

# **COMMISSION ON CARE**

## **MEETING MINUTES FOR FEBRUARY 29– MARCH 1, 2016**

The Commission on Care convened its meeting on February 29 and March 1, 2016 at VA North Texas Health Care System, 4500 South Lancaster Road, Dallas, Texas.

### **Commissioners Present:**

Nancy M. Schlichting – Chairperson  
Michael A. Blecker  
David W. Gorman  
Thomas E. Harvey  
Stewart M. Hickey  
Joyce M. Johnson  
Ikram U. Khan  
Phillip J. Longman  
Lucretia M. McClenney  
Darin S. Selnick  
Martin R. Steele  
Charlene M. Taylor

### **Commission on Care Staff Identified:**

Susan Webman – Executive Director  
John Goodrich – Designated Federal Officer  
Robert Burke – Senior Program Analyst  
Jamie Taber – Staff Economist

### **Presenters:**

Jeff Milligan – Director, VA North Texas Health Care System

# **COMMISSION ON CARE**

## **Day 1 of the meeting began at 8:46 a.m.**

Chairperson Nancy Schlichting opened the meeting by welcoming commissioners and staff to the Dallas VA Medical Center (VAMC). She acknowledged that many commissioners had taken the opportunity to visit VAMCs in their local areas, but meeting at a VA facility allowed the commissioners to share in experiencing a new facility.

Chairperson Schlichting shared general observations to help set the stage for the two days of discussion that were to follow. Her main points included:

- The Commission on Care (“Commission”) was not created to determine an end point for twenty years in the future, but rather chart a course for the next 18 years. The trends in health care make it impossible to predict what the overall industry will look like in 2036, let alone make specific predictions regarding what VA health care will look like.
- The Commission was also charged with providing recommendations for improving health care that are “feasible and advisable.” That does not mean the Commission cannot be bold, but it does mean that recommendations have to be doable.
- The Commission does not want to diminish or disrupt health care, so it’s important to be thoughtful and careful in the process of mapping the future. The Commission needs to anticipate and mitigate risks.
- The Department of Veterans Affairs (VA) and Veterans Health Administration (VHA) are governmental activities and the Commission is operating in an inherently political environment and that cannot be ignored. Many of the laws and regulations we have are designed to prevent rapid, dramatic change to avoid the potential for causing harm.
- The Commission’s recommendations will be acted on by politicians, so it’s important to consider how they will be received and acted upon. The stage must be set for acceptance of the recommendations or the Commission will not be successful.
- The Commission’s work is subject to scrutiny from all sides. It’s important that there is confidence in activities, so it can be spoken about in a positive way.

Chairperson Schlichting then offered a recap of the end of the previous public meeting. She commented that she had listened very closely to each of the commissioner’s views regarding where VA and VHA should go in the future. While some commissioners began their work with very defined views, some of those had changed over time due to the conversations the Commission has had with people both inside and outside of VA.

Many presenters have pointed out that VHA is a safety net for veterans. VHA also plays an important role in academics and disaster management. VHA has some best-in-class services that are superior to the private sector, such as behavioral health and rehabilitation. VA operations are in crisis, with infrastructure and business processes needing significant attention. Solutions will require significant investment in people,

# **COMMISSION ON CARE**

facilities, technologies, and services to meet the future and existing needs of health care.

## **Tour of VA North Texas Health Care System**

Mr. Jeff Milligan, Director VA North Texas Health Care System, provided a tour of the Dallas VAMC. Commissioners were given the opportunity to visit inpatient and outpatient clinical areas.

## **Economist Presentation**

Dr. Jamie Taber and Dr. Gideon Lukens provided the Commission with a presentation on estimating costs for veteran's health care. The discussion began with graphs on what costs look like in the absence of any policy changes. Costs are impacted by three categories: enrollment, reliance, and unit cost. Using that information as a baseline, projected changes to costs were developed according to several potential scenarios previously discussed by the Commission.

## **Commission Discussion**

Dr. Robert Burke facilitated a discussion among commissioners regarding potential recommendations. Main topics of the discussion included:

What will care look like for veterans?

- Veterans deserve the best possible health care, delivered in a high-quality, cost-effective manner, with a high level of service and cultural competency in addressing each veteran's needs.
- Veterans should receive a holistic, veteran-centric, and well organized approach to care, including physical, behavioral, and social services to meet their often complex needs.

How will this care be delivered to veterans?

- In order to continue to provide optimal quality, access/convenience, and a more efficient use of all health care resources, as is the current industry trend, more health care should be delivered locally in the community over time, in a well-organized and coordinated manner.
- Acknowledging the need to preserve VA core competencies, tertiary and quaternary care should generally be provided by private-sector health care organizations, including the VHA's academic partners.
- VHA's primary role should be focused on care management, equity of care, performance monitoring of community providers (quality, service, cost), benefit/eligibility and payment administration, and providing services that the private sector can't or won't provide as effectively (e.g., integrated primary care and mental health services and specialty rehabilitation services).

# **COMMISSION ON CARE**

What is the path forward?

- Integrated health care requires robust interoperable information technology systems, an efficient and effective contracting process, and clinical and business process redesign to ensure that care is well-coordinated and veterans can easily navigate the VHA/community health network. VHA should provide patient navigators to ensure that veterans understand where and when they will receive needed care.
- The path to achieving local integrated and collaborative VHA/community health networks will be long and complex, requiring strong and sustainable leadership and governance, commitment of key stakeholders at all levels of the organization, avoidance of unintended consequences, and adherence to established milestones in order to ensure effective execution of the transformation plan.
- The difficult decisions regarding ongoing use of VHA facilities should be made by an independent body (i.e., the military base realignment approach (BRAC)) to support the execution of the transformation plan.
- The transformation process will be long and complex, requiring superb leadership, governance, and the commitment of key stakeholders to transformational change.

**Day 1 of the meeting adjourned at 5:36 p.m.**

**Day 2 of the meeting began at 8:36 a.m.**

The meeting was opened by Chairperson Nancy Schlichting. She began by stating the importance of having a vision statement to drive the Commission's work. She offered a draft statement for commissioners to discuss: "Transforming the health of veterans and their communities through collaboration and integration."

## **Commission Discussion**

Dr. Robert Burke again facilitated a conversation with all commissioners present. The primary focus of the conversation was VHA's mission, governance, and leadership. There was general agreement that the current leadership culture in VA has a tremendous negative impact on all aspects of VHA. There are a variety of issues including: tenure, stability of leadership, inside/outside knowledge, expertise and experience of leaders, compensation, and lack of support from a governance model. Several commissioners noted that VA uses outdated models, ineffective governance, and has too many operational restrictions to function efficiently and effectively. There is a shared belief that employees do not have a sense of empowerment and that has created a culture of fear.

# **COMMISSION ON CARE**

Other commissioner observations included:

- The VA itself creates red tape. It's a natural tendency for people at the top to be blamed when things go wrong. That is exaggerated in the VA. Have a sunset for VA regulations, and each regulation has to be evaluated on its own.
- Last two years the problems have been worse. One clear requirement is the ability to empower the team. Reduce the red tape and barriers to day-to-day operations.
- One of the challenges is whether there should be an independent board that reports to Congress and manages VHA, and then decides the criteria. It has to start at the top. That must be a mechanism to reduce the political intrusions of Congress. In theory, Congress could delegate the hiring of the undersecretary to the board.
- There's been reform after reform and program after program, with the end result of still having daily headlines and nothing has changed. There is an appetite in Congress for change. The Commission needs to do whatever is the best. A board would have to be an advocate for the undersecretary.
- All of the Commission's recommendations should start with idea of reinforcing VHA's core competencies. VHA offers a lot of life-saving care. Transformation should not be for its own sake, should not be reckless, and should build on what is happening already. Fragmentation must be avoided.
- One proposal recommendation that would partially avoid fragmentation would be having veterans declare their medical home annually. Everyone in health care needs a guide. It works better.
- "Choice" isn't taking VHA and eliminating it. Choice is removing all those restrictions and giving the veteran more choice. It is not about removing VHA; it is about adding to VHA's capabilities.

**Day 2 of the meeting adjourned at 2:30 p.m.**