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Statement of
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Under Secretary for Health
Department of Veterans Affairs
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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 Maui. It is a privilege to be here in Maui-the Valley Isle-to speak and answer questions about issues important to veterans residing in Maui County.

First, Mr. Chairman, I would like to thank you for your outstanding leadership and advocacy on behalf of our Nation's veterans. During your tenures as Chairman and Ranking Member of this Committee, you have consistently demonstrated your commitment to veterans. As I will highlight later, your vision and support have helped us provide an unprecedented level of health care services for veterans throughout Hawaii and the Pacific region. In addition, I appreciate your 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 clinic here in Maui; highlight issues of particular interest to veterans residing in Maui County, including capacity at the VA clinic in Maui and VA services on the nearby islands of Molokai and Lanai. I also look forward to addressing any questions you might have for me and my staff.

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 region (including the Philippines, Guam, American Samoa and Commonwealth of the Northern Marianas Islands), northern Nevada and central/northern California. There were an estimated 1.1 million veterans living within the boundaries of the VA Sierra Pacific Network in Fiscal Year 2006 (FY06).

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 FY06, the Network provided services to 235,000 veterans. There were about 2.9

million clinic stops and 24,500 inpatient discharges. The cumulative full-time employment equivalents (FTEE) level was 8,400 and the operating budget was about \$1.5 billion.

The VA Sierra Pacific Network is remarkable in several ways. In FY06, VISN 21 was the highest-ranked Network in overall performance (based on an aggregation of quality, access, patient satisfaction and business metrics). The Network hosts the highest number of Centers of Excellence and also has the most highly funded research programs in VHA. In the most recent all-employee survey, staffs in VISN 21 reported the highest overall job satisfaction in VHA. Finally, VISN 21 operates one of four Polytrauma units in VHA 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. Dr. James Hastings is the director and a practicing cardiologist at VAPIHCS. 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 FY06, there were an estimated 102,000 veterans living in Hawaii (representing 8 percent of the total population in Hawaii and 9 percent of total veteran population in VISN 21).

VAPIHCS currently provides care in seven locations: the Ambulatory Care Center (ACC) and Center for Aging (CFA) on the campus of the Tripler AMC in Honolulu; and community-based outpatient clinics (CBOCs) in Lihue (Kauai), Kahului (Maui), here in Kailua-Kona (Hawaii), Hilo (Hawaii), Hagatna (Guam) and Pago Pago (American Samoa). VAPIHCS also has outreach clinics in Molokai and Lanai. The inpatient post-traumatic stress disorder (PTSD) unit is now also on the campus of Tripler AMC (the unit was formerly in Hilo). 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.

In FY06, VAPIHCS provided services to nearly 22,500 veterans, 19,000 of whom reside in Hawaii. There were 198,000 clinic stops in Hawaii during FY06 (7 percent of Network total). The cumulative FTEE in FY06 for the health care system was 502 employees. The operating budget for VAPIHCS (i.e., General Purpose allocation from appropriated funds) increased from \$68.0 million in FY02 to \$110 million in FY07—an increase of 62 percent. For comparison, during this same time period, the operating budgets for VISN 21 increased 48 percent and VHA increased 43 percent. (Please note these amounts do not include Specific Purpose Funds and Medical Care Cost Funds [MCCF].)

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. VAPIHCS does not operate its own acute medical-surgical hospital and consequently, faces challenges in providing specialty services. VAPIHCS recently hired specialists in Orthopedics, Ophthalmology, Nephrology and inpatient Medicine ("hospitalist") and is providing selected specialty care in Honolulu and to a lesser extent, in

CBOCs. VAPIHCS is actively recruiting additional specialists (e.g., Urology) and will continue to refer patients to DoD and community facilities.

Inpatient long-term and acute rehabilitation care is available at the CFA. Inpatient mental health services are provided by VA staff on a 20-bed ward within Tripler AMC and at the 16-bed PTSD Residential Rehabilitation Program (PRRP). 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. Congress approved \$83 million in Major Construction funds to build a state-of-the-art ambulatory care facility (i.e., ACC) and a long-term care/rehabilitation unit (i.e., CFA) 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 to enhance care on the neighbor islands by expanding/renovating clinic space and adding additional staff to ensure there are primary care physicians and mental health providers at all CBOCs.

Maui CBOC

VA operates a CBOC located in Kahului (203 Ho'ohana, Suite 303, Kahului, HI, 96732). In FY02, VAPIHCS spent \$208,000 to renovate the clinic. The Maui Vet Center is located in nearby Wailuku.

The Maui CBOC serves an island veteran population estimated in FY06 to be 9,900. In FY06, 2,382 veterans residing in Maui were enrolled for care and 1,436 veterans received VA care ("users"). The market penetrations for enrollees and "users" are 24 percent and 14 percent, respectively. These are lower than rates elsewhere in Hawaii.

As I will discuss later, the Maui CBOC has recently increased its staffing and currently is authorized to have 19 staff at the clinic. For comparison, at the time of your last hearing here in January 2006, the authorized staffing was 12.4 FTEE. The authorized primary care providers include two physicians, a nurse practitioner and a social worker. The authorized mental health providers include a psychiatrist, psychologist, social worker, clinical nurse specialist and substance abuse counselor. With this staff, the Maui CBOC provides a broad range of primary care and mental health services. In addition, 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 Maui include cardiology, gastroenterology, geriatrics, nephrology, neurology, optometry, orthopedics and rheumatology. If veterans need services not available at the clinic, VAPIHCS arranges and pays for care in the local community (e.g., Maui Memorial Hospital), Honolulu (including Tripler AMC) or VA facilities in California. In FY06, VA spent nearly \$3.6 million for non-VA care in the private sector (i.e., not including costs at other VA or DoD facilities) for residents of Maui.

In FY06, the Maui CBOC recorded 9,217 clinic stops, representing a 46 percent increase from FY02 (i.e., 6,292 stops). The past year has been difficult for the staff and patients served by the

Maui CBOC. Several staff, including a VA and a contract primary care provider, left the clinic for a variety of personal and economic reasons (e.g., cost of housing on Maui). VAPIHCS provided coverage with a combination of contract and VA staff traveling from Honolulu.

Some patients, like Mr. Richard Bond were pleased with the arrangement. In a letter to an editor, he wrote, "I want to thank the Maui VA clinic. Out of the blue, staff phoned me with a lab appointment and a few days later, a doctor's appointment. Dr. Wong [a VA physician at the ACC in Honolulu] flew over from Honolulu and I received a thorough physical and a flu shot to boot." However, VAPIHCS understands that other patients were dissatisfied because continuity of care was not optimal and waits for appointments lengthened. I am pleased to report that with additional staff, the situation has improved and the clinic currently has short waiting times for new patients with very few veterans waiting more than 30 days for their first primary care appointment.

Special Issues

Capacity at Maui CBOC. As noted earlier, in FY06 VA provided health care services to 1,436 veterans who reside in Maui. However, market penetration rates for enrollees and "users" suggest there is additional demand for VA health care. This was corroborated by veterans' advocates during a meeting with Drs. Wiebe and Hastings earlier this year in Maui. Consequently, VAPIHCS has significantly increased the authorized staffing at the Maui CBOC. When the new VA primary care provider arrives next month, the clinic will have two full-time VA primary care physicians and one full-time primary care nurse practitioner. Based on VA primary care panel size criteria, this would give the clinic a theoretical capacity for over 3,000 primary care patients (i.e., 1,200 patients for each full-time physician and 800 for each full-time nurse practitioner). Even considering the special circumstances at the Maui CBOC (e.g., lack of VA inpatient facility and limited community health care resources on the island), the VA clinic will be able to provide high quality and accessible primary care to more than 2,000 patients.

In addition, the Maui CBOC will soon begin Home Based Primary Care (HBPC) services for veterans residing in Maui. HBPC is currently available in Oahu, Kauai and the Big Island. HBPC is an important component of VA's non-institutional long-term care program designed to provide care in the least restrictive setting for veterans.

There is also a significant demand for mental health services at the Maui CBOC. About 32 percent of all patients currently seen at the clinic have a documented mental health illness (compared to 19 percent for VHA), including a high prevalence of PTSD. In response, VA has substantially increased its authorized mental health capacity at the Maui CBOC. As you know, Mr. Chairman, Congress has provided several hundred million dollars to VA over the past two fiscal years to specifically enhance mental health services. In FY06 and FY07, VAPIHCS received nearly \$2 million of these funds. These funds are being used to hire about 30 new mental health staff in VA facilities across Hawaii and the Pacific region, including five staff here at the Maui CBOC. When all of these positions are filled, the Maui CBOC will have a psychiatrist, psychologist, clinical nurse specialist, mental health social worker, substance abuse counselor, telehealth psychologist and telehealth technician. In addition, the Maui Readjustment Counseling Center ("Vet Center") is also recruiting for another mental health clinician (i.e., psychologist or social worker).

In order to provide adequate and efficient space for new staff and patients at the Maui CBOC, VAPIHCS is working to expand the size of the current clinic. The size of the clinic is currently about 5,300 square-feet and VAPIHCS hopes to add another 4,400 square-feet (i.e., for a total of 9,700 square-feet).

The size of the veteran population and number of VA patients in Maui limit the feasibility of having a large cadre of medical and surgical specialists based in the Maui CBOC. Nonetheless, VA recognizes that some veterans in Maui County have needs that go beyond primary care and mental health. VA sends specialists from Honolulu and California to the clinic on a regular basis. As noted earlier, services provided by clinicians traveling to Maui include cardiology, gastroenterology, nephrology, neurology, optometry, orthopedics and rheumatology. VAPIHCS also refers patients to the local community for care at VA expense (when eligibility criteria are met) and transports (also at VA expense, when eligibility criteria are met) to the VA facility in Honolulu. The Maui CBOC also utilizes telehealth technologies to provide specialty services.

Molokai and Lanai. The islands of Molokai and Lanai are part of Maui County. VA provides limited services on these islands with permanent staff (on Molokai) and visiting VA staff (to both islands). However, VA is assessing options to enhance services in both locations.

Molokai. VA estimates the veteran population on Molokai to be 649. In FY06, 211 veterans from Molokai were enrolled for VA care and 148 veterans received VA services. VA formerly established an outreach clinic on Molokai in FY05. However, Mr. Chairman, with the assistance of you and your staff, VA now has established a more formal presence on the island. The VA clinic on Molokai is located in shared space near Molokai General Hospital and operates two half-day primary care clinics per week. The clinic is staffed with a part-time VA physician and contract support staff. Although VA has not installed its own telehealth equipment in Molokai, VA currently has access to videoconferencing equipment. VAPIHCS is hoping to acquire dedicated space in Molokai to enable the placement of permanent information technology (IT) and telehealth equipment. VA also sends mental health staff from the Maui CBOC to Molokai to provide care. Specifically, the psychologist travels twice a month and the psychiatrist once a month. VAPIHCS is also planning to add tele-mentalhealth services when staff (at the Maui CBOC) and equipment are on-board. In addition, VA purchases non-VA care in the community (e.g., Molokai General Hospital) for eligible veterans residing in Molokai, at a total cost of \$280,000 in FY06. Veterans residing in Molokai also are seen at DoD and VA facilities in other locations. VA pays for travel expenses for those veterans eligible for beneficiary travel.

Lanai. VA estimates the veteran population on Lanai to be 229. In FY06, 58 veterans residing on Lanai were enrolled for VA care and 30 veterans received VA services. VA currently sends a primary care physician from Honolulu to Lanai once a month to provide needed primary care services. This began in June 2007 and we will reassess the frequency in about six months. VA currently is using space adjacent to the Lanai Community Hospital and is negotiating with the hospital to use its videoconferencing equipment for telehealth. VAPIHCS is exploring options with the nearby local medical clinic (i.e., Straub Clinic) and we hope to relocate our clinic to this space in the next couple months. In addition, VA purchases non-VA care in the community and pays beneficiary travel for eligible veterans. VA is exploring other options to improve access, including adding an automated pharmacy dispensing device and/or telehealth capabilities. We

are also having conversations with local residents in Lanai City about a possible Federally Qualified Health Center (FQHC) and how VA might participate in and partner with FQHC.

Conclusion

In summary, with your support, Mr. Chairman, and other members of Congress, VA is providing an unprecedented level of health care services to veterans residing in Hawaii and here in Maui. Although VA struggled earlier this year with staffing at the VA clinic in Maui, we now have a robust cadre of primary care and mental health practitioners. We look forward to a growth of new patients at the Maui CBOC and will meet the expectations of veterans for quality and timeliness.

VAPIHCS still faces several challenges, in part due to the topography of its catchment area, lack of an acute medical-surgical hospital, limited community resources in rural areas and difficulties recruiting staff. VAPIHCS will meet these challenges by utilizing telehealth technologies, hiring specialists, working with community partners and developing new delivery models. 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. My staff and I would be delighted to address any questions you might have for us.