

# Appendices

**Appendix I. List of National Performance Review  
Hammer Awards Received by VHA as of March 31,  
1996**

<b>Facility</b>	<b>Initiatives for FY 96</b>
CHAMPVA Center Denver, CO	Program Innovations
VAMC Topeka, KS	Radio Frequency Computer System for Medication Administration
VAMCs Fort Meade/Hot Springs, SD	Black Hills VA Alliance
VAMC Tampa, FL	Radiology Transportation Project
VHA/VACO Washington, D.C. Facilities Management	Re-engineering Design and Construction Standards
VAMC Hampton, VA	Reinventing Laboratory Reference Testing
VAMC Ann Arbor, MI	Lodging Program Team
VAMC Lebanon, PA	Asbestos Management Team
VAMC Manchester, NH	Reinventing Surgical Service with Focus on Same Day Surgery
OA&MM and VHA - VACO & VAMC Lyons, NJ	Clothing for Homeless Veterans: VA's Partnership Initiative with GSA and DoD
VAMCs Milwaukee, WI/Iron Mountain, MI	Telepathology
VAMC Martinsburg, WV	VA On-Line Service
<b>Facility</b>	<b>Initiatives for FY 95</b>
VAMC Omaha, NE	Fiscal Service Medical Care Cost Recovery Team
VAMC Albany, NY	Clinical Pathway for Hip Replacement
VAMC Louisville, KY	Electronic Paperless Travel Management System
VAMC Tucson, AZ	Telephone Linked Care Team
VHA/VACO, Office of Quality Management, Washington D.C.	New Customer Satisfaction Survey Program and an Education Module
VAMC Milwaukee, WI	Home Oxygen Quality Improvement Team
VAMC San Antonio, TX	Government and Private Sector Cooperation
VAMC & VARO Houston, TX	Construction of New VA Regional Office Building
Hines Service and Distribution, IL	Computer Upgrade Program
VHA/VACO Canteen Service, Washington, D.C.	Food Concept Development Team
VA Outpatient Clinic, Columbus, OH	Medical Care Cost Recovery Team

<b>Facility</b>	<b>Initiatives for FY 94</b>
Greater New York City VA Consortium on Homeless Veterans, NY	Client-Centered, Coordinated Teamwork
VAMC Batavia, NY	Outpatient Relocation Design Team
VA Domiciliary, White City, OR	Policy and Procedure Re-engineering Team
VAM&ROC Sioux Falls, SD	Reinvention Teams
VAMC Des Moines, IA	Clinic Clerk Team
VAMC Denver, CO	Consolidated Contracting Activity Team
VAMC Pittsburgh, PA	Acquisition and Materiel Management Service Team
VAMC Prescott, AZ	Voluntary Service Guest Relations Team
VAMC Dayton, OH	Pharmacy/Acquisition and Materiel Management Services Team
VAMC North Chicago, IL	Managed Care System Development Team
VAMC Richmond, VA	Geriatrics Health Care Center Team

**Appendix II. List of Scissors Awards Received by  
VHA as of March 31, 1996**

<b>NOMINEE</b>	<b>LOCATION</b>	<b>DESCRIPTION OF INITIATIVE</b>
<b>1996</b>		
Polypharmacy Team	Tampa, FL VAMC	Team developed and implemented procedures that help identify polypharmacy practices and facilitate correcting medication errors. As a result, fewer veterans are admitted due to over medication. The VAMC has saved over \$1 million.
Outpatient Pharmacy Assessment Team	San Diego, CA VAMC	Customer satisfaction increased from 68 percent to 98 percent as a result of a 50 percent reduction in pharmacy waiting times.
Prosthetic Treatment Center	Palo Alto, CA VAMC	Improved customer satisfaction by adding a purchasing agent to prosthetics to improve response to veterans' inquiries.
Patient Centered Parking Team	Shreveport, LA VAMC	Employees, including medical staff and service chiefs, gave up parking spaces adjacent to the front of the medical center to assure patient access to convenient parking.
Ms. Patricia Thacker	Huntington, WV VAMC	Money-saving suggestion in patient care.
Ms. Debbie Jackson	Washington, DC VAMC	Innovative transportation for work-therapy patients.
Pre-Admission Team	Lebanon, PA VAMC	Scheduled hospital admissions are processed over the telephone, allowing the veteran to bypass admissions and go straight to the ward. Customers are happier and admission staff is able to focus on unscheduled admissions.
<b>1995</b>		
OA&MM - VHA Task Force	Washington, D.C. VACO	VA and the State Veterans Homes (SVH) are developing business relationships and VA has authorized approximately 80 SVH to use federal government sources of supply.
Spinal Cord Injury Team	Cleveland, OH VAMC	Developed training program and guidelines to expedite processing time for spinal cord injury claims.
Ms. Rebecca Brown	Minneapolis, MN VAMC	Revamped existing transfer and referral policies.

Human Resources Management Service	Sepulveda, CA VAOPC	Implemented "One-Stop Clearance Shop," which allows an employee who is separating from VA to take their clearance form to one central location, paring a two-hour process to only 10 or 15 minutes.
Office of Executive Correspondence	Washington, DC VACO	Used office automation capabilities to facilitate correcting letters instead of returning them for correction; lowered signature levels consistent with executive accountability.
Project Management Team	Washington, DC VACO	Implemented an improved and streamlined project delivery process for major construction, cutting as much as two years off overall time-frame.
Environmental Management Service	Washington, DC VACO	Streamlined VA's laundry operations through a centralized integration and modernization program, saving millions of dollars.
Mr. Melvin Sharer	Altoona, PA VAMC	Developed procedures to use DHCP for reporting results from echocardiography studies.
VA Denver Distribution Center (DDC)	Lakewood, CO	Conceptualized, designed, developed and field tested a major remote access system.
VA On-line Project Team	Martinsburg, WV	Implemented a 'round the clock on-line system (PC-based technology) to allow veterans, veteran organizations or any interested members of the public anywhere in the world to access information relevant to veterans.
Standards Service	Washington, DC VACO	Designed a Proactive Claims Analysis and Tracking System. This system identifies recurring construction problems that result in change orders, claims and delays.
Suggestion Process Improvement Team	Albany, NY VAMC	Automated system for Human Resources to track suggestions in a more efficient manner.
Ms. Patricia L. Thacker	Huntington, WV VAMC	Suggested that form bed wedges be issued to ambulatory patients in need of elevation of the head and feet during sleep instead of electric hospital beds.
Acquisition & Materiel Management Service	Denver, CO VAMC	Awarded a desktop delivery office supply contract to a minority-owned firm. The contract allows using services to place their own orders via telephone or fax against a line of credit established by the service director.
Asbestos Management Team	Lebanon, PA VAMC	Avoided \$314,000 to date by re-engineering contract versus in-house services of their asbestos program. (Prior Hammer winner.)
Acquisition & Materiel	Murfreesboro, TN	Implemented a prime vendor contract for

Management Service	VAMC	Nashville and Murfreesboro. Purchase cards are used throughout the centers, which streamlines acquisition. Receipt signatures for supplies are eliminated; equipment is bar-coded.
Mr. David Armstrong	Washington, DC VACO	Cut travel costs associated with built-in hospital equipment inspections. A manual was developed that provides guidance for field facilities to do inspection themselves.
Environmental/Landscape Architectural Professional Group	Washington, DC VACO	Streamlined project delivery by consolidating project development responsibility, abolishing the Environmental Review Board (ERB), and improving customer support.
CHAMPVA Center	Denver, CO	Improved program efficiency through paperwork reduction. For example, revised claim form from four pages to a single sheet; established a dedicated phone line for care providers; and answer Congressional inquiries by telephone.
Mr. James F. Trusley III	Dublin, GA VAMC	Instituted a program of making administrative rounds accompanied by a multi-disciplinary group of clinical and administrative program chiefs. Customer satisfaction is up and problems are resolved quicker.
Ms. Nancy Royce	Louisville, KY VAMC	Founded the greenhouse program that enables outpatients and inpatients to participate in growing, planting and selling plants.
VHA Canteen Service	Washington, D.C. VACO	Replaced old Canteens that used to offer few choices of marginal quality and service with modern food courts regulated with strict franchise quality standards.
Inpatient Pharmacy Paper Reduction Team	Montgomery, AL VAMC	Team has cut paper use from four to two cases per month, saving \$720 per year.
Colmery-O'Neil VA Medical Center	Topeka, KS	Developed a point of care radio frequency computer system that has been successful in eliminating medication administration errors.
Pharmacy Service	Fayetteville, AR VAMC	Improved pharmacy procedures reduced the waiting time for prescriptions to 10 minutes. A pharmacy reorganization allows sharing of bulk stock medications, thus reducing the size of the pharmacy inventory.
Pharmacy Service	Jackson, MS VAMC	Redesigned areas for centralized order entry, improved response time and improved verification process.

Pharmacy Team	Los Angeles, CA VAOPC	Reduced prescription fill time from 30 minutes to between 10 and 15 minutes.
Coordination Between Inpatient And Outpatient Medication Team	Loma Linda, CA VAMC	Identified areas for improvement in the patient medication profile, resulting an average savings of \$48.40 per patient discharge, or \$174,240 per year.
Blood Usage Committee	Loma Linda, CA VAMC	Ordered pre-op blood and blood products in a timely manner.
VAMC Allen Park	Allen Park, MI	Implemented primary care.
South Texas Veterans Healthcare System - Kerrville Division	Kerrville, TX	Implemented primary care program that reduced waiting time by 50 percent reduction and shifted treatment focus from inpatient to less costly outpatient care for less acute problems.
Primary Care Team	Mountain Home, TN VAMC	Since moving to primary care, the team cut waiting time to 20 minutes. Telephone liaison allows patients to schedule or change appointments, receive test results and seek medical advice. VAMC has also been aggressively contracting for services in the community.
Primary Care Staff	Fayetteville, AR VAMC	Primary care program provides outpatient treatment in lieu of inpatient care as appropriate.
Endocrine & Diabetes Clinic Team	Iowa City, IA VAMC	New specialized clinic addresses issues of diabetic patients and others.
Patient & Family Education Umbrella Body	Loma Linda, CA VAMC	Individuals from different health disciplines worked to improve the quality of patient and family education.
Short Stay Team	Mountain Home, TN VAMC	VAMC created a short stay unit and cut costs by converting a 40-bed seven-day-a-week ward to a 15 bed unit open five days a week. VAMC used a patient call back program to get feedback to continuously improve service, and implemented a pre-admissions clinic.
Spinal Cord Injury Service	Richmond, VA VAMC	Average length of stay and costs for hospitalization in SCI have been reduced.
Surgical Service	Spokane, WA VAMC	Provided Same Day Surgery Program and saved 61 inpatient days.
Mr. Chuck Decoste and Mr. Ken Ruyle	Denver, CO Health Administration Center & Tuscaloosa, AL VAMC	Re-engineered the Foreign Medical Program, transferred to Denver from VAMC Washington, D.C. Reduced resources needed to operate the program, reduced process steps and improved service to veterans.
Standards Service	Washington, DC	Streamlined VA design and construction

	VACO	standards by reducing mandatory requirements, putting design manuals “on-line,” benchmarking against industry norms and eliminating half of current policy statements.
Dorothy Fish, Barbara Bell, Diana Carranza	Asheville, NC VAMC	Construction of a new 120 bed NHCU to save money and design innovations to enhance patient care environment.
Physical Therapy Section	Minneapolis, MN VAMC	Initiated week-end tour of duty for therapy without disrupting treatment in schedules for patients during the week.
Stratton VA Medical Center	Albany, NY	Obtained \$500,000 for a Fisher House for veterans and their families. Significant customer service initiative.
MCCR Copay Unit	Chicago, IL	Created “one-step shopping” for services and decreased patient waiting time.
Mr. J. R. Alford	Huntington, WV VAMC	Established a “help desk” to assist veterans and their families obtain directions, information about service availability, appointment scheduling, patient locations and special programs.
Ms. Deann Hufnagle, LPN	Minneapolis, MN VACO	Recorded teaching booklets for the visually impaired and illiterate and semi-literate patients.
Ms. Patti Maddox	Oklahoma City, OK VACO	Reduced the time involved in sending VACO patient packets for kidney and liver transplants. Improved customer service by providing a specific person as a point of contact for veterans being evaluated for transplants.
Parking Veterans First Team	Pittsburgh, PA VAMC (UD)	Implemented “valet” type parking for veterans, their families and friends at the Oakland acute care division of the Pittsburgh VAMC.
Telephone Linked Care Team	Tucson, AZ VAMC	Telephone linked care services has improved care for patients and reduced visits required to obtain care from more than 100 to an average of 60 to 80; 125 telephone visits are made per day.
Hospice Team	Tucson, AZ VAMC	Identify patients who might benefit from the hospice program.
10-10 Team	Washington, DC VACO	Team reduced the infamous 10-10 form from eight pages and almost 200 questions requiring 80 minutes to complete to a single page.
VA Medical Center	Marion, IL	Reduced waiting time to see doctor (from as long as all day to 15 minutes) by shifting workloads, realigning services and realigning staff.

Medical Walk-In Process Action Team	Richmond, VA VAMC	Significantly re-engineered processes to reduce waiting times, enhance space utilization and improve customer service.
Mental Hygiene Clinic Treatment Team	Erie, PA VAMC	Reduce waiting times from one month to one or two days for initial appointments for mental health services. Cut costs by shifting initial appointments from the psychiatric staff to the social work staff without compromising quality of care.
Nuclear Medicine Task Force	Erie, PA VAMC	Working with the Cleveland VAMC, this task force cut turn-around time for exam results from as long as 12 weeks to five days while saving about \$15,000 per year.
Dr. Norman Flaxman and Dr. Eugene Towbin	Little Rock, AR VAMC	Eliminated dental exams for ward patients and increased the amount of available “chair” time. Decreased waiting time for appointments by approximately one day per week. Waiting times for follow-up care were reduced from four to two months.
Dental ER Team	Northport, NY VAMC	Significantly decreased the waiting times of veterans coming to the ER for dental treatment by streamlining and changing the patient routing process.
Standards Service	Washington, DC VACO	Improved and streamlined the development, maintenance, and distribution of design and construction standards.

## Appendix III. Listing of the Strategic Healthcare Groups

<b>Strategic Healthcare Groups</b>	<b>Specialty Areas Included</b>
Primary and Ambulatory Care	Primary Care, Optometry, Ophthalmology, Podiatry, Spinal Cord Injury, Dentistry
Mental Health and Behavioral Services	Psychiatry, Psychology, Readjustment Counseling*
Geriatrics and Extended Care	Geriatrics, Gerontology
Acute Care Hospital-Based Services	Medicine and Medical Subspecialties, Surgery and Surgical Subspecialties, Neurology, Anesthesiology
Diagnostic Services	Radiology, Nuclear Medicine, Anatomic and Clinical Pathology
Pharmacy Service	Pharmacy
Prosthetics and Sensory Aids Service	Prosthetics, Sensory Aids
Rehabilitation Services	Physical Medicine and Rehabilitation, Blind Rehabilitation, Recreation Therapy and Audiology and Speech Pathology
Nursing Services	Nursing
Allied Clinical Services	Nutrition and Food Service, Chaplain, Social Work

\* Although administratively separate, the Readjustment Counseling Service will be clinically aligned with this SHG.-

Appendix IV. VA-Medical School Affiliations as of  
March 31, 1996

## Health Professions Education Program

Title 38 U.S.C. mandates that VA assist in the training of health professionals for its own needs and for those of the nation. Each year, over 100,000 health science students receive some or all of their clinical training in VA facilities through affiliations with over 1,000 educational institutions. Currently, 130 VA medical facilities are affiliated with 105 of the nation's medical schools. More than 34,000 medical residents and 21,000 medical students receive some of their training in VHA facilities every year. VHA is also affiliated with many of the nation's schools of dentistry, optometry and podiatry and supports residencies in these professions. Together these activities directly support the patient care mission of VA and assist in training health manpower for the nation and in recruitment and retention of VHA medical staff.

VHA also contributes significantly to education and training in more than 40 associated health professions. Each year, an average of 54,000 students at the graduate and undergraduate level receive all or part of their clinical experience at VHA facilities. The great majority of associated health students (95 percent) participate on a without compensation (WOC) basis. VHA provides funding support to over 2,500 advanced trainees who contributed to patient care during their training in 29 program areas such as Audiology/Speech Pathology, Blind Rehabilitation, Dietetics, Nursing, Occupational Therapy, Pharmacy, Psychology, and Social Work. Affiliated education programs also include areas of specific importance to VHA such as primary care, substance abuse, PTSD, geriatrics, interdisciplinary team training and research.

<b>FACILITY</b>	<b>STATE</b>	<b>AFFILIATED WITH SCHOOL(S) OF MEDICINE</b>
ALBANY	NY	Albany Medical College
ALBUQUERQUE	NM	University of New Mexico
ALEXANDRIA	LA	Tulane University
ALLEN PARK	MI	Wayne State University
ALTOONA	PA	Conemaugh Valley Memorial Hospital
AMARILLO	TX	Texas Tech University
ANN ARBOR	MI	University of Michigan
ASHEVILLE	NC	Duke University
ATLANTA	GA	Emory University
AUGUSTA	GA	Medical College of Georgia
BALTIMORE	MD	University of Maryland-Baltimore; Johns Hopkins University
BATAVIA	NY	University of Rochester
BATTLE CREEK	MI	Michigan State University
BAY PINES	FL	University of South Florida
BECKLEY	WV	West Virginia School of Osteopathic Medicine
BEDFORD	MA	Boston University
BIG SPRING	TX	Texas Tech University
BILOXI	MS	Louisiana State University - New Orleans; Tulane University

BIRMINGHAM	AL	University of Alabama
BOISE	ID	University of Washington
BONHAM	TX	Texas Collage of Osteopathic Medicine
BOSTON	MA	Boston University; Tufts University
BROCKTON	MA	Harvard Medicine School; Tufts University
BRONX	NY	Mt. Sinai School of Medicine
BROOKLYN	NY	SUNY Health Science Center-Brooklyn
BUFFALO	NY	SUNY at Buffalo
CANANDAIGUA	NY	University of Rochester
CASTLE POINT	NY	New Rochelle Hospital Medical Center
CHARLESTON	SC	Medicine University of South Carolina
CHEYENNE	WY	Family Practice Residency Program at Cheyenne
CHICAGO LS	IL	Northwestern University Medicine School
CHICAGO WS	IL	University of Illinois College of Medicine
CHILLICOTHE	OH	Ohio State University
CINCINNATI	OH	University of Cincinnati
CLARKSBURG	WV	West Virginia University
CLEVELAND	OH	Case Western Reserve University
COATESVILLE	PA	Temple University Medicine School
COLUMBIA-MO	MO	University of Missouri-Columbia
COLUMBIA-SC	SC	University of South Carolina
COLUMBUS	OH	Ohio State University
DALLAS	TX	University of Texas Health Sciences Center-Dallas
DANVILLE	IL	University of Illinois - Urbana
DAYTON	OH	Wright State University
DENVER	CO	University of Colorado
DES MOINES	IA	University of Iowa
DUBLIN	GA	Mercer University College of Medicine
DURHAM	NC	Duke University
EAST ORANGE	NJ	University of Medicine and Dentistry of New Jersey-Newark
EL PASO	TX	Texas Tech University
FARGO	ND	University of North Dakota
FAYETTEVILLE	AR	University of Arkansas for Medical Sciences Area Health Education Center Program
FAYETTEVILLE	NC	Duke University
FORT HARRISON	MT	University of Utah
FORT WAYNE	IN	Medical College of Toledo, Fort Wayne Medicine Education Program
FRESNO	CA	University of California - San Francisco
GAINESVILLE	FL	University of Florida
GRAND JUNCTION	CO	St. Mary's Hospital and Medical Center Program
HAMPTON	VA	Eastern VA Medical Authority
HINES	IL	Loyola University; University of Health Sciences - Chicago; University of Illinois - Urbana

HONOLULU	HI	University of Hawaii
HOUSTON	TX	Baylor College of Medicine
HUNTINGTON	WV	Marshall University
INDIANAPOLIS	IN	Indiana University, Indianapolis
IOWA CITY	IA	University of Iowa
JACKSON	MS	University of Mississippi Medical Center
KANSAS CITY	MO	University of Kansas
LAKE CITY	FL	University of Florida College of Medicine
LAS VEGAS	NV	University of Nevada
LEAVENWORTH	KS	University of Kansas Medical Center
LEBANON	PA	Pennsylvania State University
LEXINGTON	KY	University of Kentucky
LINCOLN	NE	Creighton University; University of Nebraska Medical Center
LITTLE ROCK	AR	University of Arkansas for Medical Sciences Area Health Education Center
LIVERMORE	CA	Stanford University
LOMA LINDA	CA	Loma Linda University
LONG BEACH	CA	University of California - Irvine
LOS ANGELES OPC	CA	University of California -Los Angeles; University of Southern California
LOUISVILLE	KY	University of Louisville
LYONS	NJ	University of Medicine and Dentistry of New Jersey-Piscataway
MADISON	WI	University of Wisconsin - Madison
MANCHESTER	NH	Harvard University
MARION-IL	IL	Southern Illinois University
MARTINSBURG	WV	West Virginia University
MEMPHIS	TN	University of Tennessee - Memphis
MIAMI	FL	University of Miami
MILWAUKEE	WI	Medical College of Wisconsin
MINNEAPOLIS	MN	University of Minnesota
MONTGOMERY	AL	University of Alabama
MONTROSE	NY	Mt. Sinai School of Medicine; New York Medical College
MOUNTAIN HOME	TN	East Tennessee State University
MURFREESBORO	TN	Meharry Medical College
MUSKOGEE	OK	University of Oklahoma Health Science Center
NASHVILLE	TN	Vanderbilt University
NO. CALIFORNIA SYSTEM OF CLINICS	CA	University of California - Davis
NEW ORLEANS	LA	Louisiana State University; Tulane University
NEW YORK	NY	New York University
NEWINGTON	CT	University of Connecticut School of Medicine
NORTH CHICAGO	IL	University of Health Sciences - Chicago
NORTHPORT	NY	SUNY at Stony Brook
OKLAHOMA CITY	OK	University of Oklahoma Health Science Center

OMAHA	NE	Creighton University; University of Nebraska Medical Center
PALO ALTO	CA	Stanford University
PERRY POINT	MD	University of Maryland - Baltimore; Johns Hopkins University
PHILADELPHIA	PA	Medical Collage of Pennsylvania; University of Pennsylvania
PHOENIX	AZ	University of Arizona
PITTSBURGH (HD)	PA	University of Pittsburgh
PITTSBURGH (UD)	PA	University of Pittsburgh
PORTLAND	OR	University of Oregon Health Science Center
PROVIDENCE	RI	Brown University
RENO	NV	University of Nevada
RICHMOND	VA	Virginia Commonwealth University
SAGINAW	MI	Saginaw Cooperative Hospitals Program
SALEM	VA	University of Virginia
SALT LAKE	UT	University of Utah
SAN ANTONIO	TX	University of Texas Health Sciences Center at San Antonio
SAN DIEGO	CA	University of California - San Diego
SAN FRANCISCO	CA	University of California - San Francisco
SAN JUAN	PR	University of Puerto Rico
SEATTLE	WA	University of Washington
SEPULVEDA	CA	University of California - Los Angeles
SHREVEPORT	LA	Louisiana State University
SIOUX FALLS	SD	University of South Dakota
ST. LOUIS	MO	St. Louis University; Washington University
SYRACUSE	NY	SUNY Health Science Center - Syracuse
TACOMA	WA	University of Washington
TAMPA	FL	University of South Florida
TEMPLE	TX	Texas A&M University
TOGUS	ME	Maine Eye & Ear Infirmary; University of Massachusetts Medical Center
TOPEKA	KS	Karl Menninger School of Psychiatry
TUCSON	AZ	University of Arizona
TUSCALOOSA	AL	University of Alabama
TUSKEGEE	AL	University of Alabama; Morehouse College
WACO	TX	Texas A&M University
WASHINGTON	DC	George Washington University; Georgetown University; Howard University
WEST HAVEN	CT	Yale University
WEST LOS ANGELES	CA	University of California - Los Angeles
WHITE RIVER	VT	Dartmouth Medical School
WICHITA	KS	University of Kansas Medical Center
WILKES-BARRE	PA	Hahnemann Medical College
WILMINGTON	DE	Thomas Jefferson University

**Appendix V. VA-Academic Affiliate (Medical School) Sharing Agreements as of March 31, 1996**

<b>Facility Name</b>	<b>Name of Contractor</b>	<b>Medical Specialty</b>	<b>Terms</b>
VAMC Ann Arbor	University of Michigan Medical School	PET Scans (10)	Exchange
VAMC Augusta	Medical College of Georgia School of Medicine	Neurology	Exchange
	Medical College of Georgia School of Medicine	Radiation Therapy (3)	Buy
	Medical College of Georgia School of Medicine	Diagnostic Radiology (3)	Buy Exchange
	Medical College of Georgia School of Medicine	Special Surgery	Buy
	Medical College of Georgia School of Medicine	Allergy; Immunology	Provide
VAMC Baltimore	University of Maryland School of Medicine	Cardiology; Angioplasty; Cardiac Catheterization; ICU (4)	Buy
	University of Maryland School of Medicine	Cardiothoracic Surgery (4)	Buy
	University of Maryland School of Medicine	Radiation Therapy (4)	Buy
VAMC Bay Pines	University of South Florida College of Medicine	Pathology; Clinical Laboratory	Buy
VAMC Birmingham	University of Alabama School of Medicine	Anatomic Pathology; Microscopy	Buy
	University of Alabama School of Medicine	Radiation Therapy	Buy
VAMC Bronx	Mount Sinai School of Medicine of the City University of New York	Neurology	Provide
	Mount Sinai School of Medicine of the City University of New York	Nephrology	Buy

VAMC Bronx, cont.	Mount Sinai School of Medicine of the City University of New York	Lithotripsy	Exchange
VAMC Charleston	Medical University of South Carolina College of Medicine	Cardiology; Angioplasty; Cardiac Catheterization; ICU	Buy
	Medical University of South Carolina College of Medicine	Magnetic Resonance Imaging	Buy
	Medical University of South Carolina College of Medicine	Ophthalmology	Buy
	Medical University of South Carolina College of Medicine	Radiation Therapy	Buy
VAMC Chicago (Lakeside)	Northwestern University Medical School	Liver Transplant (2)	Buy
VAMC Chillicothe	Ohio State University College of Medicine	Diagnostic Radiology	Buy
	Ohio State University College of Medicine	Primary Care Physician	Buy
VAMC Cincinnati	University of Cincinnati College of Medicine	Radiation Therapy	Buy
	University of Cincinnati College of Medicine	Diagnostic Radiology	Buy
	University of Cincinnati College of Medicine	Pathology; Clinical Laboratory (2)	Buy
VAMC Columbia (MO)	University of Missouri-Columbia School of Medicine	Magnetic Resonance Imaging (4)	Buy
	University of Missouri-Columbia School of Medicine	Pathology; Clinical Laboratory	Exchange
	University of Missouri-Columbia School of Medicine	Nephrology	Exchange
	University of Missouri-Columbia School of Medicine	General Surgery	Exchange
	University of Missouri-Columbia School of Medicine	Neurology	Exchange
VAMC Columbio (MO)	University of Missouri-	Urology	Exchange

cont.	Columbia School of Medicine		
	University of Missouri-Columbia School of Medicine	Hematology; Oncology	Exchange
	University of Missouri-Columbia School of Medicine	Cardiology; Angioplasty; Cardiac Catheterization, ICU	Exchange
	University of Missouri-Columbia School of Medicine	Diagnostic Radiology	Exchange
VAMC Durham	Duke University School of Medicine	Radiation Therapy	Exchange
	Duke University School of Medicine	Pathology; Clinical Laboratory	Exchange
	Duke University School of Medicine	Research Animal	Exchange
	Duke University School of Medicine	General Medicine (ICU)	Exchange
	Duke University School of Medicine	Immunocytochemistry	Exchange
	Duke University School of Medicine	Cardiology; Angioplasty; Cardiac Catheterization; ICU	Exchange
	Duke University School of Medicine	General Surgery	Exchange
VAMC Gainesville	University of Florida College of Medicine	Heart Transplant	Buy
	University of Florida College of Medicine	Cardiology; Angioplasty; Cardiac Catheterization; ICU (2)	Exchange
	University of Florida College of Medicine	Magnetic Resonance Imaging	Exchange
	University of Florida College of Medicine	Diagnostic Radiology	Exchange
	University of Florida College of Medicine	Radiation Therapy (2)	Exchange Buy
	University of Florida College of Medicine	Ophthalmology	Exchange
	University of Florida College of Medicine	Gynecology	Exchange
	University of Florida College of Medicine	Orthopedics	Exchange

VAMC Hines	University of Illinois College of Medicine	Radiation Therapy (2)	Exchange
VAMC Houston	Baylor College of Medicine	Dermatology	Provide
VAMC Huntington	Marshall University School of Medicine	Pathology; Clinical Laboratory	Exchange
VAMC Iowa City	University of Iowa College of Medicine	Research Animal	Exchange
	University of Iowa College of Medicine	Biomedical Engineering	Buy
	University of Iowa College of Medicine	Neurology	Buy
	University of Iowa College of Medicine	Medical Waste Incineration	Buy
	University of Iowa College of Medicine	Liver Transplant	Exchange
	University of Iowa College of Medicine	Mammography	Exchange
	University of Iowa College of Medicine	Pathology; Clinical Laboratory	Exchange
	University of Iowa College of Medicine	Pathology; Anatomic; Microscopy	Exchange
	University of Iowa College of Medicine	General Medicine (ICU)	Exchange
	University of Iowa College of Medicine	Cardiothoracic Surgery	Exchange
	University of Iowa College of Medicine	Nuclear Medicine; Scan; Non Image Study	Exchange
	University of Iowa College of Medicine	Sterile Processing	Buy
VAMC Jackson	University of Mississippi School of Medicine	Radiation Therapy	Exchange
	University of Mississippi School of Medicine	Cardiothoracic Surgery (2)	Exchange Buy
	University of Mississippi School of Medicine	Neurology	Exchange
	University of Mississippi School of Medicine	Ophthalmology (2)	Exchange Buy
	University of Mississippi School of Medicine	Otolaryngology	Exchange
	University of Mississippi School of Medicine	Radiation Therapy (2)	Exchange Buy

VAMC Jackson, cont.	University of Mississippi School of Medicine	Magnetic Resonance Imaging (2)	Exchange Buy
	University of Mississippi School of Medicine	Cardiology; Angioplasty; Cardiac Catheterization; ICU (2)	Exchange Buy
	University of Mississippi School of Medicine	Gynecology	Buy
	University of Mississippi School of Medicine	General Medicine (ICU)	Exchange
	University of Mississippi School of Medicine	Hematology; Oncology	Exchange
	University of Mississippi School of Medicine	Infectious Diseases; AIDS	Exchange
VAMC Kansas City	University of Kansas Medical Center School of Medicine	Ophthalmology	Buy
	University of Kansas Medical Center School of Medicine	Radiation Therapy	Exchange
	University of Kansas Medical Center School of Medicine	Cardiology; Angioplasty; Cardiac Catheterization; ICU	Buy
VAMC Lexington	University of Kentucky College of Medicine	General Medicine (ICU) (2)	Exchange
	University of Kentucky College of Medicine	Specialized Space	Provide
VAMC Little Rock	University of Arkansas College of Medicine	General Medicine (ICU) (3)	Exchange
	University of Arkansas College of Medicine	Cardiology; Angioplasty; Cardiac Catheterization; ICU	Buy
	University of Arkansas College of Medicine	Nephrology	Exchange
	University of Arkansas College of Medicine	General Surgery	Exchange
	University of Arkansas College of Medicine	Special Surgery	Exchange
	University of Arkansas College of Medicine	Research	Exchange
	University of Arkansas College of Medicine	Pathology; Clinical Laboratory	Exchange
	University of Arkansas College of Medicine	Nuclear Medicine; Scan; Non Image Study	Exchange
	University of Arkansas College of Medicine	Diagnostic Radiology	Exchange
VAMC Little Rock, Cont.	University of Arkansas	Ophthalmology	Exchange

	College of Medicine		
VAMC Loma Linda	Loma Linda University School of Medicine	Diagnostic Radiology	Exchange
	Loma Linda University School of Medicine	Specialized Space	Exchange
VAMC Louisville	University of Louisville School of Medicine	Radiation Therapy	Buy
VAMC Madison	University of Wisconsin Medical School	Nephrology	Buy
	University of Wisconsin Medical School	Liver Transplant	Buy
	University of Wisconsin Medical School	Nuclear Medicine; Scan; Non Image Study	Buy
	University of Wisconsin Medical School	Anatomic Pathology; Microscopy	Provide
	University of Wisconsin Medical School	Neurology	Provide
	University of Wisconsin Medical School	Diagnostic Radiology	Provide
	University of Wisconsin Medical School	Radiation Therapy (2)	Buy
VAMC Miami	University of Miami School of Medicine	Magnetic Resonance Imaging	Buy
VAMC Milwaukee	Medical College of Wisconsin	Research	Provide
VAMC Minneapolis	University of Minnesota Medical School	Diagnostic Radiology	Buy
	University of Minnesota Medical School	Research	Buy
	University of Minnesota Medical School	Pathology; Clinical Laboratory (2)	Provide Buy
	University of Minnesota Medical School	Special Surgery	Buy
VAMC Nashville	Vanderbilt University School of Medicine	Heart Transplant (3)	Buy
	Vanderbilt University School of Medicine	Nuclear Medicine; Scan; Non Image Study	Buy
	Vanderbilt University School of Medicine	Pathology; Clinical Laboratory	Buy
	Vanderbilt University School of Medicine	General Dentistry	Exchange

VAMC Nashville, cont.	Vanderbilt University School of Medicine	Neurology	Exchange
	Vanderbilt University School of Medicine	General Surgery	Exchange
	Vanderbilt University School of Medicine	Liver Transplant	Buy
	Vanderbilt University School of Medicine	Radiation Therapy (2)	Buy
	Vanderbilt University School of Medicine	Bone Marrow Transplant (3)	Buy
	Vanderbilt University School of Medicine	Diagnostic Radiology	Buy
	Vanderbilt University School of Medicine	Heart Transplant	Buy
	Vanderbilt University School of Medicine	Nephrology	Provide
VAMC New Orleans	University Hospital	Magnetic Resonance Imaging (2)	Buy
	Louisiana State University School of Medicine in New Orleans	Anatomic Pathology; Microscopy	Provide
VAMC New York	New York University School of Medicine	Special Surgery	Buy
VAMC Northport	State University at Stony Brook	Magnetic Resonance Imaging	Buy
VAMC Oklahoma City	University of Oklahoma College of Medicine	Magnetic Resonance Imaging	Buy
	University of Oklahoma College of Medicine	Radiation Therapy (2)	Buy
VAMC Palo Alto	Stanford University School of Medicine	Radiation Therapy (3)	Buy
	Stanford University School of Medicine	PET Scans	Provide
VAMC Philadelphia	University of Pennsylvania School of Medicine	Cardiothoracic Surgery	Buy
	University of Pennsylvania School of Medicine	Magnetic Resonance Imaging	Buy
	University of Pennsylvania School of Medicine	Pulmonary Medicine Therapist (2)	Buy

VAMC Portland	Oregon Health Sciences University School of Medicine	Ophthalmology	Buy
	Oregon Health Sciences University School of Medicine	Specialized Space	Provide
	Oregon Health Sciences University School of Medicine	Dentistry General	Provide
	Oregon Health Sciences University School of Medicine	UltraSound	Provide
	Oregon Health Sciences University School of Medicine	Research (3)	Buy
	Oregon Health Sciences University School of Medicine	Liver Transplant (2)	Provide
	Oregon Health Sciences University School of Medicine	Neurology (3)	Provide
	Oregon Health Sciences University School of Medicine	Ophthalmology (2)	Exchange
	Oregon Health Sciences University School of Medicine	Radiation Therapy (2)	Exchange
	Oregon Health Sciences University School of Medicine	Diagnostic Radiology (3)	Provide Exchange
VAMC Reno	University of Nevada School of Medicine	Pathology; Clinical Laboratory	Exchange
VAMC Richmond	Virginia Commonwealth University Medical College	Dermatology	Exchange
	Virginia Commonwealth University Medical College	Diagnostic Radiology	Exchange

VAMC San Antonio	University of Texas Medical School at San Antonio	Radiation Therapy (5)	Buy
	University of Texas Medical School at San Antonio	Diagnostic Radiology	Provide
	University of Texas Medical School at San Antonio	PET Scans (2)	Exchange
	University of Texas Medical School at San Antonio	Ultrasound	Provide
	University of Texas Medical School at San Antonio	Ophthalmology (2)	Buy
	University of Texas Medical School at San Antonio	General Medicine (ICU)	Provide
	University of Texas Medical School at San Antonio	Pulmonary Medicine Therapist	Buy
	University of Texas Medical School at San Antonio	Magnetic Resonance Imaging (2)	Exchange
	University of Texas Medical School at San Antonio	Psychiatry	Buy
	University of Texas Medical School at San Antonio	Research	Provide
	University of Texas Medical School at San Antonio	Medical Waste Incineration (2)	Provide
VAMC San Diego	University of California, San Diego School of Medicine	Anatomic Pathology; Microscopy	Provide
	University of California, San Diego School of Medicine	Toxicology/Drug Monitor	Provide
	University of California, San Diego School of Medicine	Pathology; Clinical Laboratory (11)	Provide

VAMC San Diego, cont.	University of California, San Diego School of Medicine	Radiation Therapy	Buy
VAMC San Francisco	University of California, San Francisco School of Medicine	Radiation Therapy	Buy
VAMC Shreveport	Louisiana State University School of Medicine in Shreveport	Bone Marrow Transplant (2)	Exchange
	Louisiana State University School of Medicine in Shreveport	Radiation Therapy	Exchange
	Louisiana State University School of Medicine in Shreveport	Radiation Therapy	Buy
	Louisiana State University School of Medicine in Shreveport	Ophthalmology (2)	Exchange
	Louisiana State University School of Medicine in Shreveport	Ophthalmology	Buy
	Louisiana State University School of Medicine in Shreveport	Neurosurgery (2)	Exchange
	Louisiana State University School of Medicine in Shreveport	Cardiothoracic Surgery (2)	Exchange
	Louisiana State University School of Medicine in Shreveport	General Medicine (ICU) (2)	Exchange
	Louisiana State University School of Medicine in Shreveport	Cardiology; Angioplasty; Cardiac Catheterization; ICU	Buy
	Louisiana State University School of Medicine in Shreveport	Dentistry	Buy
	Louisiana State University School of Medicine in Shreveport	Neurology	Buy
VAMC St. Louis	Washington University School of Medicine	PET Scans (3)	Exchange
	St. Louis University School of Medicine	PET Scans (6)	Exchange

VAMC Syracuse	State University of New York Health Science Center at Syracuse	Lithotripsy	Exchange
VAMC Tampa	University of South Florida College of Medicine	Cardiology; Angioplasty; Cardiac Catheterization; ICU (3)	Exchange
	University of South Florida College of Medicine	Ophthalmology (3)	Exchange
	University of South Florida College of Medicine	Pathology; Clinical Laboratory (3)	Exchange
	University of South Florida College of Medicine	Dermatology (2)	Exchange
	University of South Florida College of Medicine	Nuclear Medicine; Scan; Non Image Study	Exchange
	University of South Florida College of Medicine	General Surgery (2)	Exchange
VAMC Tucson	University of Arizona College of Medicine	Nuclear Medicine; Scan; Non Image Study	Exchange
	University of Arizona College of Medicine	Ophthalmology (2)	Exchange
	University of Arizona College of Medicine	Pathology; Clinical Laboratory (2)	Exchange
	University of Arizona College of Medicine	Dermatology	Exchange
	University of Arizona College of Medicine	General Surgery	Exchange
	University of Arizona College of Medicine	General Medicine (ICU) (5)	Buy
	University of Arizona College of Medicine	Bone Marrow Transplant (5)	Buy
	University of Arizona College of Medicine	Cardiology; Angioplasty; Cardiac Catheterization; ICU (2)	Buy
	University of Arizona College of Medicine	Research	Buy

VAMC West Haven	Yale University School of Medicine	PET Scans (3)	Provide
	Yale University School of Medicine	Research	Buy
	Yale University School of Medicine	Neurology	Provide
VAM&ROC White River Junction	Dartmouth Medical School	Pathology; Clinical Laboratory	Buy
	Dartmouth Medical School	General Medicine (ICU)	Buy

**Appendix VI. VA-Private Sector Sharing Agreements  
as of  
March 31, 1996**

<b>Facility Name</b>	<b>Name of Contractor</b>	<b>Medical Specialty</b>	<b>Terms</b>
VAMC Albany	North Adams Regional Hospital	Pathology; Anatomic; Microscopy	Provide
	Amsterdam Memorial Hospital	Pathology; Anatomic; Microscopy	Provide
	Seton Health System	Pathology; Anatomic; Microscopy	Provide
	MDS Hudson Valley Labs	Pathology; Anatomic; Microscopy	Provide
VAMC Alexandria	St. Francis Cabrini Hospital	Radiation Therapy	Exchange
	St. Francis Cabrini Hospital	Mammography	Buy
VAMC Altoona	Altoona Hospital	Mammography	Buy
VAMC Ann Arbor	Foote Hospital	Radiation Therapy	Provide
VAMC Augusta	Vascular Radiology Associates	Diagnostic Radiology (2)	Buy
	Walton Rehabilitation Hospital	Spinal Cord Injury	Provide
VAMC Batavia	New York State Veterans Home	Grounds Maintenance (2)	Provide
	New York State Veterans Home	Hospital Laundry (2)	Provide
	New York State Veterans Home	Pharmacy (2)	Provide
	New York State Veterans Home	Security (2)	Provide
	New York State Veterans Home	Snow Plowing (2)	Provide
VAMC Bath	St. James Mercy Hospital	Mammography	Buy
	Ogden Medical Center	Mammography	Buy
	Corning Hospital	Mammography	Buy
	Ira Davenport Memorial Hospital	Mammography	Buy
VAMC Battle Creek	Southwest Michigan MRI Center	Magnetic Resonance Imaging	Buy
VAMC Big Spring	Contract Pending	Primary Care Physician	Buy
	Pecos County Memorial Hospital	Primary Care Physician	Buy
	Cogdell Memorial Hospital	Primary Care Physician	Buy
	Ward Memorial Hospital	Primary Care Physician	Buy
	La Clinics Esperanza	Primary Care Physician	Buy
VAMC Birmingham	Bethany Medical Center	Primary Care Physician	Buy

VAMC Boston	University of Massachusetts	Research	Buy
VAMC Buffalo	The Resource Center	Primary Care Physician	Buy
VAMC Castle Point	Vassar Brothers Hospital	Diagnostic Radiology	Provide
	Dutchess Radiology Associates	Diagnostic Radiology	Exchange
VAMC Charleston	Medical University of South Carolina	Radiation Therapy	Buy
VAM&ROC Cheyenne	Cheyenne Radiology and MRI, Inc.	Diagnostic Radiology	Buy
VAMC Columbia (MO)	Dialysis Clinic	Nephrology	Buy
	Ellis Fichel Cancer Center	Radiation Therapy	Exchange
VAMC Columbia (SC)	Outpatient Diagnostic Center	Diagnostic Radiology	Buy
VAMC Des Moines	Contract Pending	Radiation Therapy	Buy
	Blood Center of Central Iowa	Blood Bank	Buy
	Northern Iowa Mercy Health Center	General Medicine (ICU)	Buy
	Northern Iowa Mercy Health Center	Pathology; Clinical Laboratory	Buy
	Therapeutic Radiology Associates	Radiation Therapy	Buy
VAMC Durham	North Carolina Eye Bank	Pathology; Clinical Laboratory	Provide
VAMC Fayetteville (AK)	Northwest Arkansas Radiation Therapy Institute	Radiation Therapy	Buy
	Northwest Arkansas Radiation Oncology Associates	Radiation Therapy	Buy
VAMC Fort Meade	Imaging Plus, Inc.	Diagnostic Radiology	Buy
	Imaging Plus, Inc.	Magnetic Resonance Imaging	Buy
	Rapid City Regional Hospital	Diagnostic Radiology	Buy
	Rapid City Regional Hospital	Magnetic Resonance Imaging	Buy
	Rapid City Regional Hospital	Radiation Therapy	Buy
	Radiology Associates	Radiation Therapy	Buy
	Radiology Associates	Diagnostic Radiology	Buy

VAMC Fort Meade, cont.	Northern Hills Medical Center	General Medicine (ICU)	Provide
	Northern Hills General Hospital	General Medicine (ICU)	Provide
	Clinical Laboratory of the Black Hills	Pathology; Clinical Laboratory	Buy
	Sturgis Community Health Care	General Medicine (ICU) (3)	Provide Buy
	Sturgis Community Health Center	Radiation Therapy	Provide
	Sturgis Community Health Center	Diagnostic Radiology	Provide Buy
VAMC Fort Wayne	Parkview Memorial Hospital	Radiation Therapy	Buy
	Parkview Memorial Hospital	Diagnostic Radiology	Buy
VAMC Gainesville	Civitan Regional Blood Center, Inc.	Blood Bank	Buy
VAMC Grand Island	Nebraska State Veterans Home	Pathology; Clinical Laboratory	Provide
VAMC Grand Junction	Western Colorado Radiologic Associates	Diagnostic Radiology	Buy
VAMC Hampton	Riverside Medical Center	Radiation Therapy	Buy
VAMC Hot Springs	Pine Ridge PHS Hospital	Surgery General (3)	Provide Buy
	Pine Ridge PHS Hospital	Diagnostic Radiology (3)	Provide Buy
	Pine Ridge PHS Hospital	Pathology; Clinical Laboratory (3)	Provide Buy
	Pine Ridge PHS Hospital	Nuclear Medicine; Scan; Non Image Study (3)	Provide Buy
	Pine Ridge PHS Hospital	Podiatry (3)	Provide Buy
	Pine Ridge PHS Hospital	General Medicine (ICU) (3)	Provide Buy
	Southern Hills General Hospital	Social Work	Exchange
	Southern Hills General Hospital	Hospital Laundry	Exchange
	Southern Hills General Hospital	General Medicine (ICU)	Exchange
VAMC Houston	Brenham Clinic	Primary Care Physician	Buy
VAMC Huntington	University Laboratory	Pathology; Clinical Laboratory	Exchange
VAMC Iowa City	Mercy Hospital	Magnetic Resonance Imaging	Exchange

	University of Iowa	Magnetic Resonance Imaging	Buy
		Radiation Therapy	Buy
VAMC Iron Mountain	Dickinson Community Mental Health Board	Speech Pathology	Provide
	Dickinson County Memorial Hospital	Mammography	Exchange
	Dickinson County Memorial Hospital	Nephrology	Exchange
	Dickinson County Memorial Hospital	Pathology; Clinical Laboratory	Provide
	Dickinson County Memorial Hospital	Diagnostic Radiology	Exchange
	Western U.P. District Health Department	Endocrinology; Metabolism	Provide
	Dr. Stephen Hunt	General Medicine (ICU)	Provide
VAMC Indianapolis	Vencor Hospital	Biomedical Engineering	Provide
VAMC Leavenworth	Bethany Medical Center	Diagnostic Radiology	Buy
	Cushing Memorial Hospital	Sterile Processing	Provide
	Cushing Memorial Hospital	Pathology; Clinical Laboratory	Provide
	St. Johns Hospital	Sterile Processing	Provide
VAMC Long Beach	UCLA	Bone Marrow Transplant (2)	Buy
	Rancho Los Amigos Research Institute	Research	Buy
VAMC Louisville	Jewish Hospital	Cardiology; Angioplasty; Cardiac Catheterization; ICU	Buy
	Suburban Medical Center	Lithotripsy	Buy
VAMC Madison	Dade County Infirmary	Hospital Laundry	Provide
	American Red Cross	Anatomic Pathology; Microscopy	Provide
VAMC Martinsburg	Jefferson Memorial Hospital	Diagnostic Radiology	Provide
VAMC Memphis	Baptist Memorial Hospital	Anatomic Pathology; Microscopy	Provide
	Mid-South Transplant Foundation	Specialized Space	Provide
	Mid-South Tissue Bank	Specialized Space	Provide
	Mid-South Eye Bank	Specialized Space	Provide
	Regional Skin Bank	Specialized Space	Provide
VAMC Milwaukee	Marquette University	Pathology; Clinical Laboratory	Provide

VAMC Minneapolis	Minnesota Lung Center	Research	Buy
	Minnesota State Veterans Home (MN)	Psychiatry	Buy
	Minnesota State Veterans Home (Hasting)	Psychiatry	Buy
	Superior Memorial Hospital	Diagnostic Radiology	Buy
	Superior Memorial Hospital	Physical Therapist	Buy
	St. Mary's Hospital of Superior	Diagnostic Radiology	Buy
VAMC Murfreesboro	Middle Tennessee State University	Gynecology	Exchange
	Middle Tennessee State University	Pathology; Clinical Laboratory	Exchange
Northern California System of Clinics	Merrithew Memorial Hospital	General Medicine (ICU)	Exchange
VAMC Nashville	State of Tennessee	Primary Care Physician	Buy
	Contact Pending	Pathology; Anatomic; Microscopy	Buy
VAMC New Orleans	Medical Center of Louisiana	Radiation Therapy	Buy
	Louisiana Health Care Authority Medical Center of Louisiana	Magnetic Resonance Imaging	Buy
VAMC Northhampton	Soldiers Home	Hospital Laundry	Provide
VAMC Palm Beach County	Contract Pending	Radiation Therapy	Buy
	Contract Pending	Blood Bank	Buy
	JFK Medical Center	Cardiology; Angioplasty; Cardiac Catheterization; ICU	Buy
	Contract Pending	Magnetic Resonance Imaging	Buy
	DBA MEDCORP	General Surgery	Buy
VAMC Pittsburgh (Highland)	Western Psychiatric Institute	Pathology; Clinical Laboratory	Buy
VAMC Pittsburgh (University)	St. Clairsville Clinic	Primary Care Physician	Buy
VAMC Portland	Independent Living Center	Specialized Space	Provide
	Oregon Health Sciences University	Mammography	Buy
	East Portland Imaging	Mammography	Buy
VAMC Prescott	Yavapai Regional Medical Center	General Medicine (ICU)	Buy

VAMC Providence	Rhode Island Veterans Home	Occupational Therapy (2)	Buy
	Roger Williams Hospital	Mammography	Buy
	Rogers Williams Hospital	Radiation Therapy	Exchange
VAMC Richmond	First Lithotripsy Group	Lithotripsy	Buy
VAMC Roseburg	Douglas Community Hospital	Diagnostic Radiology	Exchange
VAMC Saginaw	State Veterans Home, Marquette, MI	Specialized Space	Buy
VAMC Salem	Teleradiology Associates	Diagnostic Radiology (3)	Buy
	Radiology Association of Roanoke	Nuclear Medicine; Scan; Non Image Study	Buy
	Roanoke ENT Clinic	Otolaryngology	Buy
	Roanoke Memorial Hospital	Mammography (2)	Buy
	Adult Care Center of Roanoke Valley, Inc.	Extended Care	Exchange
	Roanoke Memorial Hospital	Radiation Therapy	Exchange
	Lewis Gale Hospital	Magnetic Resonance Imaging	Buy
VAMC San Antonio	Southwest Texas Methodist Hospital	General Medicine (ICU)	Provide
	Cancer Therapy and Research Center	Radiation Therapy	Exchange
	Cardiometrix, Inc.	Diagnostic Radiology	Buy
	Bexar County Hospital District	Research	Buy
	Bexar County Hospital	Pathology; Clinical Laboratory	Buy
	The Cancer Therapy and Research Center	Radiation Therapy (2)	Exchange Buy
	Bexar County Hospital District	General Medicine (ICU)	Exchange
	Bexar County Hospital	Cardiology; Angioplasty; Cardiac Catheterization; (ICU)	Exchange
	Bexar County Hospital District	Bone Marrow Transplant	Exchange
	Victoria Regional Medical Center	Radiation Therapy	Buy
	Corpus Christi Radiology Center	Diagnostic Radiology	Buy
	Bexar County County Hospital District	Magnetic Resonance Imaging	Exchange
VAMC San Diego	Sharp Rees-Sealy	Pathology; Anatomic; Microscopy	Provide

	Redwood Elderlink	Extended Care	Buy
VAMC Shreveport	Contract Pending	Primary Care Physician	Buy
	Medical Synergies, Inc.	Magnetic Resonance Imaging	Buy
VAM&ROC Sioux Falls	Neurology Associates	Neurology	Buy
	McKenna Hospital	Diagnostic Radiology	Buy
	Sioux Falls Surgical Center	Sterile Processing	Provide
	Children's Care Hospital	Audiology	Provide
	Sioux Vocational Services	General Medicine (ICU)	Provide
	Sioux Valley Hospital	Cardiology; Angioplasty; Cardiac Catheterization; ICU (2)	Buy
	Minnesota Veterans Home	Primary Care Physician	Provide
	Sioux Valley Hospital	Pharmacy	Buy
	Dow-Rummel Village	Dietetics	Provide
	North Central Urology PC	Urology	Buy
	Sioux Valley Hospital	Laundry	Provide
	Sioux Valley Hospital	Pathology; Clinical Laboratory	Provide
	USD School of Medicine	Pathology; Clinical Laboratory	Provide
	Plastic Surgery Associates	Plastic Surgery	Buy
	Orthopedic Associates	Orthopedics	Buy
	University Physicians	Gynecology	Buy
	BP Health Services	Medical Waste Incineration	Provide
	Sioux Vocational Services	General Medicine (ICU)	Provide
	Minnesota State Veterans Home	Laundry	Provide
	Minnesota State Veterans Home	General Dentistry	Provide
	Dermatology Associates	Dermatology	Buy
VAMC Tampa	H. F. Moffit Cancer Center	Cardiology; Angioplasty; Cardiac Catheterization; ICU	Provide
	H. F. Moffit Cancer Center	Nephrology	Provide
	Moffit Cancer Center	Radiation Therapy	Provide
VAMC Tomah	Terrence R. Barkalow, M.D.	Specialized Space	Buy
VAMC Waco	Hamilton Rural Family Clinic	Primary Care Physician	Buy
VAM&ROC White River Junction	Alice Peck Day Memorial Hospital	Pathology; Clinical Laboratory	Provide
	Monadnock Family Services	Psychology	Exchange
	Monadnock Family Services	Psychiatry	Exchange

VAM&ROC White River Junction, cont.	Northeast Kingdom Mental Health Services	Psychiatry	Exchange
	Northeast Kingdom Mental Health Services	Psychology	Exchange
	Washington County Mental Health Service, Inc.	Psychiatry	Exchange
	Washington County Mental Health Service, Inc.	Psychology	Exchange
VAM&ROC Wichita	St. Joseph Medical Center	Radiation Therapy	Exchange
VAMC Wilkes-Barre	Geisinger Wyoming Valley Medical Center	Magnetic Resonance Imaging	Exchange
	Robert Packer Hospital	Pathology; Clinical Laboratory	Buy

## Appendix VII. Criteria for Potential Realignment of VHA Facilities and Programs

September 1995

## Criteria for Potential Realignment of VHA Facilities and Programs

In anticipation of reduced funding for the next several years, the following criteria have been compiled to assist VHA's field management identify opportunities for achieving administrative or other efficiencies that would allow VA to preserve as much patient service capacity as possible, either directly through VA facilities or indirectly through contractual arrangements. These criteria should be used as screening guidelines to evaluate both facility and program realignment possibilities.

As with any screening criteria, potential realignment opportunities identified by these criteria would need to be further analyzed, especially when comparing VA to community facilities where the data may not be directly comparable for a number of reasons. Likewise, before deciding that "realignment" of a facility or program is the best option, candidate realignment opportunities would need to be carefully evaluated for potential improved efficiency or improved quality and compared with alternative options. Once implemented, the realignment decision would need to be carefully evaluated for its effect on quality of care, cost effectiveness, accessibility to care and other relevant factors.

In considering savings generated from any program or facility realignment, the goal should be the reduction of both fixed and variable costs. This would typically result from the elimination of a program or a production unit (e.g., ward) and the resulting reduction of staff, maintenance and other program support. If program/production unit elimination cannot be accomplished, then only the lesser variable costs will be saved (This is typically only 10-20% of what can be saved if both fixed and variable costs are reduced.).

In considering these criteria and potential efficiency opportunities, managers are reminded of VA's unique policy objectives and goals related to our special emphasis programs such as spinal cord injury, blind rehabilitation, prosthetics, homelessness, etc. Similarly, VA's education and research missions also have to be factored into the consideration.

In addition to using these criteria for potential facility and/or program realignment, they are also relevant for the siting of new facilities and for instituting new programs and procuring new technology at existing facilities.

## REALIGNMENT CRITERIA AND HYPOTHETICAL EXAMPLES

### **1. Availability of the same kind of service(s) of equal or higher quality in the community at a lower cost.**

**Hypothetical Example 1:** Hemodialysis at Alpha VAMC, a major urban teaching hospital, is provided for 196 patients a year at an average cost of \$350 per treatment. Hemodialysis Practice, Inc. (HPI), an outpatient community healthcare provider, charges an average of \$220 per dialysis treatment. HP can provide dialysis at a lower cost because it does not have all the overhead associated with being part of a large hospital. Unless Alpha VAMC can reduce its hemodialysis treatment costs, while maintaining its quality, then it should consider discontinuing its hemodialysis program and contracting with HPI for hemodialysis services. The savings could be used to augment Alpha's primary care clinic so as to reduce the waiting time for appointments.

**Hypothetical Example 2:** South Sigma VAMC is a 440 bed highly affiliated tertiary care hospital having a 119 bed nursing home care unit (NHCU). The occupancy rate of South Sigma's NHCU averages 95 percent, and it has an admission waiting time of 10 weeks. Fourteen of the NHCU beds are a locked psychiatric ward, and 4 beds are set up for ventilator dependent patients. A recent study has shown that the average daily cost of caring for patients on South Sigma's NHCU is \$197. There are 6 free standing skilled nursing facilities within a 2 mile radius of South Sigma VAMC. A market survey of these six facilities revealed their average occupancy rate and average daily cost to be 87 percent and \$96, respectively. If South Sigma VAMC contracted its low acuity nursing home patients to these facilities, then 39 beds (2 wards) of the NHCU could be deactivated. South Sigma VAMC should consider contracting out its low acuity nursing home patients, redirecting the savings achieved from deactivating the 2 wards to hire a pulmonologist to augment their understaffed respiratory disease clinic and to open a community based clinic in an underserved part of town.

### **2. Availability of the same kind of service(s) of equal or higher quality at another VA facility within approximately sixty minutes average ground transport travel time.**

**Hypothetical Example 1:** Epsilon VAMC, a rural secondary care facility, has one urologist on staff, and he performs transurethral resections of the prostate (TURPs) on patients as needed. For the last three years an average of 19 TURPs a year have been performed at Epsilon. Beta VAMC, a tertiary care facility located 80 miles from Epsilon, has 3 urologists and performs an average of 193 TURPs per year. TURP patients at Epsilon have a readmission rate for postoperative bleeding that is twice as high as at Beta VAMC, and they are 1.5 times as likely to get a post-operative infection. Epsilon should consider referring its patients needing TURP to Beta VAMC.

**3. Number of procedures performed or services delivered is below generally accepted community standards guidelines for productivity or proficiency.**

**Hypothetical Example 1:** The American College of Good Heart Surgery (ACGHS) certification standard for an open heart surgery program is that it must perform at least 250 surgeries in a 12 month period. Delta VAMC, a tertiary care university-affiliated hospital performs only 100 heart surgeries a year, while its academic affiliate performs 300. Delta VAMC should consider contracting with the university hospital for its heart surgery cases if its caseload cannot be adequately increased by referrals from other VAMCS.

**4. Quality of care is less than that available in the community or at other nearby VA facilities, as measured by mortality or morbidity rates or other appropriate performance or outcome indicators.**

**Hypothetical Example 1:** A review of surgeries at the North Gamma VAMC, a non-affiliated 110 bed secondary care hospital, indicated a 12-month mortality rate 57 percent higher than at Alpha and Beta VAMCS, the other two VA hospitals in the state. North Gamma's surgical mortality rate was 51 percent higher than the VA systemwide average for surgeries on similar risk patients, and 39 percent higher than private hospitals in the state. Unless the outcomes for North Gamma's surgical program can be quickly improved, then it should consider closing its surgical program, with its cases being referred to Alpha and Beta VAMCs or contracted to the community.

**5. Projected demand for service(s) are is significantly decreasing.**

**Hypothetical Example 1:** A review of the out-migration of veterans from this northern state from 1985 through 1993 indicates that it experienced a net loss of 17 percent of its veteran population over age 65. Preliminary evidence suggests that the trend is continuing. Theta VAMC had planned to build a new nursing home care unit for \$14 million. Community nursing home occupancy rates in the area average 82 percent. Given the demographic change and community nursing home capacity, then the decision to build a new VA nursing home should be reconsidered.

**6. Disproportionate or unjustifiably high resource consumption, as evidenced by the annual average expenditure per patient being more than 150 percent of the national mean expenditure per patient for similar facilities or clinical cohorts and/or the average length of stay (LOS) being more than 150 percent of the national average LOS.**

**Hypothetical Example 1:** Patients having inguinal hernia repairs at Delta VAMC have an average LOS of 4.6 days. The community hospital across the street from Delta has an average LOS of 2.2 days for this procedure. The VA national average LOS for inguinal hernia repair is 2.7 days. Alpha and Beta VAMCs, both located within 120 miles of Delta VAMC, have an average LOS for inguinal hernia repairs of 2.0 and 2.9 days, respectively. If Delta cannot substantially reduce its average LOS for hernia repairs, and keep quality high, then it should consider discontinuing inguinal hernia repairs, and perhaps

its entire surgery program, sending the patients to either Alpha or Beta VAMC or contracting with the community hospital for such service.

**Hypothetical Example 2:** West Chi VAMC is a 230 bed psychiatric hospital having 26 of its beds dedicated to in-patient substance abuse treatment. The average LOS for these beds is 44 days. A recent analysis of this treatment program revealed an average treatment cost of \$7,600 per patient and a one year post-treatment sobriety rate of 62 percent. The same study demonstrated that the 7 other VAMCs in the VISN had shifted their substance abuse treatment programs to an outpatient setting, as had the 4 private hospitals in the region who offered such treatment, The average cost per patient and one year sobriety rate for the 7 other VAMCs were \$1,860 and 63 percent, respectively. West Chi VAMC should consider changing to an outpatient substance abuse treatment program or contracting with one of the other VAMCs for this service. The savings accrued by so doing could be used to fund a new vet center and a community based clinic in a nearby town.

#### **7. Integration, consolidation or merger of duplicate or similarly intended services at nearby VA facilities would yield significant administrative and/or staffing efficiencies.**

**Hypothetical Example 1:** Cyborgville, a slowly growing metropolis with a convenient and affordable mass transit system, hosts two large VAMCs having similar missions. Each facility is independently managed with separate executive, administrative and clinical infrastructures and programs. VA primary service areas arbitrarily divide Cyborgville into two defined catchment areas. In reality, however, the service areas overlap across programs, facilities and population cohorts. A study shows that \$1 .7 million of overhead costs could be saved each year if the management and clinical services at the two VAMCs were merged. Consolidation of the two facilities should be considered, with the saved overhead funds being used to augment their primary care clinics and to site a new community based clinic in a nearby rural community.

#### **8. Need for a clinical program presence can be reduced or eliminated by new technology or expanded automation. In considering new technology or automation, both capital and operating costs for the new equipment should be included in the cost-effectiveness analysis.**

**Hypothetical Example 1:** Kappa VAMC, a moderate-sized rural VAMC, has a two-physician radiology department, while Mu VAMC, a tertiary care teaching hospital affiliated with Smart University 150 miles away, has a ten-physician radiology department. Mu VAMC has just installed a PACS system, and for an additional \$130,000 it could connect Kappa to the PACS so that Mu's radiologists could read all of Kappa's radiographs. Mu could provide this radiologist service for an on-going annual cost of \$85,000. Consideration should be given to eliminating the two radiologist positions at Kappa and adding Kappa VAMC onto Mu's PACS system.

**9. A program is of very high cost, benefits few veterans (particularly service-connected veterans), and is not an intrinsically veteran-related service.**

**Hypothetical Example 1:** Beta VAMC in East Pink, a stable metropolitan area of 700,000 people, provides neurosurgical services. An average of 12 craniotomies per year have been performed for the past three years. Sixty percent of these have been for repair of aneurysms, and 30 percent for brain tumors. The average age of Beta's neurosurgical patients is 66. The overall dedicated cost of maintaining the neurosurgical program is \$923,000 per year. University of Red, located about 7 miles north of Beta VAMC, is willing to contract for neurosurgical care at an average cost of \$20,000 per craniotomy. Beta VAMC should consider closing its neurosurgical service and contracting with the University of Red Hospital. The savings could be redirected to site two new community based clinics in southern East Pink.

**10. The same kind of service(s) of equal or higher quality and of equal cost as that provided at a VAMC may be purchased in the community and the community provider is more convenient for patients.**

**Hypothetical Example 1:** Delta Pi VAOPC is an independent outpatient clinic located in the city of Magellan. It is the clinic of jurisdiction for 33 counties, providing services to 17,000 veterans who live in these counties. When non-emergency/non-urgent inpatient care services are required, veterans are referred via shuttle or ambulance to either Alpha or Beta VAMCS, located 179 and 112 miles away, respectively. Many of these veterans are unhappy about having to be hospitalized so far away from their homes. University of Get Ahead has a 320-bed hospital in Magellan that has an average occupancy rate of 72 percent. It would like to lease a 20-bed ward to the VA. In the interest of patient satisfaction, Delta Pi VAOPC should consider leasing these beds from the university, assuming it can negotiate a price that is at least comparable to the cost of providing the service at Alpha or Beta VAMCs and that the quality of care is as good or better.

## Appendix VIII. Dialysis Technical Advisory Group's Recommendations for Cost Savings Interventions

GUIDELINES/RECOMMENDATIONS FOR  
PROVISION OF NETWORK DIALYSIS SERVICES  
Developed by a Subgroup of the Dialysis Technical Advisory Group  
February 1996

I. Guidelines/recommendations for potential COST reduction in dialysis programs

- a. Eliminate smaller, less productive dialysis units.

Units with less than 20 patients frequently have difficulty achieving efficiencies of staffing, supplies, and equipment, although it may be important to maintain such units if they provide cost-effective mechanisms for serving acute dialysis needs (e.g., support for cardiac surgery).

- b. Consolidate programs to reduce redundancy of services and reduce the cost of services.

Dialysis programs that are geographically close together (e.g., 20 miles apart) should be reviewed for possible consolidation which could increase efficiencies in terms of purchasing power and efficient utilization of staff and space.

- c. Consider eliminating or markedly curtailing contract dialysis services which charge above the Medicare rate and/or are more expensive than VA care.

When contracting is desired or needed, contracting rates should be negotiated at a rate no higher than the Medicare rate (approximately \$130 per outpatient treatment plus \$200 per patient per month for physician capitation). The work group believes that immediate cost savings can be made by paying no higher than the Medicare rate for contracted services and auditing to assure that billing is correct. Quarterly reviews for quality and cost effectiveness for all patients on contract is recommended as well as developing cost/quality/access reviews with specific criteria for all new patients needing contract dialysis prior to approval of new contracts.

- d. Adjust staffing ratios to eliminate unnecessary or excessive staffing.

Typically the staffing ratio for most private dialysis programs is 2.5-3.5 patients per FTE of treatment staff which includes only physicians, nurses, technicians, dietitians, and social workers. (To obtain the staffing ratio, divide the total number of dialysis patients by the total number of FTE of this treatment staff.) The important point is that there needs to be consistency in how staff are counted.

e. Incorporate and facilitate cost saving measures such as dialyzer re-use; more efficient utilization of expensive treatment strategies such as erythropoietin (e.g., subcutaneous administration rather than intravenous); case management of patients; alignment of dialysis technicians under the management of nurses; and provision of cost data to the dialysis unit managers for ongoing reviews and dialysis.

f. Transfer of Medicare eligible patients to non-VA programs.

## II. Guidelines for assessment of COST

VAMC Loma Linda has conducted a cost comparison study of dialysis services available through VA and through local private facilities (attachment not included here). This methodology can be utilized as a template to compare costs of existing VA Services with those of non-VA providers. Important data elements include costs for:

- FTE
- Disposable (includes dialyzers and supplies)
- Equipment
- Contracts. Contract costs for dialysis, machine maintenance, and/or
- water treatment.
- Beneficiary travel
- Pharmacy costs
- Other related costs.

Note that in the Loma Linda study, costs for dialysis are segregated from other treatment costs as an essential step in comparing VA costs with those that may be available via contract. Loma Linda also found that utilizing more specific data sources, e.g., actual salary costs for those personnel assigned to the dialysis unit.

Caution should be taken when comparing VA to non-VA costs for dialysis. For example, erythropoietin and other outpatient pharmacy, vascular surgery, ICU dialysis, and some labor and/or other service costs are not typically included in the costs per outpatient dialysis treatment by private sector facilities. Similarly, the non-VA physician capitation charges must be considered as well as the non-VA charges for ICU dialysis. It is, consequently, important to clearly identify the methodology utilized by non-VA facilities when conducting cost comparisons.

Measurements of Work: As costs are assessed, parallel measures of workload should also be obtained. Such workload measures as those identified below could be utilized:

- # Patients enrolled in dialysis program
- # ICU treatments
- # Inpatient dialysis treatments
- # Outpatient dialysis treatments
- # Home dialysis treatments (NB: Hemodialysis patient = 3 treatments per week; Peritoneal Dialysis (PD) patient = 3 treatments per week, regardless of number of exchanges performed)
- Cost/patient/exchange
- # of patients on contract dialysis

### III. Guidelines/recommendations for assessment of QUALITY

Quality measures are necessary to assure the effectiveness of the services provided and the accomplishment of specific patient outcomes. The following quality measures could be employed:

- Hematocrit levels (Hematocrit >30% in at least 50% of patients treated)
- Albumin Levels (Albumin levels of > 3.5 in at least 75% of patients treated)
- Indices of Adequacy of Dialysis (Kt/V or URR) (50% of patients treated should have a Kt/V >=1.2 or urea reduction ratio >65%).
- Mortality data (i.e., no more than 30% of chronic dialysis patients treated per year).

VA facilities not meeting cost or quality targets should be reviewed for potential program changes or closure. Similarly, private facilities not meeting these guidelines should not be considered for potential contracts for dialysis care.

### IV. Guidelines/recommendations for assessment of ACCESS TO CARE

Networks are responsible for provision of dialysis services within their VISN catchment area. Critical decisions to provide dialysis care must include considerations of access. Each network will need to develop local decision rules governing the employment of in-house contracts or fee-basis services for veterans needing dialysis within the VISN catchment area. The following criteria may be employed to address program access:

- Capacity of Existing VA Programs
- Travel Distance (e.g., 50 miles)
- Travel Time (e.g., one hour)
- Existing Capacity in Community

- Continuity of Care/Fragmentation of Care (e.g., a patient receive contract dialysis services but receive the may remainder of his/her care in VA; the risk of medication errors, need for hospitalization for complications and other disorders, must be considered when such strategies are employed).
- Access to acute dialysis. At the very minimum, all inpatients should have access to acute dialysis and tertiary care VAMCs must be able to provide in-house acute dialysis.
- Access to chronic dialysis. At a minimum, current eligibility requires offering dialysis treatment under VA auspices to all patients service connected (SC) for renal disease or SC for any condition at 50% or more. In addition, Persian Gulf War veterans, as well as those exposed to Agent Orange and those eligible for the VA's Ionizing Radiation program, should be provided dialysis if the physician has deemed the problem as possible related to these exposures.

## V. Other Considerations

### A. Research and Education

The Work Group recognized the importance of VA's commitment to research and education, as well. It is recommended that these activities be recognized and integrated into the decision-making process.

### B. DoD

We have an obligation to support DoD and EMPO in terms of providing back-up in times of national crises. In addition, recent VA/DoD initiatives to explore ways to enhance the quality of patient care and increase efficiency through greater integration are underway. Consideration should be given to innovative sharing agreements with DoD and the private sector.

## Appendix IX. The Blended Rates Methodology and Distribution

# The Blended Rates Methodology and Distribution

The Veterans Health Administration has implemented a new pricing policy called “blended rates” for allocating the Fiscal Year 1996 budget. Blended rates was adopted to implement the following Agency policies for Fiscal Year 1996:

- Create funding pools for the newly appointed Network Directors to provide them with resources to redirect within the VISN;
- Increase contingency reserves above previous year’s levels to protect against financial stress created by reductions in the 1996 budget;
- Begin to level the playing field by moving more resources than in previous years from relatively high-expenditure to low-expenditure networks; and,
- Begin moving allocation away from facility specific prices to national prices as a first step toward capitated rates.

In 1996, the blended rates were used to remove funds from facilities’ budgets based on their relative efficiency. Relatively high cost facilities lost more funds than relatively efficient facilities. The funds made available through the blend were distributed to the Network Directors to establish their spending pools for the year. The distribution was based on: (1) restoring funds *for one year only* to the VISN’s that would have been reduced under the blend below the 1995 level, and (2) a per capita national average price which gave relatively more to lower cost Networks and relatively less to higher cost Networks. Through this process, the four policies established for the 1996 allocations were implemented.

## **Definition of blended rates**

Blended rates is a method to set prices for prospective VA medical care workloads. Under blended rates, a unit price for expected workload is established by adding together a percentage of the individual facility’s unit price, the peer group average price (MCG), the geographic area average price (VISN) and the VA national average price. The unadjusted proportions add up to 100 percent. For example, as applied in the fiscal year 1996 budget allocations, the blended rate has been constructed from a blend of 70 percent of the facility’s price, 5 percent of the Medical Center Group (MCG) unit price, 5 percent of the VISN unit price, and 20 percent of the national unit price. The impact on a facility is relatively easy to determine. Under the blend, if a facility’s unit price is lower than the price of its Medical Center Group, its VISN, or the nation, the facility will have its prospective unit price increased above its historical price. Conversely, a facility’s prospective unit price will be lowered if its historical prices are higher than the prices of its MCG, its VISN or the nation.

## **How blended rates work**

A VA Medical Center's unit price is computed by dividing its expenditures by the workload it accomplished. Unit prices from a Medical Center's peer group, VISN, and the national unit price is then blended with the VAMC unit price. Before a blended rate is computed, however, each VAMC's expenditure base and workload is adjusted for research, training, special programs and special salary rates. These funding adjustments recognize the inherent differences in VA medical centers and make the comparisons more valid and supportable. The objective of blending medical center group prices, geographic prices, and national prices with each facility's price performance in each of the five RPM (Resource Planning and Management) patient care groups is to promote efficiency and more equitable access to care by veterans across the Nation. The medical center group component supports efficiency within the peer group as VAMCs with prices in excess of their MCG prices have their prices reduced to become more in line with their peers. A VISN price promotes geographic inter-facility coordination and efficiency. The use of a national price factor in the blended rates reflects the single system focus and is an approximation of capitation pricing.

## **Estimated 1996 Allocation**

The attached table provides the distribution of funding for fiscal year 1996 compared to 1995 with changes in dollars and percent at the various organizational levels. Please note that the 1996 distribution is only an estimate--items such as equipment funds are not allocated until later in the fiscal year. The unallocated funds have been prorated based on the allocation of these funds in 1995. This is intended to present an approximation at this time for comparative purposes.

**FY 1995 ALLOCATIONS AND ESTIMATES FOR FY 1996**  
(dollars in thousands)

VISN	FY 1995		FY 1996		CHANGE		
	ALLOCATIONS		ESTIMATES		DOLLARS	PERCENT	
1	\$	944,829	\$	956,422	\$	11,416	1.208%
2		468,353		473,670		5,317	1.135%
3		1,091,513		1,103,139		11,626	1.065%
4		816,958		849,811		32,853	4.021%
5		480,735		496,039		15,304	3.183%
6		735,724		750,333		14,609	1.986%
7		830,710		868,140		37,430	4.506%
8		985,310		1,034,695		49,385	5.012%
9		728,691		760,992		32,301	4.433%
10		550,584		562,979		12,395	2.251%
11		735,553		735,427		(-126)	(-0.017%)
12		912,436		934,968		22,532	2.469%
13		448,208		471,860		23,652	5.277%
14		324,932		339,965		15,033	4.627%
15		627,377		645,344		17,967	2.864%
16		958,135		1,004,361		46,226	4.825%
17		824,461		839,793		15,332	1.860%
18		545,144		554,548		9,404	1.725%
19		416,970		429,031		12,061	2.893%
20		617,868		646,771		28,903	4.678%
21		781,149		795,126		13,977	1.789%
22		993,716		995,993		2,277	0.229%
Centralized Support		384,804		380,770		(-4,034)	(-1.048%)
<b>TOTAL</b>	\$	16,204,160	\$	16,630,000	\$	425,840	2.628%

Appendix X  
VA Enhanced Use Lease Arrangements Under  
Development

**Atlanta, GA VHA Regional Office Collocation/Mixed-Use Office Complex** -- A VBA regional office and commercial private development is currently under review for a VA-owned six-acre parcel adjacent to the existing VAMC campus. The private development would assist in financing the collocation as well as a potential revenue generator for VA medical care accounts.

**Dallas, TX Enhanced-Use commercial Cyclotron/Medical Isotope center** -- Industry forum held.

**Durham, NC Mixed-Use Development Project** -- VAMC land to be leased to a developer for mixed use, hotel/office/retail and parking facilities in return for consolidation and relocation of VA research space from existing hospital, and obtaining additional primary care and administrative space, and private management of the VAMC parking operation.

**Houston, TX VBA Regional Office Collocation/Mixed-Use Retail Center** -- A VBA regional office and commercial private development. First phase of private development (neighborhood medical services/retail center) has opened on the grounds of the VAMC. The private development has already generated an up-front payment to VA and is currently paying an annual minimum rent plus 10 percent of the gross proceeds to VA funding accounts. The commercial development is now undergoing expansion that will generate additional revenues for VA. The project was awarded Vice President Gore's Hammer award.

**Indianapolis, IN Consolidation Project** -- An Enhanced-Use lease with the State of Indiana is being pursued as a means for financing the consolidation of the Cold Springs Road Division of VAMC Indianapolis onto the medical center's West Tenth Street Division. Lease execution is scheduled for June 1996.

**Minneapolis, MN Enhanced-Use Managed Care Partnership** -- The VAMC is negotiating with a healthcare provider to develop and operate an outpatient clinic on VAMC campus in return for a Managed Care Clinical Research & Education Center to be constructed in such facility for exclusive VA use.

**Mountain Home, TN VA/ETSU Joint Project** -- The VAMC is negotiating with Eastern Tennessee State University Medical School and State of Tennessee for a 35-year lease of approximately 30.5 acres consisting of eight VAMC buildings to be occupied by the ETSU Medical School. Proposed federal funding (through the major construction appropriation) and the state of Tennessee funding will finance the construction of the new \$36 million medical school facility at the northern end of the leased property. As fair consideration, VA hopes to obtain long term maintenance services from the state.

**Providence, RI Renovation of Bldg. 31** -- The VAMC will conduct a market and feasibility study to investigate potential development markets for the Our Lady of Providence School.

The study will look at research use and assisted living as potential private uses that could optimize the use and return on VA's asset, and translate into administrative space for the VAMC. Relocation and consolidation of administrative space would free up hospital space for direct patient care.

**Residential Care and Temporary Lodging Facilities:** Pending initiatives include: assisted and independent living, skilled nursing, hotel, veteran temporary lodging and hospice facilities. In return for the lease "rent" to VA can include: guaranteed access to such services at no cost or reduced rates, construction of new or renovation of existing VA facilities, or monetary consideration. The following medical centers are pursuing residential care and temporary lodging facilities:

<b>Palo Alto, CA</b> <i>skilled nursing home</i> on existing VA golf course, business plan under review	<b>Minneapolis, MN</b> <i>veteran temporary lodging &amp; senior housing</i> , business plan under review
<b>Minneapolis, MN</b> <i>veteran's hospice</i> , business plan under development	<b>Murfreesboro, TN</b> <i>assisted living/continuing care retirement</i> , business plan under development
<b>VAMC Dublin, GA</b> <i>assisted living</i> , business plan under review	<b>North Chicago, IL</b> <i>assisted living</i> , business plan under development
<b>Durham, NC</b> <i>hotel</i> , business plan under development	<b>Mountain Home, TN</b> <i>assisted living</i> , business plan under development

**Energy Plants and Related Support Facilities:**

<b>North Chicago, IL</b> business plan under review	<b>Chicago, (West Side) IL</b> business plan under development
<b>Tampa, FL</b> business plan under development	<b>Chicago, (Hines) IL</b> business plan under development
<b>Lebanon, PA</b> business plan under development	<b>Mt. Home, TN</b> business plan under development
<b>Augusta, GA</b> business plan under development	

**Parking Facilities:**

**Chicago (Westside), IL** The VAMC is presently soliciting for a 1000 space *Parking Garage* to be financed, constructed and operated on the VAMC campus by a private developer. In return for a long term lease and market opportunity, the developer would provide no cost parking for VA patients and reduced fee parking to VA employees, all at no cost to VA.

**Mountain Home, TN** *Parking Structure* Business Plan under development. Possibility of federal and state grant funding.

**St. Louis, MO Parking Structure** Feasibility study under development.

**Big Springs, TX Parking** Lease awarded March 8, 1996 for construction of surface parking lot for VA employees, in consideration of an outlease of VA land to employee credit union.

**Little Rock, AR Parking** VAMC studying possible E-U lease to affiliate for parking structure to meet requirements of both medical facilities.

**Child Development Centers (CDC) - Elder Care:** Provider leases VA land on a long term basis for use as a community child development (elder care) center. In return, VAMC employees are guaranteed access to such services at reduced rates. For example:

<b>Washington, DC</b> completed 9/95	<b>West Haven, CT</b> CDC & Elder care, groundbreaking 12/95
<b>Sepulveda, CA</b> pending lease execution	<b>West Los Angeles, CA</b> pending lease execution
<b>Houston, TX</b> pending lease execution	<b>Leavenworth, KS</b> pending lease execution
<b>Bay Pines, FL</b> pending lease execution	<b>Puget Sound (Am Lake), WA</b> public hearing scheduled
<b>Richmond, VA</b> proposals being reviewed	<b>Hampton, VA</b> CDC/Elder Care under review
<b>Reno, NV</b> public hearing scheduled	<b>Phoenix, AZ</b> public hearing held
<b>Lyons, NJ</b> business plan under development	<b>Lexington, KY</b> business plan under development
<b>Danville, IL</b> business plan underdevelopment	<b>Providence, RI</b> business plan under development
<b>Lincoln, NE</b> business plan under development	

**Golf Courses:** Several VAMCs are initiating/developing various alternative agreements to eliminate the need to use medical resources for operation and maintenance of golf courses yet preserve their use for therapeutic use.