

Capital Asset Realignment for Enhanced Services (CARES)

Business Plan Studies for West Los Angeles VAMC

Presentation for Local Advisory Panel

September 22, 2005



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The VA has also contracted with other government contractors, MicroTech, LLC, to develop re-use options for inclusion in this study. MicroTech, LLC issued its report, Technical, Financial and Legal Assistance and Support for Property Reuse/Redevelopment Plans, Phase 1 Report, Data Collection and Planning Analysis, VA Medical Center, West Los Angeles, and as directed by the VA, PricewaterhouseCoopers LLP has included information from its report in this document. 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 MicroTech, LLC.

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Recap of First LAP Meeting



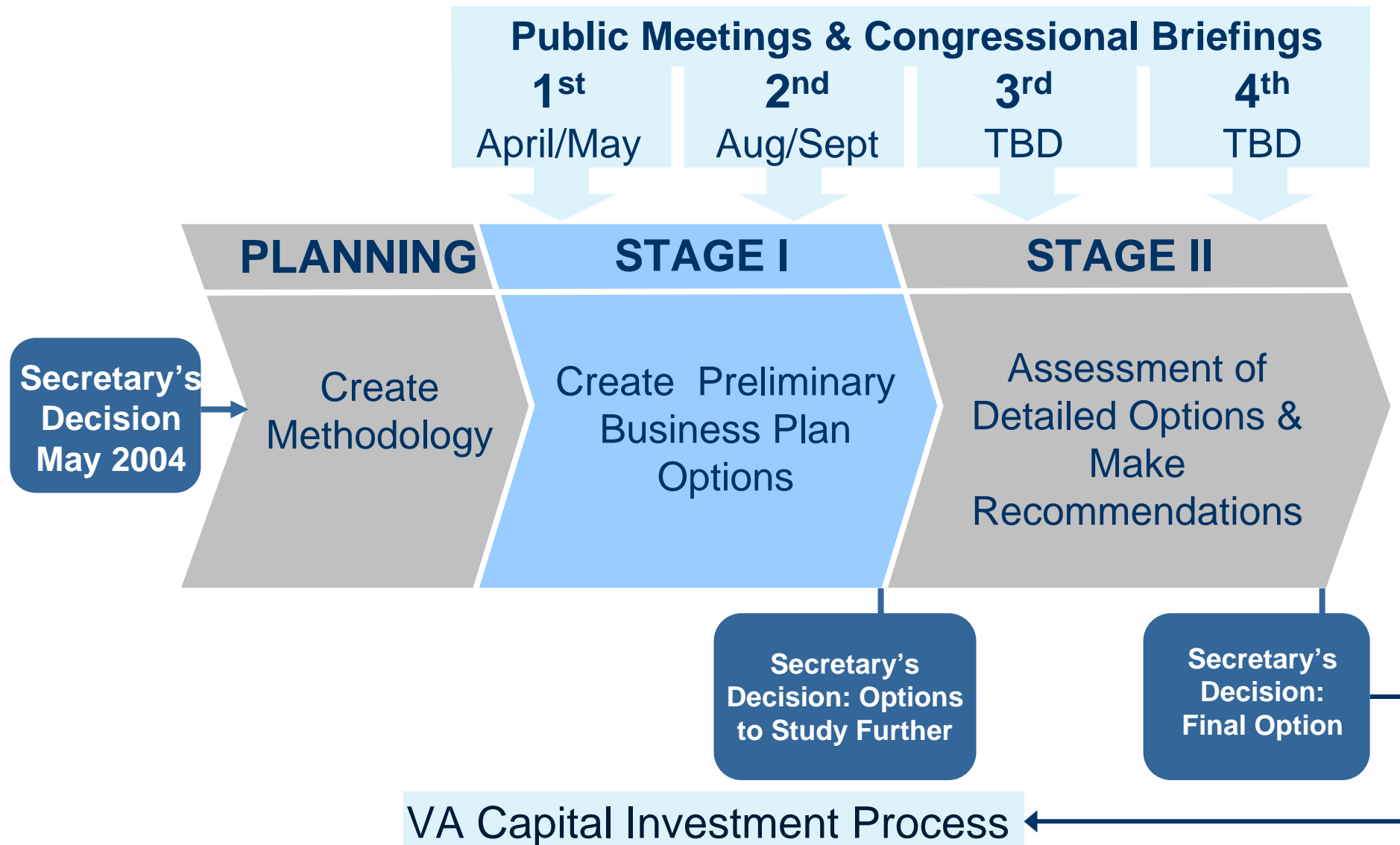
First Public Meeting Recap

- The Secretary's CARES Decision Document, May 2004, calls for additional studies to expand on the previous analyses for eighteen sites including the West Los Angeles VAMC
- 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 West LA

- Spread across 387 acres in an urban neighborhood, the West LA campus is a unique resource and it is important that VA preserve the integrity of the land originally granted for use as an Old Soldiers Home. VA is committed to maintaining the property for uses that serve to enhance the Department's mission.
- To ensure that VA has a clear framework for managing the vacant and underused property at the West LA campus, VA will develop a Master Plan for the campus in collaboration with stakeholders who will have input into the plan's development.
- VA will maintain the Long Beach and West LA campuses as separate tertiary care facilities, but will continue to consolidate administrative and clinical services.

2004 Secretary's Decision for West LA – cont.

- VA will meet increased demand for inpatient care through new construction, by converting and renovating existing space, and by using existing authorities and policies to contract for care where necessary.
- VA will explore opportunities to develop new research facilities at the West LA campus that are consistent with its patient care mission.
- VA will meet anticipated gaps in outpatient care through new construction for additional space, shifting workload between facilities, expansion of services, and use of existing authorities and policies to provide contract care where necessary. VA will consider addition of new CBOC through the National CBOC Approval Process.

2004 Secretary's Decision for West LA – cont.

- VA will develop a nursing home strategic plan based on well-articulated policies. Until VA completes a nursing home strategic plan, it will only proceed with maintenance and life safety projects at existing nursing home facilities that are necessary to ensure the quality and safety of patient care.
- As part of the implementation process, VA will validate the number of SCI/D beds to ensure the appropriate need for distribution between acute and nursing-home beds. Validation also will consider referral patterns as well as location and inter-VISN collaboration as appropriate. Implementation plans for SCI services at the Long Beach VAMC will be included in the FY 2005 VISN strategic planning submission.

2004 Secretary's Decision for West LA – cont.

- VA will improve patient and employee safety by correcting seismic and life safety deficiencies at the West LA facility.
- VA will explore the feasibility of collocating the Veteran Benefit Administration (VBA) Regional Office at the West LA VAMC. This collaboration will not only improve access to services, but will redirect savings from rental costs into claims processing, vocational rehabilitation and employment, education, loan guaranty, and other VBA priorities.
- VA will collocate a National Cemetery Administration (NCA) columbarium on 20 acres of available land at the West LA campus and pursue additional opportunities for expanding the NCA presence on the West LA campus.

What's Being Studied at West LA

■ Capital Planning

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

■ Re-Use/Redevelopment

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

Clarifications since May LAP Meeting

Clarification has been provided on two key areas, providing better guidance to the contractor in developing Business Plan Options:

Clarification of Re-Use/Redevelopment of the Campus

- The contractor was directed by the VA to proceed with a recommended definition of 'commercial' for purposes of redevelopment/re-use planning at West LA.
- The term 'commercial' **prohibits the use of the campus** for such functions as shopping malls, movie theaters, convenience stores, fast food outlets, industrial/manufacturing activities and other like operations.
- **On the other hand**, institutional and office uses that support or complement needs of veterans (e.g., assisted living, transitional housing, recreation, research or educational as well as medical and non-medical functions) would be acceptable uses.
- Correspondingly, the contractor will proceed with the CARES and re-use activities using this clarified definition of commercial use.

Clarifications since May LAP Meeting – cont.

California State VA Nursing Home

- Conflict existed between the CARES Business Plan Study uniform re-use strategy and California's Greater Los Angeles State Veterans Home (GLASVH) project.
- California Department of Veterans Affairs officials raised concern that this strategy placed the GLASVH project in jeopardy. CARES staff tried to mitigate this concern by assuring them that the existing GLASVH commitment would be honored, yet could not assure it would be at the specific site currently agreed to.
- VA officials had agreed that a specific 12 acre site was available for California to construct a State Veterans Home (SVH). If the site changed, a \$4M design and environmental assessment would have to be redone requiring additional public funding. Also, delays caused by site changes will result in the delay of other proposed California SVHs.
- As a result, the Chief of Staff/Deputy Secretary of Veterans Affairs approved this exception to set aside the existing GLASVH site location (Parcel D).

Purpose of the LAP Meeting

- Review the options prepared by the contractor for the future use of this medical center.
- 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 during the public comment period.
- 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.

West LA Public Input



West LA Public Input

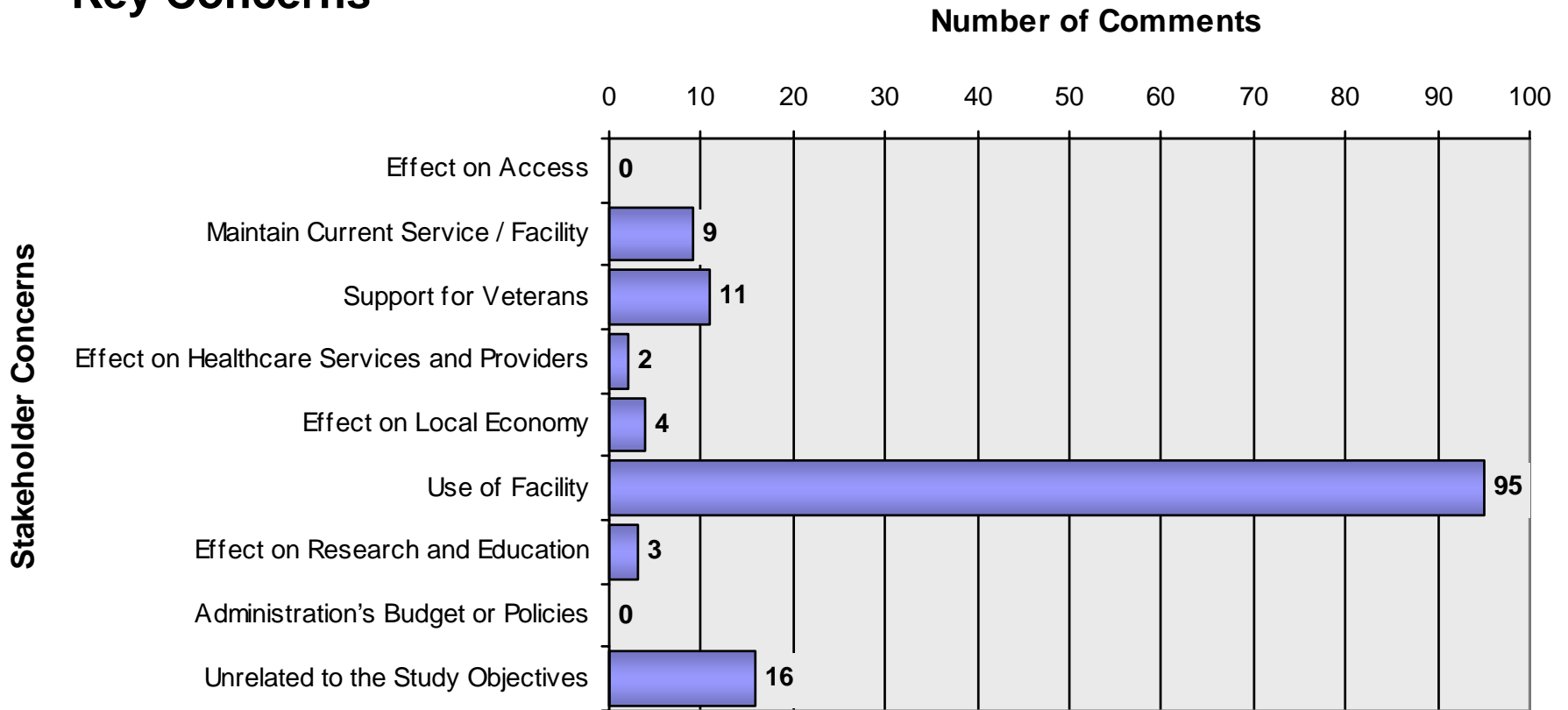
- 191 individual stakeholder comments were received between January 1, 2005 and June 30, 2005
- The greatest amount of written and electronic input was received from veterans and veterans' family members
- Top key Concerns:
 - Use of the facility (and campus)
 - Maintaining the current services and facility

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

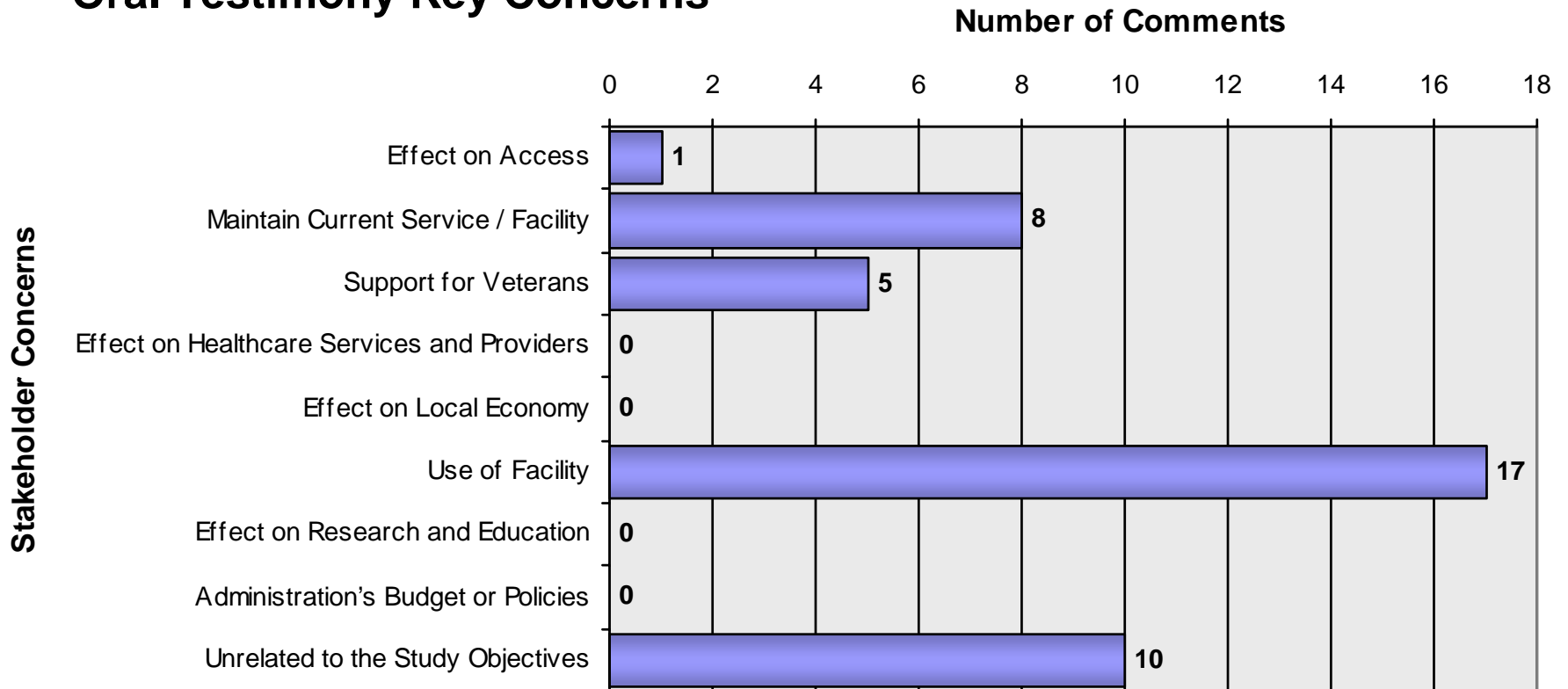
Key Concerns – Written and Electronic Input

Key Concerns



Key Concerns – Oral Testimony

Oral Testimony Key Concerns



Current Status and Business Plan Options

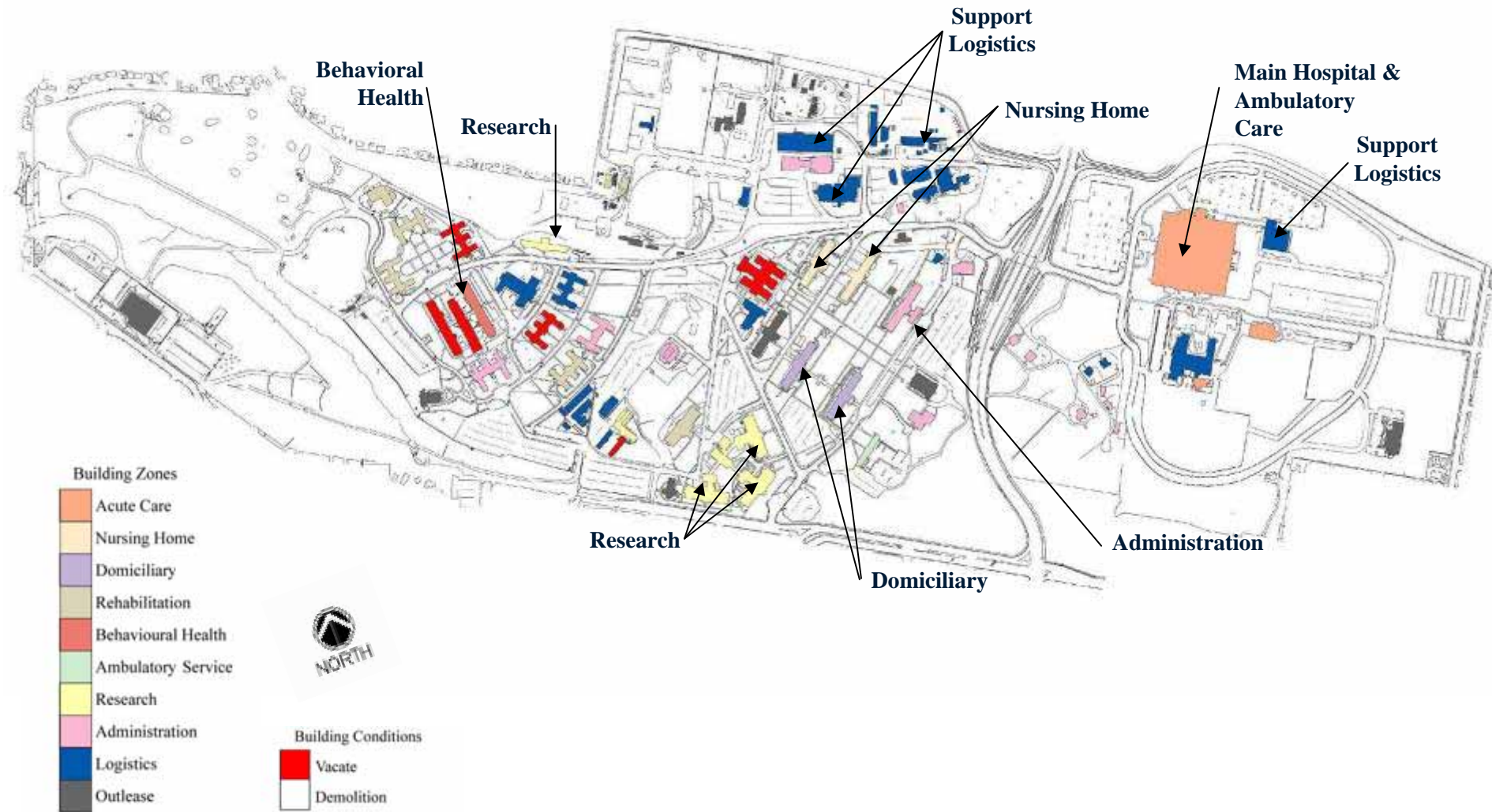


Stage I Study Findings for West LA

West Los Angeles VAMC



Map of West LA VAMC



West LA Site Overview, continued

- The West LA VAMC is:
 - ◆ Part of the Greater Los Angeles Health Care System (GLA) within VISN 22.
 - ◆ 14 miles west of downtown Los Angeles; the full campus extends northwest to southeast along the west side of Interstate 405 through the intersection of Wilshire Blvd.
 - ◆ Comprised of 91 total structures on 387 acres of land; a total of 2,807,039 building gross square feet, of which 325,725 square feet is vacant or underused.
 - ◆ Surrounded by residential neighborhoods, schools and parks; across I-405 from high-density business district (Westwood).

West LA Site Overview, continued

- The campus is bisected by Wilshire Blvd.
 - The campus north of Wilshire is referred to as the 'Brentwood campus'
 - South of Wilshire is referred to as the 'Wadsworth campus'
- The buildings:
 - Range in size from a 144 square foot gatehouse to the 900,000 square foot Wadsworth (acute care) Hospital.
 - Nearly half of the campus buildings are less than 10,000 square feet in size. One quarter are in the range of 45,000 - 65,000 square feet.

West LA Site Overview, continued

■ Major infrastructure issues:

- ◆ The underground storm drainage system, in general, is undersized and does not provide adequate site coverage.
- ◆ Steam and condensate distribution systems are in poor condition and have experienced leaks on numerous occasions.
- ◆ Emergency power is provided to West LA facilities through a decentralized system.
- ◆ Fourteen buildings have been seismically rated as 'high risk' or 'very high risk'; many are vacant.

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

Would offer a cost-effective use of VA resources

Team PwC developed Comprehensive Options for Stage 1

Discriminating Criteria:

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

- **Ease of Implementation**
- **Ability to Support wider VA programs**
- **Impact of Option on VA and Local Community**

Options Overview

“Universe” of Considered Options

Capital Planning
Options

TOTAL = 3

Re-Use
Options

TOTAL = 15

Initial Screening for Access, Quality, Cost

Business Planning
Options (BPOs)

TOTAL = 4

Assessed for Stage I Report

Stakeholder Input to Business Plan Options

- Business Plan Options considered all proposals received from West LA stakeholders
- None were precluded from consideration – so long as they complied with the Secretary's May 2004 decision and subsequent clarifying direction (e.g., not 'commercial')
- These included:
 - ◆ Recreational family facility, accommodating veterans
 - ◆ Bio-medical institute
 - ◆ Transitional/residential therapy
 - ◆ Affordable veteran housing/lockers
 - ◆ Recreational use and development
 - ◆ Veteran memorial park

Summary of Options for West LA

- A Baseline option which reflects current state projected out to 2013 and 2023 without any changes to facilities or programs (except acute inpatient psychiatry), but accounting for projected utilization changes, and assuming same or better quality and necessary improvements for a safe, secure, and modern healthcare environment.
- Three capital planning options involve renovating or building a new facility for acute inpatient care and/or ambulatory care, along with renovating existing nursing home/mental health and VA research facilities.
- Four re-use options involve redeveloping portions of the Brentwood campus for various re-use that support or complement needs of veterans, such as institutional learning space, affordable housing, medical research, medical offices, and open space/recreation.

West LA - Campus Parcels for BPO Re-Use Discussion



Re-Use/Redevelopment – Link to the Capital Planning Options

Capital Planning Options (w/o Secretary's Decisions)	Parcel(s)	Potential Re-Use/Redevelopment
BPO 1: Baseline	Parcel A - North Brentwood Campus (incl. in BPO 5)	<ul style="list-style-type: none"> ▪ Community education/recreation ▪ Mixed use residential (limited new construction) ▪ Open space/recreation
BPO 2: Renovate Existing Acute Bed Tower and Ambulatory Care Facilities; Renovate Existing Nursing Home/Mental Health facilities	Parcels C & E – North Central & West Central Brentwood Campus (incl. in BPO 6)	<ul style="list-style-type: none"> ▪ Affordable/transitional veteran/family/nursing housing ▪ Long-term veteran housing (Parcel C) ▪ Residential therapy/treatment programs (public/private) ▪ Limited use hospitality (Fisher House) ▪ Administrative support/training
BPO 3: Construct New Acute Bed Tower and Renovate Ambulatory Care Facilities, Nursing Home, Mental Health and Domiciliary Facilities	Parcels G1, G2 & K – Southeast Brentwood Campus & portion of South Wadsworth Campus (incl. in BPO 7)	<ul style="list-style-type: none"> ▪ Medical research ▪ Medical office building/veteran-patient pharmacy ▪ Limited use hospitality (Fisher House)
BPO 4: Construct Acute Bed Tower and Ambulatory Care facilities; Renovate Nursing Home, Mental Health and Research Facilities	Parcel F – Southwest Brentwood Campus (incl. in BPO 8)	<ul style="list-style-type: none"> ▪ Community education/recreation ▪ Limited use hospitality (Fisher House) ▪ Open space/greenbelt

ALL Re-Use Parcels are linked to Capital Planning Options included in BPOs 2-4

West LA – Summary of Revised Business Plan Options (BPOs)

BPO 1

Baseline
(Safe, Modern & Secure)
Construct CA State Nursing Home

BPO 2

Renovate Existing Acute Bed Tower and Ambulatory Care Facilities; Renovate Existing Nursing Home/Mental Health Facilities; New VA Research, VBA, NCA & CA State Nursing Home

BPO 3

Construct New Acute Bed Tower and Renovate Ambulatory Care Facilities, Nursing Home, Mental Health Facilities; New VA Research, VBA, NCA & CA State Nursing Home

BPO 4

Construct New Acute Bed Tower and Ambulatory Care Facilities; Renovate Nursing Home, Mental Health and VA Research Facilities; New VBA, NCA & CA State Nursing Home

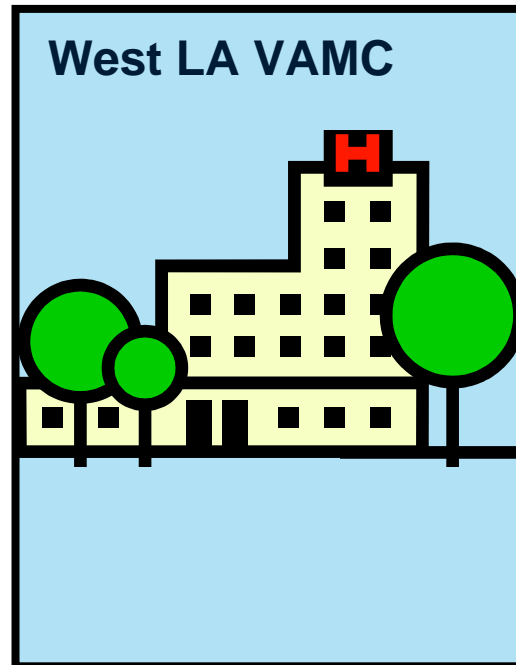
No new Re-Use / Redevelopment
Maintain current agreements

Parcel(s)	Potential Re-Use/Redevelopment Options
Parcel A - North Brentwood Campus (incl. in BPO 5)	<ul style="list-style-type: none"> Community education/recreation Mixed use residential (limited new construction) Open space/recreation
Parcels C & E – North Central & West Central Brentwood Campus (incl. in BPO 6)	<ul style="list-style-type: none"> Affordable/transitional veteran/family/nursing housing Long-term veteran housing (Parcel C) Residential therapy/treatment programs (public/private) Limited use hospitality (Fisher House) Administrative support/training
Parcels G1, G2 & K – Southeast Brentwood Campus & portion of South Wadsworth Campus (incl. in BPO 7)	<ul style="list-style-type: none"> Medical research Medical office building/veteran-patient pharmacy Limited use hospitality (Fisher House)
Parcel F – Southwest Brentwood Campus (incl. in BPO 8)	<ul style="list-style-type: none"> Community education/recreation Limited use hospitality (Fisher House) Open space/greenbelt

BPO 1: Baseline Option [CP-1]

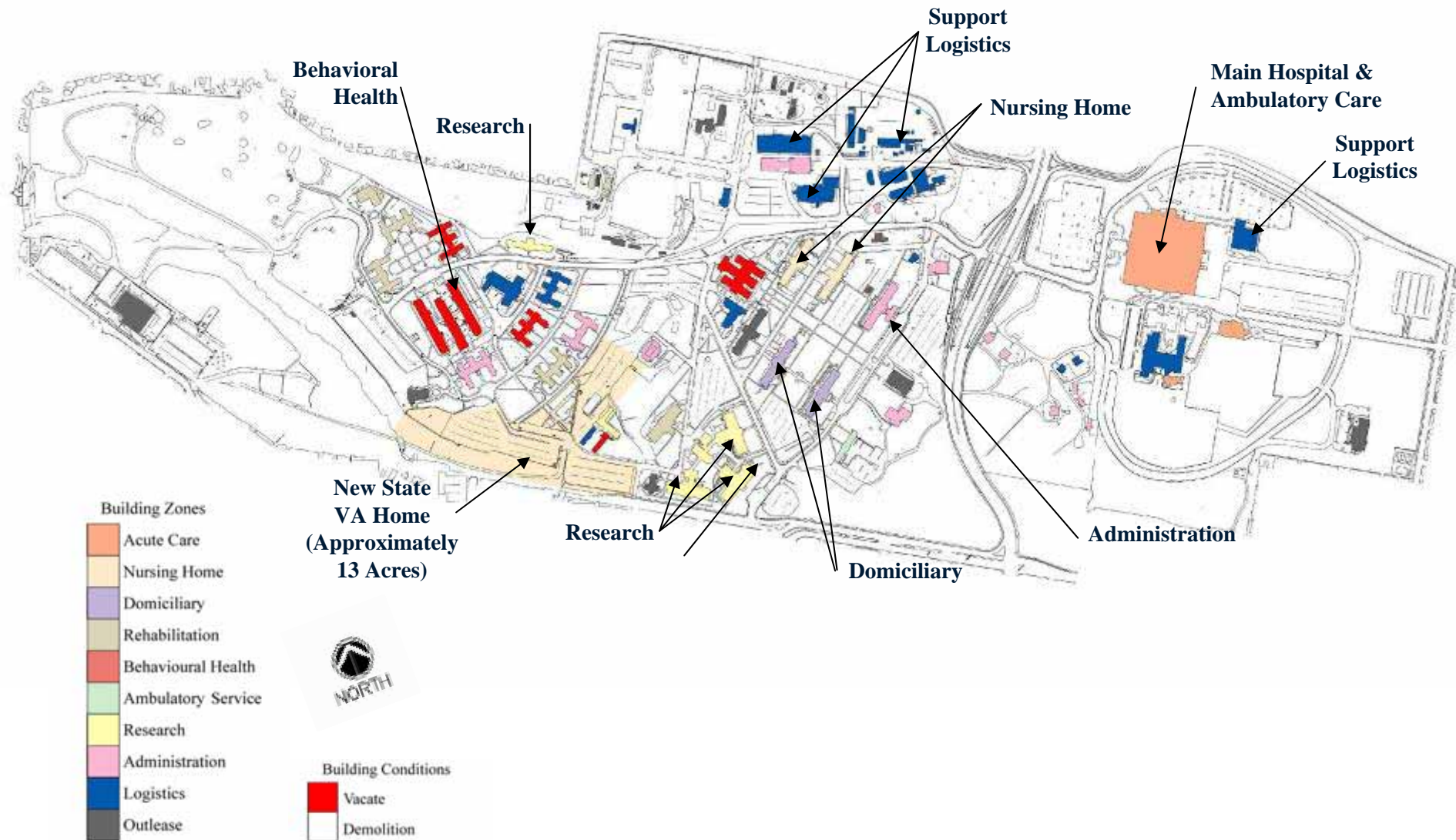
The Baseline Option reflects current state projected out to 2013 and 2023 without any changes to facilities or programs (except acute inpatient psychiatry), but accounting for projected utilization changes, and assuming same or better quality and necessary improvements for a safe, secure, and modern healthcare environment. Construct the CA State Veterans Home (Parcel D). Other current agreements to be maintained.

Vacant buildings are to be maintained with no additional renovation, but are to be secured. Current agreements are to be maintained



**Construct:
CA State Veterans
Home**

BPO 1: Baseline Option [CP-1]



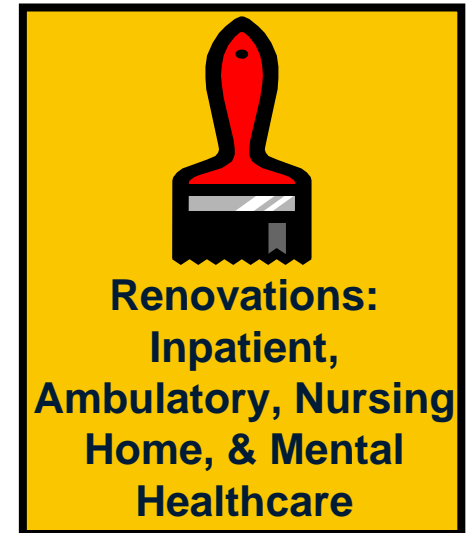
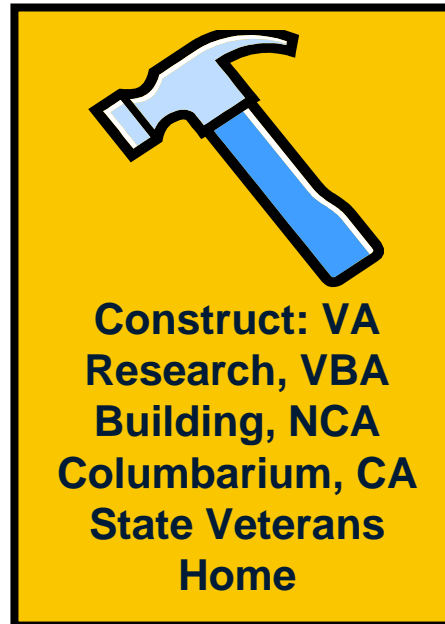
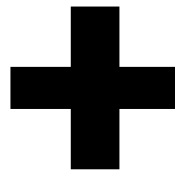
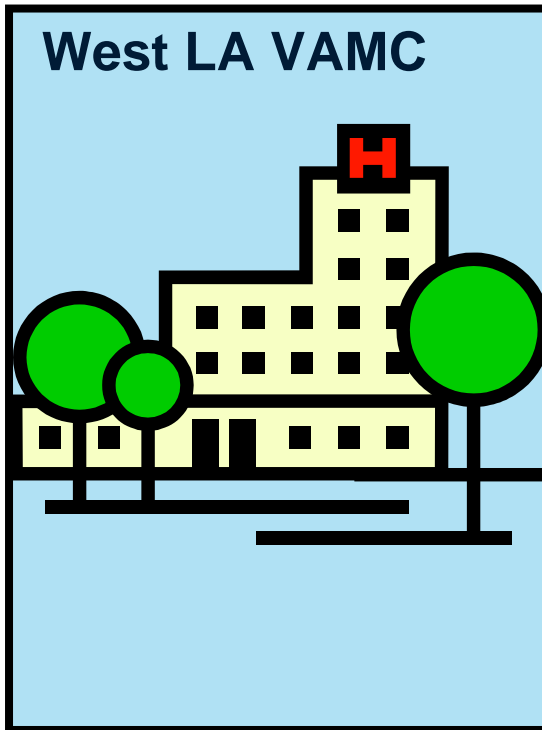
BPO 1: Assessment

Healthcare Access	Maintains current on-site access.
Healthcare Quality	Investment in structures yields a safe, modern, and secure patient investment. Facility sized to meet projected demand.
Cost Effectiveness	Cost effectiveness improved through a limited consolidation of services and reduction in the number of buildings and site operated.
Ease of Implementation	Limited disruption of healthcare delivery to patients in acute care inpatient, ambulatory care, and mental health, nursing home facilities. There is no inherent risk associated with this option.
Wider VA Program Support	Does not enhance integration with the VBA or address NCA needs.

BPO 2: Renovate Existing Acute Bed Tower and Ambulatory Care Facilities; Renovate Existing Nursing Home/Mental Health Facilities

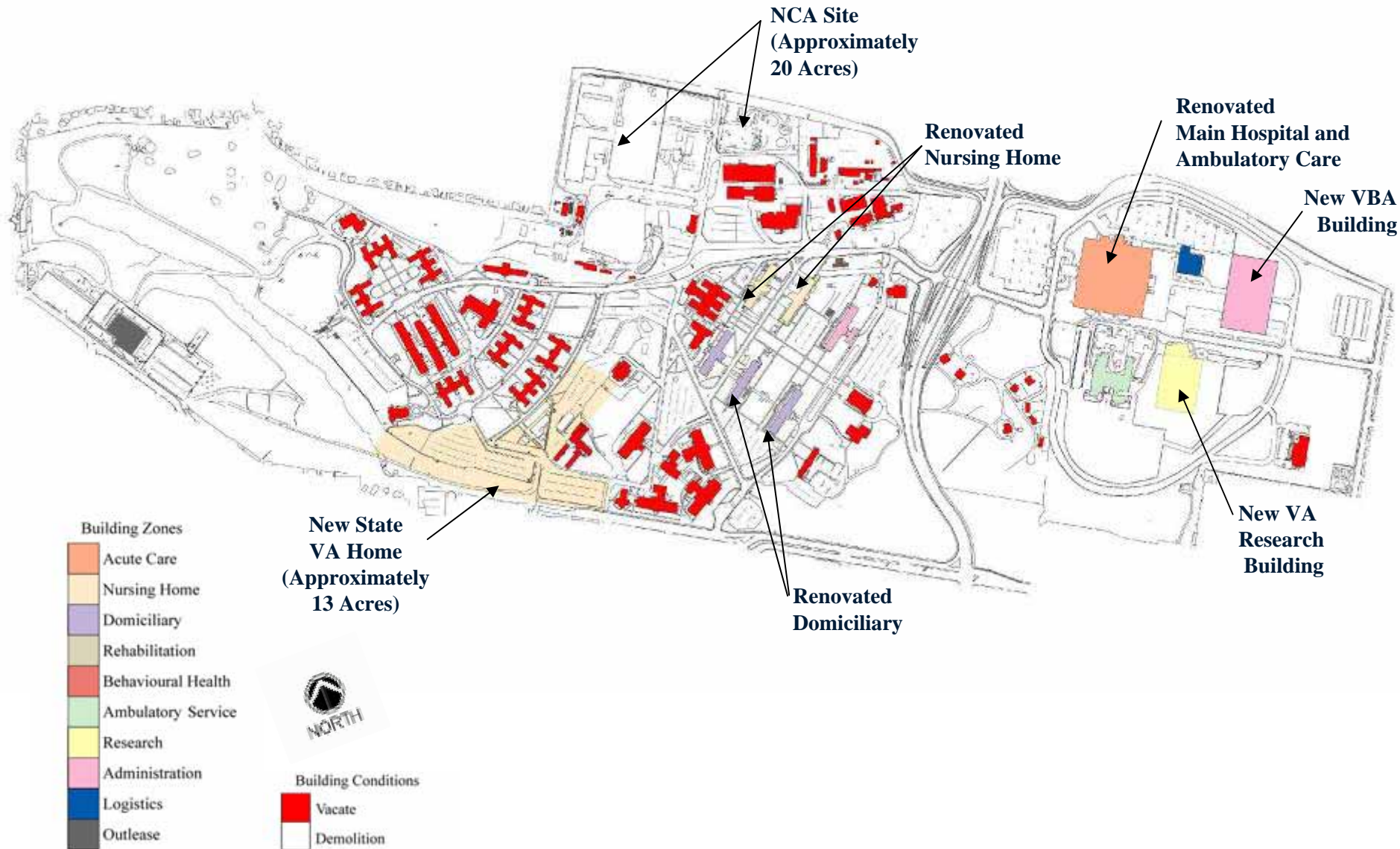
[CP-2A/RU-1-8, 13]

All services remain on campus. Consolidate acute inpatient/ambulatory in *renovated* building on the Wadsworth campus. Nursing home/mental health located in renovated existing facilities. New VA research and VBA building will be built on the Wadsworth Campus. New NCA columbarium and CA State Veterans Home constructed on the Brentwood campus. Re-use of available land and structures.



BPO 2: Renovate Existing Acute Bed Tower and Ambulatory Care Facilities; Renovate Existing Nursing Home/Mental Health Facilities

[CP-2A/RU-1-8, 13]

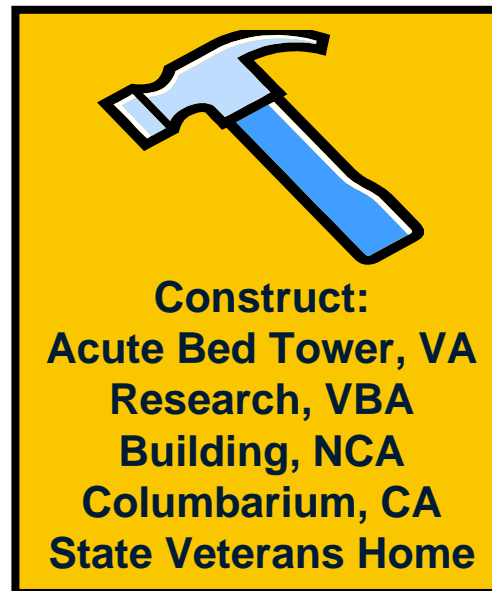
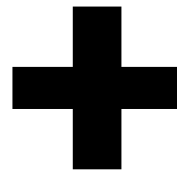
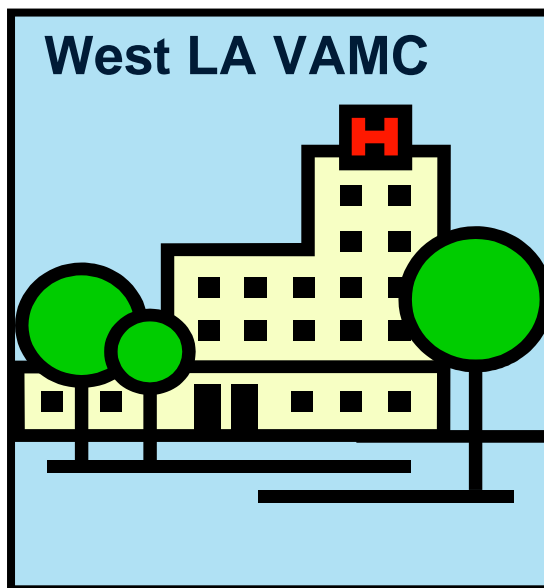


BPO 2: Assessment

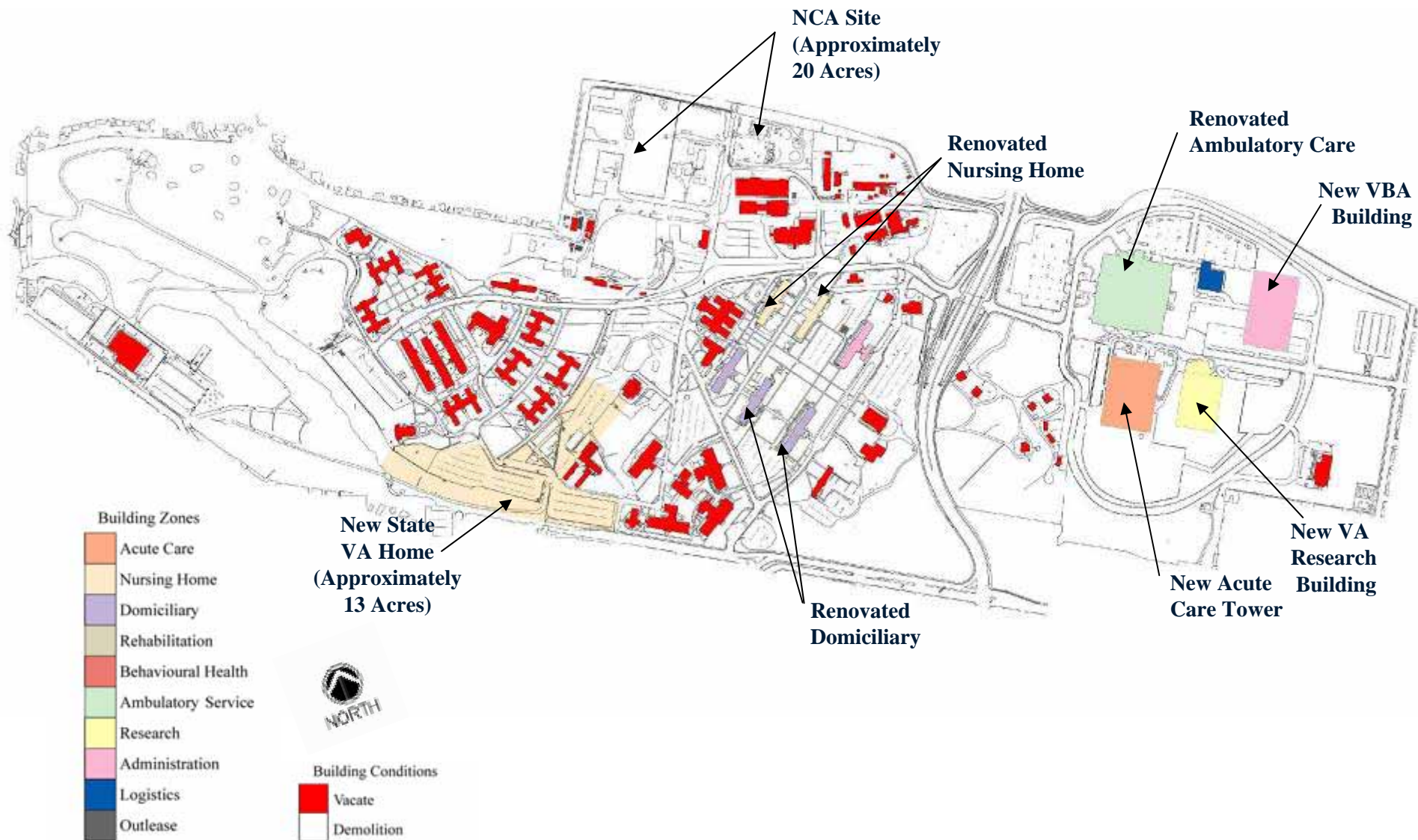
Healthcare Access	No change.
Healthcare Quality	Safety and security improved due to new construction. Facility sized to meet projected demand.
Cost Effectiveness	Cost effectiveness improved through a consolidation of services and reduction in the number of buildings operated. More investment will be required for the new construction. Option provides cost avoidance through vacating of existing buildings. Overall cost effectiveness moderately improved through new facilities.
Ease of Implementation	Easy relocation of services. No disruption to ongoing operations.
Wider VA Program Support	Enhances integration with the VBA and addresses NCA needs on West LA campus.

BPO 3: Construct New Acute Care Bed Tower & Renovate Ambulatory Care Facilities; Renovate Existing Nursing Home/Mental Health/ Domiciliary Care Facilities [CP-2B/RU-1-8, 13]

All services remain on campus. Acute inpatient located in new acute bed tower on Wadsworth campus. Ambulatory care located in renovated acute hospital building on the Wadsworth campus. New VA research and VBA building will be built on the Wadsworth campus. Nursing home/mental health located in renovated existing facilities on Brentwood campus. New NCA columbarium and CA State Veterans Home constructed on the Brentwood campus. Re-use of available land and structures.



BPO 3: Construct New Acute Care Bed Tower & Renovate Ambulatory Care Facilities; Renovate Existing Nursing Home/Mental Health/ Domiciliary Care Facilities [CP-2B/RU-1-8, 13]



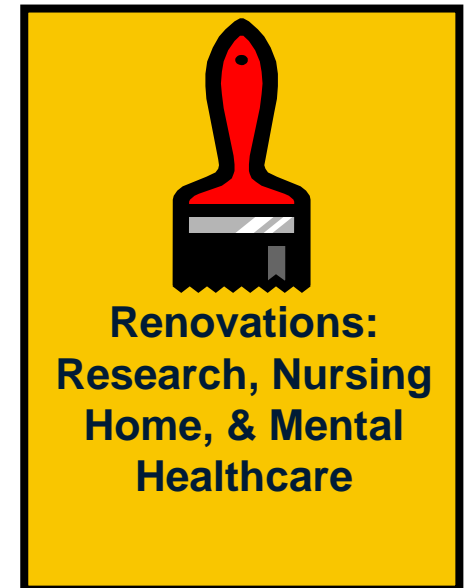
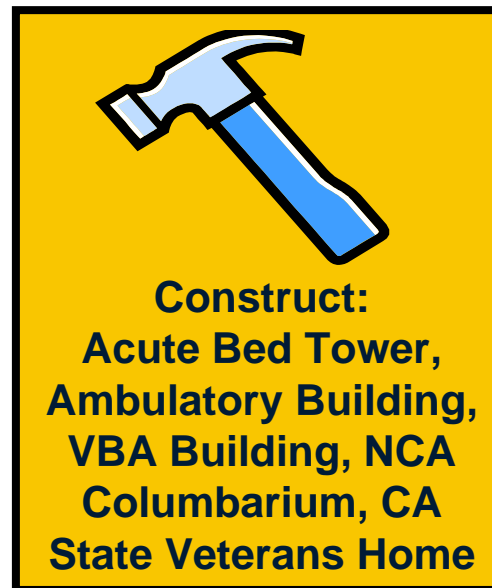
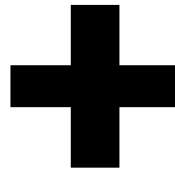
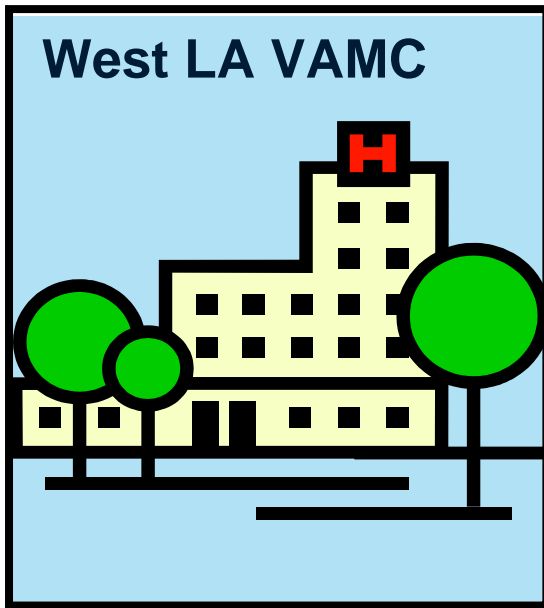
BPO 3: Assessment

Healthcare Access	No change.
Healthcare Quality	Safety and security improved due to new construction. Facilities sized to accommodate projected patient volume through 2023.
Cost Effectiveness	Cost effectiveness improved through a consolidation of services and reduction in the number of buildings operated. Moderate capital investment will be required for the new construction. Option provides cost avoidance through vacating of existing buildings. Overall cost effectiveness moderately improved through new facilities.
Ease of Implementation	Easy relocation of services. No disruption to ongoing operations.
Wider VA Program Support	Enhances integration with the VBA and addresses NCA needs on West LA campus.

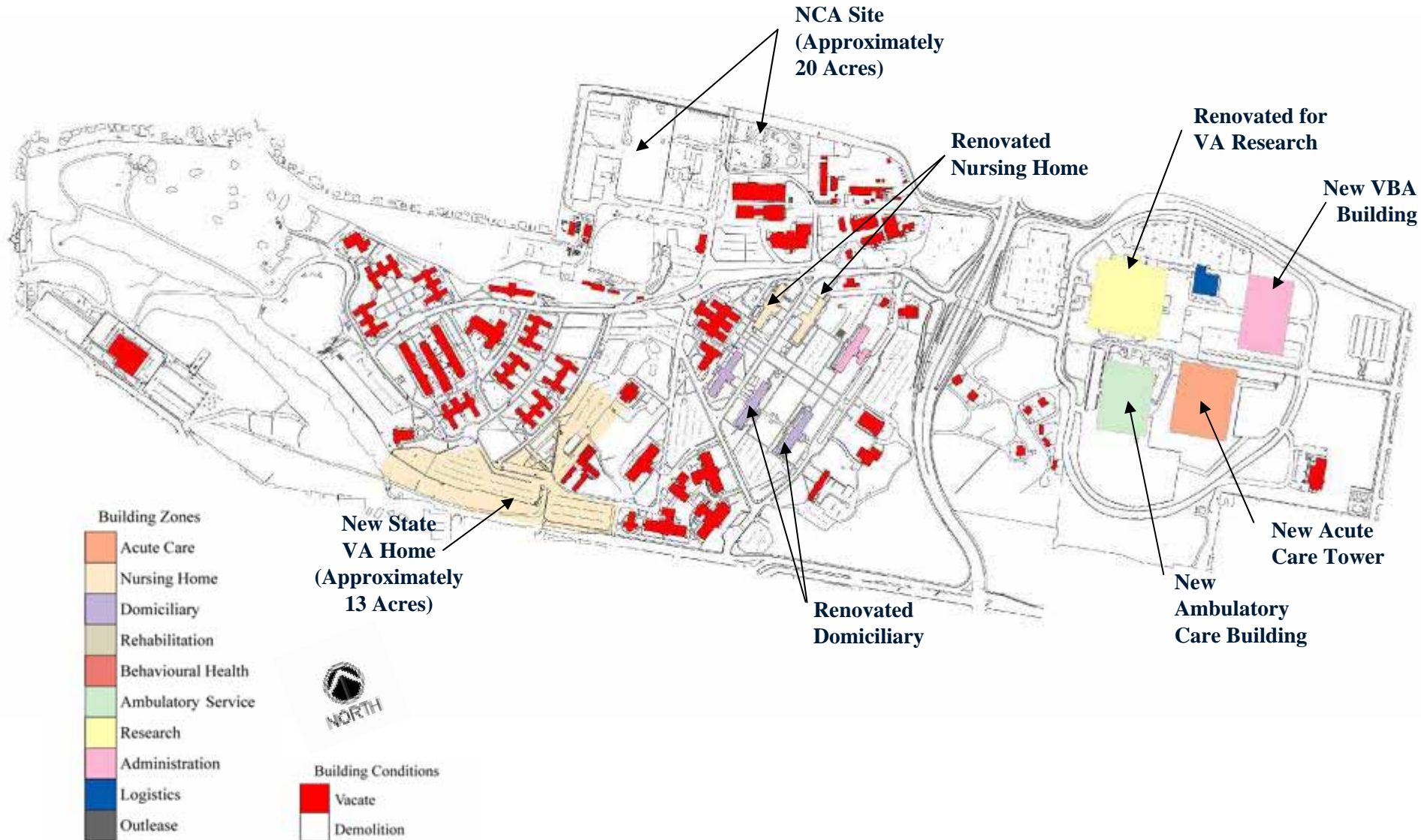
BPO 4: Construct New Acute Care Tower and Ambulatory Care Facilities; Renovate Existing Nursing Home/Mental Healthcare and Research Facilities

[CP-2C/RU-1-8, 13]

All services remain on campus. Acute inpatient located in new acute bed tower on Wadsworth campus. Ambulatory care located in new building on the Wadsworth campus. VA research, nursing home, and mental health located in renovated existing facilities. New VBA building will located on the Wadsworth campus. New NCA columbarium and CA State Veterans Home constructed on the Brentwood campus. Re-use of available land and facilities.



BPO 4: Construct New Acute Care Tower and Ambulatory Care Facilities; Renovate Existing Nursing Home/Mental Health and Research Facilities [CP-2C/RU-1-8, 13]



BPO 4: Assessment

Healthcare Access	No change.
Healthcare Quality	Safety and security improved due to new construction. Facility sized to accommodate projected patient volume through 2023.
Cost Effectiveness	Cost effectiveness improved through a consolidation of services and reduction in the number of operated buildings. Moderate capital investment required for the new construction; incremental to that in BPO 3. Option provides cost avoidance through the vacating of existing buildings. Overall cost effectiveness moderately improved through new facilities.
Ease of Implementation	Easy relocation of services. No disruption to ongoing operations.
Wider VA Program Support	Enhances integration with the VBA and addresses NCA needs on West LA campus.

Summary of Re-Use/Redevelopment Options that Support or Complement Needs of Veterans

- The contractor determined a number of possible campus re-use opportunities that are coupled with the previously identified capital planning initiatives in compiling Business Plan Options for the West LA campus.
- Feasible Re-use Options by key parcel or group of parcels were compiled and include various re-use.
- Following is a summary of those identified re-use opportunities by campus parcel/group of parcels.

Re-Use/Redevelopment Options that Support or Complement Needs of Veterans– cont.

Parcel(s)	Potential Re-Use/Redevelopment Options
Parcel A - North Brentwood Campus	<ul style="list-style-type: none"> ▪ Community education/recreation ▪ Mixed use residential (limited new construction) ▪ Open space/recreation
Parcels C & E – North Central & West Central Brentwood Campus	<ul style="list-style-type: none"> ▪ Affordable/transitional veteran/family/nursing housing ▪ Long-term veteran housing (Parcel C) ▪ Residential therapy/treatment programs (public/private) ▪ Limited use hospitality (Fisher House) ▪ Administrative support/training
Parcels G1, G2 & K – Southeast Brentwood Campus & portion of South Wadsworth Campus	<ul style="list-style-type: none"> ▪ Medical research ▪ Medical office building/veteran-patient pharmacy ▪ Limited use hospitality (Fisher House)
Parcel F – Southwest Brentwood Campus	<ul style="list-style-type: none"> ▪ Community education/recreation ▪ Limited use hospitality (Fisher House) ▪ Open space/greenbelt

Options Not Selected for Assessment

One option for complete replacement of all facilities providing care to veterans on the campus.

Does not comply with the Secretary's decision.

Six options that redevelop or re-use Parcels I, H1, H2, H3, J and portion of K for non-VA re-use.

Wadsworth South Campus is preserved for the consolidation of VA acute clinical care programs.

One option that redeveloped or re-used Parcel D.

Site has been preserved for the State Veterans Home (SVH) project.

In addition, earlier options that redeveloped or re-used campus for 'commercial' purposes.

Does not comply with the June clarification notice from the Secretary on re-use.

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 business days following the LAP meeting – contractor to receive by October 7.
- 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 meeting
- ◆ Fill out a comment form at the LAP meeting

CARES Project Website

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

- ◆ An electronic comment 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

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