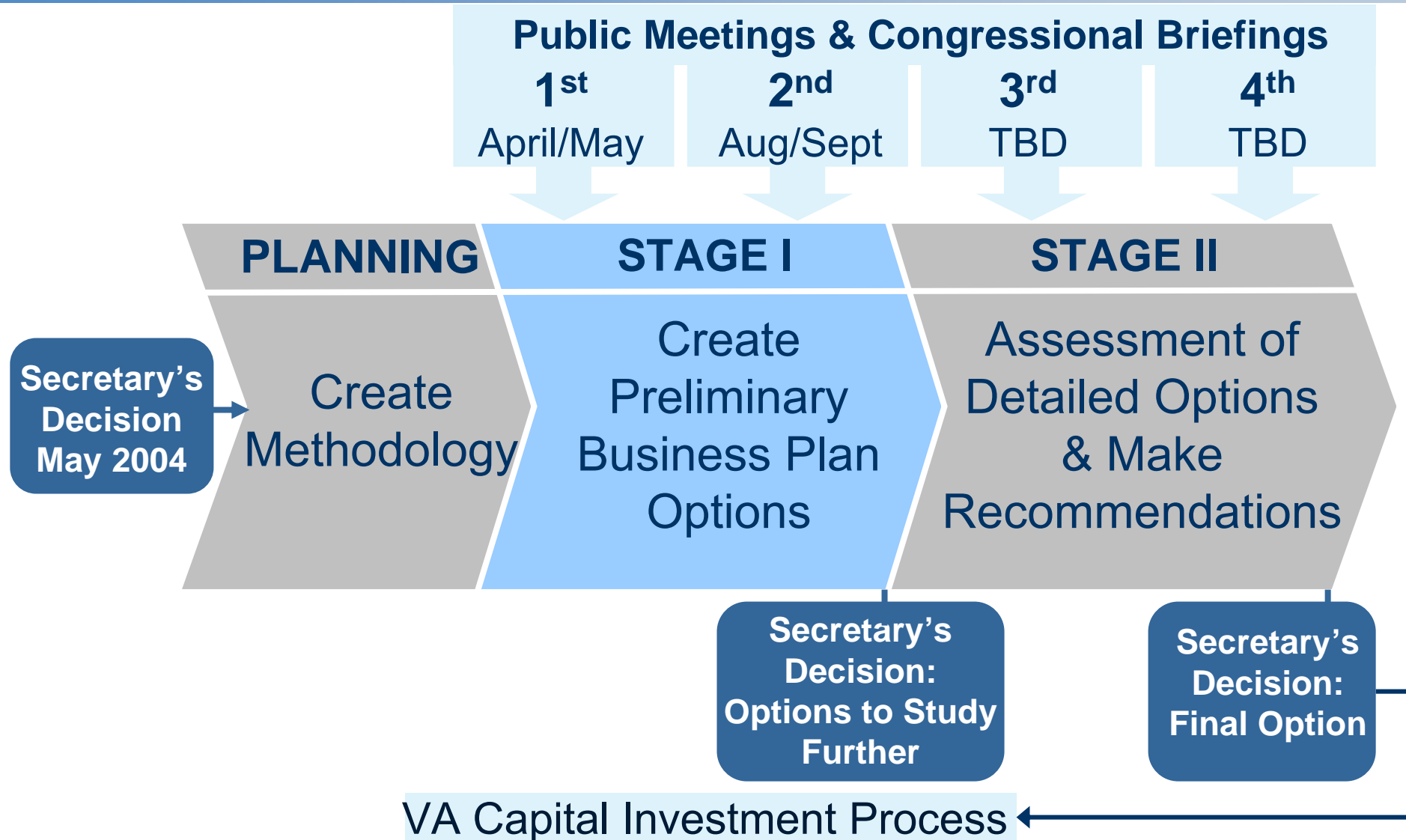
# First Public Meeting Recap

- The Secretary's CARES Decision Document, May 2004, calls for additional studies to expand on the previous analyses for eighteen sites including the St. Albans Primary and Extended Care Center (P&ECC).
- Study Objective:

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

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

# Project Overview



## 2004 Secretary's Decision for St. Albans

- The St. Albans campus was not designed for modern health care delivery, is aging, and is in need of replacement.
- VA will develop a Master Plan that will propose an efficient and cost-effective design for the replacement buildings at St. Albans and ensure an effective transition of services.

## 2004 Secretary's Decision for St. Albans

- VA will develop plans for the size of the nursing home and domiciliary buildings using its mental health and long-term care strategic plans.
- The Master Plan also will describe the most effective footprint for the campus and ensure that any plans for alternate use or disposal of VA property serve to enhance the Department's mission.

# What's Being Studied at St. Albans

## ■ Capital Planning Study

Identify the best use of buildings and facilities to provide needed healthcare services in a modern, safe, and secure setting.

## ■ Re-Use Study

Identify options that maximize the potential re-use of all or some of the current VA property, if that property is not needed for VA or VA related services.



# Purpose of this LAP Meeting

- Review the options prepared by the contractor for the future use of this facility.
- Present the options that the contractor believes will maintain or improve veterans access to quality health care in a cost effective manner.
- Members of the LAP will ask questions so that each option is clear. Members of the public may also ask questions about the options.
- The LAP may add options not presented by the contractor.
- The LAP will recommend to the Secretary which options it believes should be studied further, but the Secretary is not required to adhere to this recommendation.

# St. Albans Public Input



# St. Albans Public Input

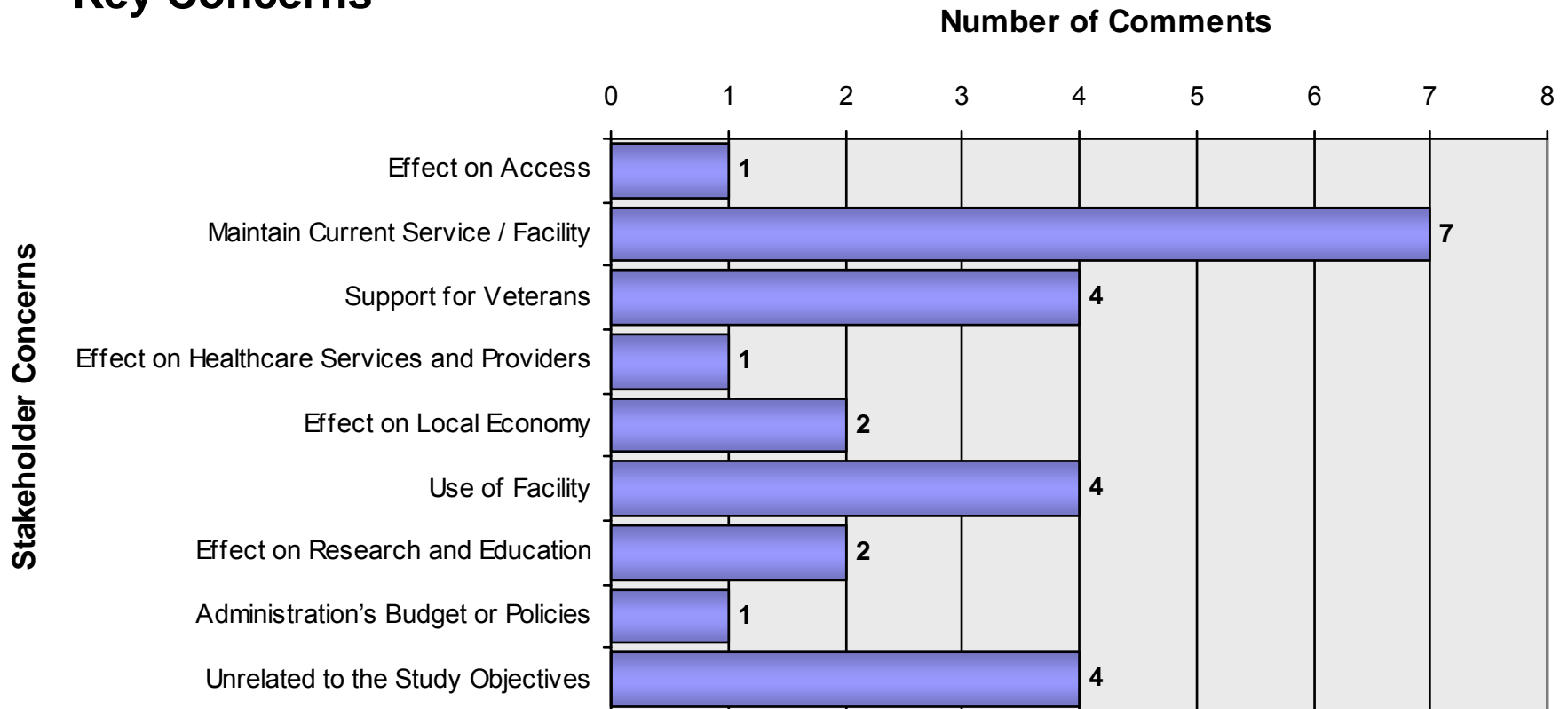
- 64 forms of stakeholder input were received between January 1, 2005 and June 30, 2005.
- The greatest amount of written and electronic input was received from veterans.
- Top key concerns:
  - Keeping the facility open
  - Use of the facility
  - Support for veterans

# Categories of Stakeholder Concerns

- Effect on Access
- Maintain Current Service/Facility
- Support for Veterans
- Effect on Healthcare Services/Providers
- Effect on Local Economy
- Use of Facility
- Effect on Research and Education
- Administration's Budget or Priorities
- Unrelated to the Study Objectives

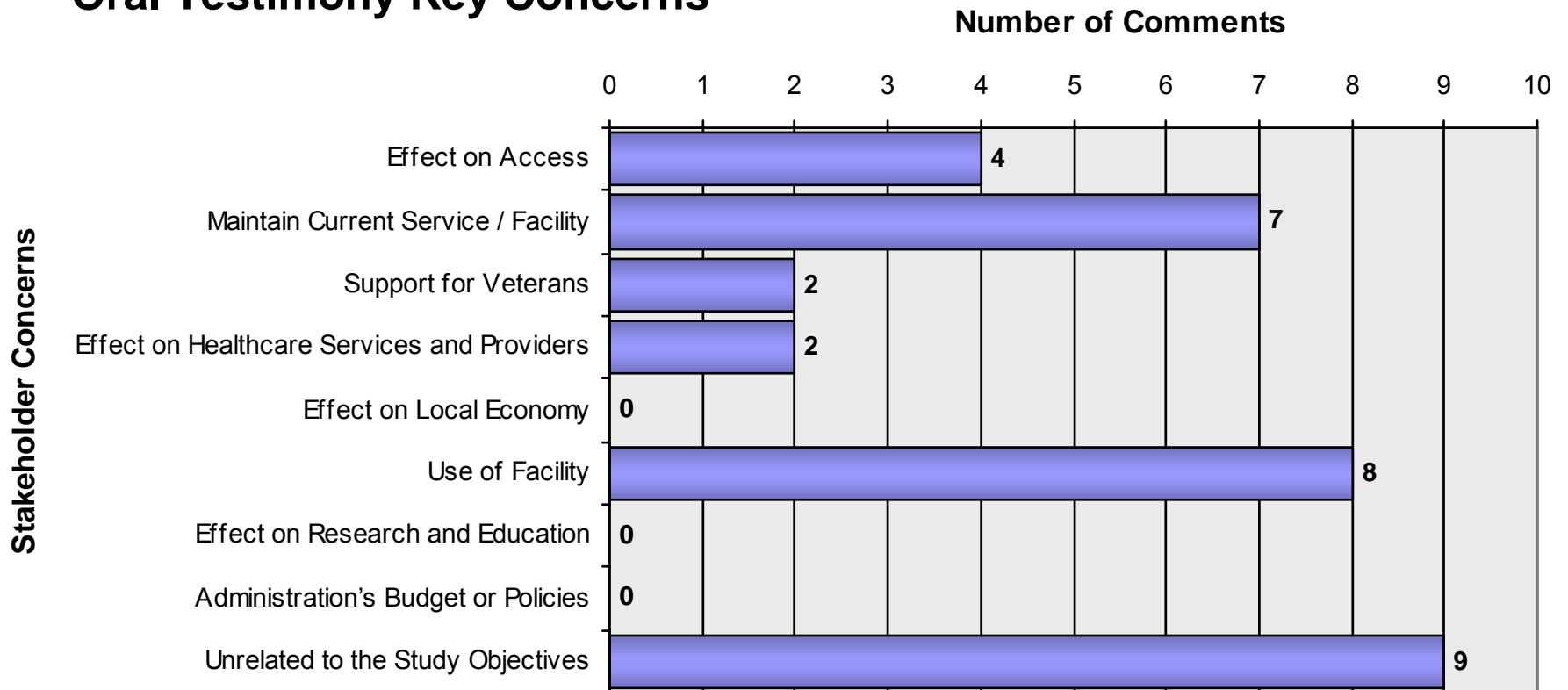
# Key Concerns – Written and Electronic Input

## Key Concerns



# Key Concerns – Oral Testimony

## Oral Testimony Key Concerns



# Stakeholder Input to Options Development

- Preservation of current facilities
  - ◆ Options specifically using key elements of historic core of campus, such as Pratt Auditorium and the Chapel
  
- Expansion or enhancement of VA clinical services
  - ◆ Options retain ability to add or modify service mix per future VA initiatives
  
- Multiple ideas for complementary re-use/redevelopment include:
  - ◆ Family-centered senior care
  - ◆ Daycare
  - ◆ Educational facilities
  - ◆ Services to homeless veterans
  
- Re-use should fit with community

# Current Status and Business Plan Options



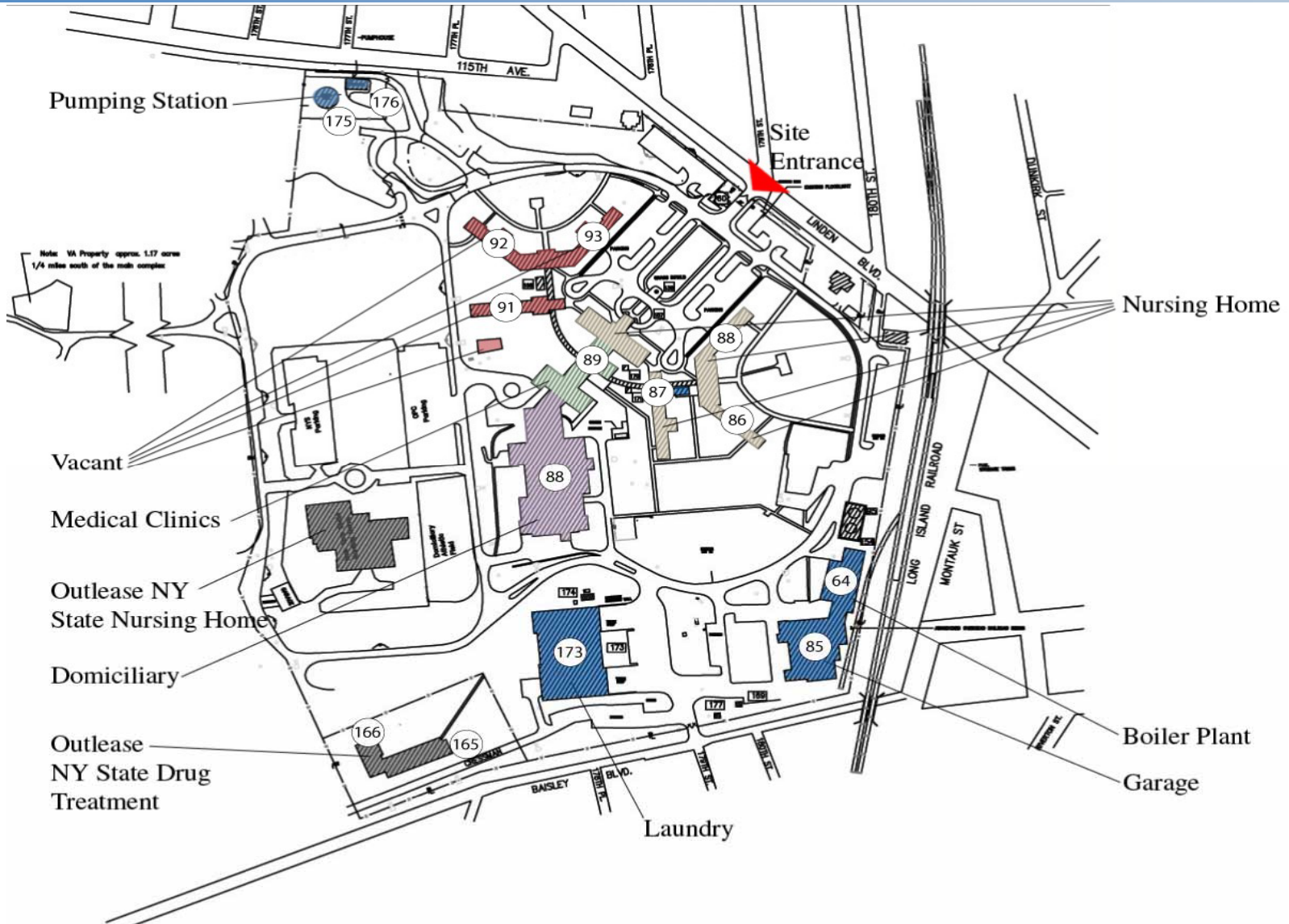


# Stage I Study Findings for St. Albans

## St. Albans Primary and Extended Care Center



# Map of St. Albans



# St. Albans Site Overview

- The St. Albans Primary and Extended Care Center:
  - ◆ Is part of the New York Harbor Healthcare System (NYHHS) within Veterans Integrated Service Network 3 (VISN 3), which is located in Queens. The NYHHS also includes facilities within Manhattan and Brooklyn.
  - ◆ The Campus is composed of 20 buildings located on 55 acres of land.
    - Land is outleased to the NY State Veterans' Nursing Home and NY State Drug Treatment Program

# Current Status and Enrollment Projections

- Currently, the Primary and Extended Care Center provides primary care and consists of a total of 181 nursing home beds and 50 domiciliary beds.
- Over the next 20 years, the number of enrolled veterans in Priority Groups 1-6 in the Metro New York market is expected to decrease by 21%, from 100,062 to 78,963.

# Options Development

## “Universe” of Considered Options

**Stakeholder  
Input**

**Capital Planning  
Options**

**Re-use  
Options**

### Initial Screening Criteria:

#### ACCESS

*Would maintain or improve overall access to primary and acute hospital healthcare*

#### QUALITY OF CARE

*Would maintain or improve overall quality of healthcare:*

- *Capability to provide care*
- *Workload at each facility*
- *Modern, Safe, Secure*

#### COST

*Has the potential to offer a cost-effective use of VA resources*

**Team PwC developed Comprehensive BPOs for Stage I**

### Discriminating Criteria:

- **Healthcare Quality**
- **Healthcare Access**
- **Making the best use of VA resources**

- **Ease of Implementation**
- **Ability to Support Wider VA Programs**
- **Impact of BPO on VA and Local Community**

# Options Overview

## “Universe” of Considered Options

Capital Planning  
Options

TOTAL = 20

Re-Use  
Options

TOTAL = 5

## Initial Screening for Access, Quality, Cost

Business Planning  
Options (BPOs)

TOTAL = 9

## Assessed for Stage I Report

# Options for St. Albans

- A Baseline Option accounting for projected volumes but no change to programs or services.
- Six of the options developed involve building all new facilities to house nursing home and domiciliary and outpatient services in new locations on the existing campus.
- Two options that use a combination of new and renovated facilities, preserving key portions of the current campus for continued use.

# Potential Re-Use/ Redevelopment Parcels

There are five main Parcels for potential re-use/redevelopment:

1. Core Campus

1A. Core Campus/  
East Service Area

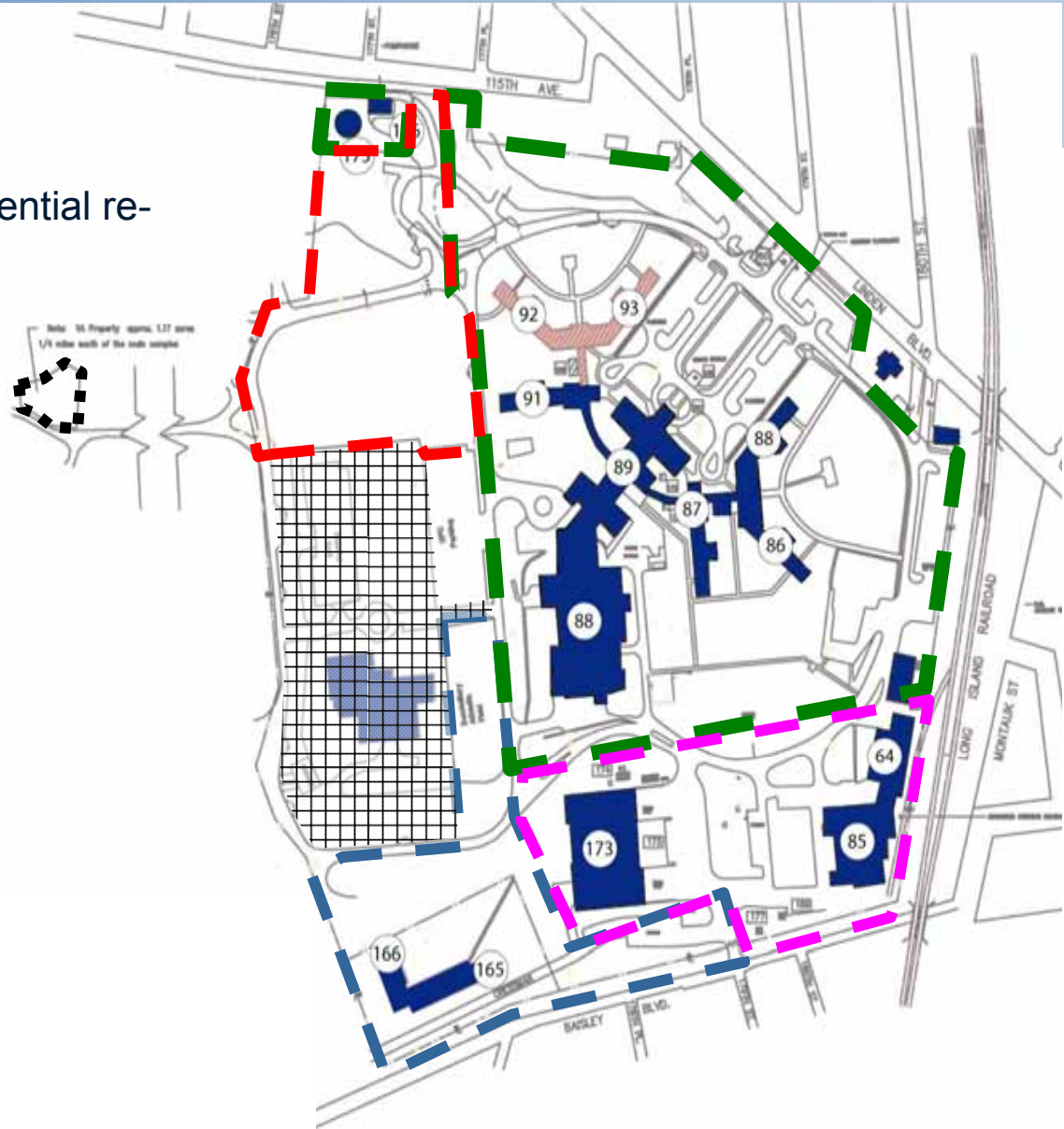
2. Southwest Corner

3. Southeast Corner

4. Isolated Acres



Land Deeded to NY State Veterans' Home



Note: drawing is for reference purposes only and will not exactly match a scaled site plan.

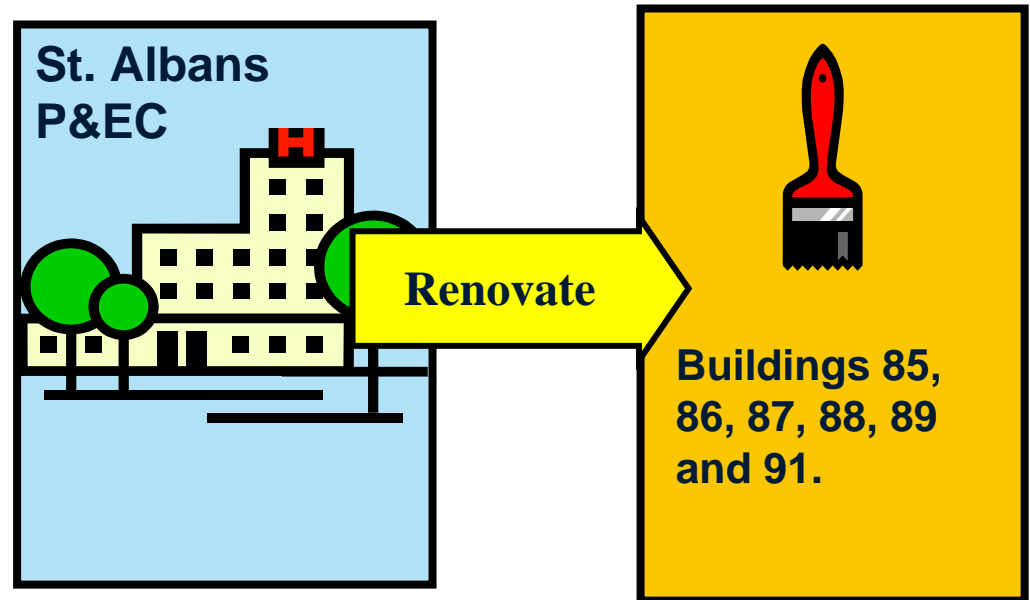


# BPO 1: Baseline Option [CP-1]

The Baseline option reflects:

- Current state projected out to 2013 and 2023 without any changes to facilities or programs, but accounting for projected utilization changes, and assuming same or better quality and necessary improvements for a safe, secure, and modern healthcare environment

- Consolidate and right size facilities in the existing buildings.
- Renovate buildings 85, 86, 87, 88, 89, and 91 to accommodate services.



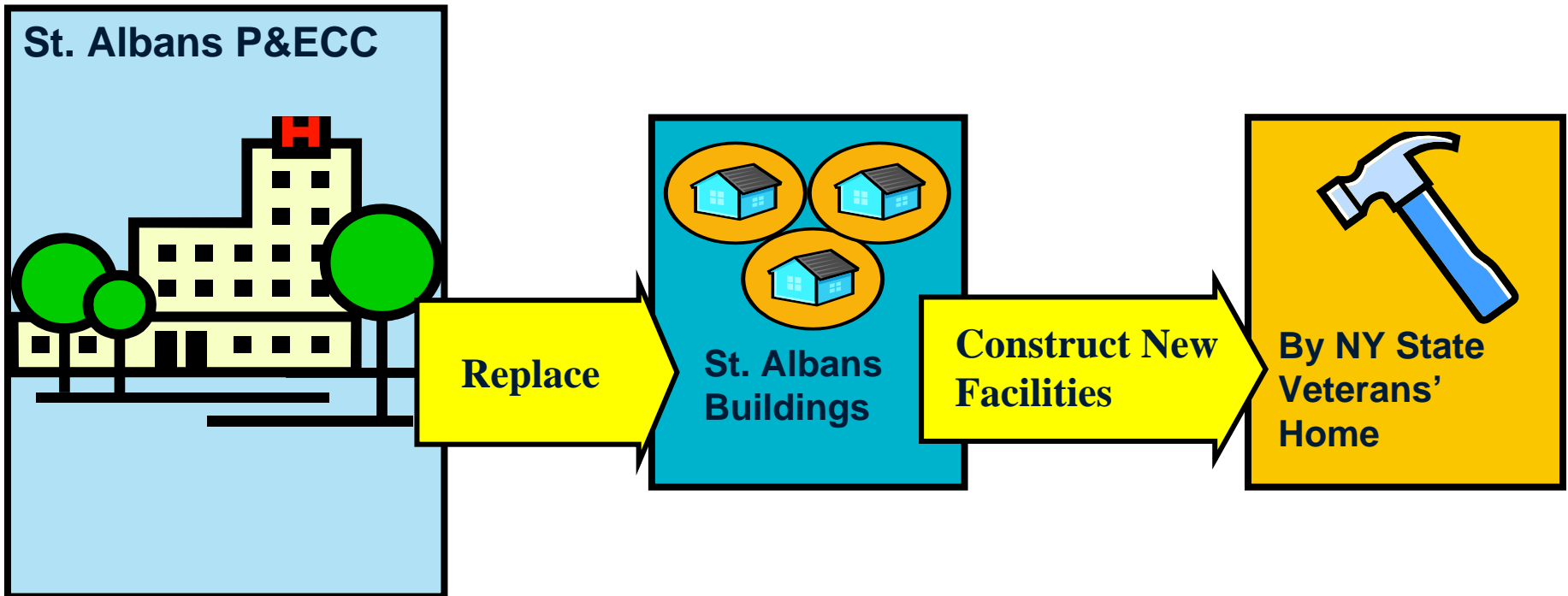
# BPO 1: Assessment of Baseline Option

<b>Healthcare Access</b>	Maintains current drive-time access.
<b>Healthcare Quality</b>	Facility is brought to code requirements of modernity and safety. Security set back requirement is met. Facility is sized to meet projected demand: 176 nursing home and 34 domiciliary beds, capacity for 46,000 primary and mental health clinic stops.
<b>Cost Effectiveness</b>	Significant capital investment required to achieve modern, safe, and secure environment.
<b>Ease of Implementation</b>	Heavy and complex renovations required.
<b>Wider VA Program Support</b>	Provide VISN-wide laundry and dietary services. Provide modest office space for VBA.

# BPO 2: Replacement – Near to State Veterans’ Home

[CP-2A]

- Replace the buildings at St. Albans.
- New facilities are constructed on the portion of the site adjacent to the existing NY State veterans’ nursing home (southwest corner).

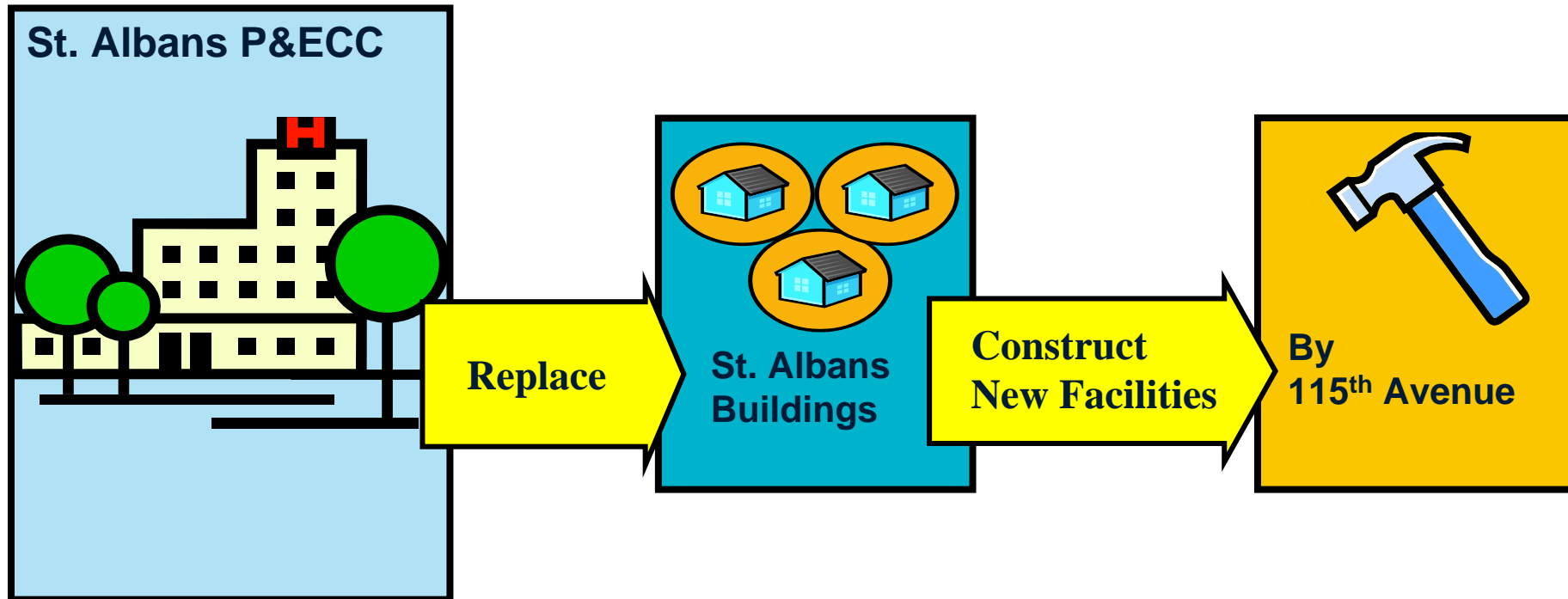


# BPO 2: Assessment, Replacement – Near to State Veterans' Home [CP-2A]

<b>Healthcare Access</b>	No change.
<b>Healthcare Quality</b>	Site modernity, safety and security requirements are met.
<b>Cost Effectiveness</b>	New facilities more efficient than current. Higher capital cost for new construction. Much lower maintenance costs.
<b>Ease of Implementation</b>	A straightforward relocation from existing buildings to new.
<b>Wider VA Program Support</b>	Would require outsourcing or relocation of VISN-wide laundry.

# BPO 3: Replacement – Near to 115<sup>th</sup> Avenue [CP-2B]

- Replace the buildings at St. Albans.
- Build new facility on site close to 115<sup>th</sup> Avenue (southwest corner).



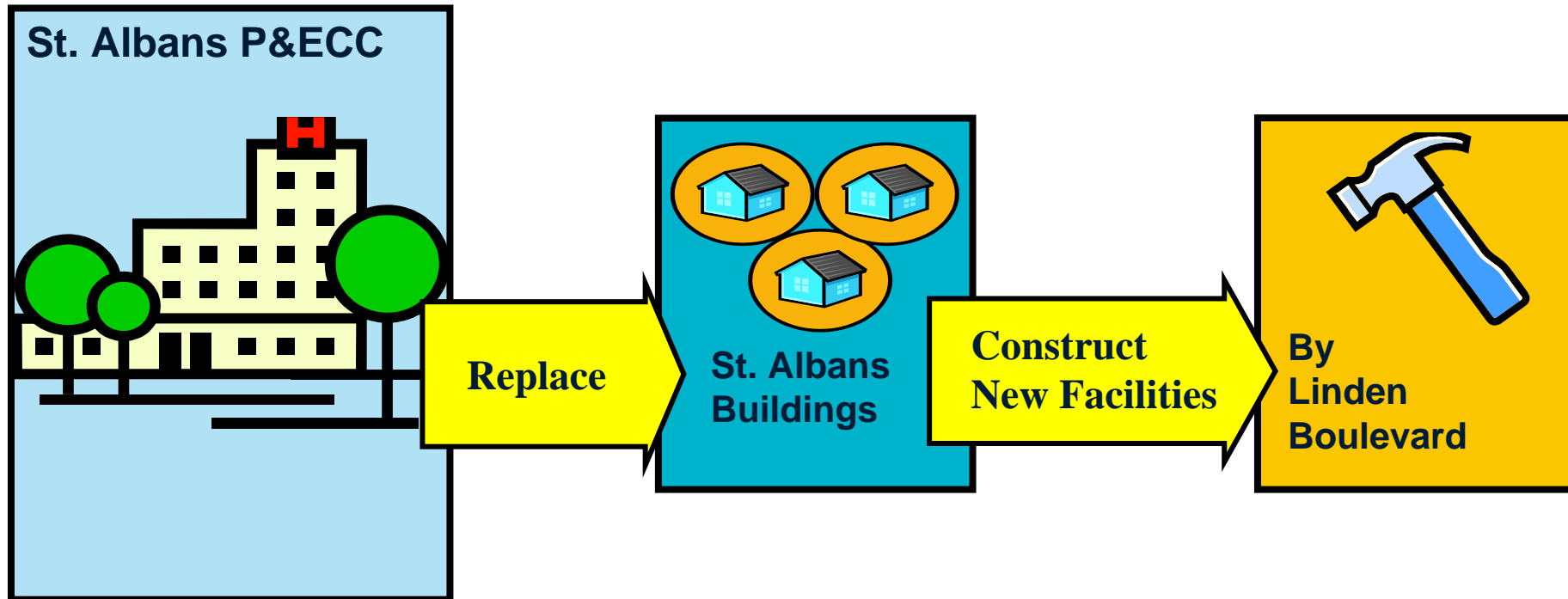
# BPO 3: Assessment, Replacement – Near to 115<sup>th</sup> Avenue [CP-2B]

<b>Healthcare Access</b>	No change.
<b>Healthcare Quality</b>	Site modernity, safety, and security requirements are met.
<b>Cost Effectiveness</b>	New facilities more efficient than current. Higher capital cost for new construction . Much lower maintenance costs.
<b>Ease of Implementation</b>	A straightforward relocation from existing buildings to new.
<b>Wider VA Program Support</b>	Would require outsourcing or relocation of VISN-wide laundry.

# BPO 4: Replacement - Near to Linden Boulevard

[CP-2C]

- Replace the buildings at St. Albans.
- Build new facility on site close to Linden Boulevard (core campus).



# BPO 4: Assessment, Replacement - Near to Linden Boulevard [CP-2C]

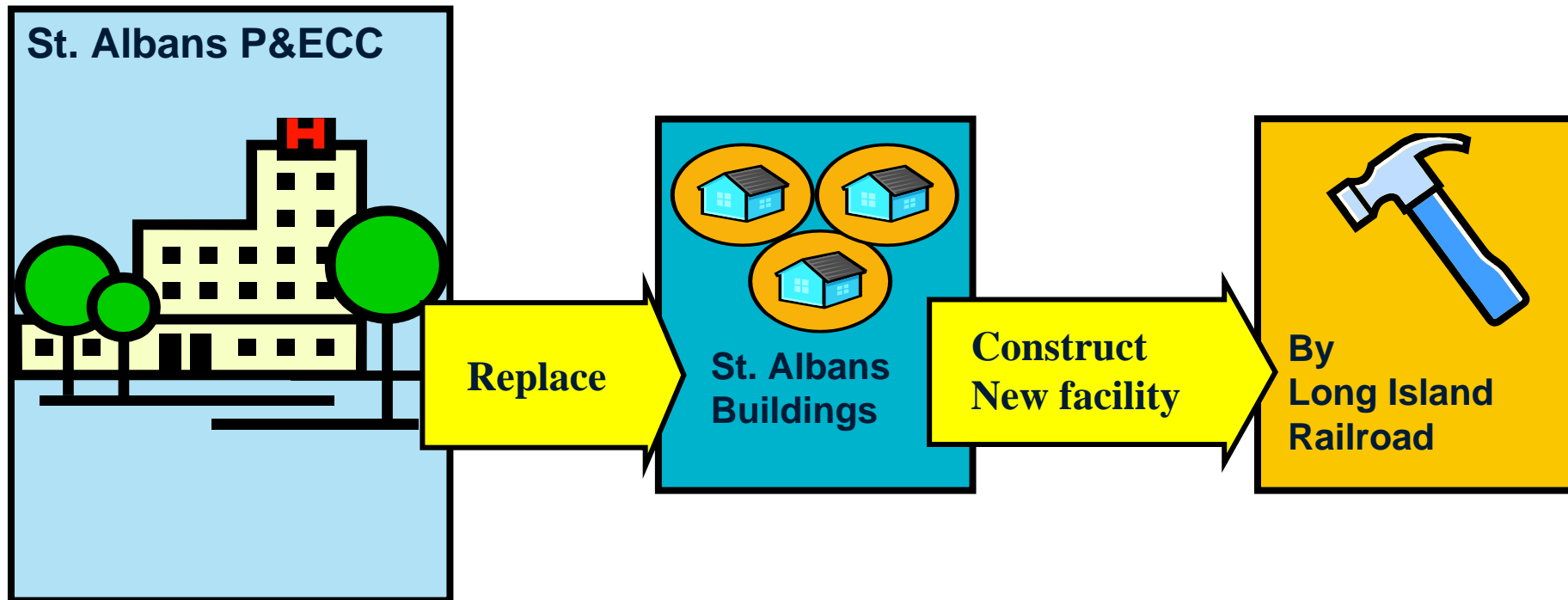
<b>Healthcare Access</b>	No change.
<b>Healthcare Quality</b>	Site modernity, safety, and security requirements are met.
<b>Cost Effectiveness</b>	New facilities more efficient than current. Higher capital cost for new construction. Much lower maintenance costs.
<b>Ease of Implementation</b>	A straightforward relocation from existing buildings to new.
<b>Wider VA Program Support</b>	Would require outsourcing or relocation of VISN-wide laundry.



# BPO 5: Replacement - Near to Long Island Rail Road

## Road [CP-2D]

- Replace the buildings at St. Albans
- Build new facility on site with access to Linden Boulevard close to the Long Island Rail Road station (core campus).



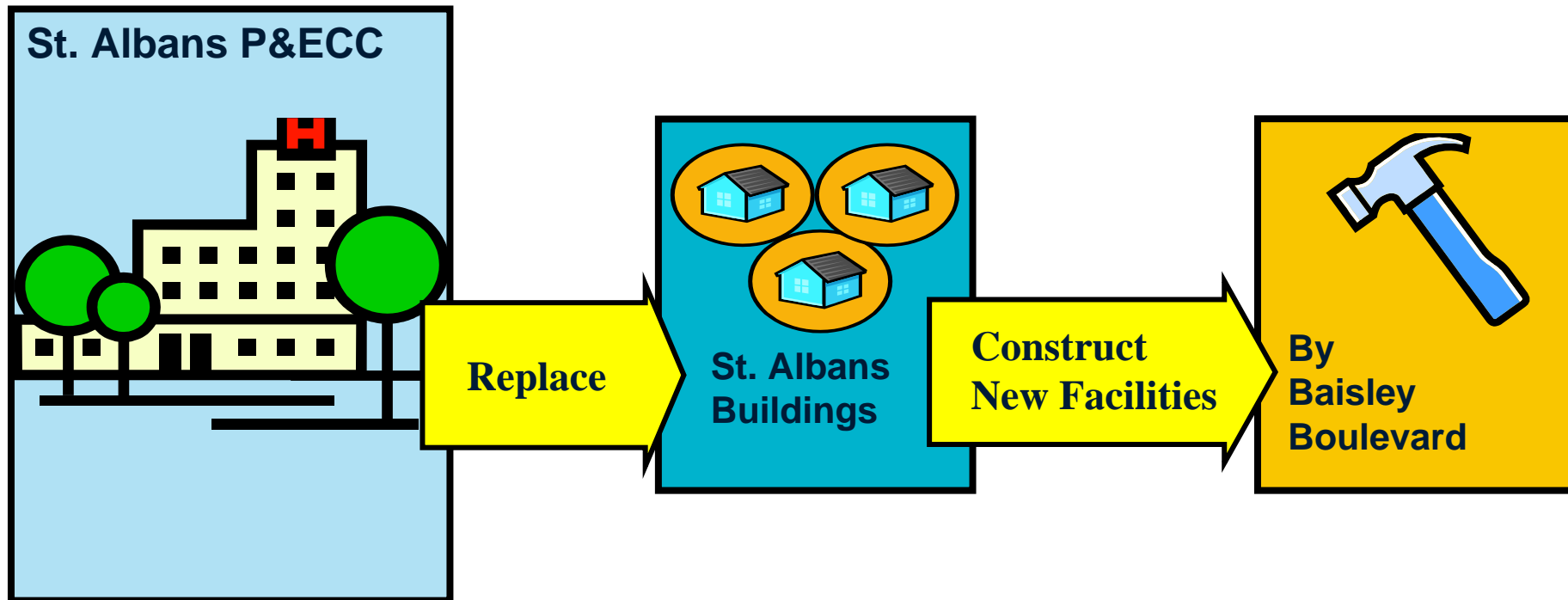
# BPO 5: Assessment, Replacement - Near to Long Island Rail Road [CP-2D]

<b>Healthcare Access</b>	No change.
<b>Healthcare Quality</b>	Site modernity, safety, and security requirements are met.
<b>Cost Effectiveness</b>	New facilities more efficient than current. Higher capital cost for new construction. Much lower maintenance costs.
<b>Ease of Implementation</b>	A straightforward relocation from existing buildings to new.
<b>Wider VA Program Support</b>	Would require outsourcing or relocation of VISN-wide laundry.

# BPO 6: Replacement - Near to Baisley Boulevard

[CP-2E]

- Replace the buildings at St. Albans.
- Build new facility on site off Baisley Boulevard between the existing laundry building and garage.



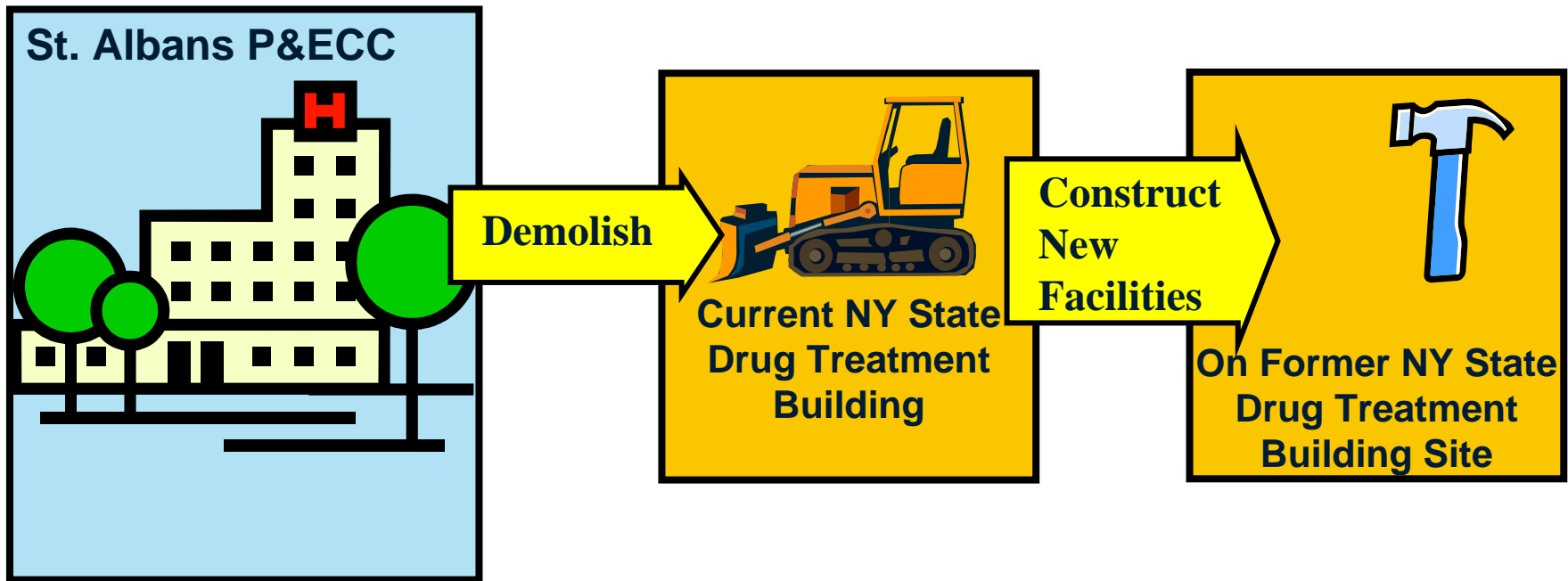
# BPO 6: Assessment, Replacement - Near to Baisley Boulevard [CP-2E]

<b>Healthcare Access</b>	No change.
<b>Healthcare Quality</b>	Site modernity, safety, and security requirements are met.
<b>Cost Effectiveness</b>	New facilities more efficient than current. Higher capital cost for new construction. Much lower maintenance costs.
<b>Ease of Implementation</b>	A straightforward relocation from existing buildings to new.
<b>Wider VA Program Support</b>	Would require outsourcing or relocation of VISN-wide laundry.

# BPO 7: Replacement - On Site of NY State Drug Treatment Building

[CP-2F]

- Replace the buildings at St. Albans.
- Demolish current NY State Drug Treatment Building.
- Build new facility on land near and presently occupied by the NY State Drug Treatment Building (southeast corner).

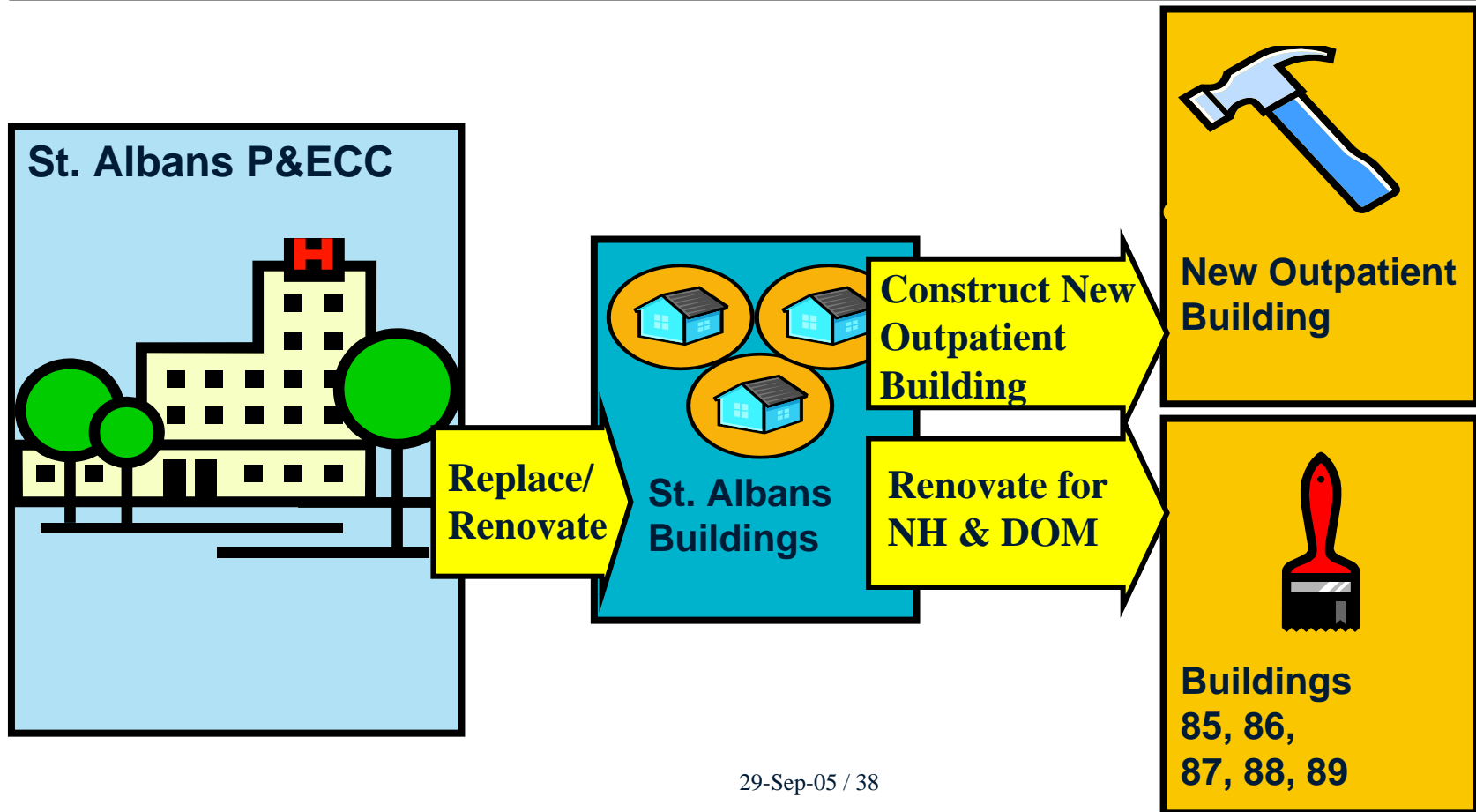


# BPO 7: Assessment, Replacement - On Site of NY State Drug Treatment Building [CP-2F]

<b>Healthcare Access</b>	No change.
<b>Healthcare Quality</b>	Site modernity, safety, and security requirements are met.
<b>Cost Effectiveness</b>	New facilities more efficient than current. Higher capital cost for new construction. Much lower maintenance costs.
<b>Ease of Implementation</b>	A straightforward relocation from existing buildings to new. Requires relocation of NY State Drug Treatment Program and demolition of that facility.
<b>Wider VA Program Support</b>	Would require outsourcing or relocation of VISN-wide laundry.

# BPO 8: Combination, New Outpatient, Renovated Nursing Home and Domiciliary [CP-3A]

- Replace and renovate buildings at St. Albans.
- Build new outpatient building and renovate existing buildings for nursing home and domiciliary care (core campus).



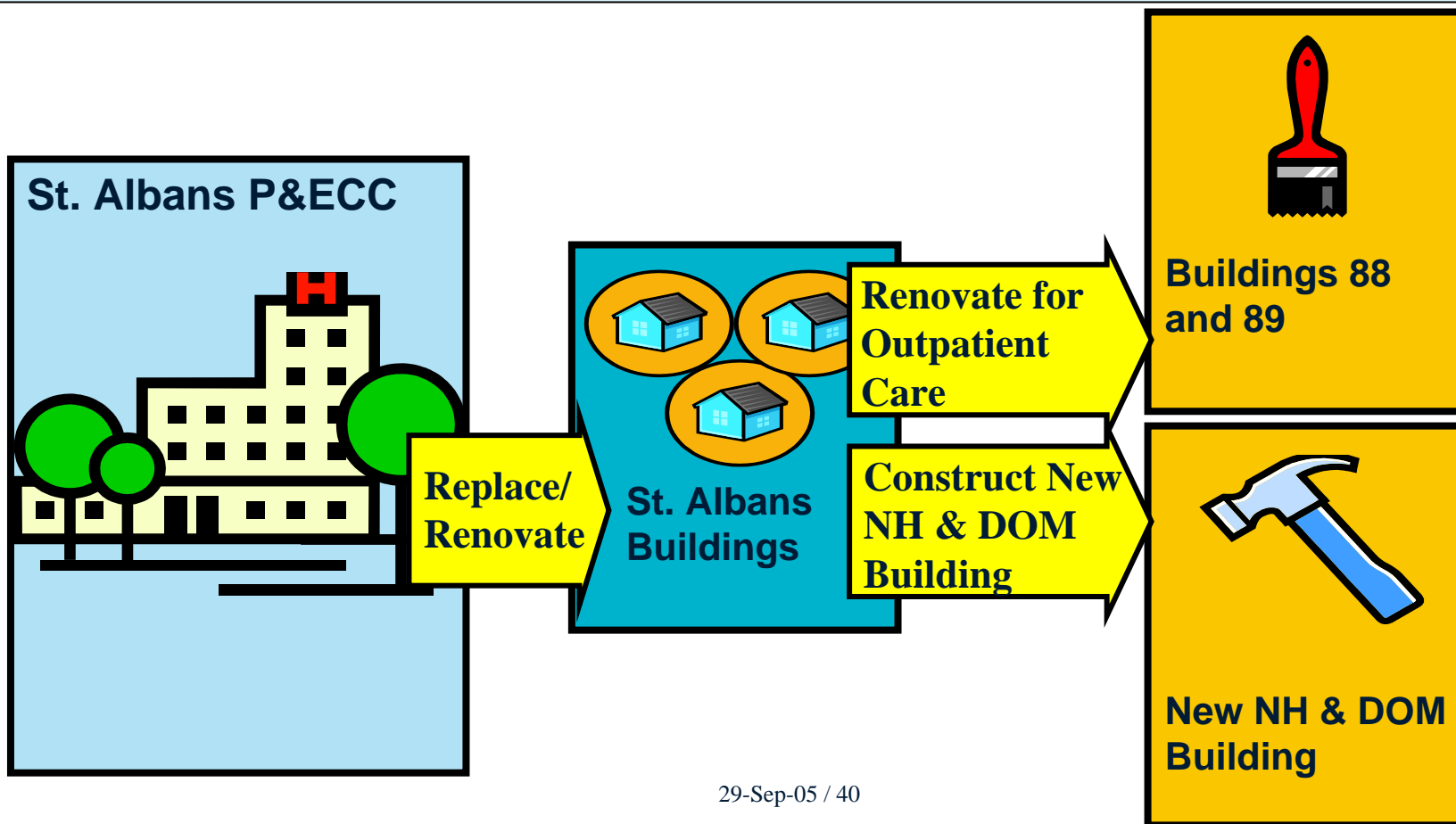
# BPO 8: Assessment, Combination, New Outpatient, Renovated Nursing Home and Domiciliary [CP-3A]

<b>Healthcare Access</b>	No change.
<b>Healthcare Quality</b>	Site modernity, safety and security requirements are met.
<b>Cost Effectiveness</b>	More operationally efficient than Baseline but less efficient than full replacement Options. Much more costly to construct. Less ongoing maintenance costs. Overall less cost effective than Baseline.
<b>Ease of Implementation</b>	A less straightforward set of relocations.
<b>Wider VA Program Support</b>	Would require outsourcing or relocation of VISN-wide laundry.



# BPO 9: Combination, Renovated Outpatient, New Nursing Home and Domiciliary [CP-3B]

- Replace and renovate the buildings at St. Albans.
- Build new nursing home and domiciliary building and renovate existing buildings for outpatients.



# BPO 9: Assessment, Combination, Renovated Outpatient, New Nursing Home and Domiciliary [CP-3B]

<b>Healthcare Access</b>	No change.
<b>Healthcare Quality</b>	Site modernity, safety, and security requirements are met.
<b>Cost Effectiveness</b>	More operationally efficient than Baseline but less efficient than full replacement Options. Lower capital and ongoing maintenance costs. Overall cost effectiveness comparable to Baseline.
<b>Ease of Implementation</b>	A less straightforward set of relocations.
<b>Wider VA Program Support</b>	No change.

# Options Not Selected for Assessment

**Five Options replacing both the Nursing Home and Domiciliary and Outpatient services in a single structure.**

**Size of structure (height) would be inconsistent with neighborhood. Also, less flexible over long term and not consistent with Stakeholder desires.**

**Three Options building new outpatient facilities off the current St. Albans campus.**

**These are not consistent with the Secretary's Decision Document.**

**Three Options building new Nursing Home and Domiciliary facilities off the current St. Albans campus.**

**These are not consistent with the Secretary's Decision Document.**

# Next Steps

- The Local Advisory Panel will review the Business Plan Options and recommend:
  - ◆ Which options should be further studied
  - ◆ Proposing additional options
  - ◆ Specific concerns to be addressed
- Responses and comments to the Business Plan Options will be collected for 10 days following the LAP meeting
- The next public meeting will review options selected by the Secretary for further study and discuss key issues.
- The fourth and final public meeting will present detailed analysis of the options and recommendations by Team PwC.

# How Can You Provide Feedback?

## Local Advisory Panel Meeting

- ◆ Provide testimony at the LAP meetings
- ◆ Fill out a comments form at the LAP meetings

## CARES Project Website

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

- ◆ An **electronic comments form** is available to share your views and opinions on the options presented
- ◆ Website provides public meeting information, agendas, meeting summaries, and links to background documents

## CARES Central Mailstop

**St. Albans Study  
VA CARES Studies  
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Washington Grove, MD 20880-1427**