



Capital Asset Realignment for Enhanced Services (CARES)

Business Plan Studies for Muskogee, Oklahoma

Presentation to the Management Assistance Council



Introduction and Background



- **The Secretary's CARES Decision Document, May 2004, calls for additional studies to improve the previous analyses for eighteen sites**
- **Muskogee, OK is one of these study sites**
- **Team PricewaterhouseCoopers (PwC) was selected as the prime contractor to complete these studies**

Study Objective



Identify the optimal approach to provide veterans with healthcare equal to or better than is currently provided in terms of:

- **Access**
- **Quality, and**
- **Cost Effectiveness**

Study Outcomes



As a result of this study, the VA will receive a broad range of options to meet the VA's current and forecasted needs, from which the VA will choose 3 to 6 options from which one option will be recommended. For Muskogee, the study will address excess capacity in Muskogee while patient population growth is in Tulsa. The results of this study, coupled with input from the community and other interested parties, will be presented to the VA for review of PricewaterhouseCoopers recommended options.

Study Considerations



- **Demand for services based on VA forecasts**
- **Access to services**
- **Quality of care**
- **Research and education**
- **Cost – operating and capital**
- **Consider collocation opportunities**
- **Potential for collaboration with other healthcare providers**

Study Scope for Muskogee, OK



-Healthcare Delivery Study – Determine type and volume of services and best location

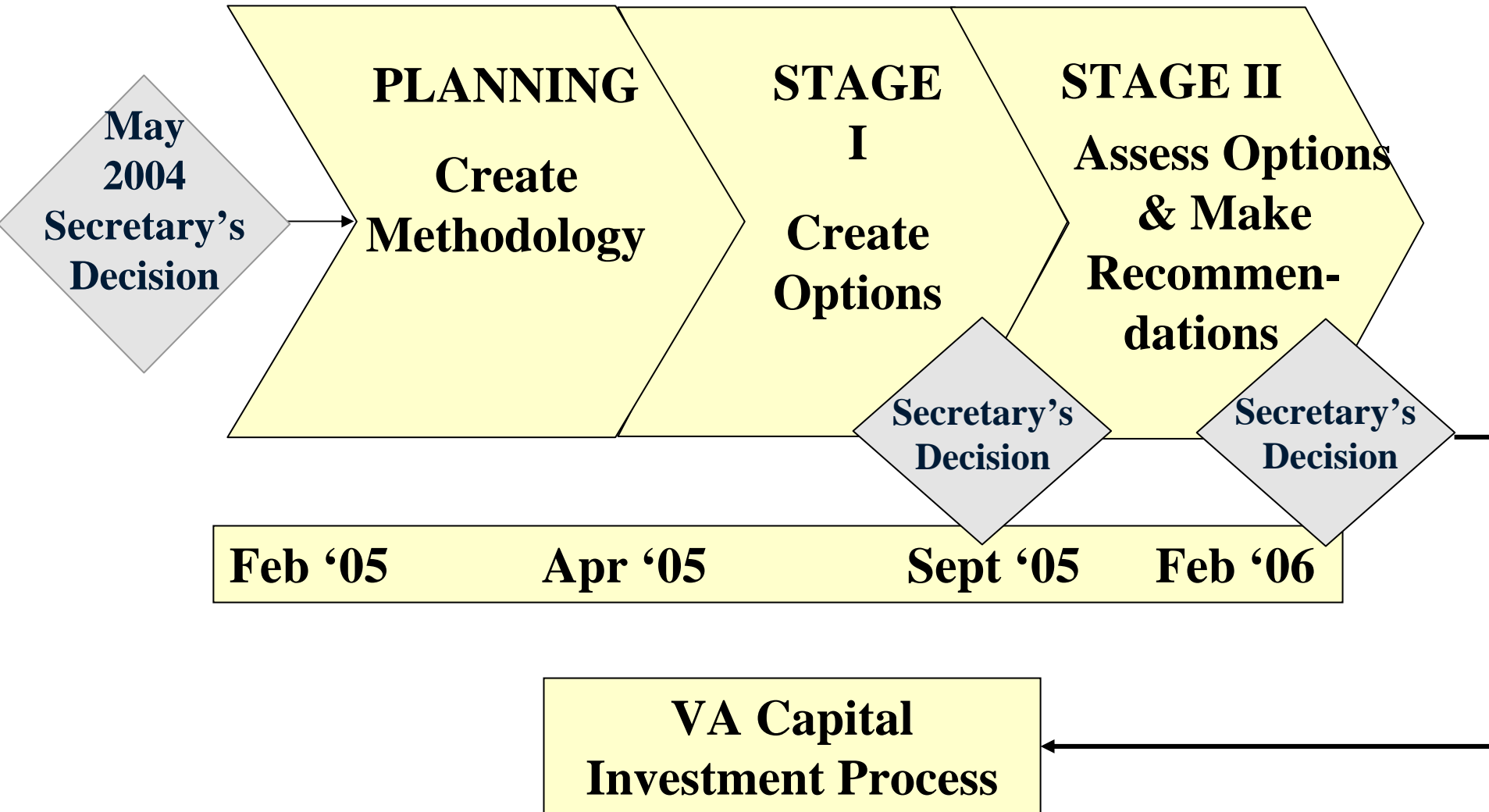
-The study will include:

An analysis of the demand for health care in both Muskogee and Tulsa

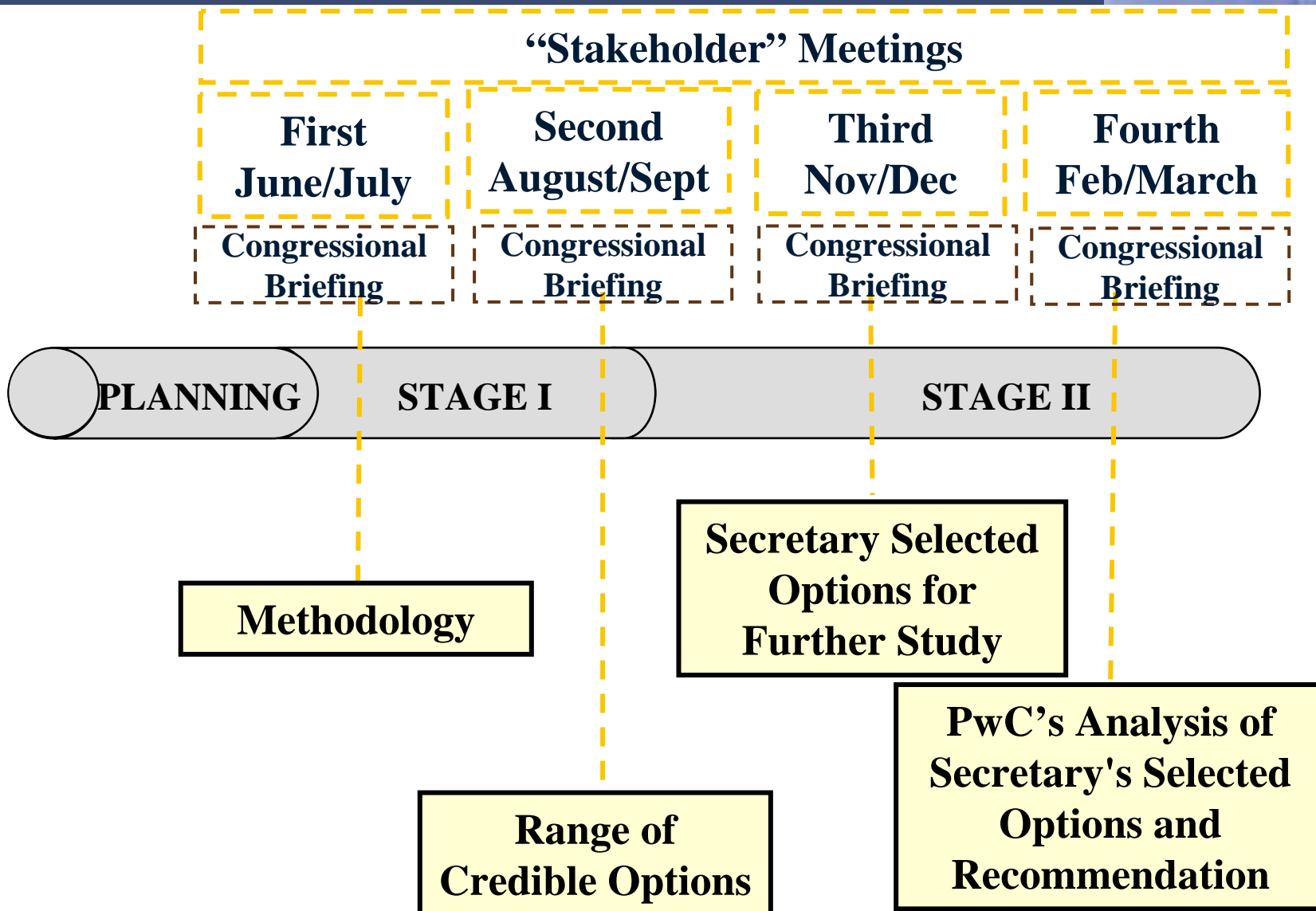
The recommendation of a plan to best meet the healthcare needs of veterans while maximizing the use of resources

-Financial Analysis – Develop a cost effectiveness analysis

Project Overview



“Stakeholder Meetings”



Stage I Business Plan Options and Decisions



Stage I

- **Develop a broad range of credible options**
 - Type of services
 - Where and how they can be provided
- **Assess each option's potential to meet or exceed the CARES objectives**
- **All options will be presented from which six credible options will be considered for further study in Stage II**

VA Decision

Which of the options should be selected for detailed study in Stage II

Stage II Business Plan Options and Decisions



Stage II

- Detailed development and analysis by Team PwC of VA's selected business plan options
- PwC independently selects a recommended business plan option
- Prepare a draft business plan for the recommended option

VA Decision

Approval of a recommended business plan option for implementation at each study site

Overview of the Option Development Process



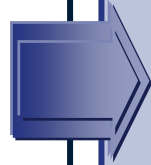
Inputs & Analysis

VA Forecast of Demand for Healthcare

Existing Facilities and Services

Future Modernization Needs

Interested Party Input



Option Development

Healthcare Study

Baseline Option

Alternative Options

Financial Evaluation and Assessment

The Baseline Option



No significant change either to the location or type of services provided in the study site, taking account of:

- Projected changes in healthcare volume for particular procedures**
- Ongoing preventative maintenance of buildings**
- Capital investment required to maintain a safe healthcare delivery environment**

Alternative Business Plan Options



Alternatives to consider and as defined in the Secretary's CARES Decision Document, May 2004. Options could contain any combination of the following, but not limited to:

In house services

Contracting services

Joint Ventures with DoD

Transferring care

Sharing agreements

Leasing of space

Business Plan Option Decision Criteria



Each acceptable Business Plan Option (BPO) will meet or exceed the following screening criteria:

- **Maintain or improve overall healthcare quality**
- **Maintain or improve veterans' access to care**
- **Result in a cost effective configuration of VA physical and operational resources**
- **Result in a modernized, safe and secure healthcare delivery environment**

The VA's Role



Oversight of Contract

- **Review of all deliverables**
- **Evaluation of feedback from Local Advisory Panels**

VA Provided Information

- **Local site team assistance**
- **Demand forecasts**
- **Baseline operating costs**
- **Facility plans and facility quality assessments**
- **Collaboration opportunities**
- **Environmental hazards**



PricewaterhouseCoopers LLP

- **Overall Program Management**
- **Overall Quality Assurance**
- **Health Care Studies**
- **Financial Analysis / Business Planning**
- **Public/Veteran Relations**

Widmeyer

-Communications

How Can You Provide Feedback?



Local Advisory Panel Meetings

- **Provide testimony at the public meetings**

CARES Project Website –

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

- **Information on each of the 18 study sites**
- **An electronic comments form is available to share your views and opinions. This is available for 2 weeks after each Local Advisory Panel meeting**
- **Website provides public meeting information, agendas, meeting summaries, and links to background documents**

How Can You Provide Feedback?



- **Written comments can be sent to:**

Muskogee Study

VA CARES Studies

P.O. Box 1427

Washington Grove, MD 20880-1427

You may send letters or paper comment forms to this address

- **Summaries of oral and written feedback will be analyzed and provided to the Local Advisory Panel for review.**
- **The paper and electronic comment forms are the same and should only be completed once**