

Capital Asset Realignment for Enhanced Services (CARES)

Business Plan Studies for Muskogee Study Site

Presentation for the Management Assistance Council

September 15, 2005



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Recap of Management Assistance Council (MAC) Meeting



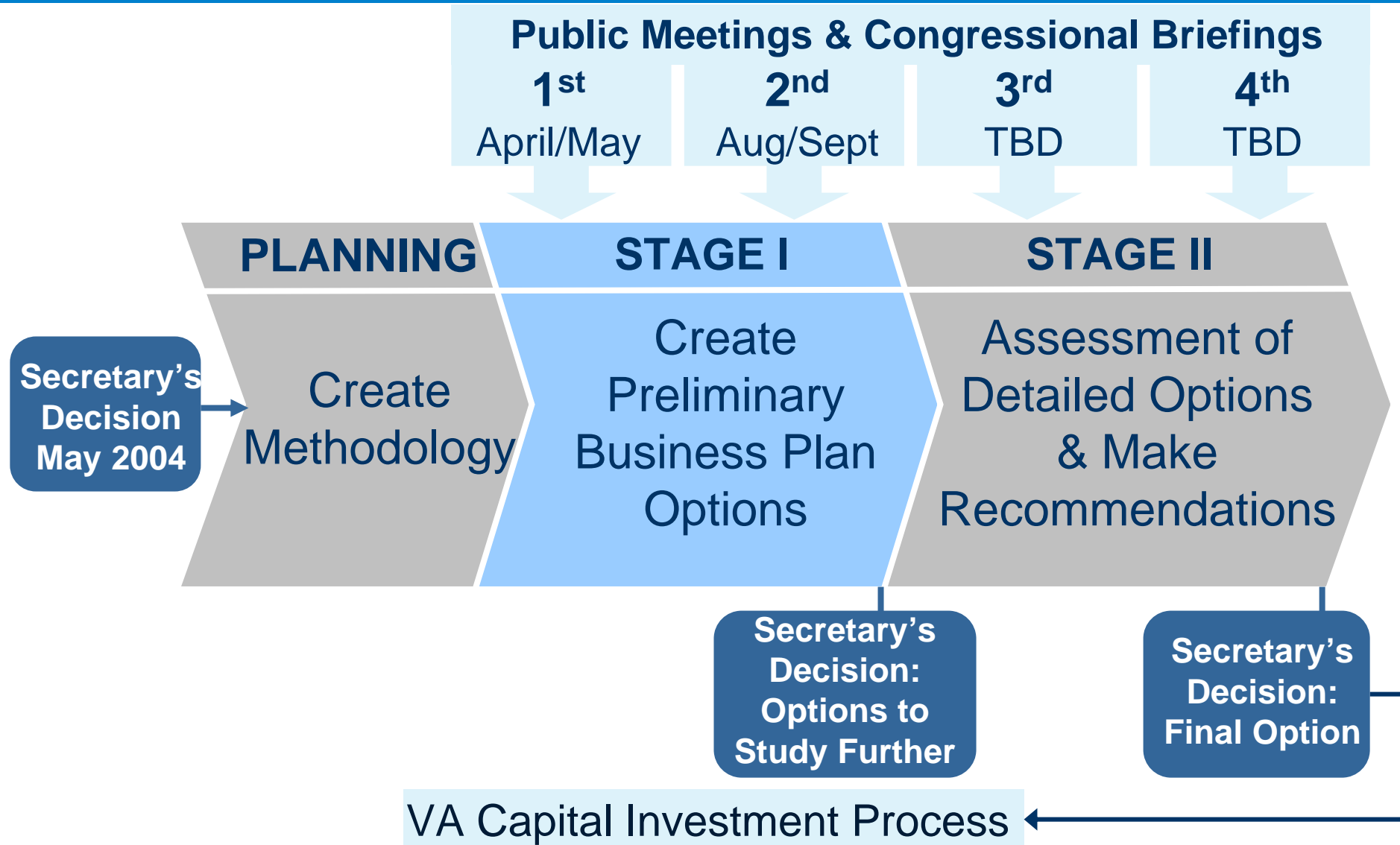
First MAC Meeting Recap

- The Secretary's CARES Decision Document, May 2004, calls for additional studies to expand the previous analyses for eighteen sites including Muskogee, Oklahoma.
- Study Objective:

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

- Access
- Quality
- Cost Effectiveness

Project Overview



2004 Secretary's Decision for Muskogee

The VA will:

- ◆ Consider that the Muskogee VAMC currently has excess capacity, while the region's patient population growth is focused in the Tulsa area.
- ◆ Assess the demand for health care in the Muskogee/Tulsa region and recommend a plan to best meet the health care needs of veterans, while maximizing use of resources.
- ◆ A decision to expand inpatient psychiatry should consider the results of the study.
- ◆ Address the plan for the Muskogee VAMC's five-bed inpatient surgery program.
- ◆ Retain ambulatory surgery and have observation beds available.

What's Being Studied at Muskogee

■ Healthcare Study

A study to identify the best way to provide current and projected veterans with healthcare equal to or better than is currently provided in terms of access, quality, and cost effectiveness

Purpose of this Meeting

- The purpose of this meeting is to review the options prepared by the contractor for the future use of this medical center.
- During this meeting, the contractor will present the options that it believes will maintain or improve veterans' access to quality healthcare in a cost effective manner.
- Members of the Management Assistance Council (MAC) will ask questions so that each option is clear. Members of the public may also ask questions about the options.
- The MAC may add options not presented by the contractor.
- The MAC will recommend to the Secretary which options it believes should be studied further, but the Secretary is not required to adhere to this recommendation.

Muskogee Public Input



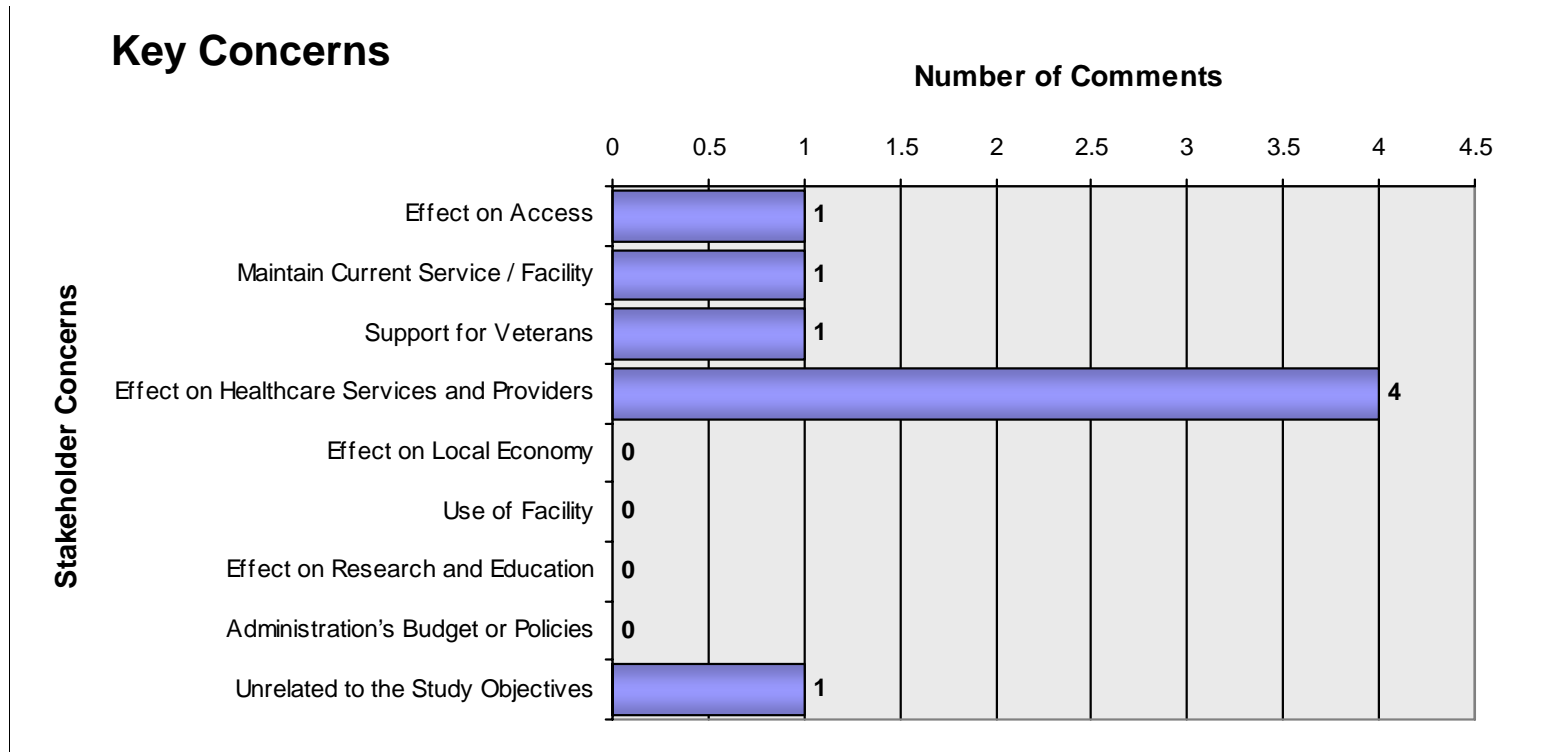
Muskogee Public Input

- Limited written correspondence was received
- Most written and electronic input was from VA or Medical Center employees
- Top key concerns:
 - Maintaining current level of access to VA services
 - Maintaining current services delivered at the Muskogee campus
 - Maintaining the current level of quality of healthcare services and healthcare professionals providing such services

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



Current Status and Business Plan Options



Stage I Study Findings for Muskogee

Muskogee VAMC



Muskogee Site Overview

■ Muskogee VAMC:

- ◆ Is in the Upper Western market of VISN 16 which contains approximately 210,160 enrolled veterans
- ◆ Provides care to over 41,000 enrolled veterans for the 25 counties in its service area
- ◆ Employs approximately 560 Full-Time Employee Equivalents (FTEEs); 31 physicians, 268 clinical staff and 260 administrative staff.
- ◆ Is affiliated with The University of Oklahoma College of Medicine, Tulsa

Muskogee Services Overview

- The medical center consists of a hospital and outpatient clinic in Muskogee, a VA-staffed Community Based Outpatient Clinic (CBOC) in Tulsa and a contracted CBOC in McAlester, OK
- The Muskogee VAMC provides primary and consultative care in medicine, surgery and mental health
- The Muskogee VAMC houses 51 inpatient beds including:
 - 42 for medicine observation
 - 8 for surgery
 - 1 for psychiatric and substance abuse
- Ambulatory services include medicine, surgery, mental health, physical medicine and rehabilitation
- There is an urgent care center onsite, but no true emergency department

Current Status & Projections

- The Muskogee VAMC does not achieve the drive time guideline for primary care services but does for acute hospital and tertiary care services
- Muskogee achieved higher selected quality scores than the VISN and VA national scores for inpatient care, ambulatory care, behavioral health services and patient satisfaction (inpatient care)
- Muskogee received the same or lower quality measures for patient satisfaction (ambulatory care)
- Over the next 20 years the number of enrolled Priority 1-6 veterans for the Upper Western market is expected to increase 10% from 156,227 to approximately 171,183
- While the majority of veterans live in the Tulsa metropolitan area, the majority of enrolled veterans who utilize the VA for medical services live in the Muskogee area (13% versus 48% of enrollee utilization respectively)

Options Development

“Universe” of Considered Options

**Stakeholder
Input**

**Health Care
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*

COST

Has the potential to offer a cost-effective use of VA resources

Team PwC developed Comprehensive BPOs for Stage I

Discriminating Screening Criteria:

- **Healthcare Quality**
- **Healthcare Access**
- **Making the best use of VA resources**
- **Ease of Implementation**
- **Ability to Support Wider VA Programs**
- **Impact of BPO on VA and Local Community**

Options Overview

“Universe” of Considered Options

Health Care
Options
TOTAL = 26

Initial Screening for Access, Quality, Cost

Business Planning
Options (BPOs)
TOTAL = 11

Assessed for Stage I Report

Summary of Business Plan Options: Muskogee

- **Baseline:** Maintain current facilities and health care services with improvements as necessary to accommodate workload and create a safe, secure, and modern environment.
- **Local Community Providers:** Contract with local providers for all or a portion of inpatient and/or ambulatory care services. Possible local community providers would be located in Wagoner or Broken Arrow, OK.

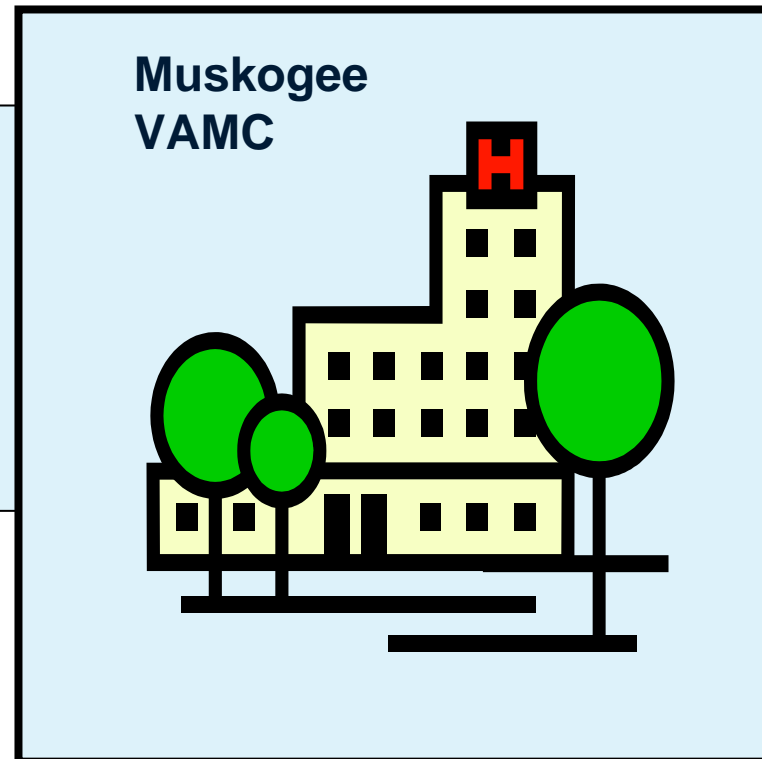
BPO 1: Baseline Option

[HC-1]

A Baseline option reflects the:

Current state projected out to 2013 and 2023 without any changes to facilities, services or programs, but accounting for projected utilization changes, and assuming same or better quality

Muskogee VAMC currently provides inpatient medicine, observation, surgery, psychiatric, ambulatory, and outpatient mental health services.



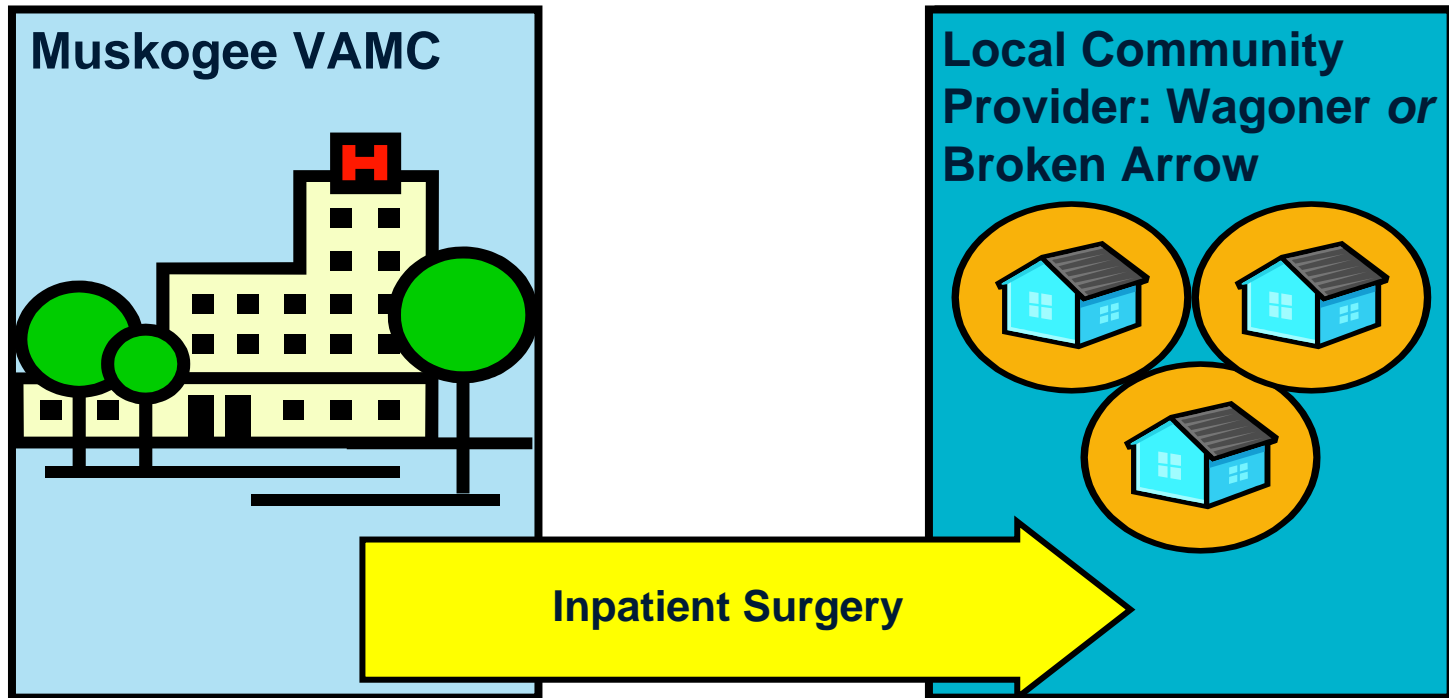
BPO 1: Assessment - Baseline Option

[HC-1]

Healthcare Access	Has the potential to provide the same level of access. Continues to fall short of access requirements for primary care.
Healthcare Quality	Same clinical quality through 2023.
Impact on VA & Local Community	There will be a marginal decrease in FTEEs. No significant change to recruiting, retention, research, training programs.
Cost Effectiveness	Cost effectiveness is expected to remain the same.
Ease of Implementation	No anticipated interruptions to care delivery.
Wider VA Program Support	No impact to DoD resource sharing, One-VA integration, Homeland Security needs, and emergency need projections.

BPO 2 & 3: Contract Inpatient Surgery to a Local Community Providers [HC-3C & HC-3D]

Inpatient surgery would be relocated to a local community provider. Inpatient psychiatry, inpatient medicine, outpatient surgery, ambulatory care, and other outpatient services would remain at Muskogee VAMC.



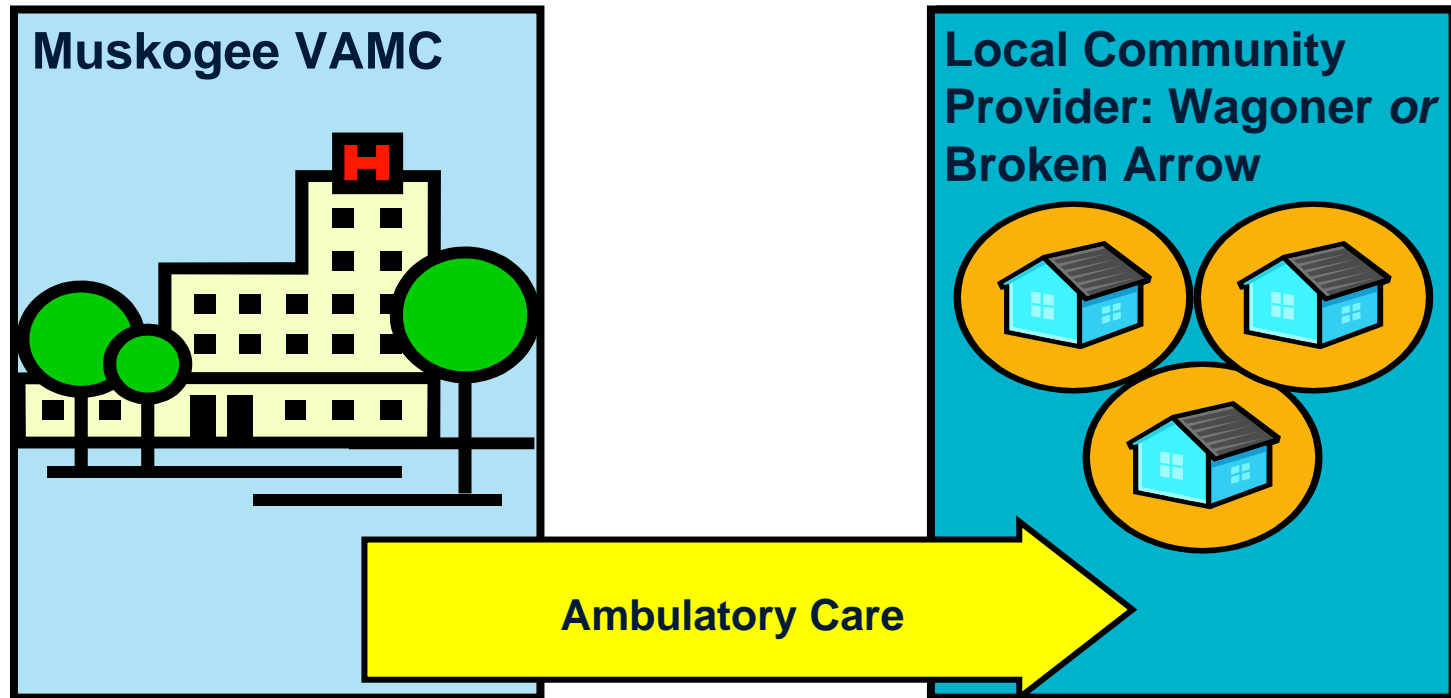
BPO 2 & 3: Assessment - Contract Inpatient Surgery to a Local Community Providers [HC-3C & HC-3D]

3D]

Healthcare Access	Overall access remains the same as Baseline.
Healthcare Quality	Same clinical quality through 2023.
Impact on VA & Local Community	Results in less FTEEs at the Muskogee VAMC. Negative impact on recruitment and retention in Muskogee. Negative impact on the nursing training program.
Cost Effectiveness	Overall cost effectiveness similar to Baseline.
Ease of Implementation	May result in interruption to care delivery as the transfer from ambulatory care to inpatient care would be affected.
Wider VA Program Support	Overall impact on wider VA program support same as Baseline.

BPO 4 & 5: Contract Ambulatory Care to Local Community Providers [HC-3E & HC-3F]

Ambulatory care (including outpatient mental health) would be relocated to a local community provider. Inpatient medicine, inpatient surgery, inpatient psychiatry, outpatient surgery, and other outpatient services would remain at Muskogee VAMC.

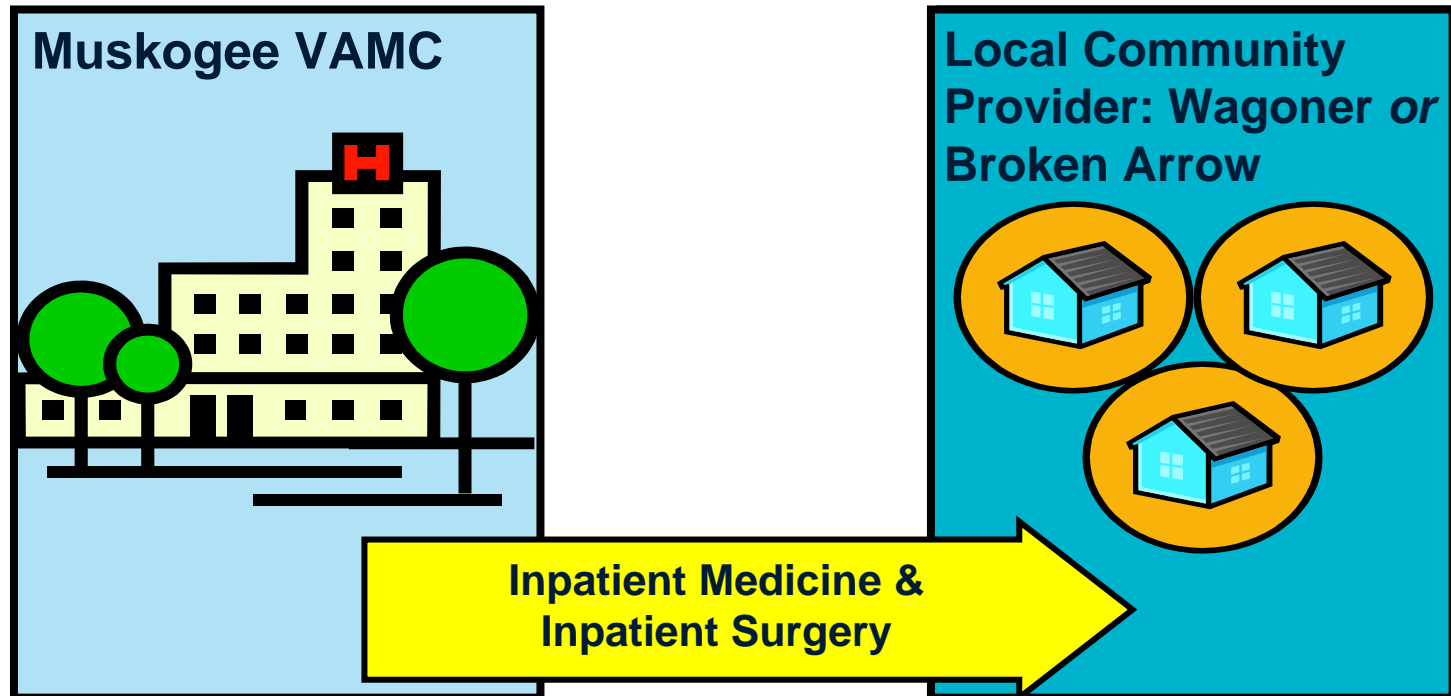


BPO 4 & 5: Assessment - Contract Ambulatory Care to Local Community Providers [HC-3E & HC-3F]

Healthcare Access	Improves access to primary care services for Tulsa-area veterans, but decreases access for Muskogee-area veterans.
Healthcare Quality	Same clinical quality through 2023.
Impact on VA & Local Community	Results in less FTEEs at the Muskogee VAMC. Negative impact on recruitment and retention in Muskogee. Negative impact on the nursing training program.
Cost Effectiveness	Overall cost effectiveness similar to Baseline.
Ease of Implementation	May result in interruption to care delivery as the transfer from ambulatory care to inpatient care would be affected.
Wider VA Program Support	Overall impact on wider VA program support same as Baseline.

BPO 6 & 7: Contract Inpatient Medicine and Inpatient Surgery to Local Community Providers [HC-3G & HC-3H]

Inpatient medicine and inpatient surgery would be relocated to a local community provider. Inpatient psychiatry, outpatient surgery, ambulatory care and other outpatient services would remain at Muskogee VAMC.



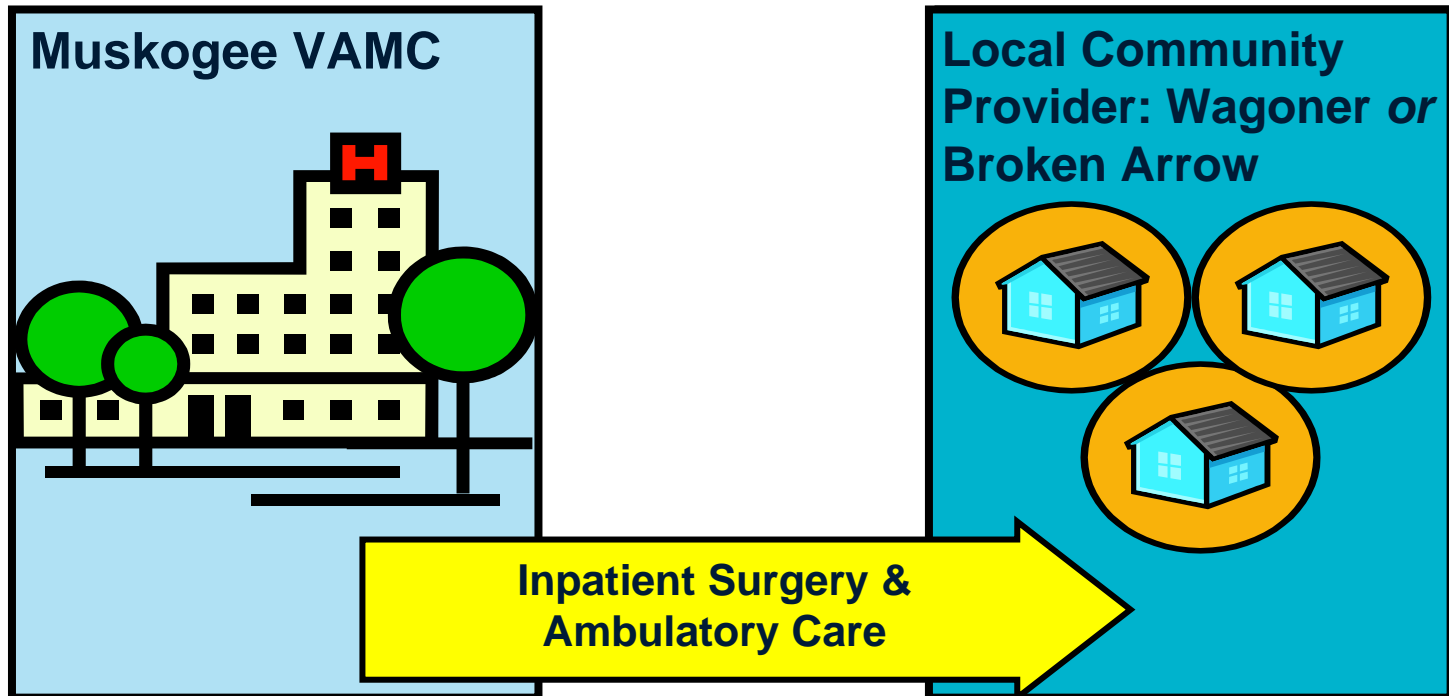
BPO 6 & 7: Assessment - Contract Inpatient Medicine and Inpatient Surgery to Local Community Providers [HC-3G & HC-3H]

Healthcare Access	Overall access remains the same as Baseline.
Healthcare Quality	Same clinical quality through 2023.
Impact on VA & Local Community	Results in less FTEEs at the Muskogee VAMC. Negative impact on recruitment and retention in Muskogee. Negative impact on nursing training program .
Cost Effectiveness	Overall cost effectiveness similar to Baseline.
Ease of Implementation	May result in interruption to care delivery as the transfer from ambulatory care to inpatient care would be affected.
Wider VA Program Support	Overall impact on wider VA program support same as Baseline.

BPO 8 & 9: Contract Inpatient Surgery and Ambulatory Care to Local Community Providers

[HC-3I & HC-3J]

Inpatient surgery and ambulatory care (including outpatient mental health) would be relocated to a local community provider. Inpatient medicine, inpatient psychiatry, outpatient surgery and other outpatient services would remain at Muskogee VAMC.



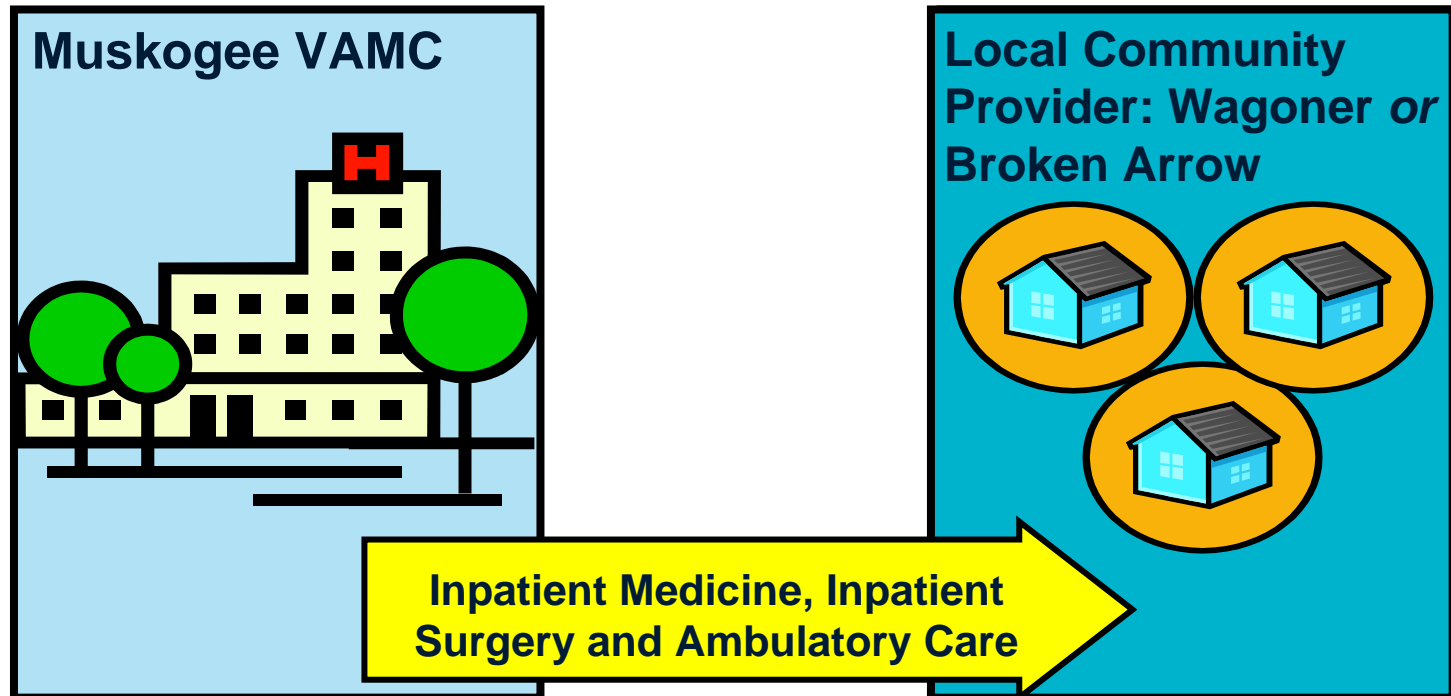
BPO 8 & 9: Assessment - Contract Inpatient Surgery and Ambulatory Care to Local Community Providers

[HC-3I & HC-3J]

Healthcare Access	Improves access to primary care services for Tulsa-area veterans, but decreases access for Muskogee-area veterans.
Healthcare Quality	Same clinical quality through 2023.
Impact on VA & Local Community	Results in less FTEEs at the Muskogee VAMC. Negative impact on recruitment and retention in Muskogee. Negative impact on the nursing training program.
Cost Effectiveness	Overall cost effectiveness similar to Baseline.
Ease of Implementation	May result in interruption to care delivery as the transfer from ambulatory care to inpatient care would be affected.
Wider VA Program Support	Overall impact on wider VA program support same as Baseline.

BPO 10 & 11: Contract Inpatient Medicine, Inpatient Surgery and Ambulatory Care to Local Community Providers [HC-3K & HC-3L]

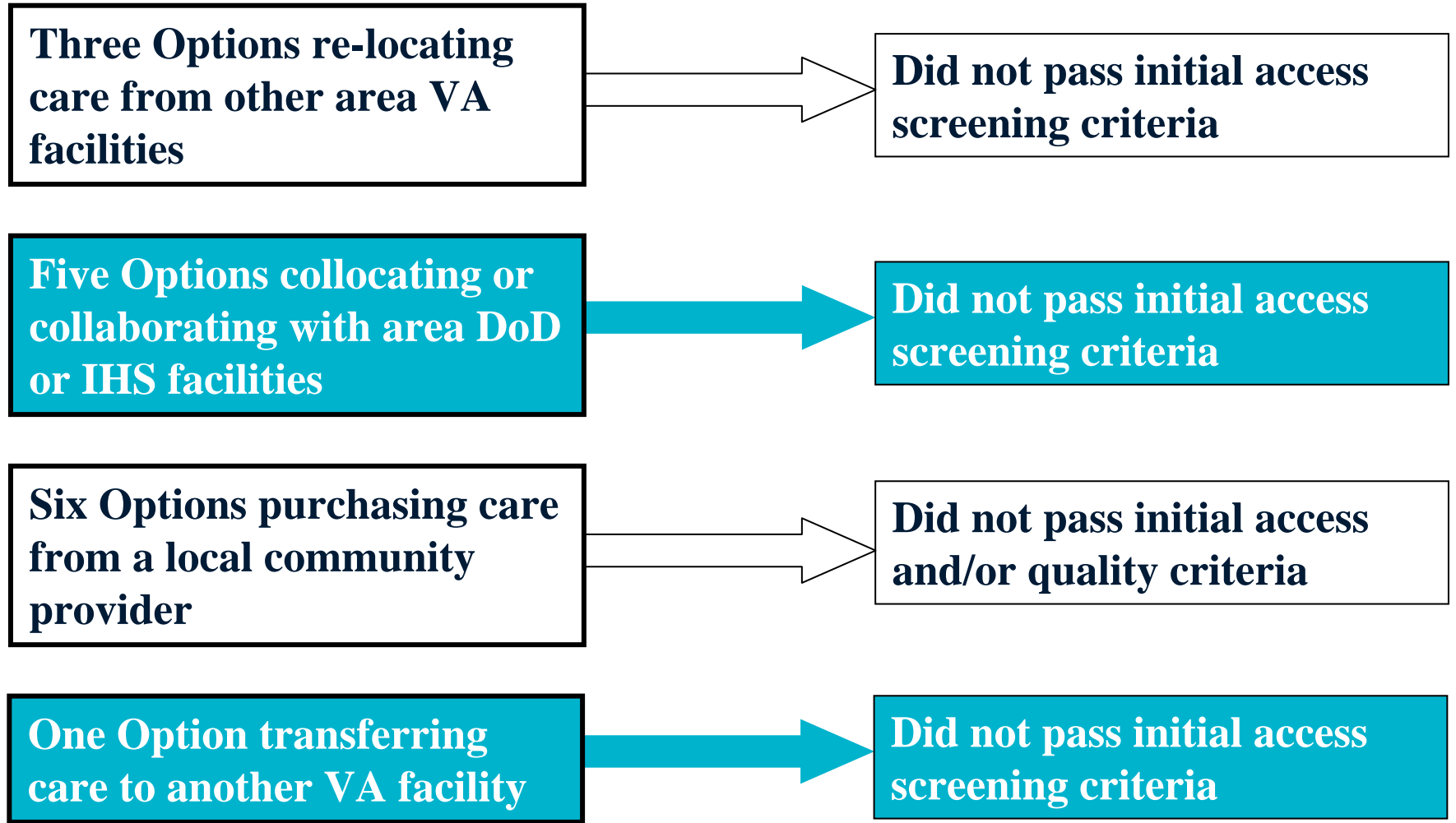
Inpatient medicine, inpatient surgery and ambulatory care (including outpatient mental health) would be relocated to a local community provider. Inpatient psychiatry, outpatient surgery and other outpatient services would remain at Muskogee VAMC.



BPO 10 & 11: Assessment - Contract Inpatient Medicine, Inpatient Surgery and Ambulatory Care to Local Community Providers [HC-3K & HC-3L]

Healthcare Access	Improves access to primary care services for Tulsa-area veterans, but decreases access for Muskogee-area veterans.
Healthcare Quality	Same clinical quality through 2023.
Impact on VA & Local Community	Results in less FTEEs at the Muskogee VAMC. Negative impact on recruitment and retention in Muskogee. Negative impact on the nursing training program.
Cost Effectiveness	Overall cost effectiveness similar to Baseline.
Ease of Implementation	May result in interruption to care delivery as the transfer from ambulatory care to inpatient care would be affected.
Wider VA Program Support	Overall impact on wider VA program support same as Baseline.

Options Not Selected for Assessment



Next Steps

- The MAC 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 days following the MAC meeting
- 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?

Management Assistance Council Meeting

- ◆ Provide testimony at the public meetings
- ◆ Fill out a comments form at the public meetings

CARES Project Website

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

- ◆ An **electronic comments 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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