

Capital Asset Realignment for Enhanced Services

Business Plan Studies for Waco VAMC

Presentation to Local Advisory Panel



CARES History and Background



- **A March 1999 GAO report concluded that if VHA restructured its capital assets it could significantly reduce the operating and maintenance costs of its facilities**
- **In response VHA initiated development of the Capital Asset Realignment for Enhanced Services (CARES) Program**
- **The CARES process was piloted in VISN 12 (Chicago, Milwaukee, Madison and parts of Michigan) using a contractor to objectively assess health care needs and recommend optimal Service Delivery Options**

CARES History and Background

Cont'd



- **CARES Phase II extended the CARES Program to all 21 Networks within VHA**
- **Phase II relied primarily upon VA staff and resources to develop the Network CARES Market Plans**
- **The Undersecretary for Health used the Networks CARES Market Plans to prepare a Draft National CARES Plan (DNCP) with recommendations to the Secretary.**
- **After review by the Secretary, the final DNCP was submitted to the CARES Commission in August 2003.**

CARES History and Background Cont'd



- **The Secretary appointed a National Commission of non-VA executives to review the DNCP to provide an objective and external perspective**
- **The Commission made recommendations to the Secretary to consider in his review of the draft National CARES Plan**
- **The final report of the CARES Commission was submitted in February 2004, and the Secretary announced his decision in May 2004**

Secretary's May 2004 Decision Document for Waco VAMC



- **The Waco campus includes 123 acres of land and 36 main hospital buildings, many of which are vacant or underutilized.**
- **The Commission made several observations concerning the proposed Waco campus realignment, including the potential benefits of collocating inpatient psychiatric care with other acute inpatient care in Temple, expansion of access to care for the growing Austin area, and a clear need to more effectively manage the substantial vacant space on the Waco campus.**

Secretary's May 2004 Decision Document for Waco VAMC



- **VA will conduct a further comprehensive study of the cost and continuity of care issues associated with any realignment**
- **The study will evaluate the most appropriate means and site for providing care to veterans now treated at the Waco campus and will include an analysis of moving the VBA Regional Office onto the Waco VAMC campus**
- **Irrespective of any realignment, the study will identify options for divesting or leasing a significant portion of the underutilized property in order to generate savings and revenues that could be applied to VA's health care mission**