

# Capital Asset Realignment for Enhanced Services

## Business Plan Studies for Livermore campus

Presentation to Local Advisory Panel



# CARES History and Background



- **A March 1999 GAO report concluded:**
  - ◆ **VA Spends \$1M a day on maintaining Vacant & Underutilized Space**
  - ◆ **If VA restructured Capital Assets - it could reduce Operations and Maintenance Costs**
  
- **In response VHA initiated development of the Capital Asset Realignment for Enhanced Services (CARES) Program:**
  - ◆ **Use Savings from reducing Vacant & Underutilized Space to Modernize VA Facilities and improve access to Health Care**
  
- **In 2001 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



- **In 2002 CARES Phase II extended the CARES Program to all 21 Networks within VHA**
  - ◆ **Contractor provided Health Care Demand Forecasts**
  - ◆ **VA Staff developed Market Plans to balance Capacities (facilities and programs) with demand**
- **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 CARES Commission of non-VA Executives to review the DNCP to provide an objective and external perspective**
- **The Commission made recommendations to:**
  - ◆ **The Secretary for his consideration in review of the draft National CARES Plan**
- **The final report of the CARES Commission was submitted in February 2004**
- **The Secretary announced his decision in May 2004**

# Secretary's May 2004 Decision Document for Livermore campus



## Specific Considerations/Requirements –

- **VA will realign Livermore campus to improve access to and quality of patient care by moving Services closer to where veteran patients live and by co-locating care:**
  - ◆ **Relocate Outpatient Services to a New East Bay and Expanded Central Valley Clinic**
  - ◆ **Relocate Low Volume Out Patient Specialty Services to Palo Alto**
  - ◆ **Relocate Sub-Acute Services to Palo Alto**

# Secretary's May 2004 Decision Document for Livermore campus



## Specific Considerations/Requirements –

- **VA Will retain Nursing Home Care in the Livermore Area:**
  - ◆ **By Building a new Nursing Home Facility**
  - ◆ **Developing a Referral Agreement to ensure effective Emergent Response**

# Secretary's May 2004 Decision Document for Livermore campus



## Specific Considerations/Requirements –

- VA will develop a Master Plan for the Livermore campus to ensure transition of care is managed effectively
- Master Plan will include a careful study of appropriate size and location of new nursing home to include a cost-effectiveness analysis which will ensure maximum effective use of VA resources
- Options for Capital and Reuse Plans will be developed with and without a nursing home on Livermore's campus

# Secretary's May 2004 Decision Document for Livermore campus

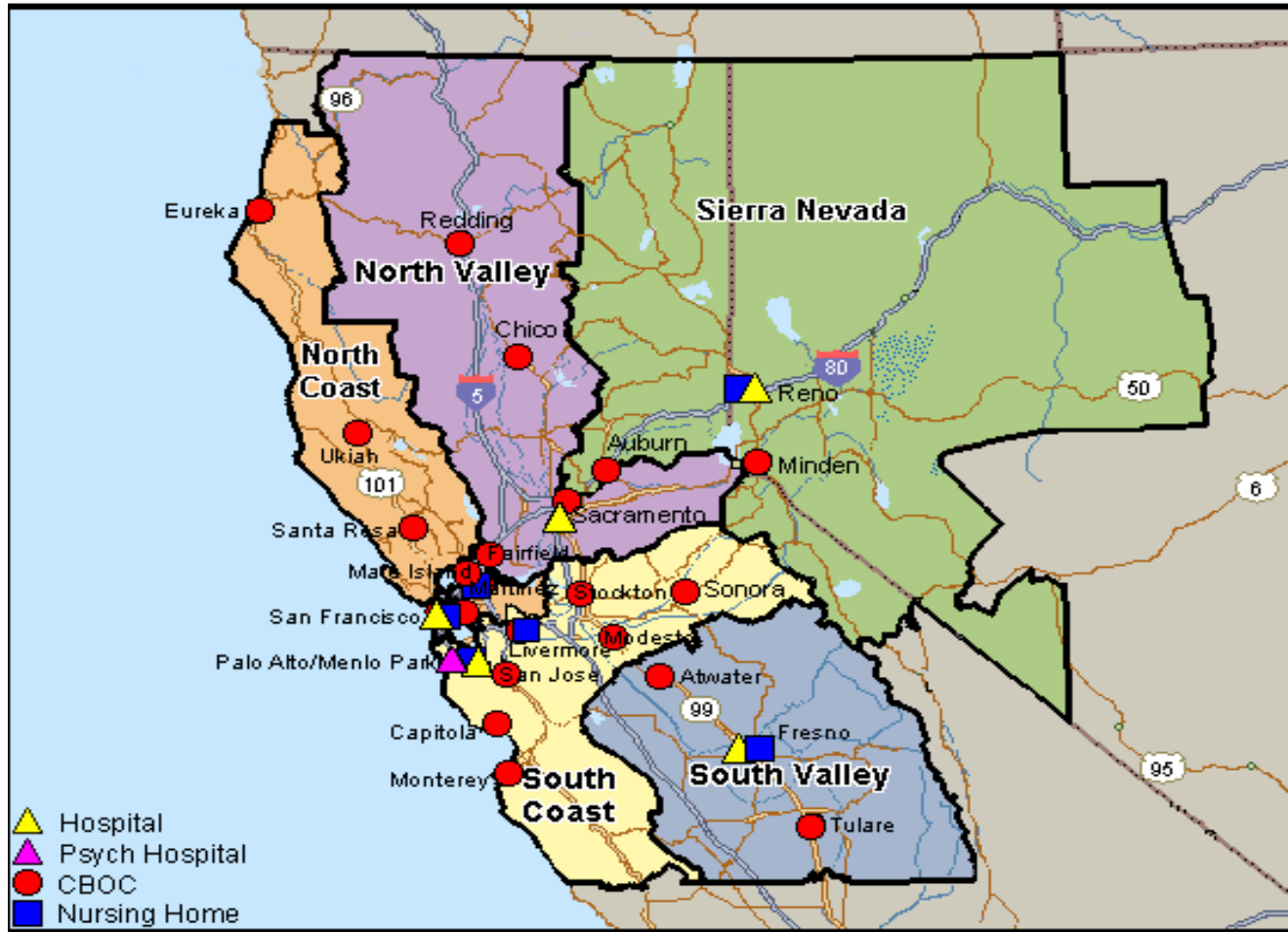


## Specific Considerations/Requirements – continued

- **Reuse Plan to be developed by another contractor in coordination with Team PwC**
  - ◆ **Business Planning Options to include potential reuse of available Livermore Campus property**



# Sierra Pacific Network (VISN 21) CARES Market Areas California & Nevada



October 2002