

# VAMC John J. Pershing Poplar Bluff, MO Demand Data Presentation





# Presentation Outline

- Veterans Rural Access Hospital (VRAH)
- Alternate Workload Projections
- Data Summary



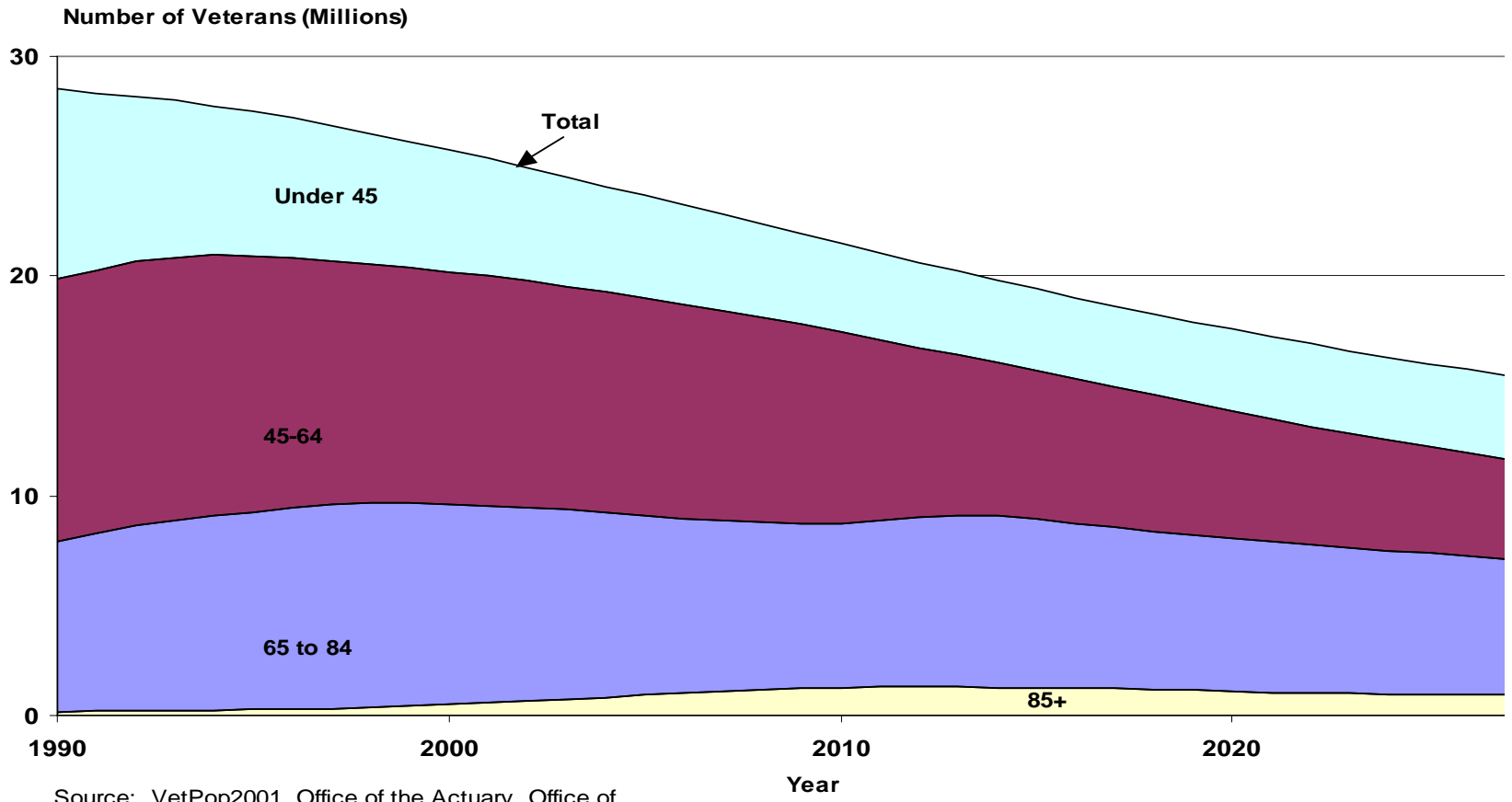
# Veterans Rural Access Hospital (VRAH)

- VHA Policy published October 29, 2004
- Response to CARES Commission Report
- VRAH Criteria
  - Not more than 25 acute medical and/or surgical beds
  - Part of an established referral system for tertiary or other specialized services
  - Part of a Primary Health System (such as Community Based Outpatient Clinics [CBOCs])



# Veterans Rural Access Hospital (VRAH)

- Facility must be critical component of providing access to timely, appropriate, and cost effective healthcare to its veterans



Source: VetPop2001, Office of the Actuary, Office of Policy and Planning, Department of Veterans Affairs

# Geographic Areas

- **Health Care Market Area** - A geographic area having a sufficient population and geographic size both to benefit from the coordination and planning of health care services through either VA facilities, DOD or private sector facilities and can support a full health care delivery system across the continuum of care. (78 markets)
- **Submarket** - A submarket is a group of contiguous counties made up of one or more sectors within a health care market (103 markets)
- **Sector** – A sector consists of one or more complete counties and is fully contained within a single submarket. (Over 3,000 counties nationally are mapped into 506 Sectors)

***Projecting Health Care  
Demand at a Market Area  
Level***

# Utilization Projection Development

- **Starting Utilization**
  - Private Sector Benchmarks (Milliman Health Cost Guidelines)
- **Major Adjustments/Considerations**
  - *Benefit Design: Covered Benefits and Copay Structure*
  - *Geographic Area*
  - Degree of Health Care Management
  - Age/Gender
  - *Reliance on VA for health care*
  - Morbidity
  - Residual Experience Differences (Actual-to-Expected)
  - Other (Trends in medical care, intensity of services)?





# Alternate Workload Projections

- Milliman Model projection is 12 Medicine beds
- Actual workload for FY02-FY04 exceeded the CARES and Milliman Model projections
- Model statistical significance requires 100,000 lives in the market
- Analysis presents the adjustments required for the model to more accurately reflect inpatient Medicine bed capacity at Poplar Bluff

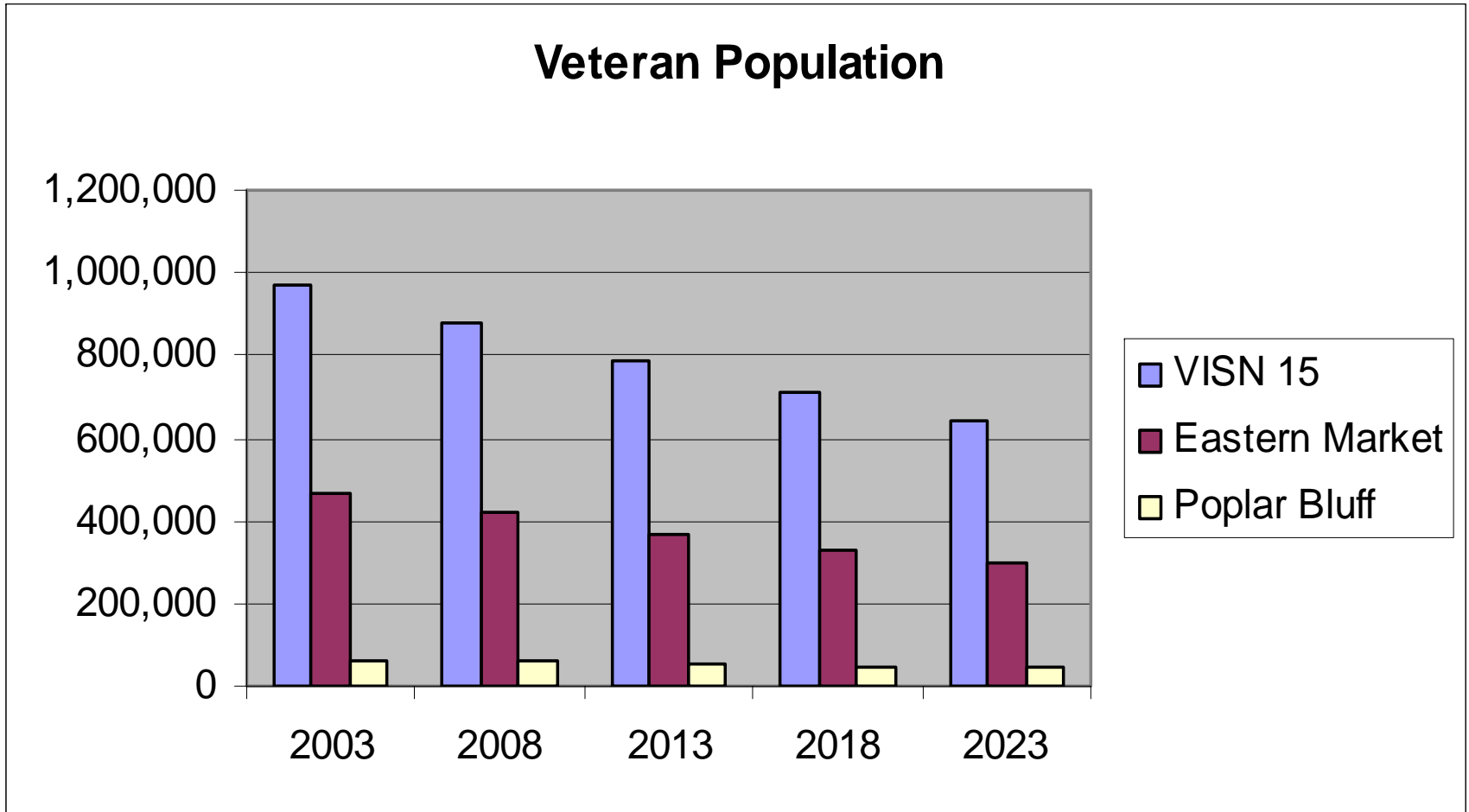


# Poplar Bluff Catchment Area





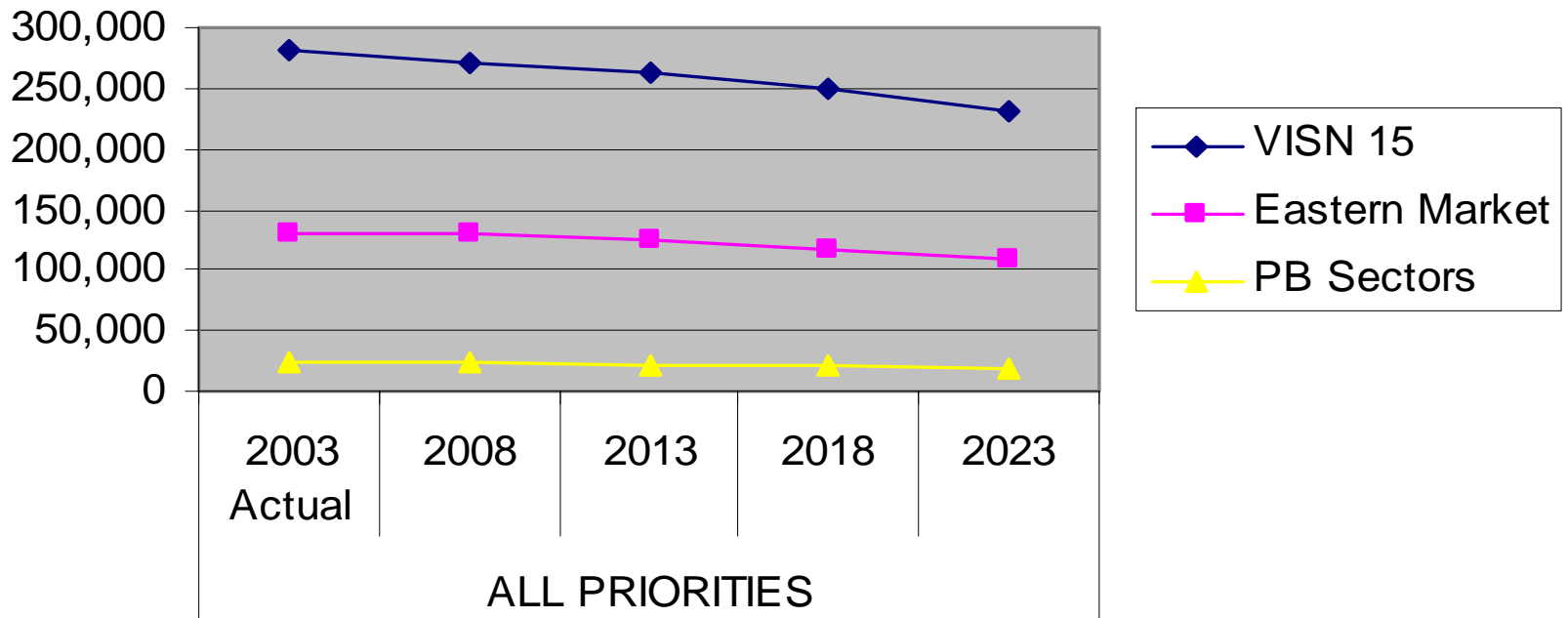
# Veteran Population





# Projected Enrollment

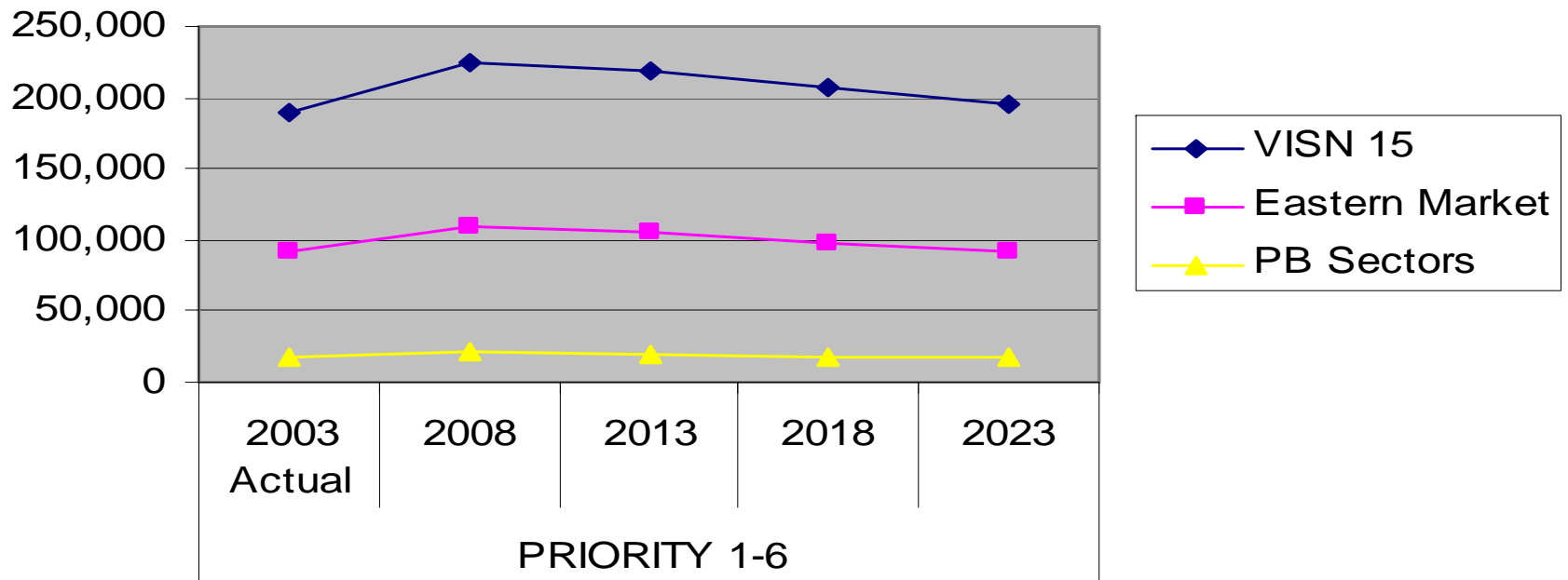
## Projected Enrollment FY2003-2023





# Projected Enrollment Priority 1-6

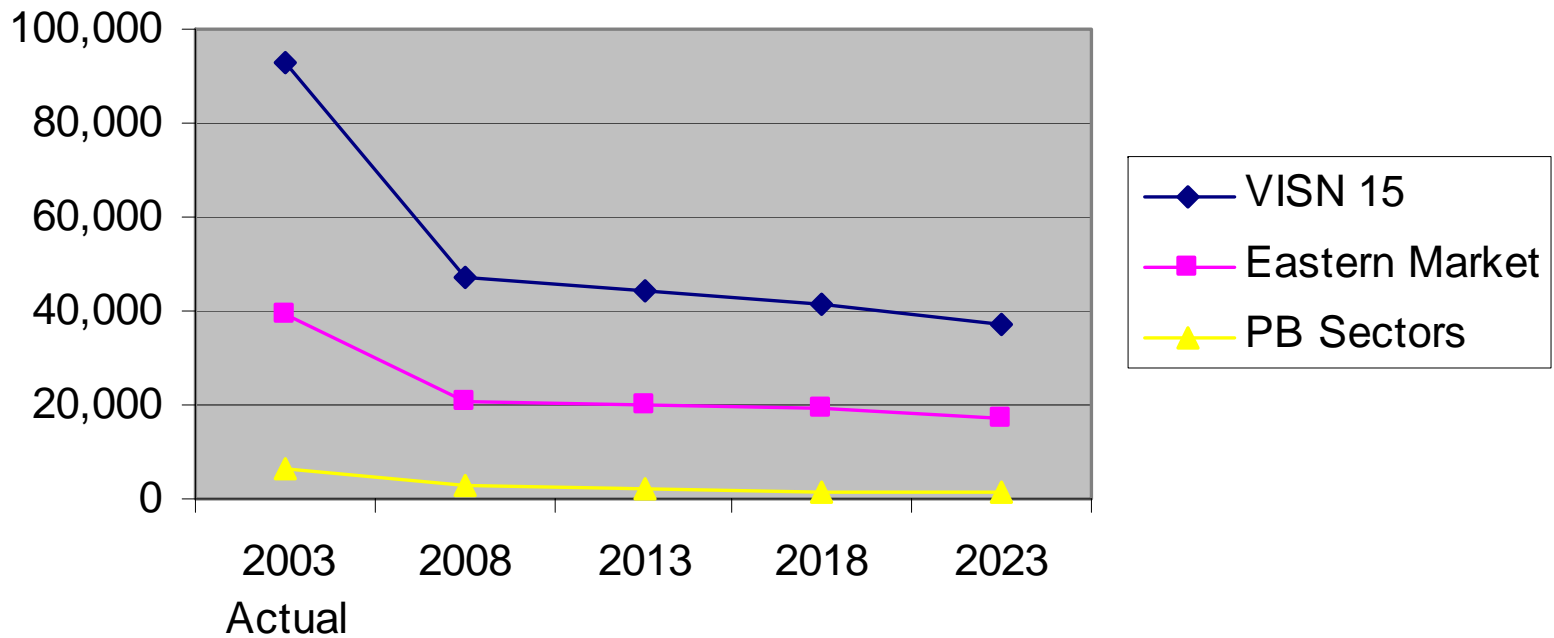
## Projected Enrollment for Priority 1-6 FY2003-2023





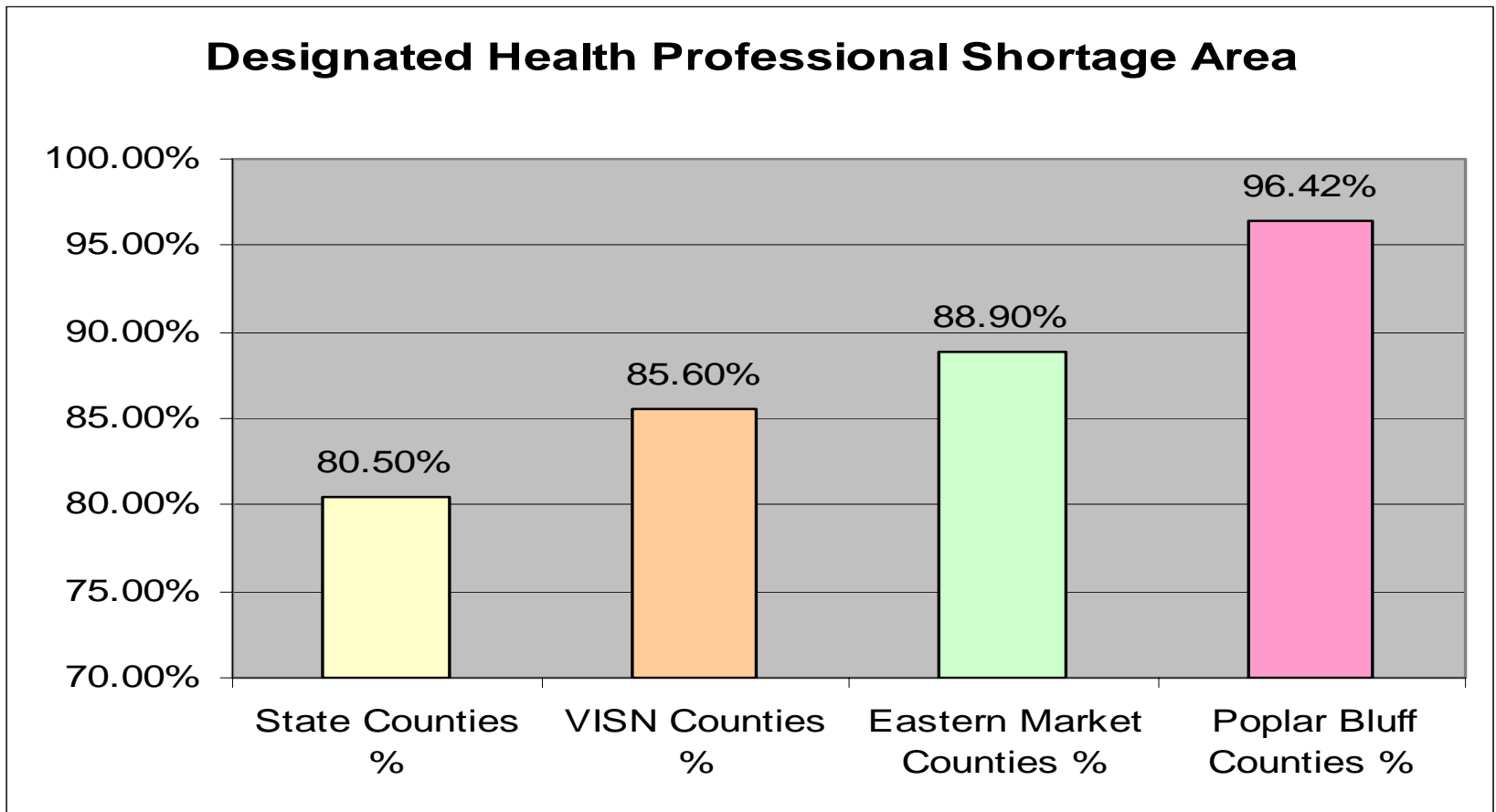
# Projected Enrollment Priority 7-8

**Projected Enrollment or Priority 7-8 FY2003-2023**





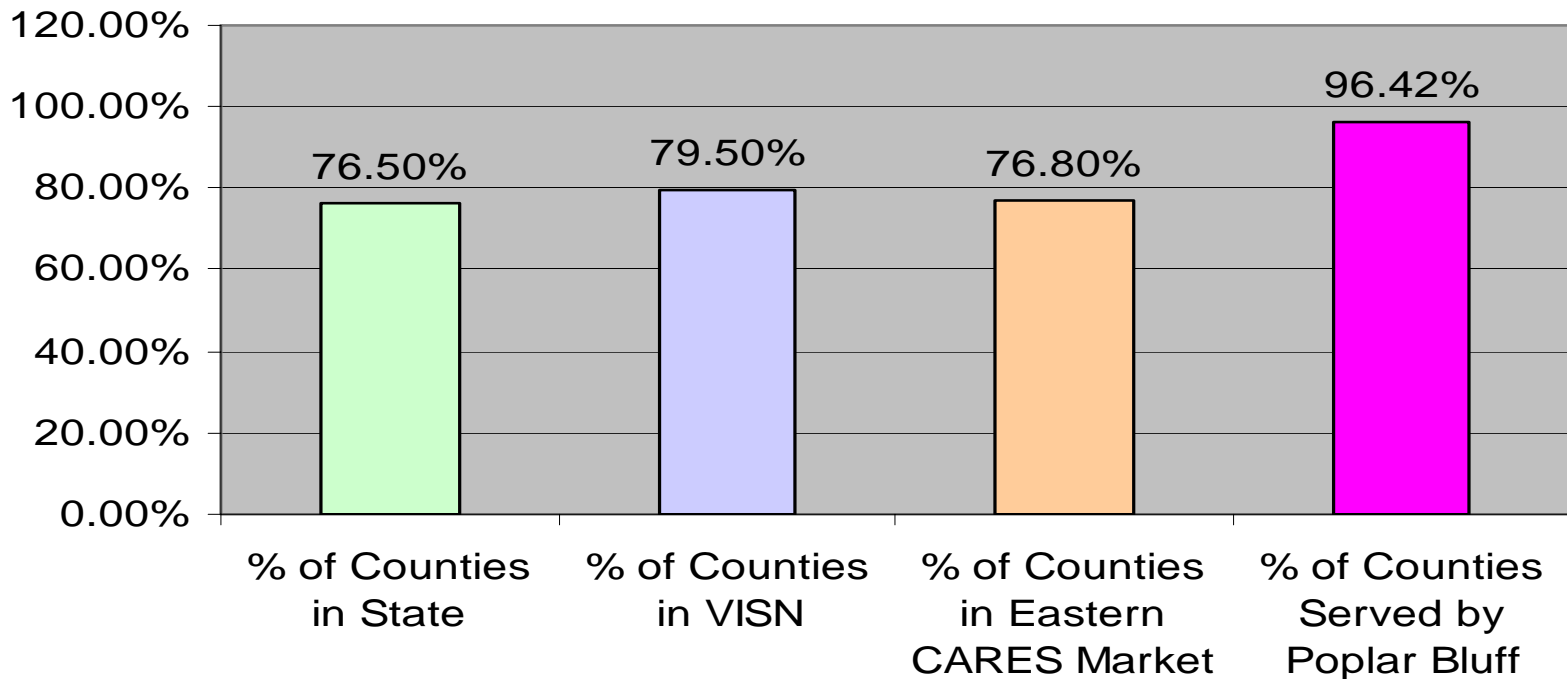
# Designated Health Professional Shortage Area (HPSA)





# Percentage of Counties with Per Capita Income Below \$25,000

**Counties w/2001 Per Capital Income Below \$25,000  
By State, VISN, Market, and Facility**







# CARES Bed Days of Care Projected to Actual FY02-FY04

Medicine Bed Days Of Care	CARES FY02 Proj	VSSC FY02 Actual	CARES FY03 Proj	VSSC FY03 Actual	CARES FY04 Proj	VSSC FY 04 Actual
Total In- House	4,687	5,212	4,837	6,310	4,886	6,020



# CARES Beds Projected to Actual FY02-FY04

<b>Medicine Beds</b>	<b>CARES FY02 Proj</b>	<b>VSSC FY02 Actual</b>	<b>CARES FY03 Proj</b>	<b>VSSC FY03 Actual</b>	<b>CARES FY04 Proj</b>	<b>VSSC FY 04 Actual</b>
Total In-House	15	17	16	20	16	19



# Milliman Inpatient Bed Days of Care Projections

	Baseline Total 2003	Modeled 2003	Proj Utilization 2007	Proj Utilization 2010	Proj Utilization 2013	Proj Utilization 2023
Medicine & Observation	6,077	4,914	4,831	4,596	4,369	3,667
Psychiatry & Substance Abuse	127	230	231	219	205	163
Surgery	1,276	430	394	358	326	259
Other VA Inpatient Mental Health	0	0	0	0	0	0
<b>Poplar Bluff Total</b>	<b>7,480</b>	<b>5,574</b>	<b>5,456</b>	<b>5,173</b>	<b>4,900</b>	<b>4,089</b>



# Milliman Inpatient Bed Projections

	Baseline Total 2003	Modeled 2003	Proj Utilization 2007	Proj Utilization 2010	Proj Utilization 2013	Proj Utilization 2023
Medicine & Observation	20	16	16	15	14	12
Psychiatry & Substance Abuse	0	1	1	1	1	1
Surgery	4	1	1	1	1	1
Other VA Inpatient Mental Health	0	0	0	0	0	0
<b>Poplar Bluff Total</b>	<b>24</b>	<b>18</b>	<b>18</b>	<b>17</b>	<b>16</b>	<b>14</b>



# Poplar Bluff Bed Levels

- FY97 Inpatient Psychiatry Program closed
- FY96 Inpatient Surgical Program closed
- FY98-FY04 Inpatient Medicine program had 16 authorized and operating beds
- FY04 Inpatient Medicine increased to 18 authorized and operating beds
- FY05 Inpatient Medicine increased to 25 authorized and 18 operating beds



# Milliman Bed Days of Care Projected to Actual FY03-FY05 (Through March)

	Baseline Total 2003	Modeled 2003	VSSC FY03	VSSC FY04	Proj Utilization 2005	VSSC FY05 Q2
Medicine & Observation	6,077	4,914	6,310	6,020	4,994	3,359
Psychiatry & Substance Abuse	127	230	0	0	236	0
Surgery	1,276	430	0	0	426	0
Other VA Inpatient Mental Health	0	0	0	0	0	0
<b>Poplar Bluff Total</b>	<b>7,480</b>	<b>5,574</b>	<b>6,310</b>	<b>6,020</b>	<b>5,656</b>	<b>3,359</b>



# Average Length of Stay (ALOS) Comparison

Facility	October 2003		March 2004		September 2004		March 2005	
	Disch	ALOS	Disch	ALOS	Disch	ALOS	Disch	ALOS
Castle Point	15	4.1	24	4.41	27	3.34	17	2.73
Altoona	95	6.62	72	5.09	77	4.87	81	4.47
Erie	77	3.35	65	3.24	95	3.44	96	3.77
Beckley	103	5.15	94	4.69	81	4.74	107	4.75
Dublin	93	5.09	108	5.69	112	5.79	110	6.06
Northern IN	36	5.32	79	5.87	18	13.11	1	2
Northern IN	104	4.86	61	5.44	102	6.42	119	4.48
Saginaw	23	3.15	26	3.18	32	2.84	47	6.73
<b>Poplar Bluff</b>	<b>123</b>	<b>4.27</b>	<b>131</b>	<b>4.09</b>	<b>130</b>	<b>4.05</b>	<b>152</b>	<b>3.86</b>
Muskogee	204	5.51	223	4.6	190	4.36	213	4.29
Kerrville	73	5.58	64	5.48	33	4.39	73	6.75
Prescott	114	5.23	126	4.74	112	5.96	97	6.05
Cheyenne	46	3.25	23	4.92	27	3.1	34	3.67
Grand Junction	66	4.51	61	3.83	51	3.83	63	3.89
Walla Walla	37	3.42	29	5.03	38	2.88	45	3.23
Des Moines	128	5.36	107	4.9	109	5.05	104	4.51
Hot Springs	43	4.05	61	3.87	55	4.21	56	4.43
<b>Overall Average</b>	<b>81.18</b>	<b>4.15</b>	<b>79.65</b>	<b>4.39</b>	<b>75.82</b>	<b>4.85</b>	<b>83.24</b>	<b>4.20</b>



# Additional Data Considerations

- Non-VA Care only reflecting one year of workload data – veterans have two years after the episode of care to present VA with bills for Non-VA care





# Data Issues

## Poplar Bluff Non-VA Care BDOC

FY03 Non-VA Care BDOC	Paid in 2003	Paid in 2004	Paid in 2005	Total BDOC
Medicine	91	34	1	126
Surgery	607	88	0	695
Psychiatry	0	3	0	3



# Additional Specialty Care Services at Poplar Bluff

- VAMC St. Louis unable to keep up with demand for Specialty Care services
- Hiring of Cardiologist at Poplar Bluff
- Impact on how services were provided in past
- Change in referral patterns
- Workload reallocated from other sites back to Poplar Bluff



# Workload Change

	Baseline Total 2003	Modeled 2003	Proj Utilization 2010	Proj Utilization 2013	Proj Utilization 2023
Medicine & Observation	6,077	4,914	4,596	4,369	3,667
Med/Observation Reallocated Workload	3,483	3,426	2,701	2,554	2,116
Med/Observation Total	9,560	8,340	7,297	6,923	5,783
Psychiatry & Substance Abuse	127	230	219	205	163
Surgery	1,276	430	358	326	259
<b>Total Medicine Workload</b>	<b>10,963</b>	<b>9,000</b>	<b>7,874</b>	<b>7,454</b>	<b>6,205</b>



# Workload Change

	Baseline Total 2003	Modeled 2003	Proj Utilization 2010	Proj Utilization 2013	Proj Utilization 2023
Medicine & Observation	20	16	15	14	12
Reallocated Workload Med/Observation	11	11	9	8	7
Total Medicine & Observation	31	27	24	22	19
Psychiatry & Substance Abuse	0	1	1	1	1
Surgery	4	1	1	1	1
<b>Total Medicine Beds</b>	<b>35</b>	<b>29</b>	<b>26</b>	<b>24</b>	<b>21</b>



# Data Summary

- Adjustment made to reflect Surgery & Psychiatry care taking place in Medicine beds
- Adjustment (+7 beds) made for change in referral patterns



# Conclusion

- The data hereby presented demonstrates that Poplar Bluff has unique demographic characteristics, including significant challenges for a population that is economically disadvantaged, medically underserved, and challenged by geographic barriers.



# Conclusion

- The workload data when compared to other VA small facilities, reflects a pattern of inpatient utilization that is significantly higher than comparable facilities, yet the efficiency of operations is maintained as reflected in the Average Length of Stay data.
- Price Waterhouse Coopers will conduct financial analysis for inpatient beds based on 25 beds