

Chapter 14: Partnering with the Department of Defense

Federal Medicine: DoD and VA Opportunities

There is a tremendous potential for savings through sharing of medical services and other resources among federal medical providers. Because of sheer size and wide dispersion around the country, the VA and DoD health care systems in particular have available numerous collaborative opportunities.

VA operates 162 hospitals and more than 850 community and outpatient clinics, nationwide, at a cost of more than \$28 billion. DoD spends a similar amount on health care, split between approximately 75 military hospitals and 600 clinics and through networks run by managed care support contractors.

Resource sharing between the VA and DoD facilities has been increasing since the early 1980's. Some of the specific activities involved are major medical and surgical services, laundry, blood supply and other laboratory services, specialty care, training activities, joint venture construction and the operation of facilities.

In the summer of 2001, the President's Management Agenda was announced. The agenda is an aggressive strategy for improving the management of the federal government. Contained in the agenda is a specific section entitled "Improved Coordination of VA and DoD Programs and Systems." In this section, the President directed VA and DoD to improve the coordination of benefits, services, information and infrastructure to ensure the highest quality of health care and efficient use of resources.

In response to the President, VA and DoD established a Joint Executive Council (JEC) in February 2002 to facilitate and monitor health care, benefits, and other sharing activities. During the past year, the two Departments have undertaken unprecedented efforts to improve cooperation and sharing in a variety of areas through the JEC.

Reflecting a new sense of order after establishment of the JEC, VA and DoD sharing efforts can now be categorized as follows:

- Local sharing agreements allow VA Medical Centers and Military Treatment Facilities (MTFs) to exchange inpatient care, outpatient care, and ancillary services as well as support services.
- Joint venture sharing agreements pool resources to build new facilities or to capitalize on existing facilities.
- National sharing initiatives, coordinated by the JEC, are interagency initiatives, such as joint disability discharge physicals.

CARES Designers Foresaw Additional Sharing Progress

Since the CARES process was initiated just as these intensified sharing actions were being implemented, it might seem that expecting significant further improvements or savings from this area would be somewhat optimistic.

Nevertheless, the enhanced CARES design exhibited a strong conviction that the process would deliver further progress -- as reflected in one of the stated goals for CARES planning: "to improve sharing facilities and services with DoD."

In fact, the CARES process identified dozens of additional sharing opportunities. In many instances, the potential new opportunities were immediately helpful in developing solutions to planning initiatives that VISNs already had identified through other CARES components (e.g., enhancing access, ensuring inpatient capacity, etc.)

The draft VISN Market Plans therefore were submitted with numerous planning initiatives for additional sharing with local DoD facilities. These initiatives were reviewed by an interagency team, which included representatives from the National CARES Program Office and the VISNs, as well as representatives from Tricare, Army, Navy and the Air Force. The review analyzed these collaborative opportunities in the context of projected workload for both departments.

The reviewers conducted a detailed evaluation, in some cases directly contacting the VISNs to clarify their submissions. After the review, the team divided the collaborative opportunities into the following five categories.

1. HIGH PRIORITY

- a. There exists an acute demand for access to services or facilities on the part of DoD or VA
- b. There appears to be substantial mutual advantages to collaboration
- c. DoD has proposed a major construction facilities project at the collaboration site. The proposed project is currently in planning or design and immediate coordination is required to determine the scope, cost, and operational implications of collaboration.
- d. The project has high visibility to Congress and senior leadership of DoD and/or VA.

2. NEAR TERM

- a. The potential for mutually advantageous collaboration appears high.
- b. DoD or VA may be contemplating a facilities project, the scope and cost of which could be affected by collaboration.
- c. Formal planning and design have not yet been initiated.
- d. Preliminary discussions and coordination activities should start in the current fiscal year.

3. FUTURE

- a. Potential for mutually advantageous collaboration appears possible, but there exists no compelling reason to pursue detailed planning at this time.
- b. No new facilities or projects are currently contemplated by either DoD or VA.

- c. Should continue to be considered but likely will not be seriously evaluated until after completion of the 2005 Base Realignment and Closure process (BRAC 2005).

4. GOOD IDEAS

- a. Refers to potential collaborative opportunities that have little or no impact on capital investment programs.
- b. Relates more to operational functions that would likely produce better business practices.
- c. Would not normally be considered within the purview of CARES but instead would be better suited to examination in other DoD/VA sharing venues.

5. LOCAL DEVELOPMENT

- a. Potential for mutually advantageous collaboration is not readily apparent.
- b. VISN CARES analysts have indicated proximity to DoD facilities could lead to further investigation.
- c. No new facilities or projects are currently contemplated by DoD or VA.

Collaboration Results:

Collaborations and Sharing Opportunities are detailed in Appendix I.

Table 14.1 Number of DoD Collaborations by Priority

High Priority	21
Near Term Development	12
Future Development	9
Good Ideas	5
Local Development	28

High Priority DoD Collaborations



Selected Highlights (A complete list of initiatives can be found in Appendix I)

VISN 3: VA New Jersey HCS and Ft Monmouth (USA). Army is providing space for a CBOC to address primary care. The clinic would treat both veterans and military personnel.

VISN 5: VAMC Washington and Fort Belvoir (USA). Fort Belvoir providing space in new facility for VA primary and specialty care.

VISN 20: VAM&ROC Anchorage and Fort Wainwright (USA). VA will relocate to new clinic space in the new hospital at Fort Wainwright and expand primary and specialty care and mental health services.

VISN 16: Gulf Coast Veterans Health Care System (Biloxi and Gulf Port Divisions) and Keesler AFB hospital are pursuing an opportunity to relocate selected services of the Gulf Port and Biloxi Divisions through sharing with Keesler AFB. This would result in the vacancy of the Gulf Port Division and the opportunity to enhance-use lease the property.

Near Term Development DoD Collaborations



Selected Highlights (A complete list of initiatives can be found in Appendix I)

VISN 5: Baltimore VAMC and Fort Meade (USA). Army would provide space for a VA CBOC.

VISN 20: Seattle VAMC and Bremerton Naval Hospital. Sharing agreement for medical (acute inpatient medicine and emergency services) and ancillary (pharmacy first-fills and laboratory) and support of veterans enrolled at the CBOC Bremerton.