



2007 Annual Report



Department of
Veterans Affairs





Foreword: Message from the Network Director

The network of hospitals and clinics that comprise the Department of Veterans Affairs' MidSouth Healthcare Network has much to be proud of when looking retrospectively at 2007. While the work and improvements are ongoing, we pause here in the 2007 VISN 9 Annual Report to take a snapshot look at our accomplishments and gain direction for the year(s) ahead.

As part of the larger system of VA networks, VISN 9 is proud of several areas that we have excelled in:

- An emphasis on preventive (primary) care as the foundation for the system;
- An automated health information system that includes a national electronic patient record system;
- Special emphasis on transitional assistance and priority medical care for wounded warriors returning from the global war on terror in Iraq and Afghanistan; and
- An affordable, evidence-based medication prescription plan.

These areas are consistent with national direction VA is leaning heavily towards.

We ended Fiscal Year 2007 on a positive note. There were 4 appropriation issues, including Information Technology (IT), and a supplemental appropriation passed in late August 2007 that we were under pressure to address. Additionally, meeting the many mental health expectations was a major accomplishment. VISN 9 also set another all time high in Medical Care Cost Recovery collections. Some said this could not be accomplished, but the hardworking, dedicated employees of VISN 9 proved them wrong. The direct beneficiaries of our success are our veterans.

I have had the privilege to personally meet with many veterans in discussion groups across the Network. I have gained a tremendous amount of information about things we are doing right in VISN 9 and also about things we can do better as a result of these discussion groups.

While we have seen a slight increase in the number of unique veterans we are treating, we recognize that the 'new' veterans have a new set of needs and expectations from us. These veterans are younger, they are technologically savvy, and they have a lot of life ahead of them. One of our goals is to ensure the restoration of their mental and physical health to the optimum levels so that they can return as close as possible to the lives they had before entering military service in defense of our country.

In previous VISN 9 Annual Reports we focused on VISN Program Managers, and Medical Center Directors. This year, I take this opportunity to focus on our clinical leadership in VISN 9. We have a full complement of highly trained, highly motivated, and highly professional Chief Medical Officers (CMOs) at each of our six core medical centers. They arrive daily to their duty stations with one goal in mind – making veterans' lives clinically better. They lead a group of highly skilled, credentialed healthcare providers tasked with caring for the very special needs of our unique veteran population. I am proud of the CMOs administrative and clinical leadership. They are featured in this report.



John Dandridge, Jr.
Network Director



Table of Contents



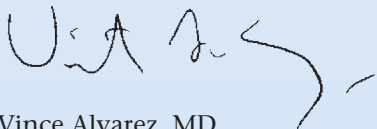
1	Foreword: Message from the Network Director
3	Message from the Chief Medical Officer
5	VISN 9 Chiefs of Staff
6	Access
10	VISN 9 Workload
11	Outpatient Clinic Workload
12	Cost Effectiveness
16	Quality
19	Satisfaction
23	Facility Leadership
24	VA MidSouth Healthcare Network Facilities

Message from the Chief Medical Officer

VA MidSouth Healthcare Network 9 continues to do very well from a clinical care perspective. I am pleased to outline some major accomplishments that occurred in 2007:

- **Pharmacy Benefits Management:** VISN 9 continues to be a leader in Pharmacy Benefits Management. The Network was able to save over 600% of our goal (equivalent to \$17.3 million), and ended the year with the lowest cost per 30-day prescription in the VA. Despite growth in our patient population, we kept costs down.
- **Polytrauma:** Each VISN 9 Medical Center established a Polytrauma Clinical Team.
- **Operation Enduring Freedom/Operation Iraqi Freedom (OEF/OIF) Patients:** Each VISN 9 medical center has at least one Transitional Patient Advocate for every 15 OEF/OIF Veterans to help ease their transition back into civilian life and into a relationship with VA once they are discharged from military service.
- **Mental Health:**
 - Each VISN 9 medical center established 24-hour access to Mental Health Counselors in their emergency departments.
 - Each VISN 9 medical center instituted suicide prevention programs, including educational programs for staff and patients.
 - The VISN 9 Homeless Program was upgraded, and VISN 9 met all of the national VA Performance Measures in this area.
 - VISN 9 established a 10-bed Gero-Psychiatric Nursing home at VA Tennessee Valley Healthcare System, to care for geriatric patients with psychiatric needs. This program allows dedicated beds for each VISN 9 facility.
- **Outside Credentialing Agencies:** VISN 9 was extensively reviewed in 2007. A partial listing of reviewing agencies is as follows:
 - The Joint Commission surveyed all six VISN 9 facilities and each was fully accredited with the exception of one which was *conditional*.
 - The Office of the Inspector General (OIG) reviewed several facilities and programs, with good reviews, and helpful recommendations.
 - The VA's System-wide Ongoing Assessment and Review Strategy (SOARS) program initiative reviewed each VISN 9 facility.
- **Flow Improvement Initiative:** Each VISN 9 facility developed "Flow Improvement Teams" designed to improve the flow of patients into, through, and out of the medical centers. As part of this initiative, each facility participated in three collaborative conferences held in Chicago, Indianapolis, and Nashville.
- **Quality of Care:** In the fourth quarter of Fiscal Year 2007 (FY07), VISN 9 had a score of 80.6% in overall quality performance measurement which is just 4.3 points lower than the best-performing VISN which scored 84.9%.

It is an honor to work with a team of dedicated, skilled and conscientious clinicians. The work continues as the veterans from earlier wars age and their health requirements increase while the newer generation of veterans is beginning to experience VA for the very first time. It is my desire to ensure that every eligible veteran be aware of the excellent health care offered by VISN 9 and have access to clinical staff that I have the highest level of confidence in.



Vince Alvarez, MD
Chief Medical Officer



VA Mission, Vision & Core Values



Under Secretary's Priorities

Putting patient care first

Practicing progressive leadership

Promoting improved business practices

Producing and maintaining meaningful performance measures

—Michael J. Kussman, MD
VHA Under Secretary for Health

VA Mission Statement

To fulfill President Lincoln's promise—*"To care for him who shall have borne the battle, and for his widow, and his orphan"*—by serving and honoring the men and women who are America's veterans.

VA Vision

To provide veterans the world-class benefits and services they have earned—and to do so by adhering to the highest standards of compassion, commitment, excellence, professionalism, integrity, accountability, and stewardship.

VA Core Values

Compassion We will treat all veterans and their families with the utmost dignity and compassion. We will provide services in a caring manner, with a sympathetic consciousness of others' distress together with a desire to alleviate it.

Commitment Veterans have earned our gratitude and respect. Their health care, benefits, and memorial service needs drive our actions.

Excellence We strive to exceed the expectations of veterans and their families. We strive to perform at the highest level of competence and take pride in our accomplishments.

Professionalism Our success depends on maintaining a highly-skilled, diverse, and compassionate workforce. We foster a culture that values equal opportunity, innovation, and accountability.

Integrity We recognize the importance of accurate information. We practice open, truthful, and timely communication with veterans, employees, and external stakeholders. By carefully listening and responding to their concerns, we seek continuous improvement in our programs and services.

Accountability We will perform in a manner at all times that makes us accountable, responsible, and answerable to veterans and their families, our leaders and other employees, as well as external stakeholders.

Stewardship We will ensure responsible stewardship on the human, financial, and natural resources as well as data and information entrusted to us. We will improve performance through the use of innovative technologies, evidence-based medical practices, and sound business principles.

Source: VA Strategic Plan 2006-2011



VISN 9 Chiefs of Staff



Joseph A. Pellecchia, MD
Huntington



Walter A. Divers, MD
Lexington



Marylee Rothschild, MD
Louisville



Margarethe Hagemann, MD
Memphis



David R. Reagan, MD
Mountain Home



George W. Arana, MD
Tennessee Valley
Healthcare System

**“From my perspective, VHA not only offers the best health care anywhere,
but we have the best people anywhere as well.”**

—Michael J. Kussman, MD

*Under Secretary for Health Department of Veterans Affairs
before the US Senate Committee on Veterans' Affairs, May 2007*



Seamless Transition

Transition Patient Advocates (TPAs) were hired during FY07 at each VISN 9 medical center and are solidly in place. This group of energized 'go-getters' works primarily with returning U.S. combat veterans who served in Iraq or Afghanistan and need help navigating the VA system.

These TPAs provide individual assistance to our nation's newest veterans – many with visible and non-visible war injuries – as they transition back to civilian life.

The patient advocates meet with veterans, family members and sometimes travel wherever the veteran needs to go for the help and support. They help veterans with every conceivable problem, from filling out paperwork to obtaining an appointment to receive specialized clinical treatment.

TPAs join a case management team of providers to assist severely wounded Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) veterans. All other returning OEF/OIF veterans are screened to determine if they need case management, and any veteran who desires a case management team will get one.

Most TPAs are veterans who have served in Iraq or Afghanistan and are at ease offering assistance in areas such as identifying resources, transportation, home services, paperwork completion, and attention to special needs and assistance in dealing with other government agencies.

The TPA program is a direct result of the Intergovernmental Task Force chaired by former VA Secretary R. James Nicholson who recommended creation of such a program.

Transition Patient Advocates



Barbara M. Slater
VISN 9 OEF/OIF
Program Manager



Pamela Y. Goodin
Tennessee Valley
Healthcare System
Nashville, Tennessee



**Christopher H.
Lowery**
Tennessee Valley
Healthcare System
Murfreesboro,
Tennessee



Patrick Kennedy
VA Medical Center
Memphis, Tennessee



Anne Witt
VA Medical Center
Mountain Home,
Tennessee



Paul D. Green
VA Medical Center
Lexington, Kentucky



Gilbert D. Stubbs
VA Medical Center
Louisville, Kentucky



George B. Brawn
VA Medical Center
Huntington,
West Virginia

“Consistent, comprehensive procedures and processes have been put in place to ensure transition of patients from military treatment facilities to VA care at the appropriate time, and under optimal conditions of safety and convenience for the patients and their families.”

—William F. Feeley

*Deputy Under Secretary for Health for Operations and Management
before the Subcommittee on Health House Committee on Veterans Affairs, September 25, 2007*

Mental Health

In FY07, VISN 9 accomplished many impressive milestones in the provision of mental health services for veterans:

- Over 95,000 veterans received mental health services in VISN 9 facilities;
- Memphis' 10-bed Post Traumatic Stress Disorder (PTSD) residential program was recognized for meeting VA Central Office (VACO) Residential Rehabilitation and Treatment Program (RRTP) requirements;
- Multiple new VACO-funded mental health programs and management of almost \$26.5 million and over 200 positions in new specialty programs were implemented in the following areas: PTSD, Operation Enduring Freedom/Operation Iraqi Freedom (OEF/OIF), Substance Use Disorders (SUD), Community Based Outpatient Clinic (CBOC) MH, CBOC Telemental Health (TMH), Compensated Work Therapy (CWT)/Supported Employment, Homeless Grant & Per Diems, Healthcare for Re-entry Veterans, Domiciliary and other RRTPs, Psychosocial Rehabilitation & Recovery Center (PRRC), Peer Support, Long-term Psychiatric Care, Mental Health Intensive Case Management (MHICM), Family Psychoeducation, Local Recovery Coordination, Suicide Prevention Coordination, Mental Health/Primary Care (PC) Integration, Home Based PC Mental Health, and Nursing Home Mental Health;
- Increased the number of unique veterans served and dollar expenditures in all Special Disability categories (Homeless, PTSD, Psychotic Disorders, Serious Mental Illness, and Substance Abuse);
- Hired specialized Suicide Prevention Coordinators and Local Recovery Coordinators at all facilities;
- Established a VISN-wide Telemental Health plan to provide general and specialty TMH equipment for all medical centers and most CBOCs;
- Initiated Peer Support programs at Lexington, Louisville, Memphis, Mountain Home, and TVHS to promote self-help and recovery among veterans;
- Developed a VISN-wide plan to begin buprenorphine treatment for veterans with opioid dependence;
- All VISN 9 facilities observed Mental Illness Awareness Week which acknowledged veterans' achievements, highlighted available mental health services, and reduced stigma (for 2 consecutive years, the only VISN nationwide in which all facilities participated);
- Excellence on Performance Measures -
 - Continued consolidation of VISN Homeless Program services under Mental Health and hired a Network Homeless Coordinator, which resulted in exceeding all 4 Homeless Program performance measures;
 - Consistently exceeded the performance measure requiring 90% of our CBOCs provide at least 10% mental health visits (100% of qualifying CBOCs met this standard);
 - Exceeded performance measures for Substance Use Disorder continuity of care and established mental health patient wait times;
 - Met the goals for number of MHICM patients served, new patient wait times, and medication coverage for patients with new diagnoses of depression.

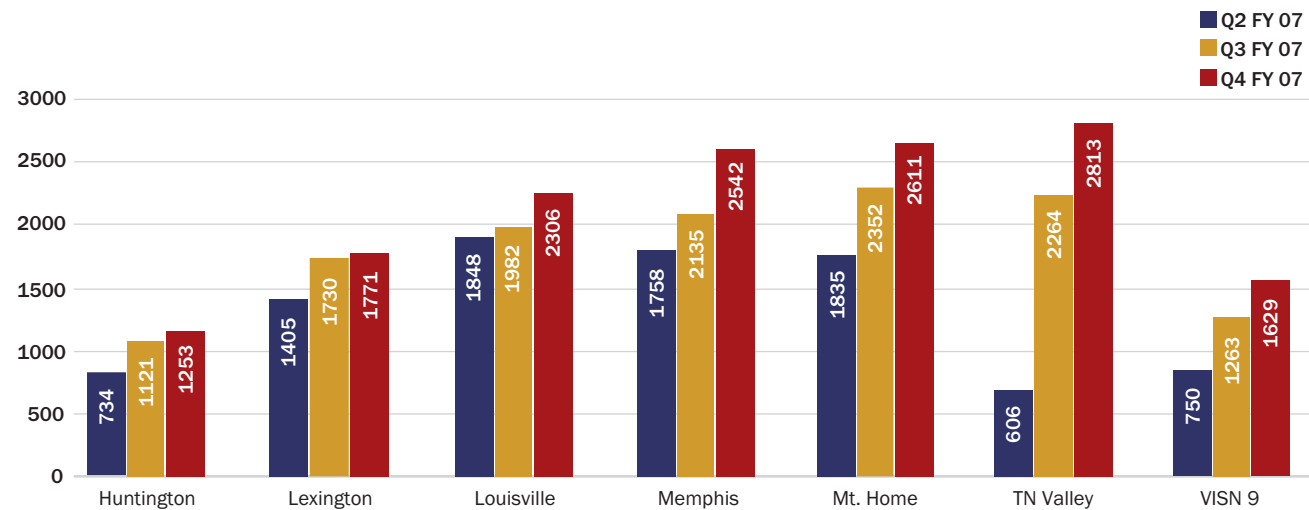
VISN 9 Internet

Veterans Health Administration (VHA) and VISN 9 continue to harness technology in order to improve communication with our patients and the general public. In FY 07, VHA required each VA medical center to establish a website and implement a standard set of minimum content requirements. VISN 9 exceeded these requirements by implementing a standardized design, giving each site the same “look and feel”, making it easier for visitors to consistently find information as quickly as possible.

VISN 9’s web sites are designed with veterans in mind and contain useful information to help veterans navigate through services and benefits. In addition to accessing up-to-date, helpful information, veterans can enroll for care, make or change an appointment, get driving directions, access MyHealtheVet and much more.



Since launching the websites in early 2007, usage by unique visitors has grown substantially. Between the 2nd Quarter of Fiscal Year 2007 and the 4th Quarter of Fiscal Year 2007 VISN 9’s web sites experienced an average 67% increase in unique visitors.



Data Source: VA Web Solutions Web Stats

Unique Visitors: The number of individuals that visited the web site at least once in the specified time period.

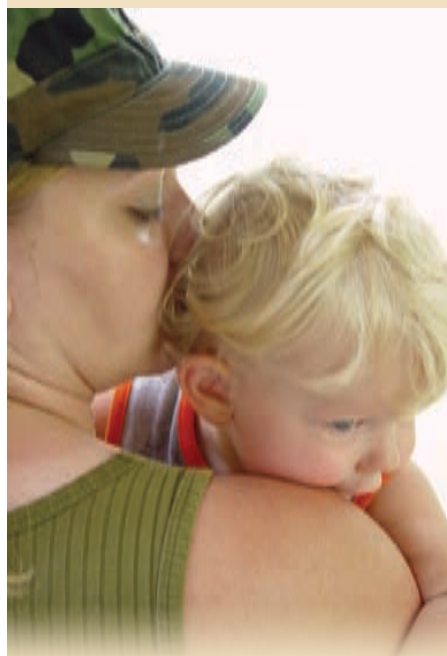
Q2 = 2nd Quarter Fiscal Year 2007

Q3 = 3rd Quarter Fiscal Year 2007

Q4 = 4th Quarter Fiscal Year 2007

Huntington VA Medical Center	www.huntington.va.gov
Lexington VA Medical Center	www.lexington.va.gov
Louisville VA Medical Center	www.louisville.va.gov
Memphis VA Medical Center	www.memphis.va.gov
Mountain Home VA Medical Center	www.mountainhome.va.gov
Tennessee Valley Healthcare System	www.tennesseevalley.va.gov
MidSouth Healthcare Network (VISN 9)	www.visn9.va.gov

VISN 9 Workload



Category	FY 06	FY 07	Increase	VISN 9 % Increase	National % Increase
*Unique Patients	266,847	271,231	4,384	1.64%	2.18%
Acute Discharges	36,304	35,989	(315)	-0.87%	3.62%
Outpatient Visits	2,466,319	2,596,555	130,236	5.28%	4.35%

*Includes duplicated Unique Patients between medical centers

UNIQUE PATIENTS

Facility	FY 06	FY 07	Variance	% Variance
Huntington	29,949	29,900	(49)	-0.16%
Lexington	31,708	32,460	752	2.37%
Louisville	39,834	40,483	649	1.63%
Memphis	45,925	47,486	1,561	3.40%
Mt. Home	36,364	36,751	387	1.06%
TN Valley	83,067	84,151	1,084	1.30%
*VISN 9 Total	266,847	271,231	4,384	1.64%

Data Source: VSSC Website

Updated October 28, 2007

*Includes duplicated Unique Patients between medical centers

ACUTE DISCHARGES

Facility	FY 06	FY 07	Variance	% Variance
Huntington	3,817	3,810	(7)	-0.18%
Lexington	5,159	5,746	587	11.38%
Louisville	5,519	5,817	298	5.40%
Memphis	6,362	6,239	(123)	-1.93%
Mt. Home	5,159	5,304	145	2.81%
TN Valley	9,716	9,073	(643)	-6.62%
VISN 9 Total	35,732	35,989	257	0.72%

OUTPATIENT VISITS

Facility	FY 06	FY 07	Variance	% Variance
Huntington	293,359	292,439	(920)	-0.31%
Lexington	323,469	346,552	23,083	7.14%
Louisville	402,752	421,277	18,525	4.60%
Memphis	469,065	498,903	29,838	6.36%
Mt. Home	352,679	381,108	28,429	8.06%
TN Valley	624,995	656,276	31,281	5.01%
VISN 9 Total	2,466,319	2,596,555	130,236	5.28%

Outpatient Clinic Workload

VISN 9 Unique Patients by Sub Station*

Huntington, WV VAMC	FY 06	FY 07	Variance	% Variance
Prestonsburg (KY)	3,955	3,847	(108)	-2.73%
Charleston (WV)	6,785	6,741	(44)	-0.65%
Williamsport (WV)	518	505	(13)	-2.51%
Logan County (WV)	561	560	(1)	-0.18%

Lexington, KY VAMC	FY 06	FY 07	Variance	% Variance
Somerset (KY)	4,271	4,375	104	2.44%
Morehead (KY)	0	324	324	100.00%

Louisville, KY VAMC	FY 06	FY 07	Variance	% Variance
Fort Knox (KY)	3,989	5,438	1,449	36.32%
New Albany (IN)	8,477	7,591	(886)	-10.45%
Shively (KY)	7,773	8,250	477	6.14%
Dupont (KY)	6,938	6,623	(315)	-4.54%
Newburg (KY)	1,346	8,555	7,209	535.59%

Memphis, TN VAMC	FY 06	FY 07	Variance	% Variance
Smithville (MS)	2,884	2,882	(2)	-0.07%
Jonesboro (AR)	2,903	2,908	5	0.17%
Byhalia (MS)	927	996	69	7.44%
Savannah (TN)	1,432	1,418	(14)	-0.98%
Covington (TN)	6,641	6,773	132	1.99%
Memphis - South (TN)	8,341	8,222	(119)	-1.43%

Mt. Home, TN VAMC	FY 06	FY 07	Variance	% Variance
Rogersville (TN)	532	558	26	4.89%
Mountain City (TN)	381	320	(61)	-16.01%
Norton (VA)	709	648	(61)	-8.60%
St. Charles (VA)	2,201	2,683	482	21.90%
Knoxville (TN)	10,928	11,363	435	3.98%

TN Valley, TN VAMC	FY 06	FY 07	Variance	% Variance
Dover (TN)	563	550	(13)	-2.31%
Bowling Green (KY)	2,688	2,669	(19)	-0.71%
FT. Campbell (KY)	2,371	2,798	427	18.01%
Clarksville (TN)	3,396	3,457	61	1.80%
Chattanooga (TN)	12,849	13,400	551	4.29%
Tullahoma (TN)	3,451	1,837	(1,614)	-46.77%
Cookeville (TN)	3,026	3,187	161	5.32%
Vine Hille (TN)	835	664	(171)	-20.48%

*Community Based Outpatient Clinic

Source: VISN Support Service Center (VSSC)

VISN 9 Clinic Stops by Sub Station*

Huntington, WV VAMC	FY 06	FY 07	Variance	% Variance
Prestonsburg (KY)	22,025	21,053	(972)	-4.41%
Charleston (WV)	31,430	32,665	1,235	3.93%
Williamsport (WV)	1,484	1,381	(103)	-6.94%
Logan County (WV)	1,416	1,459	43	3.04%

Lexington, KY VAMC	FY 06	FY 07	Variance	% Variance
Somerset (KY)	18,988	18,754	-234	-1.23%
Morehead (KY)	0	913	913	100.00%

Louisville, KY VAMC	FY 06	FY 07	Variance	% Variance
Fort Knox (KY)	16,495	17,382	887	5.38%
New Albany (IN)	40,797	33,201	(7,596)	-18.62%
Shively (KY)	42,645	38,414	(4,231)	-9.92%
Dupont (KY)	41,787	36,610	(5,177)	-12.39%
Newburg (KY)	4,736	28,743	24,007	506.90%

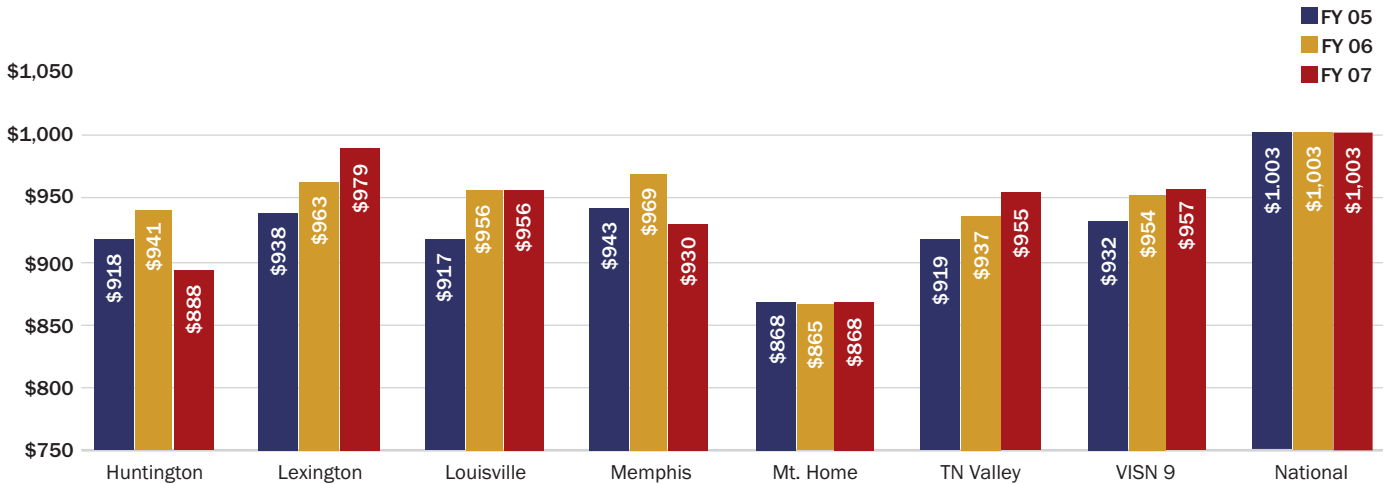
Memphis, TN VAMC	FY 06	FY 07	Variance	% Variance
Smithville (MS)	11,436	12,034	598	5.23%
Jonesboro (AR)	8,437	8,580	143	1.69%
Byhalia (MS)	2,518	2,512	(6)	-0.24%
Savannah (TN)	3,744	3,871	127	3.39%
Covington (TN)	23,587	26,184	2,597	11.01%
Memphis - South (TN)	29,758	32,811	3,053	10.26%

Mt. Home, TN VAMC	FY 06	FY 07	Variance	% Variance
Rogersville (TN)	2,391	2,948	557	23.30%
Mountain City (TN)	1,572	792	(780)	-49.62%
Norton (VA)	3,141	2,260	(881)	-28.05%
St. Charles (VA)	9,634	12,706	3,072	31.89%
Knoxville (TN)	58,092	59,595	1,503	2.59%

TN Valley, TN VAMC	FY 06	FY 07	Variance	% Variance
Dover (TN)	1,710	2,326	616	36.02%
Bowling Green (KY)	6,126	6,596	470	7.67%
FT. Campbell (KY)	8,963	8,519	(444)	-4.95%
Clarksville (TN)	16,565	16,694	129	0.78%
Chattanooga (TN)	81,911	96,889	14,978	18.29%
Tullahoma (TN)	14,546	10,883	(3,663)	-25.18%
Cookeville (TN)	9,533	10,379	846	8.87%
Vine Hille (TN)	2,024	1,486	(538)	-26.58%

Cost Effectiveness

Pharmacy Cost per Unique Patient



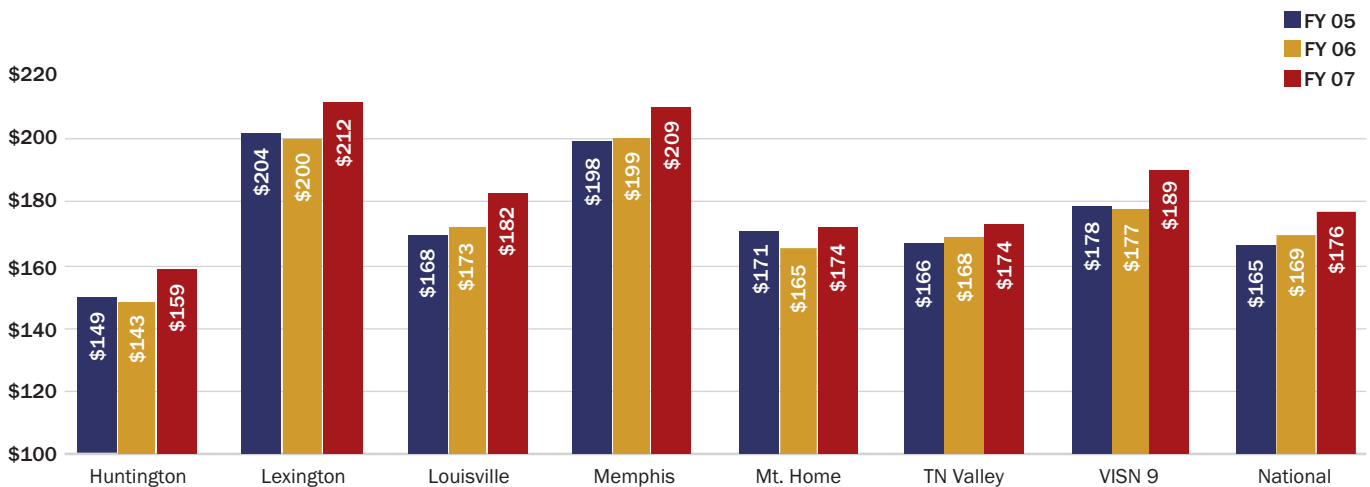
101 – Drug Costs (Incl Consolidated Mail Out Patient (CMOP))/Unique VA Patient:

Data Source: VISN Support Service Center (VSSC)

Drug Costs: FMS Expenditures for cost center 224-Pharmacy – CFY Includes CMOPs. Fund = 0160A1/0160A7, 0160B2, and 0160X4, BOC 1000-1099 or 2100-2999.

Unique Patients: VA hospital Inpatients, Outpatients, Nursing Home Care Unit (NHCU) and Domiciliary (Doms)

Laboratory Cost per Unique Patient



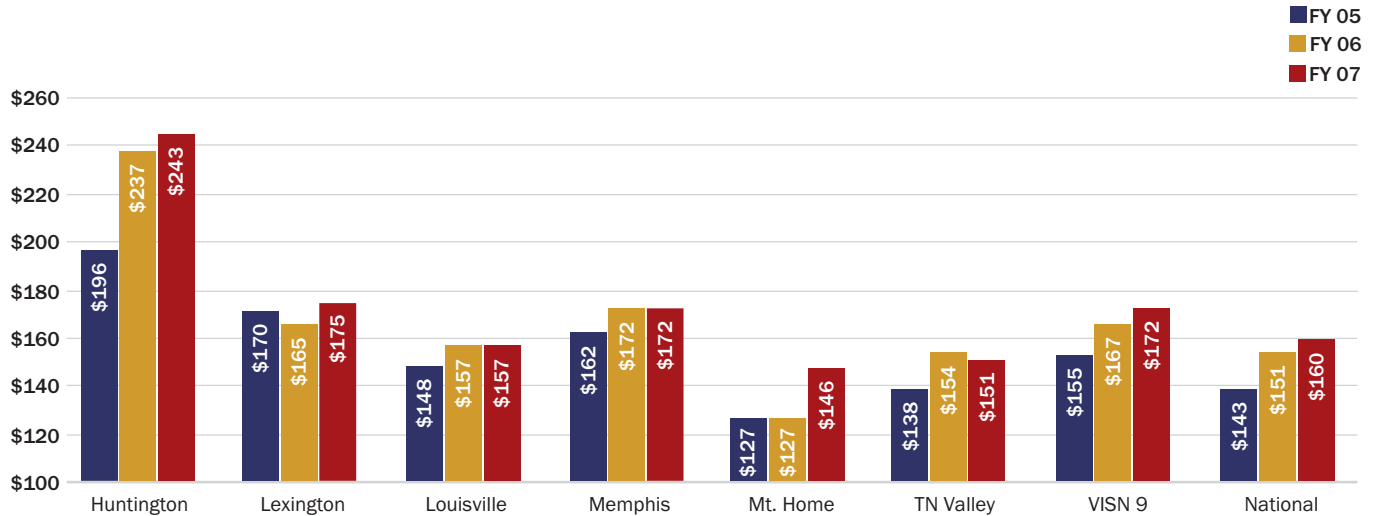
102 – Laboratory Costs/Unique VA Patient:

Data Source: VISN Support Service Center (VSSC)

Laboratory Costs: FMS Expenditures for cost center 223-Laboratory. Fund = 0160A1/0160A7, 0160B2, and 0160X4. BOC 1000-1099 or 2100-2999.

VA Unique Patients: VA hospital Inpatients, Outpatients, Nursing Home Care Unit (NHCU) and Domiciliary (Doms)

Radiology Cost per Unique Patient



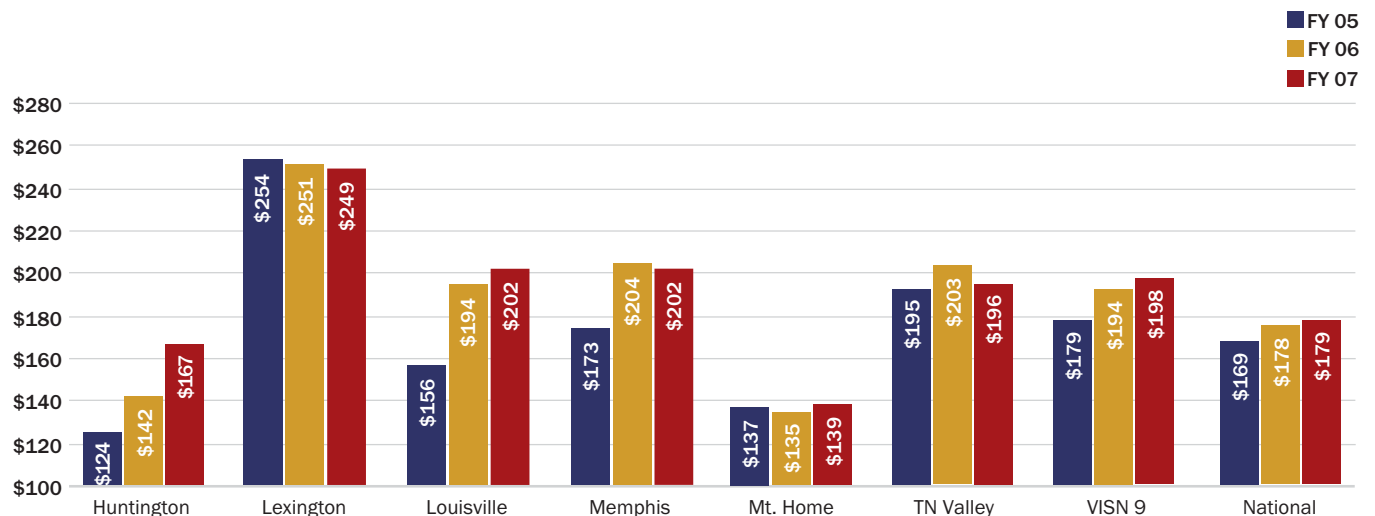
103 – Drug Costs (Incl CMOP)/Unique VA Patient:

Data Source: VISN Support Service Center (VSSC)

Radiology Costs: FMS Expenditures for cost center 222-Diagnostic Radiology and 229-Nuclear Medicine. Fund = 0160A1/0160A7, 0160B2, and 0160X4, BOC 1000-1099 or 2100-2999.

VA Unique Patients: VA hospital Inpatients, Outpatients, Nursing Home Care Unit (NHCU) and Domiciliary (Doms)

Prosthetics Cost per Unique Patient



117 – Prosthetic Costs/Unique VA Patient:

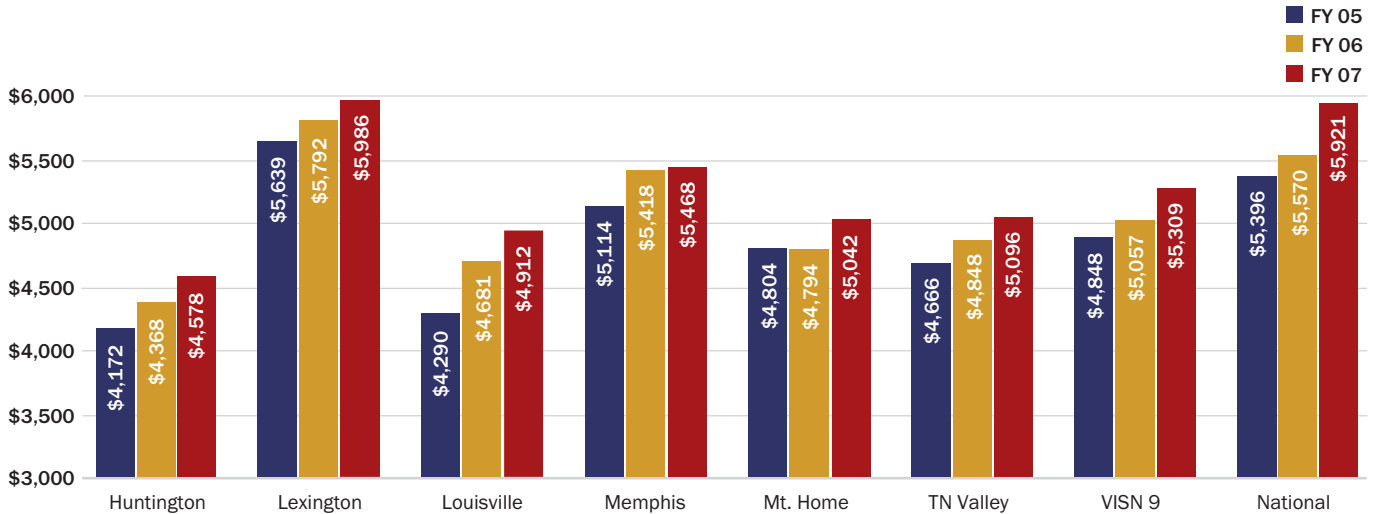
Data Source: VISN Support Service Center (VSSC)

Prosthetic Costs: FMS Expenditures for BOC 2692 and 2693. Fund = 0160A1/0160A7, 0160B2, and 0160X4.

VA Unique Patients: VA hospital Inpatients, Outpatients, Nursing Home Care Unit (NHCU) and Domiciliary (Doms)

Cost Effectiveness

Total Cost per Unique Patient



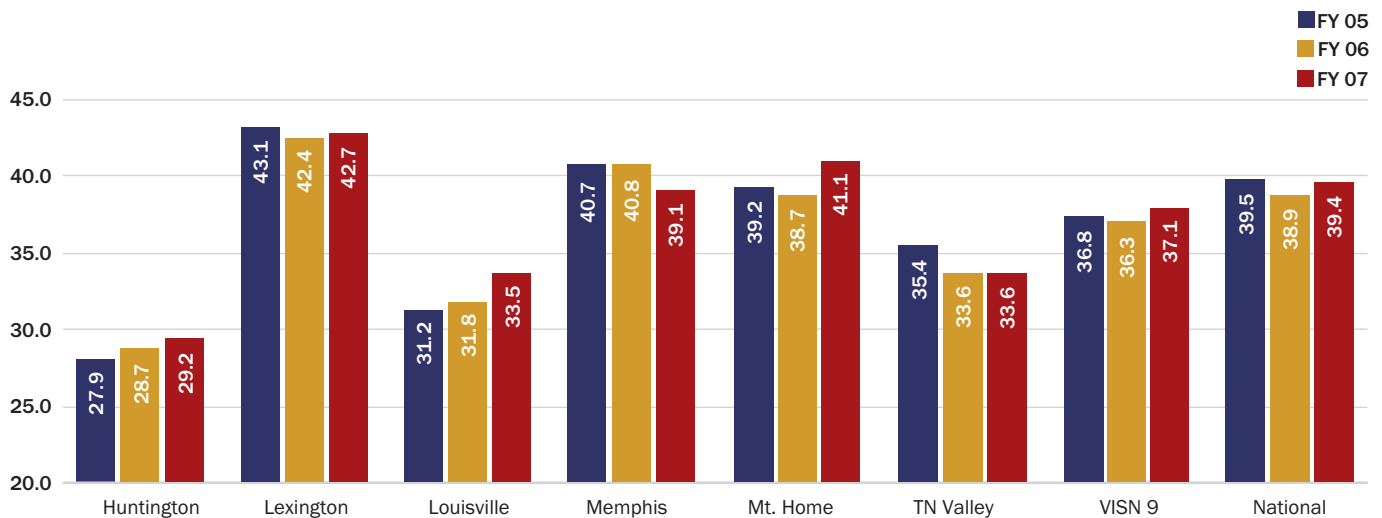
100 – .01 Obligations/Unique VA Patient:

Data Source: VISN Support Service Center (VSSC)

.01 Obligations: FMS Expenditures for budget fiscal year. Fund = 0160A1/0160A7, 0160B2, and 0160X4 with a program code of .01, .24, .27, or .28.

VA Unique Patients: VA hospital Inpatients, Outpatients, Nursing Home Care Unit (NHCU) and Domiciliary (Doms). Fee Hospital, Outpatients, and Community Nursing Homes.

Total FTE per 1,000 Unique Patients



111 – Total FTE/1000 Unique Patients:

Data Source: VISN Support Service Center (VSSC)

FTE: FMS – Total Medical Care FTE. Also, For FY03 only, BOCs greater than or equal to 3000 and less than or equal to 3999 are excluded.

VA Unique Patients: VA hospital Inpatients, Outpatients, Nursing Home Care Unit (NHCU) and Domiciliary (Doms). Fee Hospital, Outpatients, and Community Nursing Homes.

Award of Contracts

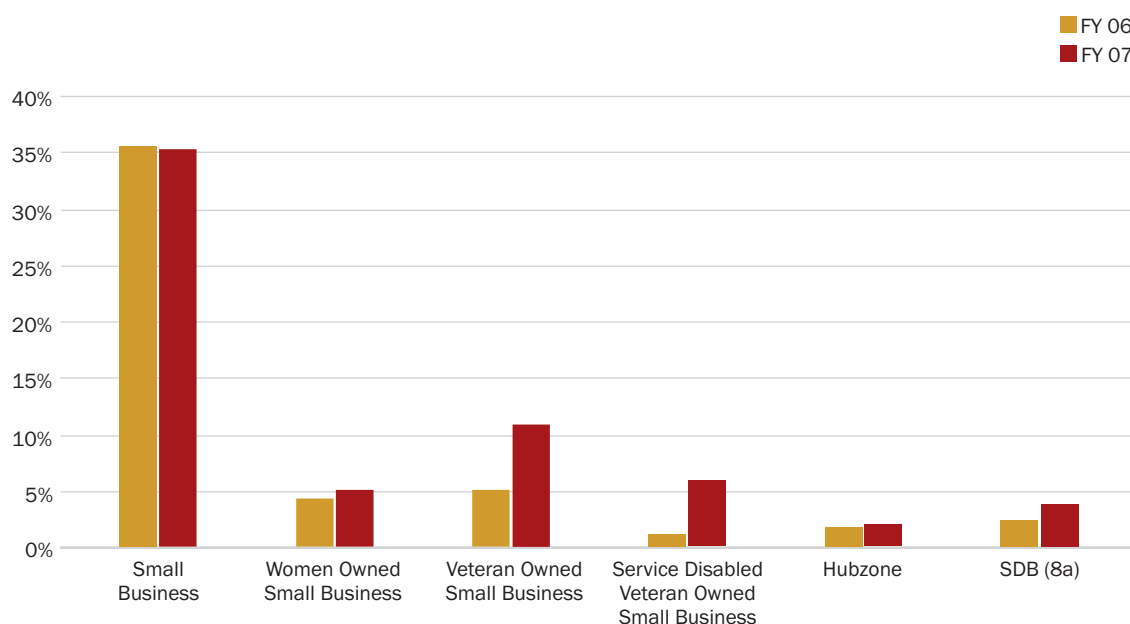
Moving forward in concert with the socio-economic goals established the previous year, in FY07 the VISN established lofty monthly targets for all socio-economic categories, with special emphasis placed on procurement opportunities with Service Disabled Veteran Owned Small Business (SDVOSB) and Veteran Owned Small Business (VOSB) vendors.

Central Contract Registry (CCR) and VetBiz.gov web sites were utilized prior to contract awards. This, coupled with attendance at business matchmaking conferences, aided in locating and targeting specific small business set-aside opportunities throughout the year. The forecast for increased demand for Architectural/Engineering (A/E) and construction awards was evaluated to identify projects suitable for SDVOSB and VOSB vendors.

All procurements over \$25,000 were evaluated for SDVOSB and VOSB set-aside authority potential. The results were monumental. SDVOSB set-asides more than doubled, from 1.79% in FY06 to 5.08% in FY07, and the VOSB results did the same, moving from 5.08% to 10.81%.

This focus on the veteran set-asides fortunately did not have a negative effect on the 8a and Hubzone small disadvantaged business programs. Although the Network came in slightly under our goals in these categories, a 10.89% increase from the prior year was still achieved.

As a direct result of the stellar efforts of the VISN 9 contracting team, significant improvement was made in 5 of the 6 categories in FY07 shown in the table. And for the first time in 10 years all projected goals were achieved or exceeded. Most notably, the dollar amounts for contracts with Service-Disabled Veteran-Owned Small Business (SDVOSB) quadrupled from \$6 million in FY06 to \$24 million in FY07, and contracts with Veteran-Owned Small Business (VOSB) increased from \$17 million to over \$45 million.



Healthy Communities

Measuring Quality & Performance

The Healthcare Effectiveness Data and InformationSet (HEDIS) is a tool used by more than 90 percent of America's health plans to measure performance on important dimensions of care and service.

The National Committee for Quality Assurance (NCQA) created HEDIS to collect data about the quality of care and services provided by health systems. HEDIS consists of a set of Performance Measures that compare how well health plans perform in key areas: quality of care, access to care and member satisfaction with the health plan and doctors. NCQA requires health plans to collect this information in the same manner so that results can be fairly compared to one another.

In FY07 VISN 9 outperformed the HEDIS measures in all but two of the 14 measures. Of the national VHA measures, VISN 9 was equal to or better than eight of the 14 measures with the remaining just one or two percentage points lower than the VHA measures.

QUALITY OF CARE INDICATORS VA-HEDIS COMPARISONS

	VISN 9 07	VA-Wide 07	HEDIS Commercial 06	HEDIS Medicare 06	HEDIS Medicaid 06
Breast cancer screening	87%	84%	69%	70%	50%
Cervical cancer screening	89%	91%	81%	n/a	66%
Colorectal cancer screening	78%	78%	55%	n/a	68%
Diabetes: Annual HbA1c <7	48%	48%	42%	45%	30%
Diabetes: LDL-C <100	63%	64%	43%	47%	31%
Diabetes: LDL-C measured yearly	93%	92%	83%	84%	71%
Diabetes: Timely retinal exam	86%	85%	55%	62%	51%
Diabetes: Renal testiing	91%	91%	80%	85%	75%
Diabetes: Blood Pressure < 130/80	40%	42%	30%	30%	30%
Blood Pressure < 140/90	75%	76%	60%	57%	53%
Acute Coronary Syndrome> Beta Blocker	98%	98%	98%	93%	88%
Depression – Follow-up	17%	25%	45%	40%	28%
Depression – New meds	73%	68%	61%	52%	43%
Smoking cessation counseling	74%	83%	74%	n/a	83%

Performance Recognition

Each year the Network Director recognizes facility high levels of performance and accomplishments. Medical centers are recognized in three categories: Best Performing, Most Improved, and Maintained the Gain. Selections are based largely upon the National VHA Performance Contract and are presented during a VISN 9 Executive Leadership Council meeting for the previous year.

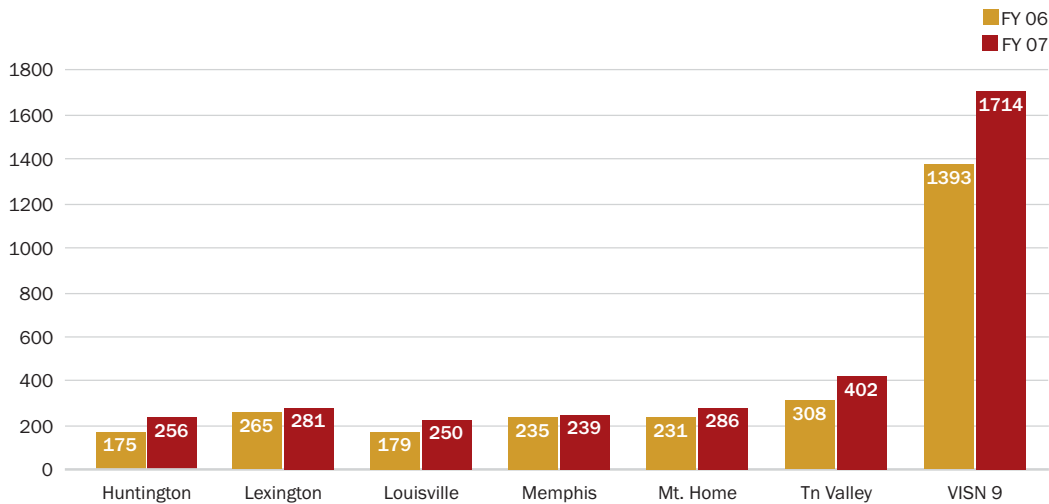
Best Overall Performance 2007: Huntington

Most Improved 2007: Tennessee Valley Healthcare System

Maintained the Gain 2007: Mountain Home

Care Coordination/Home Telehealth

The VISN 9 Care Coordination Telehealth (CCHT) program continues to serve veterans by offering non-institutional quality care. The Network utilized Registered Nurses, some of whom have completed the VHA Master Preceptor program in the administrative track. As a result, veterans in VISN 9 are decreasing unscheduled visits to facility Emergency Rooms and Primary Care Clinics and more importantly the Network has realized a dramatic decrease in the number of inpatient admissions. Enrollment of patients in VISN 9 programs also continues to increase annually, which may be attributed in part because of CCHT.



It is also evident that because of the ongoing success of the CCHT program, the cost avoidance by all VISN 9 hospitals saved \$1.7 million for FY 07 alone.

VISN 9 CCHT PROGRAM

365 Days in Program	PRE	POST	TOTAL Difference
Admissions	469	285	184
Length of Stay	2543	1509	1034
ER-walk-in DSS 102 visits including secondary stop codes 101, 117, 185, 186	998	702	296
Primary Care Visits including secondary stop codes (117, 125, 160, 185, 186, 188, 301, 306, 328, 411, 451, 452, 453, 707, 710, & 714)			
Total Visits - 102 & 323 only	3112	2442	670
Inpatient Cost	\$3,957,962.69	\$2,345,509.18	\$1,612,453.51
Outpatient Cost	\$575,950.28	\$487,296.54	\$88,653.74
Total Cost SAVINGS	\$4,533,912.97	\$2,832,805.72	\$1,701,107.25
COST AVOIDANCE	\$1,701,102.25		
% Savings	37.52		
Number of Patients	448		
Savings Per Patient	\$3,797.11		

VISN 9 far exceeded the required performance target of enrolling at least 1,000 patients. The CCHT program continues to demonstrate the network's commitment to providing alternative methods of care and access to our nations' veterans.

VISN 9 Centralized Call Center

The VISN 9 Centralized Call Center is located in Lexington, Kentucky and provides after hours access to care for VISN 9's veteran population. Advice is given by Registered Nurses per protocol. The availability of continuous phone access to the veterans in this network has resulted in a total call volume of 26,604 encounters answered by nurses for FY07. This equates to 4,434 calls per Call Center nurse. While designed specifically for medical advice, Clinical and Administrative calls are received by the call center.

During FY07, there were 656 clinical calls and 945 administrative calls. There were 1,906 calls that required call center nurses perform appropriate follow-up with patients after their disposition to assure that advice was followed according to clinical protocol. Quality indicators are assessed on a scheduled basis to determine the average abandonment call rate, call duration and call types.

Recently, VISN 9 converted to a new electronic clinical system that provides access to clinical protocols for guiding nurses through decision trees for giving sound clinical advice to callers. This electronic system replaces a hardcopy version that was used by call center nurses. The ongoing improvement of alternate venues of patient care will continue to provide VISN 9's veteran population with increased access to VA's services.

Patient Safety

Veterans Health Administration (VHA) and VISN 9 have continued to focus on proactive measures that prevent suicide in VISN 9 VA facilities by continuously assessing the environment of care in which staff places patients. In a joint effort among facility Safety, Mental Health and Patient Safety programs, VISN 9 assessed all of the inpatient and outpatient areas where care is provided to determine environmental vulnerabilities. Immediate corrections as well as planned projects to further improve safety have been implemented in an ongoing attempt to provide the safest environment of care available to our veterans. The Network reviews submissions from each VISN 9 site on a quarterly basis and in turn, forwards the results to VA Central Office so that trends can be identified nationally and improvement strategies shared throughout VHA.

In an effort to maintain safe, quality care of VISN 9 patients who undergo invasive procedures, a network task force was developed during FY07 that looked at current Operative instrument sterility and maintenance as well as SPD processes to track competencies of staff using this equipment. Processes that move across the continuum of care between Supply Processing & Distribution (SPD) and the Operative Suites were analyzed by a multidisciplinary group of professionals. From this patient safety initiative, the Network plans to purchase a software package to electronically track all surgical instruments for sterility and repair. This purchase will place VISN 9 as one of a few VA systems utilizing this technology.

VISN 9 facility Patient Safety Managers continue to perform analysis of significant patient adverse events as well as "close call" events that may yield information on systems and process changes that allow us to offer safer care to our patient population. During FY07, VISN 9 facilities performed a total of 41 Root Cause Analysis (RCA). The average number of RCA's performed in Network facilities during the fiscal year was 6.8.

The performance of individual RCA's in addition to aggregate analysis on medication errors, falls, parasuicidal events and missing patients continue to be vehicles to improving patient, visitor and staff safety.

Satisfaction

Workforce Planning

The eighth class of VISN 9 Leadership Institute - patterned after the national Health Care Leadership Institute (HCLI) - graduated in August 2007. The in-depth program, developed through the VISN 9 Learning Council, is reviewed and updated annually by the Planning Committee. Each year 32 slots are available for VISN 9 employees. Candidates are employees who demonstrate, at a minimum, mastery of Level 2 High Performance Development Model (HPDM) competencies. The program is designed to help employees develop HPDM Level 3 competencies or to enhance HPDM level 3 behaviors. Group coaching is an important component of the program, with 4-5 participants assigned to each coach. Coaches are senior leaders representing all VISN 9 facilities, and completion of Coach/Mentor Certification Training is recommended. Participants are selected by each facility director after reviewing recommendations from a rating panel. The program consists of three week-long formal educational sessions, as well as assignments which include –

- Development and implementation of an online Personal Development Plan
- Development and implementation of a Workplace Initiative Plan which results in organizational improvement at the participant's work site
- Shadowing a specific number of facility leaders and discussing experience with group
- Sharing learning experiences through presentation of Success Stories at the end of the program.

A Return on Investment (ROI) study of Leadership Institute completed by the core faculty showed an ROI of 120%, indicating a \$2.20 return for each \$1.00 spent.

VISN 9 LEADERSHIP GRADUATES

Facility	FY 06	FY 07
Huntington	6	5
Lexington	5	5
Louisville	5	5
Memphis	4	4
Mountain Home	6	6
Tennessee Valley HCS	2	6
VISN 9	2	2
VHA Office of Management Support		1
Total	30	34



Satisfaction

Employee Satisfaction

All Employee Survey

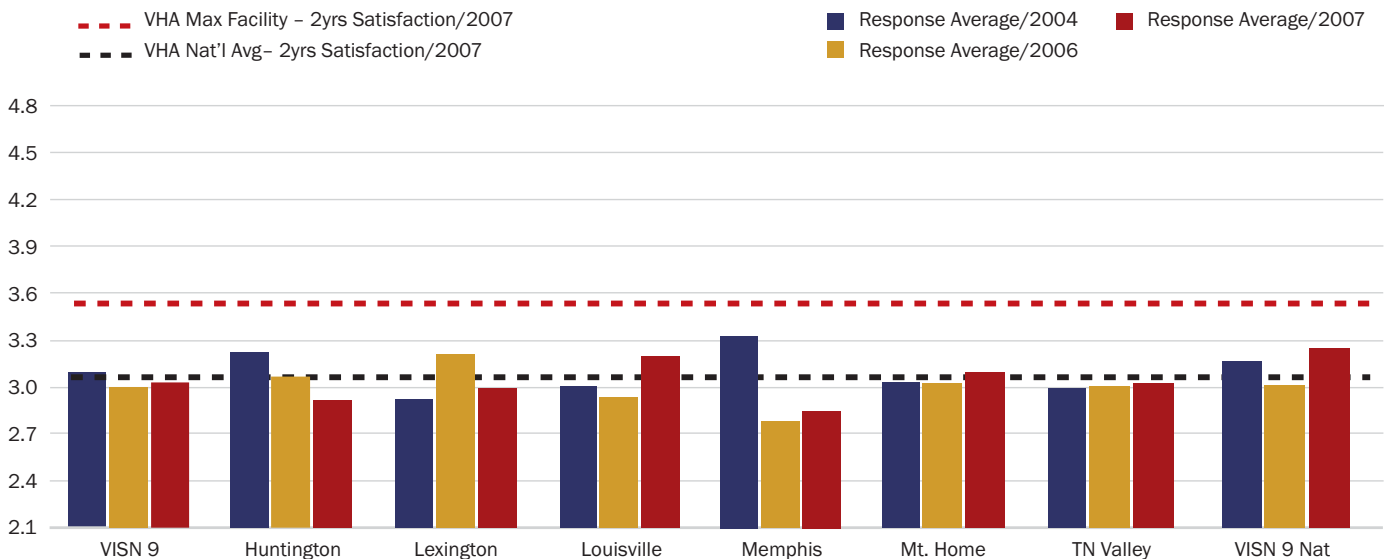
In 2007, VISN 9 employees participated in the 2007 All Employee Survey (AES) in record numbers. VISN 9's response rate exceeded the national response rate.

VISN 9 Results	2004	2006	2007	Nat'l 2007
Respondents	4,265	6,337	7,802	164,905
Employee Count	9,654	9,881	9,659	216,283
Response Rate	44.18%	64.13%	80.77%	76.2%

Job Satisfaction Index (JSI)

In 2007, Quality of Work and Type of Work had the highest satisfaction scores. In VISN 9 AES scores were generally lower than National Average in several Job Satisfaction areas, although VISN 9 rated higher in Co-worker Satisfaction and Quality of Work satisfaction.

Compared with the 2004 Survey, VISN 9 changes were similar to national changes, although Working Conditions satisfaction increased.



Survey of Healthcare Experiences of Patients (SHEP) through October 2007

Following are the five SHEP Performance Measures:

1. Inpatient Overall Quality
2. Outpatient Overall Quality
3. Provider Wait Time – Seen in 20-Minutes or Less
4. Appointment As Soon As Wanted – Established Patients
5. Appointment As Soon As Wanted – New Patients

	Inpatient Overall Quality (mean)	Outpatient Overall Quality (Mean)	Provider Wait Time- Veteran Seen in 20 minutes (Mean)	Appt. As Soon As Wanted - Established Patients (Mean)	Appt. As Soon As Wanted - New Patients (Mean)
NATIONAL	79.7%	78.0%	76.3%	86.5%	88.6%
VISN 9	79.1%	70.5%	64.5%	82.6%	89.8%
Facility Breakout:					
HUNTINGTON	88.7%	70.6%	69.9%	92.6%	No Data
LEXINGTON	77.2%	82.8%	62.7%	87.7%	98.6%
LOUISVILLE	77.0%	66.7%	76.7%	79.2%	86.3%
MEMPHIS	73.7%	69.5%	62.9%	74.1%	85.7%
MOUNTAIN HOME	77.5%	81.2%	71.9%	97.9%	79.7%
TENNESSEE VALLEY	79.7%	60.9%	50.1%	82.1%	91.9%

“Our nation is at war — and many new veterans are leaving the battlefield and entering the VA system. This system provides our veterans with the finest care...”

—President George W. Bush

at the swearing in of new VA Secretary James B. Peake, MD, December 2007



Equal Employment Opportunity

VISN 9 facilities are encouraged to utilize mediation, or Alternative Dispute Resolution (ADR), to resolve Equal Employment Opportunity (EEO) complaints and workplace issues. Since many complaints filed are as a result of interpersonal conflicts by both management and the aggrieved and not due to illegal discrimination, training sessions on mediation awareness are held throughout the year to foster this. Mediators in VISN 9 continue to be utilized throughout the VISN as well as by other federal agencies.

In Fiscal Year 2008, EEO Managers in VISN 9 will participate in Phase II of the Management Support Office's EEO Pilot. During this pilot the EEO Manager will change from informing employees of the EEO process and rights to being a consultant/resolution specialist and being able to resolve workplace conflicts.

ALTERNATIVE DISPUTE RESOLUTION (ADR) USAGE & SUCCESS ADR TRAINING COMPLETION FY06 AND FY07 COMPARISON

	# of Sessions	# of Resolutions	Success Rate	Completion of Awareness Training
FY 06	34	18	52.9%	74% (not mandatory)
FY 07	60	18	30%	71% (not mandatory)

The Education Debt Reduction Program (EDRP) authorizes VA to provide education debt reduction payments to employees with qualifying loans who are recently appointed to permanent positions providing direct patient care services or services incidental to direct patient care services for which recruitment and retention of qualified personnel is difficult. In FY06, 79 percent of the awards authorized within VISN 9 were for registered nurses. In FY07, awards authorized changed to 61 percent for registered nurses, and 15 percent for pharmacists.

EDUCATION DEBT REDUCTION PROGRAM (EDRP) USAGE COMPARISON OF FY 05 THROUGH FY 07

	# of Awards/Status	Funding Allocated	Funding Used
FY 05 (payout in FY 06)	35	\$76,877	\$76,877
FY 06 (payout in FY 07)	48	\$144,090	\$112,725
FY 07 (payout in FY 08)	46	\$175,680	\$179,378

Facility Leadership



Edward H. Seiler
Director, VA Medical Center
Huntington, West Virginia



Charlene S. Ehret
Director, James H. Quillen
VA Medical Center
Mountain Home, Tennessee



Wayne L. Pfeffer
Director, VA Medical Center
Louisville, Kentucky



Sandy J. Nielsen
Director, VA Medical Center
Lexington, Kentucky



Patricia O. Pittman
Director, VA Medical Center
Memphis, Tennessee



Juan A. Morales
Director, Tennessee Valley
Healthcare System
Nashville, Tennessee

VA MidSouth Healthcare Network Facilities



VA Medical Center
Huntington,
West Virginia



James H.
Quillen VA
Medical Center
Mountain
Home,
Tennessee



VA Medical Center
Louisville,
Kentucky



VA Medical Center
Memphis,
Tennessee

Tennessee Valley Healthcare System



Alvin C. York
Campus,
Murfreesboro



Nashville
Campus

Lexington, Kentucky VA Medical Center



Cooper Drive
Division



Leestown Road
Division



