

**VA**



U.S. Department  
of Veterans Affairs



***Commission on Care***  
***September 21, 2015***

***Caring for Veterans:***  
***Progress & Transformation***

**Secretary of  
Veterans Affairs  
Robert A. McDonald**

**Deputy Secretary of  
Veterans Affairs  
Sloan D. Gibson**

**Under Secretary for  
Health  
Dr. David J. Shulkin**



# Mission & Values



To care for those who have “borne the battle,” and for their families and their survivors.



**I**ntegrity  
**C**ommitment  
**A**dvocacy  
**R**espect  
**E**xcellence

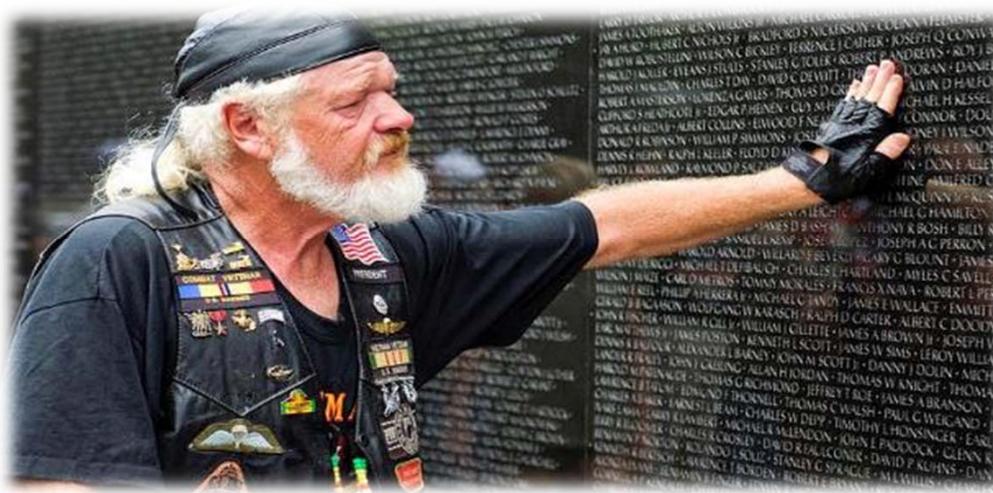


# Our National Debt



**“One of the most significant challenges to future US national security policy . . . is simply coping with the **legacy of the conflicts** we have already fought . . . **promises and commitments that extend far into the future** . . . These costs include . . . the accrued liabilities for providing lifetime medical costs and disability compensation for those who have survived injuries.”**

*Harvard Kennedy School  
Professor Linda J. Bilmes*





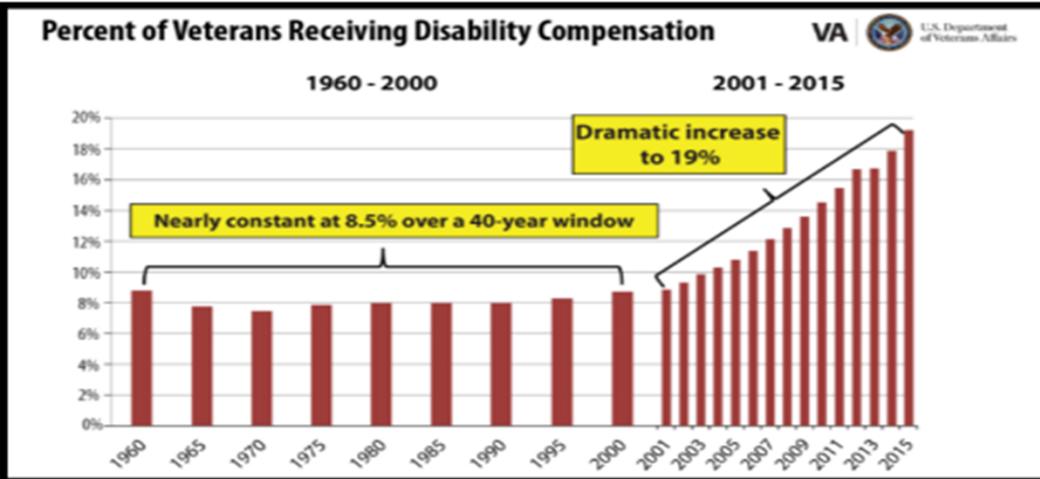
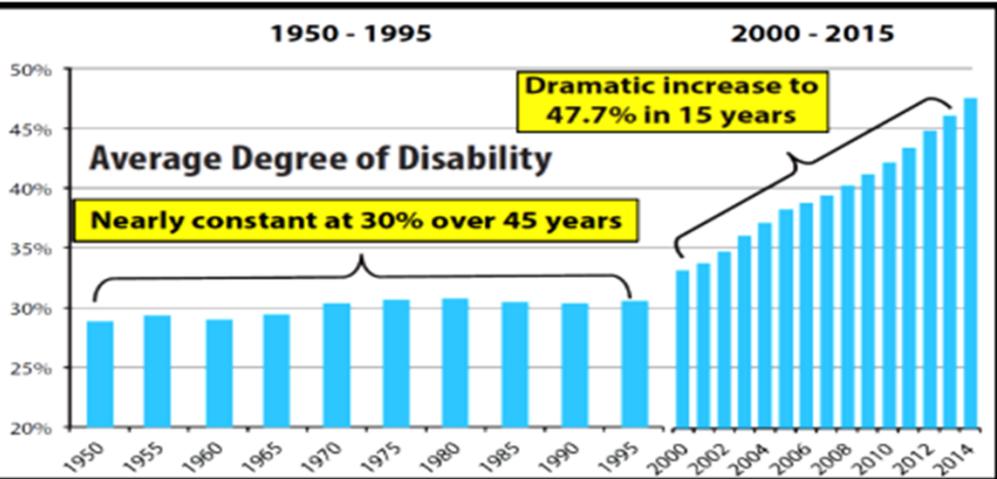
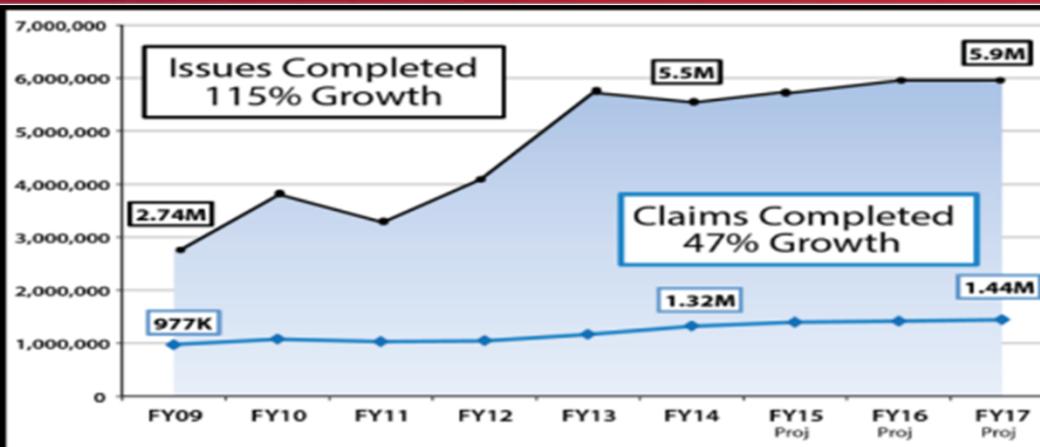
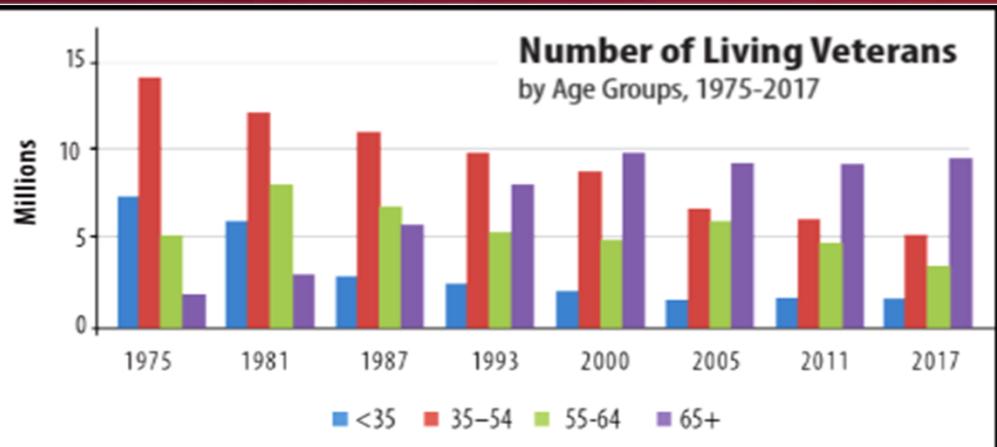
# Why VA Health Care



**A triad of unique capabilities**



# “Promises and Commitments”





# VA's Doctor Shortage



“ . . . communities around the country are already experiencing doctor shortages. . . . by the year 2025 the United States will face **a shortage of between 46,000-90,000 physicians**. There will be shortages in both primary and specialty care, and specialty shortages will be particularly large.”

*Association of American Medical Colleges*

## VA RECRUITING

### On board

- 24,300 physicians
- 63,700 nurses

### Recruiting

- 4,300 physicians
- 10,000 nurses

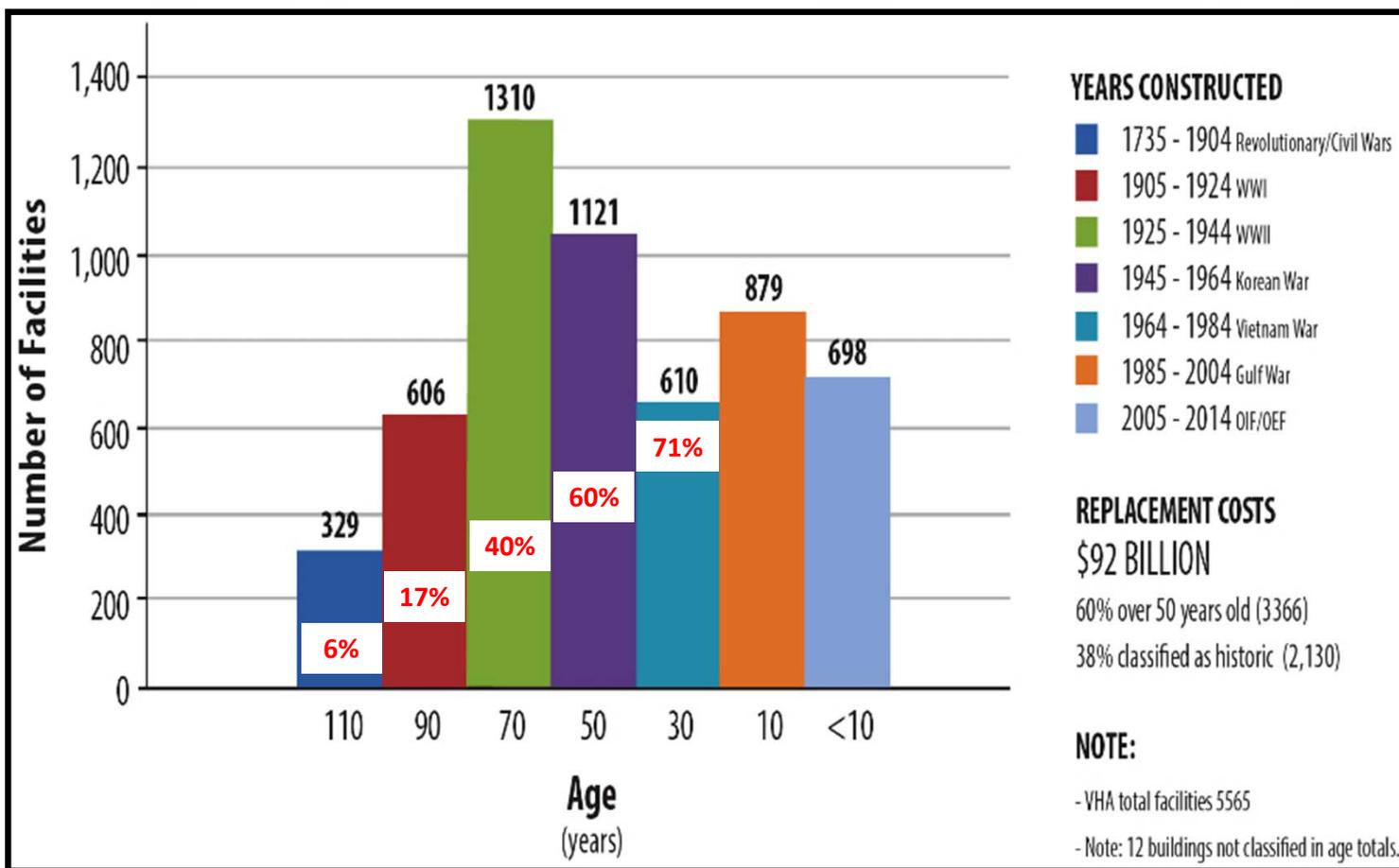
## VA challenges mirror industry challenges

- Growing **national shortage** of experienced, quality candidates possessing required competencies.
- **Salary disparities** with private industry similar positions.
- **Employment trends** & labor market affecting successful recruiting.
- Less desirable **rural or highly rural** locations.





# VHA's Aging Infrastructure





# MyVA Transformation



Make Veterans *want* to be our customer

*my*VA  
Objectives

Improving the **Veteran Experience**

Improving the **Employee Experience**

Improving **Internal Support Services**

Establishing a Culture of **Continuous Improvement**

Enhancing **Strategic Partnerships**



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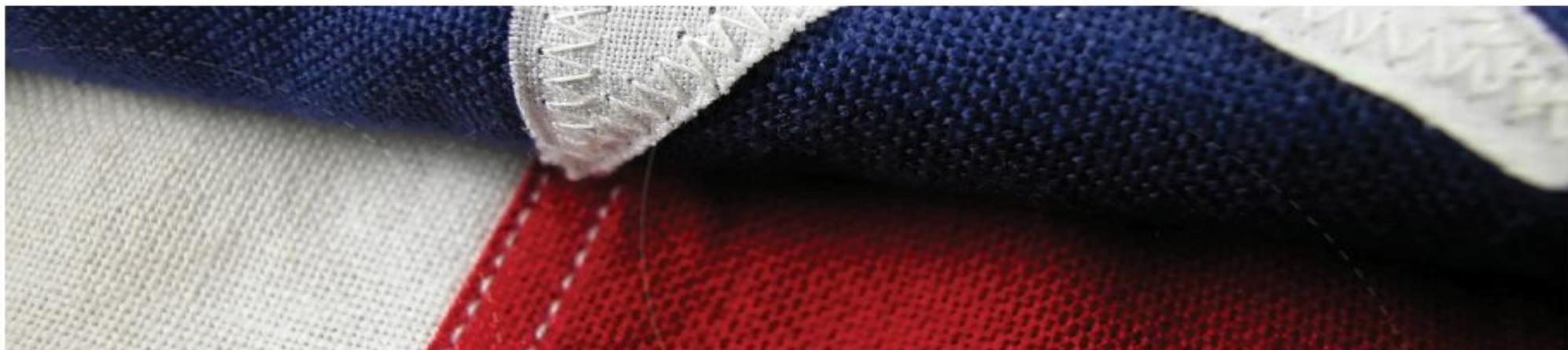
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# Commission on Care September 21, 2015

David Shulkin, MD  
Under Secretary for Health  
Department of Veterans Affairs

# My Professional Quest for the Ideal System

- Salaried Physicians without misaligned incentives
- Integrated Payer and Provider System
- Risk for clinical outcomes and financial performance
- Sufficient scale to make infrastructure investments
- Single EMR platform for all Clinicians
- Lifelong relationships with Patients
- Full Continuum of Care (long term Care, preventive, home care, pharmacy)
- Ability to address Social Components of Health (psychological, housing, transportation, community centers, caregivers)

July 6, 2015



# My Listening Tour



Atlanta  
West Haven  
Alaska  
Jacksonville  
Boston  
Chicago- Hines  
Seattle  
Los Angeles  
Boston  
Washington DC  
New Jersey  
Phoenix  
Dublin Georgia  
Philadelphia  
Health Eligibility Center  
Vets Centers  
Homeless Centers

# Guiding My Perspectives

**Assessments from the Senior Management Team**

**National Leadership Council Reports and Survey Tools**

**Veteran Service Organization Feedback**

**Data Analysis of Wait Times, Quality and Safety, Patient Satisfaction, Employee Engagement, Financial Reports**

**GAO Reports**

**IG Reports**

**OMI Reports**

**VA Strategic Plan**

**MyVA supporting work**

**Veterans Access, Choice and Accountability Act of 2014**

**Consulting Reports**

**Published Literature on VA performance**

**Blueprint for Excellence**

**Independent Assessment Report**

# A True Gift: Blueprint for Excellence

- Guide for improving VA health care through specific strategies and actions
- Progress reported and discussed in monthly National Leadership Council meetings, and quarterly with senior leaders



# Blueprint for Excellence: Progress

- Patient Aligned Care Team (PACT) guidance evolving based on lessons learned from PACT Intensive Management (PIM) evaluation at San Francisco, Salisbury, Cleveland, Atlanta, and Milwaukee facilities
- Cohesive strategic plan and continuing coordination of Lean efforts aligned with MyVA
- Direct Secure Messaging partners and eHealth Exchange partners are being increased to safely share and coordinate Veterans' health information electronically between VA and non-VA providers
- Policies, procedures, and training offerings updated to clearly define ethical leadership and associated behaviors
- Training sessions were conducted and materials provided to assist VHA leaders in effectively leading facilitated listening sessions

# Blueprint for Excellence: Progress

- Local implementation of Personalized Health Planning in support of Personalized, Proactive, Patient-Driven Care
- More than **300,000** Veterans enrolled in the Million Veteran Program; genotype information generated on about **200,000** Veterans
- Implemented more than **700** Federally Qualified Health Center provider agreements to increase Veteran access to clinical care
- Independent Assessments required by Veterans Access, Choice, and Accountability Act of 2014 completed; final report delivered to VA, Congress, and Commission on Care on September 1
- Community Care Consolidation Plan and VA's vision for the future by November 1

# 80 Days- 10 Impressions of VHA

1. Resource Allocations not clearly aligned with VHA's Essential Core Functions.
2. Permanent Leaders not consistently in place and succession is lacking.
3. Cultural Divides are deep between Central Office and the field.
4. Reluctance to articulate strengths and differentiators.
5. Organization structure is complex and slows decision making and agility.
6. Consistent and deep passion for the work.
7. Numerous performance metrics resulting in inability to prioritize efforts.
8. Data capabilities are significant- ability to interpret and act on data not as great.
9. The length and the depth of the "crisis" has taken a severe toll on morale.
10. Crisis has resulted in the organizations willingness and readiness to change.

# Under Secretary for Health Priorities

USH Priorities	Independent Assessment
Fix Access	Access Standards
Staff and Physician Engagement	Leadership
Consistency of Best Practices and Resource Prioritization	Business Processes/Clinical Workflow/Facilities
Development of a High Performance Network	Health Care Capabilities/Care Authority - Input from other high performing organizations
Restore Trust and Confidence	Final Outcome



# Independent Assessment : An Excellent Tool

- VHA recognizes the urgency and need to address operational, systemic and strategic issues
- The Assessment is of great importance, value, and good timing for VHA
- Created a VA/VHA Interdisciplinary Integrated Project Team to study the report and develop a plan to respond to recommendations
- VHA has begun to work on many of the 188 recommendations

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# Legislative Priorities



- **VA's FY2016 Budget**
- **Budget Flexibility for the Future: flexibility ends in 10 days**
- **Provider Agreement Legislation**
- **Streamlining & Consolidating Care-in-the-Community Programs**
- **Special Pay Authorities for Medical Center & VISN Directors**





# President's 2016 Budget Request



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	2016	+/-
Total Budget Request	\$168.8 billion	
Mandatory Benefits	\$95.3 billion	
Discretionary Funding	\$73.5 billion	+7.5%
Medical Care	\$60.0 billion	+7.4%
VBA Operating	\$2.7 billion	+6.6%

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\* Increases over 2015 enacted levels.



# Impact of House Actions



- **Cut Veterans Medical Care by \$688 million** — 70,000 fewer Veterans receiving VA medical care.
- **Eliminate funding for four Major Construction projects:** Alameda, CA; Stockton, CA; St. Louis, MO; Perry Point, MD.
- **Eliminate funding for cemetery projects** in St. Louis, Portland, Riverside, Puerto Rico, Pensacola, and Alameda.
- **Inhibit hiring & retention of the best people** by limiting employees' right to appeal adverse actions and prohibiting performance awards & bonuses for some employees.
- **Deny VA long-term budget flexibility** needed to serve Veterans the way they want to be served.

“. . . coping with the legacy of the conflicts we have already fought . . . . promises and commitments that extend far into the future. . . .”



# Let's talk about it



The best,  
most  
inspiring  
mission.

The  
greatest  
clients  
in the  
world.

