VA Recommendations to the

ASSET AND INFRASTRUCTURE REVIEW COMMISSION

March 2022

Market Recommendation

Reading Guide

Market Recommendation Reading Guide

Introduction and Purpose

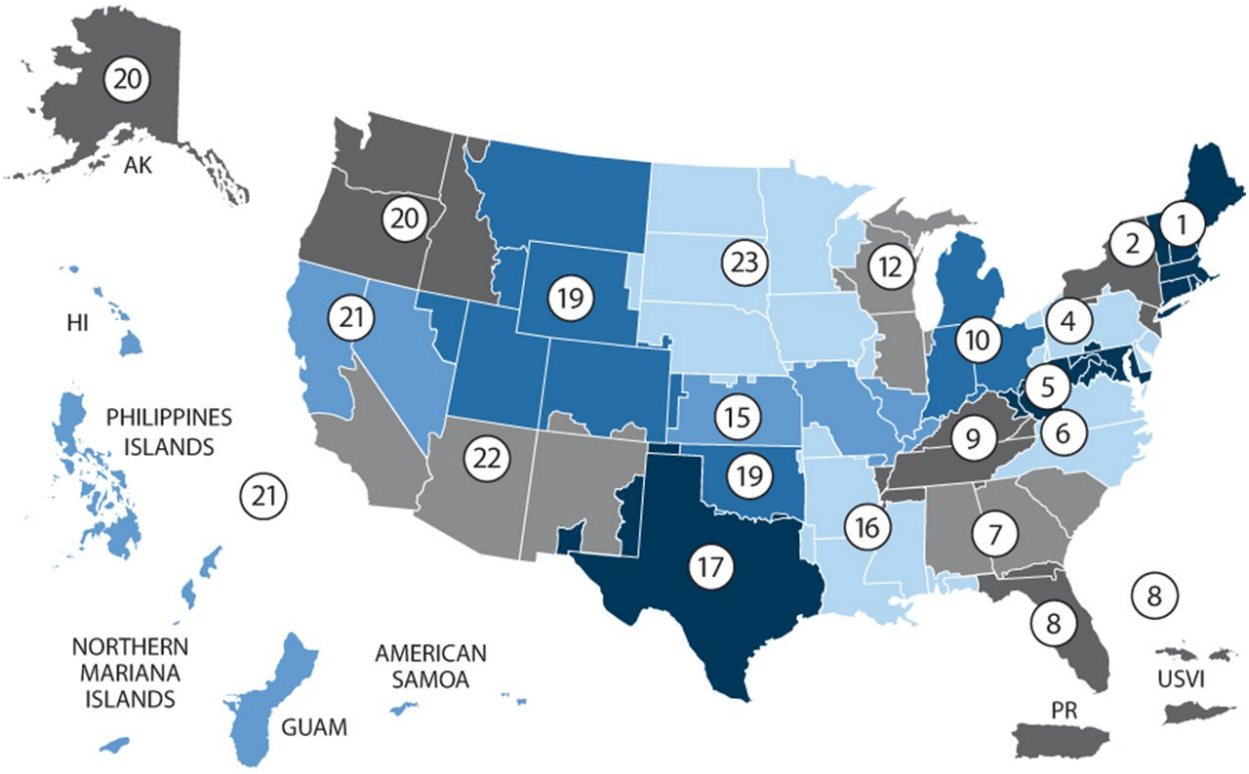
This reading guide is a resource for navigating each market recommendation, and for understanding key terms and definitions referenced throughout the report.

Market Recommendations

VA health care is organized into 18 Veterans Integrated Service Networks (VISNs) with oversight of health care markets that provide care to Veterans within a specified geographic area.[1]

VA recommendations to the AIR Commission are organized by VISN and by market. Although VA developed a single recommendation for each market that is informed by the market assessment, each market recommendation is part of a collective whole designed to improve VA's existing high-performing integrated delivery network.

Figure 1: VISN Map



[1] VA assessed 95 as part of the market assessment process. Health care provided to Veterans outside of the United States was not reviewed as part of the market assessments. The VISN 02 Finger Lakes and Southern Tier markets merged in 2019 during the market assessments, changing the count of markets assessed from 96 to 95.

Structure and Contents

Volume II comprises VA recommendations organized by Veterans Integrated Service Networks (VISNs) and then by market. Each market recommendation introduces the market and describes the contents of the document, which include the following seven sections:

- VA's Commitment to Veterans
- Market Strategy
- Market Overview
- Recommendation and Justification
- Complementary Strategy
- Cost Benefit Analysis (CBA)
- Section 203 Criteria Analysis

VA's Commitment to Veterans

This section outlines VA's commitment to providing accessible, high-quality health care to Veterans in the market and to executing the Department's additional health-related missions of education, research, and emergency preparedness. This section also summarizes VA's process for developing a market recommendation based on data analyses and input from Veterans and VA stakeholders. This content is repeated in all VA market recommendation documents.

Market Strategy

This section summarizes the elements of VA's strategy for each market, including three core objectives VA has for all markets nationwide:

- Provide equitable access to outpatient care through modern facilities close to where Veterans live and through the integration of virtual care;
- Enhance VA's unique strengths in caring for Veterans with complex needs; and
- Provide equitable access to quality inpatient medical and surgical care through the optimized use of care delivered in VA facilities and through partnerships, community providers, and virtual care.

Separately, an analysis related to the fourth core objective – to "strengthen VA's ability to execute its second, third, and fourth health-related missions: education, research, and emergency preparedness" – is described in the Section 203 Criteria Analysis.

Market Overview

This section provides key metrics for the market and select considerations used in forming the market recommendation. The section also includes a map of the market.[2]

[2] In August 2021, the Veteran Administration Site Tracking system (VAST) was queried to provide active sites and site classification. This information was validated with VISN planners and was used to establish the current state. The current state includes active sites or sites that were planned to be active by 12/31/2021.

The information includes a description of the market's facilities, Veteran enrollees, projected demand for services, rurality, enrollee access to VA facilities, community capacity, academic affiliations, facility rankings based on health professional trainees and research funding, and emergency designations. Please see the *key definitions* section for definitions of select market assessment metrics and terms.

Facility Overview

This section provides a brief description of each VA medical center (VAMC) in the market, including services provided, average daily census (ADC), property size, facility condition and age, and estimated maintenance costs.

Recommendation and Justification

This section describes VA's recommendation for the market, including justifications for each component of the recommendation and a map to provide a visual representation of the proposed future state of the market. The future market map includes active sites, sites proposed through the VA recommendation, and sites that VA is already planning to open in the near term.

A holistic recommendation for each market is composed of several interdependent components. The recommendation components are in bold, followed by their corresponding justification. Justifications provide supporting rationale for the recommendation, including supplementary data and details.

Note: *The recommendation components are in numerical order by inpatient facilities, and then outpatient facilities; however, they are not listed in a particular order of significance.*

Recommendation vs. Complementary Strategy

Recommendation: *Specific opportunities for modernization and realignment of VHA facilities in each market that the Secretary submitted for consideration by the AIR Commission. If approved, recommendations are mandatory actions.*

Complementary Strategy: *Supplements VA's recommendations to the AIR Commission and supports a high-performing integrated delivery network in each market. The Complementary Strategy contains additional discretionary actions VA anticipates taking to enhance the recommendation.*

Complementary Strategy

This section details additional discretionary actions VA anticipates taking to enhance the recommendation.

Cost Benefit Analysis

This section provides a summary of the results of a market cost benefit analysis (CBA) for three courses of action (COAs) for each market: Status Quo, Modernization, and the VA Recommendation. Status Quo includes costs associated with Facility Condition Assessment (FCA) deficiencies and represents no significant change in capital and operational costs. Modernization seeks to modernize all existing health care infrastructure. The VA Recommendation implements the market recommendation and seeks to modernize any remaining health care infrastructure.

The CBA results in a Cost Benefit Index (CBI), a simple metric used to compare the costs and benefits associated with each COA. The results of the CBA for each market are displayed in a table in this section.

Section 203 Criteria Analysis

This section provides an overview of how this market recommendation is consistent with the Section 203 decision criteria as required by the MISSION Act. The recommendation is evaluated across six criteria: Demand, Access, Mission, Quality, Cost Effectiveness, and Sustainability. The results are displayed in a detailed table.

Key Definitions

Explanations for select market assessment metrics and terms are defined in the table below.

Metric or Term	Definition
Academic affiliations	Select list of VA's primary academic affiliations with graduate medical education (GME) sponsored programs and/or educational affiliations in the market. This list is not exhaustive and may not include every affiliation for each VAMC. **Data Source:** 2020 Health Professional Trainee (HPT) Positions, Office of Academic Affiliations VAMCs are ranked based on the number of training positions at the facility. **Data Source:** FY 2020, Office of Academic Affiliations VAMC research program rankings were determined by FY 2021 total VA-funded research dollars. **Data Source:** FY 2020, Office of Research and Development
Access	The access metric is the percent of enrollees within a 30-minute drive time of a VA primary care site and within a 60-minute drive time of a VA secondary care site. The MISSION Act required VA to develop access standards to guide VA's provision of community care. • **VA primary care site:** VA facilities that provide both medical and mental health, either physically on site or by telehealth, and may offer support services such as pharmacy, laboratory, and x-ray. • **VA secondary care site:** VA facilities providing ambulatory surgery or acute inpatient services. **Data Sources:** FY 2019 Q4 Enrollment; FY 2019 Q4 VAST data; VHA Chief Strategy Office Planning Systems Support Group
Community capacity	Measurement of acute care beds available at community providers within a 60-minute drive time of the VAMCs in the market and community nursing home beds available within a 30-minute drive time of the VAMCs in the market. This metric provides a general overview of the community providers' excess capacity. *Note: Beds at hospitals or nursing homes above the target occupancy rate (80% for hospitals and 90% for community nursing homes), indicating the facility's bed availability is limited, are excluded, indicating the facility bed availability is limited.* **Data Source:** 2019 CMS Cost Reports

Metric or Term	Definition
Community providers	These providers include all Veterans Community Care Program (VCCP) providers and all non-VCCP providers.
Core uniques	Number of unique individuals that utilized VA-delivered care. VA core unique patients exclude Veterans who have used only VA telephone triage, pharmacy, and laboratory services.
Demand	Demand for key VA services including acute inpatient medical and surgical, inpatient mental health, long-term care, and outpatient services. Inpatient demand is in bed days of care (BDOC) and outpatient demand is in relative value units (RVUs). Demand growth is projected from fiscal year (FY) 2019 to FY 2029. Note: Demand refers to both in-house VA demand (demand directly provided by VA) as well as community demand (demand met by VCCP providers) unless otherwise noted. **Data Source:** Base year (BY) 2019 EHCPM
Eligible Veteran	A Veteran who is eligible through established criteria to be enrolled in the VA health care system. This count is produced using actuarial methods.
Emergency designations	VAMCs participating in the National Disaster Medical System (NDMS) are designated as Federal Coordinating Centers. Select Federal Coordinating Centers are also designated as Primary Receiving Centers. VAMCs not participating in the NDMS will not have an emergency designation.
Enrollees	Veterans that are enrolled in VA for health care. FY 2019 Market Veteran enrollee population and FY 2029 projected Market Veteran enrollee population, based on VA's base year BY 2019 Enrollee Health Care Projection Model (EHCPM). **Data Source:** BY 2019 EHCPM
Enrollee Health Care Projection Model (EHCPM)	An actuarial model that projects Veteran enrollment, health care utilization, and expenditures for 20 years into the future. The EHCPM projects the number of Veterans expected to be enrolled in a geographic area, their total health care needs, and the portion of that care they are expected to receive in VA versus other health care providers.
Facility classification	**Other outpatient services (OOS):** A site that either provides services to Veterans, but does not generate VHA encounter workload, or does not meet minimum criteria to be classified as a community-based outpatient clinic (CBOC) or Health Care Center (HCC), is classified as "Other Outpatient Services." **Community-based outpatient clinic (CBOC):** A VA-owned, VA-leased, mobile, contract, or shared clinic that offers both medical (on-site) and mental health care (either on-site or by telehealth). Home-based Primary Care (HBPC) and home telehealth can be offered from primary care CBOCs. **Multi-specialty community-based outpatient clinic (MS CBOC):** A VA-owned, VA-leased, mobile, contract, or shared clinic that offers on-site primary care, mental health care, and two or more on-site specialty services.

Metric or Term	Definition
Facility classification, *cont.*	**Health care center (HCC):** A VA-owned, VA-leased, mobile, contract, or shared clinic that offers on-site primary care, mental health, specialty care, and performs invasive procedures under moderate sedation or general anesthesia. An HCC may or may not be assigned an Ambulatory Surgery Center designation. **A VA medical center (VAMC):** A VA point of service that provides at least two categories of care (inpatient, outpatient, residential, or institutional extended care). These sites may or may not include medical and/or surgical beds.
Facility condition assessment (FCA)	Surveys performed at each facility every three years. These surveys include an assessment of the facility's building systems and site conditions. The facility is evaluated and given ratings of A (new or like new condition), B (above average condition), C (average condition), D (poor condition), and F (critical condition requiring immediate attention). Building and site conditions given a rating of a D or F are also given an estimated cost of corrections. **Note**: While remediation of FCA deficiencies corrects physical deficiencies, it does not necessarily modernize facilities from a capability/functionality perspective.
High-Performing Integrated Delivery Network (HPIDN)	Networks that provide Veterans access to quality, sustainable care now and in the future. These networks include care provided by VA, as well as supplemental care provided by the Department of Defense, Federally Qualified Health Centers, other Federal partners, teaching hospitals, and community providers across the country.
Mental Health Residential Rehabilitation Treatment Program (RRTP) 3D Model	The Mental Health Residential Rehabilitation Treatment Program Demographic and Diagnosis-Based Demand (3D) Model provides an estimate of RRTP need among the enrollee population, independent of historical utilization patterns and any potential limitations due to supply. To develop projections, the model uses enrollees' diagnosis codes as well as their age and sex to produce a probability that the enrollee would utilize RRTP services. This allows the model to project how many users within a geography are projected to need VA care regardless of its availability. These projections are made separately for each RRTP bed section, which include: general domiciliary (GEN DOM), substance use disorder (SUD), posttraumatic stress disorder, and domiciliary care for homeless Veterans (DCHV). The 3D Model does not develop projections for Compensated Work Therapy-Transitional Residence (CWT/-TR) programs, as these programs are not targeted to any specific mental health population. Demand for CWT-TR services is projected using the EHCPM. **Data Source**: BY 2018 3D Model.
Maintaining Internal Systems and Strengthening Integrated Outside Networks (MISSION) Act of 2018	Signed in June 2018, this legislation: establishes a new permanent Veterans Community Care Program (VCCP); expands the current Program of Comprehensive Assistance for Family Caregivers, in two phases, to all eligible veterans who served prior to September 11, 2001; establishes an asset and infrastructure review process by establishing an Asset and Infrastructure Review Commission; and provides various statutory authorities to the Veterans Health Administration (VHA) of the VA to recruit and retain health care providers.

Metric or Term	Definition
Modernization	This term in Section 209 of the MISSION Act includes: (A) any action, including closure, required to align the form and function of a facility of VHA to the provision of modern day health care, including utilities and environmental control systems; (B) the construction, purchase, lease, or sharing of a facility of VHA; and (C) realignments, disposals, exchanges, collaborations between VA and other Federal entities, and strategic collaborations between the Department and non-Federal entities, including tribal organizations.
Non-VCCP providers	Providers who have not entered into an agreement to provide care under VCCP, but who accept Medicare and meet specific quality criteria. These quality standards include that: short-term acute and critical access hospitals must have a 3-star-plus Hospital Compare Rating, The Joint Commission (TJC) accreditation, and a readmission rate less than 20% for two of the three years analyzed (2017-2019); psychiatric hospitals must be Joint Commission accredited; skilled nursing facilities must have a 3-star-plus overall rating, or a 2-star-plus overall rating with a 4-star-plus quality rating per Nursing Home Compare and; all primary care and select specialty care physicians must participate in the CMS Merit Incentive-based Payment System (MIPS).
Patient or user	Unique enrolled Veterans who used VA health care services at any time during the year.
Realignment	This term in Section 209 of the MISSION Act, with respect to a facility of the VHA, includes: (A) any action that changes the numbers of or relocates services, functions, and personnel positions; (B) disposals or exchanges between VA and other Federal entities, including the Department of Defense (DoD); and (C) strategic collaborations between VA and non-Federal entities, including tribal organizations.
Rurality	Percent of enrollees that live in rural areas in the market geography. Enrollees within each county are counted as either urban, rural, or highly rural based on the Rural-Urban Commuting Area (RUCA) code for the tract in which they live. Rural areas are defined as land areas not defined as urban. Urban areas are defined as census tracts with at least 30% of the population residing in an urbanized area as defined by the Census Bureau. **Data Source:** FY 2019Q4 Geocoded Enrollee
Strategic collaboration	Any cooperative arrangement, including sharing agreements, joint ventures, public-private partnerships, exchanges and conveyances of property, or similar actions for which the Department has authority, between the Department and both Federal and non-Federal entities, including tribal organizations, that facilitates the Department's implementation of the Commission's recommendations. This definition specifically does not include contracts or other agreements for the provision of care through the Veterans Community Care Program (VCCP).

Metric or Term	Definition
Unique enrollee	Veterans enrolled at any time during the year, so includes all new enrollment during the year, and enrollees who died during the year. This count is used to compare to unique patient counts.
Veterans Community Care Program (VCCP) providers	A health care provider who has entered into an agreement to provide care under the Veterans Community Care Program (VCCP). The agreement may be with VA or with another entity that has a relationship with VA.
Veteran counts	This includes estimates of the total number of Veterans, whether or not they are enrolled in VA for health care. This includes Veterans who are not eligible to enroll in VA due to income level thresholds.