

**JOSE R. CORONADO, FACHE**  
**Director, South Texas Veterans Health Care System**

**on behalf of the**  
**DEPARTMENT OF VETERAN AFFAIRS**

**before the**  
**HOUSE COMMITTEE ON VETERANS' AFFAIRS**

**SUBCOMMITTEE ON HEALTH**

**APRIL 13, 2004**

**WRITTEN TESTIMONY**

**SOUTH TEXAS VETERANS HEALTH CARE SYSTEM**

The Department of Veterans Affairs STVHCS was created on March 17, 1995 with the integration of the Audie L. Murphy Memorial Veterans Hospital, San Antonio, and the Kerrville VA Medical Center, Kerrville. STVHCS is comprised of three divisions referred to as the Audie L. Murphy Division, the Kerrville Division and the Satellite Clinic Division and has a FY04 operating budget of \$375 million. The STVHCS serves one of the largest primary service areas in the nation, 63 counties, and is part of the VA Heart of Texas Veterans Integrated Service Network (VISN 17), located in Arlington, TX.

The Audie L. Murphy Division (ALMD), named after the nation's most decorated World War II hero, began operations and initiated its affiliation with the University of Texas Health Science Center at San Antonio in October 1973. Acute medical, surgical, psychiatric, geriatric, and primary care services are offered for veterans residing locally, regionally, and nationally. The ALMD is comprised of 500 authorized hospital beds (included is a 30-bed state-of-the-art Spinal Cord Injury Center). In addition, a 90-bed Extended Care Therapy Center is located on the facility grounds. ALMD provides tertiary services including bone marrow transplantation, open-heart surgery, magnetic resonance imaging and positron emission tomography. The ALMD supports the eighth largest research facility in the VA with a total FY 04 budget of approximately \$8.2 million. The ALMD hosts nearly 32 principal investigators who conduct research on aging, cardiac surgery, cancer, and diabetes. The facility houses the only inpatient National Institute of Health sponsored clinical research center in VA; the Geriatric Research, Education & Clinical Centers (GRECC) is a "Center of Excellence". Additionally, "Centers of Excellence" designations have been awarded to our nationally prominent HIV Program as well as our women's health program.

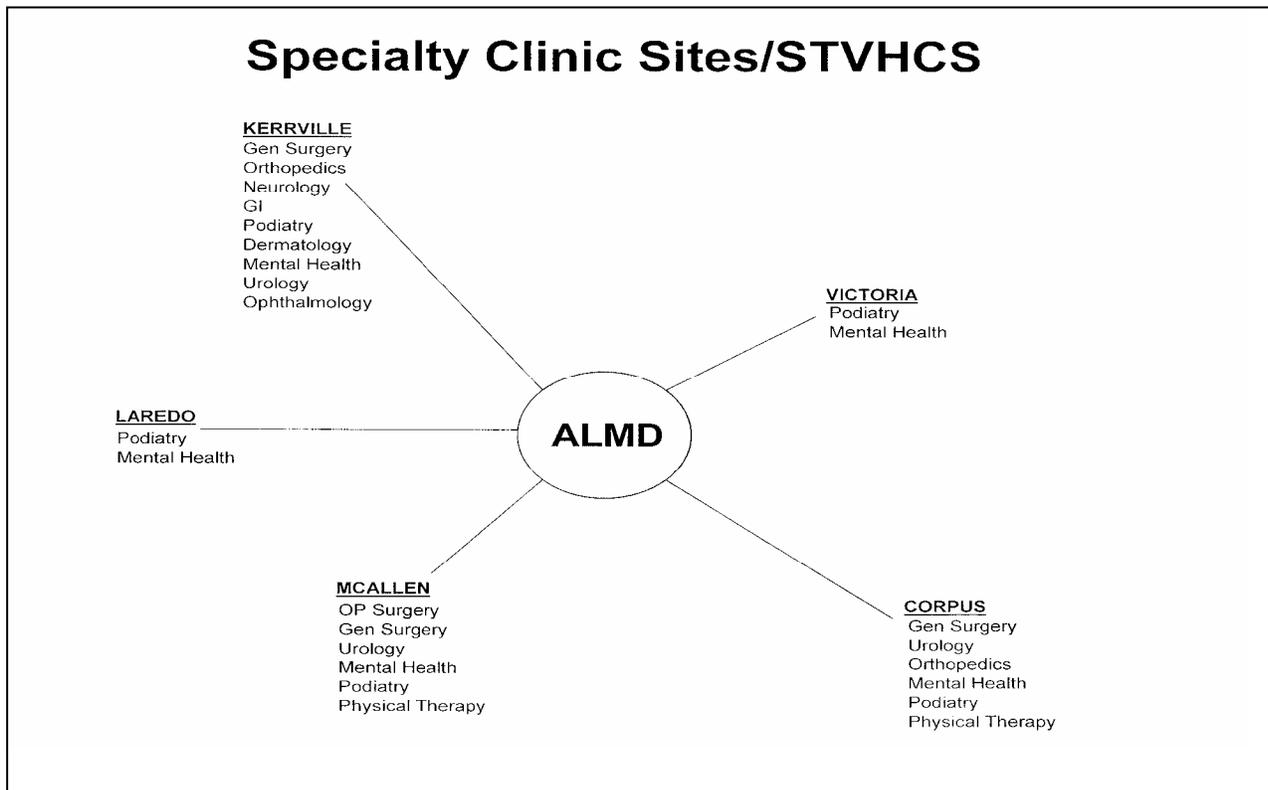
The Kerrville Division (KD), located 65 miles northwest of San Antonio, provides acute medical, primary care and long-term care services for an estimated 16,000 veterans residing in the "Texas Hill Country." Comprised of 25 operating hospital beds and a 154-bed Transitional Care Center, the Division delivers primary care, geriatric evaluation and management, hospice care, and a variety of specialty clinics. The KD has developed an extensive primary care delivery system and was the recipient of the 1995 VA Deputy Secretary's Scissors Award for its accomplishments. Along with its primary care program, KD's focus is long-term care and reflects the needs of the local retirement community.

The Satellite Clinic Division act is the first point of entry for many veterans and offers primary care and some specialty services. When required, veterans are referred to ALMD and KD for specialty care. The satellite clinic divisions is comprised of VA-staffed and contract Community-Based Outpatient Clinics (CBOCs). Staff clinics are located in San Antonio (1995), Corpus Christi (1972), McAllen (1972), Victoria (1989) and Laredo (1990). Contract clinics are located in Brownsville (1996), Alice (1998), Beeville (1998), Kingsville (1998), Uvalde (1998), San Antonio (2000) and New Braunfels (2000). The STVHCS also supports the clinics by providing ophthalmology, general surgery, mental health, orthopedic, podiatry and urology teams on-site (offerings vary by site). These actions provide services closer to patients' homes. In 1997, STVHCS initiated a contract with medical facilities in the Lower Rio Grande Valley (LRGV) to provide outpatient surgery and short inpatient stays to local residents. Annually, over 1,852 procedures (e.g. colonoscopies, endoscopies, hernia repairs and cataract surgeries) are performed locally in the LRGV.

**COMPENSATION AND PENSION:** The Frank M. Tejada Outpatient Clinic (FTOPC) is responsible for executing the Compensation and Pension (C&P) Exam Program. Currently over 500 veterans are evaluated monthly in the C&P Program. The FTOPC also houses a division office of the VBA's Houston Regional Office. The C&P Program received over 6,923 requests in FY 2003.

**LOCAL ISSUES:** The STVHCS continues to expand its accessibility while increasing the number of unique veterans served and is the epicenter of health care for over 300,000 U.S. veterans residing in south Texas and Mexico. Socioeconomic conditions of the area range from relative affluence in the immediate San Antonio and Kerrville areas to widespread poverty and unemployment in the largely Hispanic Rio Grande Valley. The number of unique veterans served is steadily increasing, with particularly rapid growth in the Lower Rio Grande Valley. Wait times and long travel distances remain a continuing challenge. In general, costs have been controlled and actually decreased relative to national cost per patient. Quality measures have also improved or stayed stable despite the increased patient population.

San Antonio is home to the National Defense Medical Services Area Manager, the Fort Sam Houston VA National Cemetery and the Alamo Federal Executive Board. The STVHCS sponsors a host of sharing agreements, joint procurements and collaborative arrangements with San Antonio's large Department of Defense contingent. For example, all blood products used at Wilford Hall and the South Texas Veterans Health Care System are collected and processed in a jointly operated blood bank. As a result, cost savings of over \$150,000 annually are realized for both VA and the medical treatment facility. Other sharing agreements with DoD include outpatient surgery, audiology, and optometry at the Corpus Christi Naval hospital; maternity care with Wilford Hall USAF Medical Center (WHMC); lab tests with Brooke Army Medical Center (BAMC); Lithotritosy with WHMC; and hyperbarics with Brooks Air Force Base.



**AREA OF SPECIAL INTEREST: VA/DoD Collaborations**

The South Texas Veterans Health Care System (STVHCS), Wilford Hall Medical Center, Brooke Army Medical Center, and other Department of Defense (DoD) facilities in San Antonio and South Texas are actively pursuing multiple strategies for sharing resources to better serve veterans and DoD beneficiaries. The goal is to identify opportunities to better utilize federal resources to provide care for beneficiaries and to achieve cost savings through resource sharing.

The VA/DoD Health Executive Council (HEC) has recently approved five initiatives in the San Antonio federal health care market to proceed to the second round of review for funding through two programs: the DoD/VA Health Care Sharing Incentive Fund and the Health Care Resources Sharing and Coordination Project.

**Incentive Fund Proposals** (DoD/VA Health Care Sharing Incentive Fund)

The FY 2003 National Defense Authorization Act (NDAA), Public Law 107-314 directed the Department of Defense and the Department of Veterans Affairs to establish a program to provide incentive funding in support of creative DoD-VA sharing initiatives. Each Department has contributed \$15 million to the fund for FY 2004. The STVHCS and Wilford Hall Medical Center (WHMC) submitted four Incentive Funding Concept Proposals on January 9, 2004.

**Demonstration Projects** (Health Care Resources Sharing and Coordination Project)

The FY 2003 NDAA also established the second funding program. Subtitle C, Section 722 requires that

VA and DoD establish a health care resources sharing and coordination project to serve as a test for evaluating the feasibility, advantages, and disadvantages of measures for programs designed to improve the sharing and coordination of health care and health care resources between the VA and the DoD. One of the following three elements must be included in the projects: (a) budget and financial management system, (b) coordinated personnel staffing and assignment system, or (c) medical information and information technology system. The demonstration period is to begin in October 2004 and end in fiscal year 2007. Funding will be provided to carry out this project. Each Department is to provide \$3,000,000 in FY 2003, \$6,000,00 in FY 2004, and \$9,000,000 for each subsequent year in FY 2005, 2006, and 2007. The STVHCS, Brooke Army Medical Center (BAMC), and WHMC submitted proposals in August 2003 and received approval on October 24, 2003 to move to the second level of review for two projects:

1. Lab Data Sharing Interoperability - STVHCS, BAMC, WHMC
2. Joint Credentialing Project – STVHCS, BAMC, WHMC

Both projects are classified as medical information and information technology management systems under this funding program. The next step is to submit business and implementation plans by April 30, 2004 to obtain approval for funding. Implementation of the demonstration projects will occur on or before October 2004.

#### 1. Lab Data Sharing Interoperability (LDSI)

- The purpose of the project is to test LDSI in the San Antonio federal health care market. Specifically, the STVHCS would evaluate the feasibility of electronically transmitting test results from BAMC directly into VISTA under the current sharing agreement between BAMC and STVHCS for send-out lab tests.
- STVHCS has been utilizing the reference lab at BAMC for more than five years.
- Having the test results electronically submitted would reduce the chance for human error during manual entry, as is the current procedure.
- Following successful implementation of LDSI, STVHCS would review all individual lab test volumes with the intent to transfer those send-out tests to BAMC.
- LDSI is a VA developed methodology, currently being tested at VAMC Hawaii with Tripler AFB.
- Goals for LDSI include:
  - Share and coordinate resources in order to reduce costs and redundancies and increase efficiencies within the two agencies
  - Facilitate the electronic exchange of patient information between DoD and the STVHCS to enhance delivery of patient care
- In subsequent stages of this project, LDSI would be expanded to include other DoD facilities plus testing of a two-way interface. (Currently, the LDSI interface only allows transfer of information from DoD to VA.)

#### 2. Joint Credentialing

- The STVHCS, WHMC, and BAMC propose to pilot joint credentialing of VA and DoD licensed providers based on an interface between the Department of Defense (DoD) Centralized Credentials Quality Assurance System (CCQAS) and the Department of Veterans Affairs (VA) VetPro.
- The project would be divided into three phases:
  - Phase I – Implement the current CCQAS/VetPro interface (CCQAS 2.7.6) and identify needed changes/enhancements based on a local operational user perspective.

- Phase II – Integrate functionality of CCQAS 2.7.6 into CCQAS 2.8 in the fall when it is released and implement CCQAS 2.8, moving BAMC and WHMC from a paper-based to a web-based application process with capabilities to scan primary source verification documents. Identify needed changes/enhancements based on a local operational user perspective. Identify a means to provide the capability to view credentialing files and scanned primary source verification documentation in either system by VA or DoD staff.
- Phase III - Explore the need for and feasibility of a local centralized site for primary source verification in San Antonio.
- Phase IV - Expand the use of credentialing in VetPro at STVHCS and CCQAS at WHMC to include nurses and other licensed professionals as currently done at BAMC
- The goal of the joint credentialing project is to eliminate duplication of efforts due to each VA/DoD facility independently verifying the credentials of the same licensed practitioners.
- Tangible benefits include cost savings achieved through operational efficiencies gained by sharing staff and consideration of one site for primary source verification.
- Sharing of data would result in time savings during the credentialing process. Standards for quality and quantity of work performed by the credentialing staff would be developed and implemented at all locations.
- The ability to identify and deploy providers appropriately in the case of a local or national emergency would be enhanced.
- Accuracy and consistency of data entry and data validation would be maximized. Electronic data validation would improve data quality. The use of shared data should reduce mistakes through dual entries of information.
- Communications would also be improved between the staff at each facility. Each medical treatment facility would be able to access the verification data through CCQAS or VetPro.
- Job satisfaction for credentialers should be improved due to process improvement initiatives, time savings, and standardized work processes. An effective credentialing system will enhance the ability of VA/DoD facilities to maintain provider skills and better serve the beneficiaries.

**AREA OF SPECIAL INTEREST:** Seamless Transition Task Force

In response to a VA Central Office directive, the STVHCS organized and launched a taskforce in September 2003 for the Seamless Transition of returning service members into veteran status. This multi-disciplinary taskforce includes a full-time social worker, a program manager, a physician clinical liaison, and a benefits advisor from the Veterans Benefits Administration. The team is centered around the full-time VA social worker who is based at Brooke Army Medical Center. The social worker conducts discharge planning activities and clinical coordination services for each potential VA patient. The social worker provides prompt notification of casualty arrivals, delivers coordinated benefits briefings to all potential VA patients, and assists with the coordination appropriate transfer to geographically distant VA facilities. Prior to discharge from Department of Defense, VA's social worker enrolls all patients into the VA system to expedite their transitions.

VA's local team:

- Provides timely notification and tracking of casualties;
- Facilitates transfer of active-duty soldiers into veteran status prior to their separations from Department of Defense;
- Arranges care close to veterans' homes; and
- Assists with claims processing

Additionally, VA's team has identified Iraqi casualty point-of-contacts in each of the 5 satellite clinics and in the Kerrville Hospital Division of the South Texas Veterans Health Care System. These point-of-contacts are charged with coordinating care of any returning Iraqi conflict veterans. The team has insured that as patients are identified, and appropriate measures are put in place to provide a seamless transition into veteran status.

To support communication with all returning Iraqi conflict soldiers in this area, we have initiated substantial outreach initiatives. We have produced and distributed specific brochures, scripts, roles & responsibility guidance, and outreach media products designed to aid in the transition of returning into veteran status. We've taken our mantra, "Treat now, ask questions later" from the words of Secretary Anthony Principi and used it as the foundation of our outreach initiatives. All guidance pertaining to the treatment of our newest veterans instructs employees to quickly facilitate care prior to determination of eligibility. Guidance on the processing of Iraqi conflict veterans has been forwarded to all front-line employees along with scripts detailing how to interact with our new patients. Furthermore, to educate our employees regarding Operation Iraqi Freedom & Operation Enduring Freedom veterans, the South Texas Veterans Health Care System required all employees to view the "Our Turn to Serve" video. This training video, developed by VA Central Office and the Employee Education System, gives an in-depth view of the conditions faced by combat veterans as they continue down their roads to recovery.

Other outreach efforts include communicating with veteran service organizations throughout South Texas during regularly scheduled meetings and by distributing flyers, posters and informative brochures through VSOs. Finally, South Texas Veterans Health Care System publicizes and utilizes the VA Central Office website that addresses areas of interest essential to the care of this growing population. Information is readily available for employees, active duty personnel, Reservists, members of the National Guard, veterans, and family members.

To date, the South Texas Veterans Health Care System has coordinated the transition of 465 service men and women who have supported our nation's defenses in Operation Iraqi Freedom and Operation Enduring Freedom. We currently care for 78 of those 465 locally, and have assisted with the transfer of 128 soldiers into a VA facility geographically distant from South Texas. Our sons and daughters have risen to the challenges of Operation Iraqi Freedom & Operation Enduring Freedom with distinction and honor. They have fulfilled their promises to our country with a diligence and determination of the highest honor. Our responsibility and obligation is to immediately make good on this nation's promise to take care of its veterans with an equal level of diligence and determination. We are applying the lessons learned from previous conflicts to ensure that no veteran experiences delays in receiving the benefits and care they have earned. Our collaborative efforts have strengthened the vital relationship between the VA and the Department of Defense. Secretary Principi stated recently that, "We will have failed to meet our very reason to exist as a Department if a veteran is poorly served." I share this belief, and assure you that through our collaborative efforts that all veterans are receiving benefit services and medical treatment of the highest honor.