

inpatient care, based upon the current locations of VA sites of care, to gauge the percentage and number of veterans who are within travel time guidelines.

- *Collaborations*—CARES identified opportunities to jointly meet VBA, NCA and DoD needs for space, and the information regarding potential collaborations will be integrated into future assessments of space needs at VHA delivery sites.

CARES Strategic Emphasis

The VA health care delivery system of the future requires a capital investment strategy, which is based upon a systematic assessment of the future needs of veterans and the present location and condition of the physical plant that delivers these services to veterans. Because of the dynamic nature of health care delivery in the 21st century, VA's planning tools must be flexible enough to accommodate changes in the projected veterans' health care needs, in medical technology, and in departmental policy. Thus, the National CARES Plan must be seen as a beginning, linked to redesigned strategic planning and a capital asset prioritization process.

Balancing the System

Outpatient Care

The National CARES Plan must ensure that VA is a balanced health care system that has adequate acute inpatient capacity to meet the acute care needs of an aging veteran enrollee population. The inpatient-oriented approach of the 1980's has been replaced by a system with a strong outpatient orientation, as demonstrated by expansion to more than 600 Community Based Outpatient Clinics (CBOCs), and an increase of 14.5 million annual outpatient visits from 1997 through 2002. A "snapshot" picture of the result may be seen in the fact that, in 2001, VA provided accessible primary care to 67% of enrollees who live within 30 minutes driving time of a primary care delivery site.

The CARES forecasting model projected continued growth in outpatient care, and VISN market plans proposed 234 CBOCs to meet that strategic need. In order to achieve a functional balance between acute care and outpatient services, the National CARES Plan recognized a fundamental tenet of modern health care—*i.e.*, that outpatient demand must be supported by a viable acute and tertiary care component. Achieving this balance is particularly important to VA with respect to the acute and rehabilitation needs of special disability populations

such as veterans with spinal cord injury, blindness, and traumatic brain injury.

The National CARES Plan reinforced VA's strategy of ensuring that continued growth in outpatient care would be supported by a high quality, appropriately sized and appropriately located acute care inpatient system. In order to move in the direction of a more balanced system, the National CARES Plan identified the capital requirements needed to expand to meet the growing forecasted demand for outpatient services. Improvements in access to outpatient care (which experience indicates will increase demand) must be balanced against strengthening the inpatient acute infrastructure in order to provide high quality services across the continuum of care.

The investment strategy for outpatient access sites is described in greater detail in Chapter 4. The Draft National CARES Plan proposed a system-wide consideration of potential new access points or CBOCs and a selective process for identifying markets in the plan with new CBOC access sites to be prioritized for early implementation. The highest priority markets are those having predictions of large future demand gaps (by clinic visits), co-existing with large access gaps (by driving time), and also where the number of enrollees per proposed CBOC that fell outside access guidelines met efficiency standards (developed in the review process—*i.e.*, greater than 7,000 enrollees). The second priority group is comprised of markets where large demand gaps co-exist with large access gaps, but the number of enrollees would not meet efficiency standards. The third group consists of CBOCs proposed in markets where there are demand gaps but not access gaps.

The highest priority group also includes CBOCs that are part of the realignment proposals and DoD collaborations. Proposed CBOCs identified through the CARES process in the draft National Plan will also go through a well-developed review process prior to any implementation.

Acute Inpatient Care

As a systematic planning process, CARES, with some campus and service realignments exceptions⁷, validated that the current size and location of the acute inpatient care infrastructure will be to meet the future inpatient needs of veterans. The process forecasted that the future demand for acute beds would be largely in balance with current capabilities. Nevertheless, CARES also

demonstrated that substantial investment of capital is required to maintain that acute infrastructure to meet the current and future specialized acute and tertiary needs of veterans.

Realignments/Efficient Utilization of Campuses for Veterans Services

The dramatic changes in health care delivery within the United States and the VA include improved methods of treating patients that have reduced lengths of stay and admissions as outpatient, community and home care replace inpatient care. As a result, many campuses have vacant space that is costly to maintain as described elsewhere in the plan. These changes, combined with an aged infrastructure (50.4 years average age of VA facilities) resulted in opportunities for reviewing the structure of our campuses to develop a more efficient footprint, possibly transfer services to other campuses and find opportunities to enhance use lease all or portions of campuses with services for veterans such as assisted living facilities. Revenues from these enhanced uses would be retained by the VISNs to invest in improved services for veterans.

Use of the National CARES Plan

Perhaps the most important use of the CARES Plan is a publicly available assessment of capital needs, based on assumptions, policies and methodologies that are open to discussion, systematic improvement, and change over time.

In a system as large as the VA, conducting a comprehensive assessment of current and future capital requirements poses an inherent risk of creating an unmanageable pool of funding requirements. However, a comprehensive assessment is necessary to determine the magnitude of the funding required to fully prepare for the future. While CARES included a comprehensive capital needs assessment of VA's acute infrastructure and existing outpatient sites, the plan recognizes that specific priorities and availability of funds will determine what is ultimately implemented. Of significance in the present context, the National CARES Plan should be viewed as not merely a set of stand-alone funding requirements, but rather as a strategic guide to the future investment of capital, intended to:

- Establish the need for capital requirements, similar to a Certificate of Need in state health care regulatory programs, which—in the case of CARES—reflect the priorities of the Under Secretary for Health and the Secretary of Veterans Affairs;

⁷ Described in subsequent chapters (see especially Chapters 8 and 9).