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Statement of Jonathan B. Perlin, MD, PhD, MSHA, FACP Under Secretary for Health Department of Veterans Affairs before the United States Senate Committee on Veterans' Affairs

January 13, 2006

Mr. Chairman and Members of the Committee, mahalo nui loa for the opportunity to appear before you today to discuss the state of VA care in the Hawaii. It is a privilege to be here on the Island of Hawaii? The Big Island? to speak and answer questions about issues important to veterans residing in Hawaii.

First, Mr. Chairman, I would like to thank you for your outstanding leadership and advocacy on behalf of our Nation's veterans. During your tenure as Chairman of this Committee, you have clearly demonstrated your commitment to veterans by acting decisively to ensure the needs of veterans are met. In addition, I appreciate your interest in and support of the Department of Veterans Affairs (VA).

I also would like to express my appreciation and respect for Senator Akaka, Ranking Member of this Committee. Along with his colleague, Senator Inouye, Senator Akaka has done so much for the veterans residing in Hawaii and other islands in the Pacific region. As I will highlight later, his vision, guidance and assistance have directly led to an unprecedented level of health care services for veterans, construction of state-of-the-art facilities in Honolulu and remarkable improvements in access to health care services for veterans residing on neighbor islands, including the Big Island.

Today, I will briefly review the VA Sierra Pacific Network that includes Hawaii and the Pacific region; provide an overview of the VA Pacific Islands Health Care System (VAPIHCS) and the VA facilities here in the Big Island; highlight issues of particular interest to veterans residing in Hawaii, including the relocation of the Post-traumatic stress disorder Residential Rehabilitation Program (PRRP) from Hilo to Honolulu on the campus of the Tripler Army Medical Center (AMC), veterans returning from Iraq and Afghanistan, substance abuse treatment programs and the future State Veterans Home; and address any questions posed by Members of the Committee.

VA Sierra Pacific Network (VISN 21)

The VA Sierra Pacific Network (Veterans Integrated Service Network [VISN] 21) is one of 21 integrated health care networks in the Veterans Health Administration (VHA). The VA Sierra Pacific Network provides services to veterans residing in Hawaii and the Pacific Basin (including the Philippines, Guam, American Samoa and Commonwealth of the Northern Marianas Islands),

northern Nevada and central/northern California. There are an estimated 1.25 million veterans living within the boundaries of the VA Sierra Pacific Network.

The VA Sierra Pacific Network includes six major health care systems based in Honolulu, HI; Palo Alto, CA; San Francisco, CA; Sacramento, CA; Fresno, CA and Reno, NV. Dr. Robert Wiebe serves as director and oversees clinical and administrative operations throughout the Network. In Fiscal Year 2005 (FY05), the Network provided services to 227,000 veterans. There were about 2.8 million clinic stops and 24,000 inpatient admissions. The cumulative full-time employment equivalents (FTEE) level was 8,200 and the operating budget was about \$1.3 billion, which is an increase of \$378 million since 2001.

The VA Sierra Pacific Network is remarkable in several ways. In FY05, the Network was the only VISN in VHA to meet the performance targets for all six Clinical Interventions that directly address adherence to evidence-based clinical practice. The Network hosts 11 (out of 65) VHA Centers of Excellence?the most in VHA. The VA Sierra Pacific Network also has the highest funded research programs in VHA. Finally, VISN 21 operates one of four Polytrauma units that are dedicated to addressing the clinical needs of the most severely wounded Operation Iraqi Freedom/Operation Enduring Freedom (OIF/OEF) veterans.

VA Pacific Islands Health Care System (VAPIHCS)

As noted above, VAPIHCS is one of six major health care systems in VISN 21. VAPIHCS is unique in several important aspects: its vast catchment area covering 2.6 million square-miles (including Hawaii, Guam, American Samoa and Commonwealth of the Northern Marianas); island topography and the challenges to access it creates; richness of the culture of Pacific Islanders; and the ethnic diversity of patients and staff. In FY05, there were an estimated 113,000 veterans living in Hawaii (9% of Network total).

VAPIHCS provides care in six locations: Ambulatory Care Center (ACC) and Center for Aging (CFA) on the Tripler AMC campus in Honolulu; and community-based outpatient clinics (CBOCs) in Lihue (Kauai), Kahului (Maui), Kailua-Kona (Hawaii), Hilo (Hawaii) and Agana (Guam). VAPIHCS also sends clinicians and support staff from these locations to provide services on Lanai, Molokai and American Samoa. The inpatient post-traumatic stress disorder (PTSD) unit formerly in Hilo is in the process of relocating to Honolulu. In addition to VAPIHCS, VHA operates five Readjustment Counseling Centers (Vet Centers) in Honolulu, Lihue, Wailuku, Kailua-Kona and Hilo that provide counseling, psychosocial support and outreach.

Dr. James Hastings was recently appointed Director, VAPIHCS. Dr. Hastings has impressive credentials, including tenure as Chair, Department of Medicine, John A. Burns School of Medicine, University of Hawaii, and Commanding General at Walter Reed AMC and Tripler AMC. I am excited about the possibilities that his tenure as Director at VAPIHCS brings.

In FY05, VAPIHCS provided services to 18,300 veterans in Hawaii (8% of Network total). There were 194,000 clinic stops in Hawaii during FY05 (7% of Network total), an increase of 36% since FY00. The cumulative FTEE for the health care system was 478 employees. The budget for VAPIHCS (including General Purpose, Specific Purpose and Medical Care Cost Funds [MCCF]) has increased from \$53 million in FY99 to \$102 million in FY05 (about 8% of

Network total). In addition, VISN 21 provided over \$20 million in supplemental funds to VAPIHCS over the past two Fiscal Years to ensure VAPIHCS met its financial obligations.

VAPIHCS provides or contracts for a comprehensive array of health care services. VAPIHCS directly provides primary care, including preventive services and health screenings, and mental health services at all locations. Selected specialty services are also currently provided at the Honolulu campus and to a lesser extent, at CBOCs. VAPIHCS recently hired specialists in geropsychiatry, gastroenterology, ophthalmology and radiology. VAPIHCS is actively recruiting additional specialists in cardiology, orthopedic surgery and urology. Inpatient long-term care is available at the Center for Aging. Inpatient mental health services are provided by VA staff on a ward within Tripler AMC and at the PTSD Residential Rehabilitation Program (PRRP) that was formerly here in Hilo (now relocating to Honolulu). VAPIHCS contracts for care with Department of Defense (DoD) (at Tripler AMC and Guam Naval Hospital) and community facilities for inpatient medical-surgical care.

The current constellation of VA facilities and services represents a remarkable transformation over the past several years. Previously, the VAPIHCS (formerly known as the VA Medical and Regional Office Center [VAMROC] Honolulu) operated primary care and mental health clinics based in the Prince Kuhio Federal Building in downtown Honolulu and CBOCs on the neighbor islands that were staffed primarily with nurse practitioners. Senator Akaka and his colleagues in Congress approved \$83 million in Major Construction funds to build a state-of-the-art ambulatory care center and nursing home care unit on the Tripler AMC campus and these facilities were activated in 2000 and 1997, respectively. VISN 21 allocated nearly \$17million from FY98-FY00 to activate these projects. VISN 21 also provided dedicated funds (e.g., \$2 million in FY01) to enhance care on the neighbor islands by expanding/renovating clinic space and adding additional staff to ensure there are primary care physicians and psychiatrists at all CBOCs.

Big Island CBOCs

VA operates CBOCs in both Hilo (1285 Waianuenue Avenue, Suite 211, Hilo, HI, 96720) and Kailua-Kona (75-5995 Kuakini Highway, Suite 413, Kailua-Kona, HI, 96740). VHA also operates Readjustment Counseling Centers (?Vet Centers?) in Hilo (120 Keawe Street, Suite 201, Hilo, HI, 96720) and Kailua-Kona (co-located with the Hilo CBOC).

The Big Island's CBOCs serve an estimated island veteran population of 15,309. In FY05, 3,980 veterans were enrolled for care on the island and 2,929 received care (?users?) at Big Island VA facilities. The market penetrations for enrollees and ?users? are 26% and 19%, respectively, and compare favorably with rates within VISN 21 and VHA.

Hilo CBOC. Many veterans view this clinic like an old-fashioned doctor's office. In a recent letter, a retired Marine veteran wrote, ?I am a 100% disabled veteran of the Vietnam War and suffer from several war-related illnesses. This letter is not about me, but about the care that the people at our Hilo primary care unit dispense. I do not know all the staff, but the ones I do know have helped me enjoy a healthier life and are some of the most caring, friendly and knowledgeable individuals I have ever met in VA. You can be proud of them and the jobs they do.?

VAPIHCS spent about \$100 thousand in FY01 to remodel the Hilo CBOC and plans to spend additional funds in FY06 to further renovate the clinic. VA has also expressed interest in acquiring an Army Reserve Center in Hilo from the 2005 Base Realignment and Closure (BRAC) process and potentially relocating the clinic and Vet Center to this location in the future.

The current authorized full-time employment equivalents (FTEE) level at the Hilo CBOC is 11.0, including two full-time primary care physicians and a psychiatrist. With this staff, the Hilo CBOC provides a broad range of primary care and mental health services. The Hilo CBOC also has a formal home-based primary care (HBPC) program that provides clinical services in the homes of veterans. Additional staff will be added from the former PRRP to increase mental health services (see discussion below).

VAPIHCS provides specialty care services at the clinic by sending VA staff from Honolulu and other VA facilities in California. Services provided by clinicians traveling to Hilo include cardiology, geriatrics, nephrology, neurology, optometry, orthopedics, rheumatology and urology. If veterans need services not available at the clinic, VAPIHCS arranges and pays for care in the local community (e.g., Hilo Medical Center), Honolulu (including Tripler AMC) or VA facilities in California. In FY05, VA spent more than \$7.5 million in non-VA care in the private sector (i.e., not including costs at other VA or DoD facilities) for residents of the Big Island.

In FY05, the Hilo CBOC recorded 8,843 clinic stops, representing a 10% increase from FY00 (i.e., 8,072 stops). The clinic has short waiting times for new patients with very few veterans waiting more than 30 days for their first primary care appointment. The Hilo HBPC program recorded 678 clinic stops for providing home care to veterans residing on the east side of the island.

Kailua-Kona CBOC. Veterans at the Kailua-Kona CBOC are also very satisfied with the care they receive. For example, a veteran recently wrote, ?I couldn't be more pleased with the way Kona VA handled my care. All of the staff are very helpful, and will take that extra step to make me feel comfortable, and answer all of my concerns and questions. The feeling I get when I go to my veteran's center or even to Tripler hospital is like I'm going home to my family.?

In part because of high patient satisfaction, the workload at the Kailua-Kona CBOC has grown over the years and staff needs additional space to meet increasing demand for VA services. In FY06, VAPIHCS will relocate the Kailua-Kona CBOC to a larger facility and spend nearly \$500 thousand to renovate the new space.

The current authorized full-time employment equivalents (FTEE) level at the Kailua-Kona CBOC is 10.0, including a full-time primary care physician, psychiatrist and nurse practitioner. With this staff, the Kailua-Kona CBOC provides a wide array of primary care and mental health services. The Kailua-Kona CBOC also has a formal home-based primary care (HBPC) program that provides clinical services in the homes of veterans.

VAPIHCS provides specialty care services at the clinic by sending VA staff from Honolulu and other VA facilities in California. Services provided by clinicians traveling to Kailua-Kona include cardiology, geriatrics, nephrology, neurology, optometry, orthopedics, rheumatology and urology. If veterans need services not available at the clinic, VAPIHCS arranges and pays for

care in the local community (e.g., Kona Community Hospital) and Honolulu (including Tripler AMC). As noted before, in FY05, VA spent more than \$7.5 million in non-VA care in the private sector (i.e., not including costs at other VA or DoD facilities) for residents of the Big Island.

Clinic staff also occasionally refers patients to VA facilities in California. Access to other VA facilities was especially important to a veteran who wrote, ?The veteran's health center in Kona has not only helped me get my prescription drugs at a lower cost, but last year they helped me go to the Western Blind Rehabilitation Center in Palo Alto to learn how to cope with my blindness. For the first time in many years, I have confidence to do things I never thought I could do without sight.?

In FY05, the Kailua-Kona CBOC recorded 6,888 clinic stops, representing a 26% increase from FY00 (i.e., 5,456 stops). The clinic has short waiting times for new patients with very few veterans waiting more than 30 days for their first primary care appointment. The Hilo HBPC program recorded 609 clinic stops for providing home care to veterans residing on the west side of the island.

Special Issues

PTSD Residential Rehabilitation Program (PRRP). The PRRP was established in Hilo about 10 years ago to meet the needs of veterans with chronic PTSD who would benefit from a specialized inpatient program. Over the years, approximately 830 veterans, mostly Vietnam era veterans, have been treated at the center. The vast majority of these patients?nearly 75 percent?did not originate from the Big Island. Although the PRRP in Hilo fulfilled its original goals, the demographics and epidemiology associated with PTSD is changing as result of the war in southwest Asia. VA expects an increasing number of OIF/OEF veterans with PTSD or Acute Stress Disorder (ASD) to seek services from VA. Most of these veterans reside in Oahu and the best treatment for them is outpatient care that integrates treatment with their families and community.

Consequently, VA is moving the PRRP from Hilo to Honolulu to provide enhanced mental health services to veterans with both acute and chronic PTSD. The 16-bed unit will be maintained and initially relocated to the 5th floor of Tripler AMC. VAPIHCS expects to activate the unit in early 2006, once minor renovations have been completed and staff has been relocated from Hilo and/or hired. VAPIHCS has submitted a \$6.9 million Minor Construction project for FY07 to construct a combined inpatient and outpatient PTSD facility on the Tripler AMC campus. VA will also augment outpatient PTSD services, both in Honolulu at the new PRRP location and in Hilo at the local CBOC. VAPIHCS will add four or five new staff to the Hilo CBOC, including a clinical nurse specialist, addiction therapist and psychiatric social worker. As a result of this redesign, VA will provide a higher level of service and greater accessibility for existing and new patients with PTSD. The relocation will also facilitate greater collaboration with DoD.

OIF/OEF outreach. At the groundbreaking ceremony for the State Veterans Home here in Hilo, Senator Inouye referenced the three-word motto of the U.S. Military Academy and noted, ?'Duty, honor, country' is not a one-way proposition.? VA fully understands this and its commitment to our newest veterans?those who bravely served in Operation Iraqi Freedom and Operation Enduring Freedom (OIF/OEF). We stand ready to meet their needs.

VA estimates up to 15,000 residents of Hawaii have been deployed to Afghanistan and Iraq as active duty personnel, Reservists or Hawaii National Guard personnel. Major General Lee, Adjutant General, State of Hawaii, Department of Defense (DoD), reports there are 2,200 Reservists and National Guard serving in Iraq and Afghanistan.

All VAPIHCS sites of care, including CBOCs, are authorized to provide care to DoD beneficiaries as Tricare providers. This allows OIF/OEF veterans living in Oahu or neighbor islands to utilize VA services, including mental health care. In FY05, VAPIHCS provided care to 393 OIF/OEF veterans, with the facilities in Honolulu treating 345 of these veterans. Veterans residing in Hawaii also have access to the Polytrauma Unit at the VA Palo Alto Health Care System. This is one of four specialized units designed to meet the needs of the most severely injured OIE/OEF veterans and active duty personnel.

VAPIHCS is preparing for additional OIF/OEF veterans. The facility has appointed an OIF/OEF outreach coordinator. As noted earlier, VAPIHCS is revamping its PTSD program to meet the special needs of OIF/OEF veterans. Additionally, VAPIHCS has requested additional funds through the national VHA mental health funding initiative in FY06 to hire dedicated staff for OIF/OEF outreach and enhanced services at CBOCs, including Hilo. Although VAPIHCS cannot forecast the exact number of OIF/OEF veterans who will seek care from VA, I am confident VAPICHS will be able to meet the needs of our newest veterans and provide them safe, effective and accessible care.

Substance abuse. VAPIHCS operates a formal Substance Abuse Treatment Program (SATP) at the ACC in Honolulu. SATP staff includes a board-certified addiction psychiatrist, two clinical nurse specialists, social worker and two addiction therapists. Staff treats patients with substance abuse issues related methamphetamine, opioids, alcohol and other substances. In FY05, VAPIHCS recorded 4,841 clinic stops in SATP. In addition, VAPIHCS collaborates with the Veterans in Progress (VIP) program operated by U.S. VETS at Barbers Point on Oahu.

Currently, VAPIHCS does not have specialized substance abuse treatment programs at the CBOCs on neighbor islands. Services are provided by VA psychiatrists at the CBOCs and through referrals to community providers or VA SATP in Honolulu. VAPIHCS recognizes that in some locations, this may not be sufficient. As an example, in the Big Island, the use of crystal methamphetamine (or ?ice?) is a significant problem. As noted earlier, as part of the restructuring of the PRRP, VA will begin a formal substance abuse treatment program in Hilo this year. At other locations, VAPIHCS will utilize telehealth technology and add staff as demand dictates and the availability of resources allow.

State Veterans Home. The State of Hawaii is planning to build its first State Home in Hilo. This will be the first State of Hawaii facility to provide nursing home and domiciliary care to eligible veterans. Plans call for the construction of a 95-bed facility on the site of the former Hilo Hospital on the Hilo Medical Center campus. The cost estimate for the project is \$31 million and VA is contributing 65 percent (i.e., \$20 million) to compliment state funding. VA is excited about this project and looks forward to our continuing collaboration with Hawaii.

Conclusion

In summary, with the support of Senator Akaka and other members of Congress, VA is providing

an unprecedented level of health care services to veterans residing in Hawaii and the Pacific Region. VA now has state-of-the-art facilities and enhanced services in Honolulu, as well as robust staffing on the neighbor islands and has expanded or renovated clinics in many locations. VA is bringing more specialists on board and preparing for the newest generation of veterans? those who bravely served in southwest Asia.

VAPIHCS still faces several challenges, in part due to the topography of its catchment area. VAPIHCS will meet these challenges by utilizing telehealth technologies, sharing specialists, developing new delivery models and opening new clinics as demographics suggest and resources allow. I am proud of the improvements in VA services in Hawaii, but recognize that our job is not done.

Again, Mr. Chairman and other members of the Committee, mahalo nui loa for the opportunity to testify at this hearing. I would be delighted to address any questions you may have for me or other members of the panel.