

The Honorable Jonathan A. Perlin, MD, PhD, Under Secretary for Health, Department of Veterans Affairs Accompanied by: Robert Wiebe, MD, VA Network Director, VISN 21, Sierra Pacific Network James Hastings, MD, Director, VA Pacific Islands Health Care System Steven A. MacBride, MD, Chief of Staff, VA Pacific Islands Health Care System

Statement of
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Under Secretary for Health
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Senator Akaka, mahalo nui loa for the opportunity to appear before you today to discuss the state of VA care in Hawaii. It is a privilege to be here on Oahu?The Gathering Place?to speak and answer questions about issues important to veterans residing in Hawaii.

First, I would like to express my appreciation and respect for how much you have done, along with your colleague, Senator Inouye, for the veterans residing in Hawaii and other islands in the Pacific region. As I will highlight later, your 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.

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

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 Oahu; and highlight issues of particular interest to veterans residing in Hawaii, including post-traumatic stress disorder (PTSD), VA-Department of Defense (DoD) joint venture in Honolulu and access to specialty services.

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 campus of the Tripler Army Medical Center (AMC) 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 at the Tripler AMC. 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 20-bed ward within Tripler AMC and at the PTSD Residential Rehabilitation Program (PRRP) that was formerly in Hilo (now relocating to Honolulu). VAPIHCS contracts for care with 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 \$17 million 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.

Oahu facilities

VA operates the Spark M. Matsunaga VA Medical Center in Oahu, located on the campus of Tripler AMC at 459 Patterson Road, Honolulu, HI, 96815. The medical center primarily consists of the Ambulatory Care Center (ACC) and Center for Aging (CFA). Congress appropriated \$25.1 million Major Construction funds during FY93/94 to build the CFA; \$14.9 million in FY95 to construct the parking garage; and \$43.0 million in FY94/95/97 to build the ACC and renovate the E Wing of Tripler AMC for VA administrative use. Veterans Benefits Administration (VBA) is co-located with VHA on this campus. The Honolulu Vet Center is located nearby at 1680 Kapiolani Boulevard.

The VA facilities in Oahu serve an estimated island veteran population in FY05 of 80,118. In FY05, 25,222 veterans were enrolled for care and 12,739 veterans received care (?users?) in Oahu. The market penetrations for enrollees and ?users? are 31% and 16%, respectively and compare favorably with rates within VISN 21 and VHA.

The current authorized full-time employment equivalents (FTEE) level in Oahu is 425. With this staff, VAPIHCS provides a wide range of outpatient services, including primary care, several medical subspecialties (e.g., cardiology, gastroenterology, nephrology, pulmonary and women's health), mental health and dental care. In addition, VAPIHCS provides diagnostic services such as laboratory, echocardiography and radiology. As noted earlier, VA staffs a 20-bed inpatient mental health unit within Tripler AMC and a 60-bed nursing home care unit (i.e., CFA). If

veterans need services not available at the ACC or CFA, VAPIHCS arranges and pays for care at Tripler AMC, local community or VA facilities in California.

In FY05, VA facilities in Oahu recorded about 156,000 clinic stops, representing a 35% increase from FY00 (i.e., 116,000 stops). The clinic has short waiting times for new patients with few veterans waiting more than 30 days for their first primary care appointment. In FY05, the combined average daily census (ADC) was 19 in the mental health ward and PRRP (52% occupancy rate) and 56 at the CFA (94% occupancy rate). VAPIHCS spent about \$14.0 million for care at Tripler AMC and another \$9.2 million for non-VA care in the community for residents in Oahu.

Special Issues

Post-traumatic stress disorder (PTSD). PTSD is a psychiatric disorder that can occur after the experience of a life-threatening event. This is a major concern for VA because of the activities and exposures inherent to military service. PTSD has been observed in veterans from all conflicts, including Vietnam and Gulf theaters.

VA has very active PTSD programs nationally. In FY05, a significant portion of the \$2.4 billion spent on mental health programs was used to treat veterans with PTSD. In FY06, more than \$40 million will be earmarked to establish new PTSD and Returning Veterans Outreach Education and Care (RVOEC) programs. VA is also enhancing staffing levels at many Vet Centers.

There is a high prevalence of PTSD in veterans served by VAPIHCS (e.g., up to one-third of veterans treated in VAPIHCS mental health clinics carry the diagnosis of PTSD). Consequently, VAPIHCS provides a broad spectrum of mental health services for veterans with PTSD at the main facilities here in Honolulu (i.e., ACC and inpatient mental health ward in Tripler AMC), neighbor island CBOCs and the PTSD Residential Rehabilitation Program (PRRP) now in transition. Specialty outpatient PTSD services are provided in Oahu by the Traumatic Stress Recovery Program (TSRP), which is an interdisciplinary team of psychiatry, psychology, social work, nursing and readjustment counseling staff. The TSRP team also collaborates with the Honolulu Vet Center.

On the neighbor islands, outpatient PTSD services are provided by full-time psychiatrists located at all CBOCs. The PRRP has also been available to veterans with chronic PTSD who need a higher level of care. In FY05, VAPIHCS treated 2,006 veterans with PTSD throughout the system and provided PTSD care during 8,401 clinic stops. This represents increases of 39% and 16%, respectively, compared to FY02.

In addition to VAPIHCS, the VHA National Center for PTSD in Honolulu is an important resource for veterans. Mr. Fred Gusman, operations officer at the National Center for PTSD, Pacific Islands Division, is also testifying today and will highlight the activities of the Center, including its collaboration with DoD.

Although VAPIHCS is currently very active in PTSD treatment, we expect additional patients from Operation Iraqi Freedom and Operation Enduring Freedom (OIF/OEF) will present to our facilities for evaluation of possible mental disorders. 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.

VAPIHCS estimates that 10-20% of OIF/OEF veterans may present to its facilities for evaluation of possible PTSD or other adjustment disorders. In FY05, VAPIHCS evaluated 393 OIF/OEF veterans and 30 of these patients were diagnosed with PTSD. For planning purposes, VAPIHCS projects an increased demand from OIF/OEF veterans presenting for care at its mental health clinics in the next several years.

VAPIHCS will meet the needs of our newest veterans. Currently, VAPIHCS has 9.0 psychiatry FTEE. This equates to 43 mental health physicians per 100,000 unique patients, which is higher than the national VHA average (i.e., 35 FTEE per 100,000). VAPIHCS will use these and other staff to assist those veterans who have either acute PTSD, also known as Acute Stress Disorder (ASD), and chronic PTSD. The goals are outreach, early identification, standardized assessment, individualized treatment plans and emphasis on recovery.

To accomplish these goals, VAPIHCS will make several changes in its care delivery model, including the relocation of the PRRP unit from Hilo to Honolulu. The new outpatient program will be built on the successful foundation of the Hilo program. A Vietnam veteran who returned from combat with serious physical and emotional wounds, graduated from the PRRP last year. "I had lost 10 years of my life to drugs and chaotic living," he said. "Healing takes a long time, but I carry note cards as reminders of the most important lessons I learned from VA. I'm clean and sober and my wife and I have love and happiness." The veteran summarized his experience by saying, "I will be eternally indebted to the VA for turning my life around."

VAPIHCS is also developing new programs (e.g., VAPIHCS submitted several proposals related to the \$100 million set aside in FY06 by VHA for new mental health initiatives) and hiring additional staff as needed (e.g., Hilo CBOC). In these endeavors, VA will continue to closely collaborate with our DoD partners, including Tripler AMC.

VA-DoD Joint ventures. VAPIHCS participates in one of the largest and most complex VA-DoD partnerships. The partnership with Tripler AMC accelerated when VA began to move clinical and administrative functions from the Prince Kuhio Federal Building to the Tripler AMC campus in 1997. The co-location of VAPIHCS and Tripler AMC allows functional integration and opportunities to provide high quality care to Federal beneficiaries residing in Hawaii and the Pacific region. VAPIHCS relies on Tripler AMC for emergency room care, acute medical-surgical inpatient care (including intensive care unit), outpatient specialty care and ancillary services. VAPIHCS also partners with Tripler AMC for nutritional services (e.g., inpatient meals at Tripler AMC and CFA), housekeeping, security and medical maintenance. In FY05, VAPIHCS purchased about \$14 million of services for veterans at Tripler AMC.

VAPIHCS and Tripler AMC also collaborate in several other important endeavors. The joint venture in Honolulu has successfully competed for several Joint Incentive Fund (JIF) projects. JIF was established by Congress in the National Defense Authorization Act (NDAA) in FY03 to encourage ongoing collaboration. The VA-DoD joint venture in Honolulu has secured \$4 million in funding for projects related to computer-aided design and manufacturing of prosthetic devices;

chronic dialysis center; and chronic pain management program. The venture was also selected as one of eight formal VA-DoD Joint Venture Demonstration Sites and will review budget and financial management systems. We are also collaborating on a single separation health examination for active duty personnel who will be leaving military service.

VA appreciates the leadership of Major General (MG) Gale Pollock and the responsiveness her staff to VA concerns. The joint venture has made great strides in both clinical and administrative areas. Admittedly, some systemic barriers still exist, such as conflicting mission priorities, lack of computer interoperability, ambiguities regarding dual-eligible beneficiaries and differences in financial systems. Some of these barriers can be overcome at the local level, but many will require a solution at the national level. In any case, I am confident that our new Director, Dr. Hastings, and MG Pollock will continue the growth and accomplishments of this very important joint venture.

Specialty services. VAPIHCS does not operate its own acute medical-surgical inpatient unit and has a limited number of specialists on staff. Historically, VAPIHCS has relied on its DoD partners and community facilities to provide these and specialty outpatient services to veterans. Over the past several years, VAPIHCS has significantly increased its recruitment of specialists to improve the access and continuity of care for veterans. Since FY04, VAPIHCS has hired physicians in gero-psychiatry, gastroenterology, ophthalmology and radiology. VAPIHCS is actively recruiting additional specialists in cardiology, orthopedic surgery and urology. VAPIHCS has also hired hospitalists to provide care for veterans admitted to Tripler AMC.

Although these specialists will be based in Oahu, most will travel regularly to CBOCs on neighbor islands and will be able to conduct telehealth clinics. The topography of the Pacific region makes telehealth one of VA's most valuable programs—not only for our older veterans from World War II, but also for our newest veterans from Iraq and Afghanistan. For example, a veteran came to VAPIHCS after surviving severe injuries from a rocket grenade attack in June 2004 that left him as a triple amputee (both legs and one arm). The veteran lives in Pohnpei, Federated States of Micronesia (FSM). After his return home to FSM, VA staff in Hawaii followed him weekly with telehealth visits to monitor his progress.

Conclusion

In summary, with your support and the support of 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, Senator Akaka, 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.