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Good Morning Senator Begich and Members of the Committee. Thank you for the opportunity to appear before you today to discuss Department of Veterans Affairs (VA) health care and benefits for Alaska Veterans, their families, and Survivors. I am accompanied today by Mr. Lawrence Carroll, Director of the Northwest Health Network, Veterans Integrated Service Network 20, Ms. Susan Yeager, Director of the Alaska VA Healthcare System, and Mr. Jon Skelly, Director of the Anchorage Regional Office (RO).

Today, I will briefly review the current facilities and services of the Alaska VA Healthcare System which will also include information about enrolled Veterans and current users, tele-health and training initiatives, current partnerships, and the delivery of non-medical benefits and services.

Alaska VA Healthcare System Facilities and Services

The Alaska VA Healthcare System provides health care to eligible Alaska Veterans through an integrated delivery system consisting of clinical care sites, Joint Venture Department of Defense (DoD) facilities, Contract Care, and Sharing Agreements with 26 Alaska Tribal Health Programs. The Alaska VA Healthcare System's Joint Commission-accredited facilities serve Veterans throughout Alaska. The parent facility is located in Anchorage, Alaska and is attached to the 673d Medical Group (MDG), Joint Base Elmendorf-Richardson (JBER), which is a VA/DoD Joint Venture Hospital. There are three VA Community-Based Outpatient Clinics (CBOC) which are located in Fairbanks (358 miles north of Anchorage), Kenai (158 miles south of Anchorage), and Wasilla (41 miles north of Anchorage). The Fairbanks VA CBOC is located in the Bassett Army Community Hospital under a VA/DoD Sharing Agreement. In addition, there are two VA Outreach Clinics. One is located in Homer and is an extension of the Kenai CBOC serving Veterans twice a week at the South Peninsula Hospital under a contract for space and ancillary services. The second is located

in Juneau (569 miles from Anchorage). The Juneau VA Outreach Clinic operates under an agreement with the U.S. Coast Guard both of which are located in the Juneau Federal Building. The cities of Anchorage, Fairbanks, Wasilla, and the Kenai Peninsula (Soldotna) are also home to VA Readjustment Counseling Centers, or Vet Centers, which provide counseling, psychosocial support, and outreach to Veterans and their families.

Alaska VA Healthcare System provides or contracts for a comprehensive array of health care services. It directly provides primary care, including preventive services and health screenings, and mental health services at all locations. Inpatient care is provided through the VA/DoD Joint Venture Hospital located on JBER as well as through purchased care with community medical facilities. Alaska VA Healthcare System provides specialty care in General Surgery, Podiatry, Orthopedics, Cardiology, Ophthalmology, and Rheumatology. Urology is provided by urologists through a VA/DoD Sharing Agreement with the 673d MDG. The Anchorage facility also has a Dental Clinic and an Audiology Clinic. Audiologists travel to VA CBOCs and Coast Guard clinics in Southeast Alaska to provide care to Veterans. The Alaska VA Healthcare System also has an active Home-Based Primary Care program serving 76 Veterans in their homes within a 20-mile radius of the Anchorage facility.

The Alaska VA Healthcare System also offers a comprehensive continuum of care for homeless Veterans. Inpatient mental health services are provided through purchased care in local community psychiatric facilities and hospitals, as well as specialized programs at VA facilities in the Lower 48. There is an active contract nursing home program and other non-institutional care programs which include adult day care, respite, homemaker/home health aide, and skilled nursing.

Enrolled Veterans/Current Users

There are more than 77,000 Veterans living in Alaska. With dedicated outreach efforts by the Alaska VA Healthcare System, enrollees increased from 22,000 in fiscal year (FY) 2002 to 30,258 in FY 2012 – a

38 percent increase. Actual Veteran users increased from 12,262 in FY 2002 to 17,771 in FY 2012 – an increase of approximately 45 percent. The average growth per year is approximately 4.5 percent. Currently, approximately 89 percent of enrolled Veterans live in a borough with a VA clinical presence. With the addition of the 26 Alaska Tribal Health Program Sharing Agreements, the Alaska VA Healthcare System has the potential to increase VA-sponsored care.

Initiatives

Tele-Behavioral Health – With funds from the Veterans Health Administration (VHA) Office of Rural Health, the Alaska VA Healthcare System, under the auspices of the Alaska Tribal Health Program Sharing Agreements, is implementing a Tele-Behavioral Health project with Southeast Alaska Regional Health Consortium in Sitka to provide a half-day treatment for Veterans with Post-traumatic Stress Disorder (PTSD) via telemedicine by a VA provider located in Anchorage. The first Veterans were seen on August 8, 2013.

The Alaska VA Healthcare System has coordinated with a national VA expert to provide training in Prolonged Exposure Therapy (PET), an effective, first-line treatment for PTSD that is being nationally disseminated in VA to community providers. Eighteen providers from the rural Southeast communities of Haines, Petersburg, Wrangell, Juneau, Sitka, and Prince of Wales Island participated in the training. Ten of the providers are continuing, in ongoing clinical consultation with PET experts in VA, to develop full competency in PET. This will increase the clinical skills of community providers who are providing mental health services to combat Veterans in their home communities.

The Alaska VA Healthcare System has also initiated secure Clinical Video Teleconferencing to Veterans' homes. More than 80 percent of Alaska VA Healthcare System behavioral health providers have completed foundational training to expand secure Clinical Video Teleconferencing to the home. Two providers are actively providing this service to rural Veterans. Psychiatric providers in the Mat-Su and Kenai

CBOCs provide medication management for Veterans in Anchorage and Juneau.

Rural Health Program Webinar Trainings – Through the VA Employee Education System, the Alaska VA Healthcare System has developed Webinars for training and education of Alaska Tribal Healthcare Organizations on VA health care, PTSD, and suicide prevention. Information has been placed on VA's Facebook page and Web site.

Tele-Health – The Alaska VA Healthcare System makes active use of a variety of tele-health initiatives to include TelePacemaker/Implantable Cardioverter-Defibrillator (IED), TeleElectrophysiology (EP)/Arrhythmia, TeleDiabetes, TeleTraumatic Brain Injury (TBI), TeleMentalHealth, TeleRetinal, and TeleDermatology. Consultations using these tele-health modalities totaled 384 beginning in first quarter FY 2012. At the end of third quarter FY 2013, the consultations numbered 825 – approximately a 215 percent increase.

Tele-Primary Care – The Alaska VA Healthcare System initiated a Tele-Primary Care Clinic on June 27, 2013, where a primary care nurse practitioner located in Denver Colorado, holds a clinic twice per week seeing Veterans in Alaska using tele-health technology. The Alaska VA Healthcare System is working to expand Tele-Primary Care capacity by utilizing two physicians, one residing in Washington State and the other in Florida, to manage primary care panels or portions of panels remotely via tele-health technology. We anticipate this coming to fruition in the near future. Tele-Primary Care has also been occurring between the Alaska VA CBOCs.

Care Closer to Home – This initiative began in FY 2010 with the intent to decrease the number of specialty care referrals to Lower 48 VA facilities and to give Veterans the option to stay in Alaska for their care. The initial focus was for oncology referrals. A total of 430 oncology patients have been approved for local care since this initiative began. In FY 2011, the initiative expanded to include other specialty care. More

than 1,200 referrals were made in FY 2012, and over 900 referrals have occurred in FY 2013 to date. This includes care provided in the community for over 250 orthopedic procedures and 196 for neurosurgery. This has greatly enhanced the satisfaction of Veterans, who choose to stay in Alaska for their VA care, and their families.

Rural Outreach Program – The Rural Outreach Program has continued to expand its outreach to rural communities with the support of funds from the VHA Office of Rural Health. Outreach has moved beyond the hub communities to the smaller villages to include but not limited to Cold Bay, King Cove, Mentasta Lake, Tok, Fort Yukon, Beaver, and Stevens Village. VA staff have visited between 24 to 30 communities per year for the past 2 fiscal years. Community-wide enrollment and benefits-outreach events, known as Stand Downs, for Veterans in rural areas have occurred in Juneau in September 2012, Dillingham in August 2013, and plans are underway for one in western Alaska in FY 2014.

Tribal Veteran Representative (TVR) Program – The TVR program uses local community volunteers to assist VA in reaching out to Alaska Native Veterans. A TVR is an Alaska Native Veteran or recognized individual appointed by an Alaska Native Health Organization, Tribal Government, Tribal Council, or other Tribal entity to act as a liaison with local VA staff. The TVR is a volunteer, unless paid by the Alaska Native entity who selects the individual to represent them. Collaborative training is provided by VA health care and benefits staff. The eighth TVR training was completed in May 2013 in Fairbanks. The Alaska VA Healthcare System has trained 170 TVRs from 33 Alaska communities to date. This effort will continue next year and beyond.

Partnerships/Tribal Partnerships

VA/DoD Sharing – The Alaska VA Healthcare System partners with the 673d MDG JBER to provide services to eligible Veterans and DoD beneficiaries. This is one of ten VA/DoD Joint Ventures nationwide. The Alaska VA Healthcare System also maintains a VA/DoD sharing agreement with Bassett Army Community Hospital, Fort Wainwright,

and the U.S. Coast Guard in Juneau, Alaska. In addition, the Alaska VA Healthcare System and the 673d MDG have had successful Joint Incentive Funds projects for Enhanced Outpatient Diagnostic Services to integrate VA demand for Computed Tomography (CT)/Magnetic Resonance Imaging (MRI), establishment of a Sleep Lab, addition of a second MRI to increase access/capacity, establishment of a Pain Management Clinic, and Cardiology Services Enhancement for 2013/2014. Partnering with the 673d MDG, which also won “Best Hospital in Pacific Air Forces for FY 2012,” enhances and provides additional support for Alaska Veterans.

Alaska Federal Health Care Partnership (AFHCP) – The AFHCP is a formal, voluntary, interagency relationship between DoD, Department of Homeland Security, Health and Human Services’ Indian Health Service, VA, Alaska Native Tribal Health Consortium, and Alaska Native Medical Center working together to share each other’s resources, talents, and experiences to improve patient care for all Federal beneficiaries throughout the State of Alaska. Examples of shared initiatives include Home Tele-health Monitoring, Federal Education Sharing Group, Medical Oncology, Pain Management, and Emergency Planning.

Sharing Agreements with Alaska Tribal Health Programs (ATHP) – VA has created 26 sharing agreements with ATHP to reimburse for direct care services delivered to eligible Native and non-Native Veterans seen throughout Alaska. These are 5-year agreements. These sharing agreements will strengthen both VA and ATHP systems to increase access to care for Native and non-Native Veterans, particularly those in remote and rural areas served by ATHP. Care received by Veterans living in rural communities is steadily increasing.

To summarize, the Alaska VA Healthcare System continues to work to increase access to Alaska Veterans. The most significant accomplishment in the past 2 years has been their outreach to rural Alaska as well as the sharing agreements with ATHP. A continued priority is to reach Veterans statewide to increase enrollment as well as access to VA services closer to where the Veteran resides. This can be

provided either directly, through tele-health by VA staff, or through contracts or other agreements with medical facilities already located in their home communities. The Alaska VA Healthcare System has maintained a high-performance rating in quality of care, access standards, patient satisfaction, and employee satisfaction.

Anchorage Regional Office (RO)

The Anchorage RO administers VA benefits and services to Veterans throughout the state. In addition to providing extensive outreach to Veterans, their dependents, and Survivors, the Anchorage RO provides disability compensation and vocational rehabilitation and employment (VR&E) benefits. Our goal is to deliver these comprehensive benefits and services in a timely, accurate, and compassionate manner.

The Anchorage RO is responsible for delivering non-medical VA benefits and services to approximately 77,000 Veterans and their families in Alaska. Nearly 16,000 of these Veterans receive disability compensation amounting to \$15 million per month. It is important to note Alaska has the highest population of Veterans per capita of any state and the fastest growing population, by percentage, of Veterans of any state. Over 80 percent of Alaska's Veterans served in wartime, and approximately 48 percent of those Veterans are Post-9/11 Veterans – the highest percentages in both categories among our 50 states.

In FY 2012, the Anchorage RO completed more than 2,700 decisions on Veterans' disability rating claims. As of July 31, 2013, the Anchorage RO has completed more than 2,100 claims so far in FY 2013 and is on track to equal or exceed last year's total.

The Muskogee Regional Processing Office administers VA education benefits to Veterans and their family members in Alaska, to include the Post-9/11 GI Bill. Our latest data shows there are approximately 3,300 Veterans or dependents enrolled in Alaska's educational institutions, receiving benefits amounting to \$4.5 million per month.

The Denver Regional Loan Center administers VA home loan services to Alaska Veterans. In FY 2012, VA guaranteed more than 5,100 home loans in Alaska, with a cumulative loan amount of over \$1.3 billion.

Staffing

Approximately 80 percent of Anchorage RO employees are Veterans themselves. Thirty-five employees work in the Veterans Service Center (VSC), and eight employees work in VR&E. The RO is currently onboarding two new Vocational Rehabilitation Counselors to support the two counselors currently overseeing the VR&E Integrated Disability Evaluation System (IDES) activities at Fort Wainwright and JBER.

Employees at the Anchorage RO are extremely motivated and provide excellent service to Alaska Veterans and their families, but they fully understand there is more work to be done as we work to eliminate the claims backlog.

Management Team

The Anchorage RO has an off-site Director who visits Anchorage at least quarterly. Within the last year, the Salt Lake City RO hired an Assistant Director (AD) who provides direct oversight of the Anchorage RO and reports to the Director. The AD also makes quarterly visits to the RO. The Director and Assistant Director hold weekly conference calls with local division management to provide direction and oversight. Further, daily communication occurs between the Director or the AD and the management team on the ground in Alaska. The Anchorage RO is co-located with the Anchorage VA Healthcare System, which allows regular communication with the facility Director.

The Anchorage RO has a fully-staffed leadership team that includes three front-line supervisors, a Veteran Service Center Manager who oversees the claims division, and a VR&E Chief who oversees the VR&E division. The leadership team overseeing the Anchorage RO is more stable now than at any time in recent history, and they are optimistic about the RO's future ability to continue to improve services to Veterans in Alaska.

The Anchorage RO's VR&E division continues to help disabled Veterans in Alaska overcome their disabilities. The VR&E division remains a top-performing division in the Veterans Benefits Administration (VBA), exceeding all current outcome measures, while consistently scoring 100 percent on the outcome accuracy measure this fiscal year. Through a partnership with the state, the VR&E division regularly holds group orientation sessions with Veterans entering the VR&E program and has successfully implemented the Vet Success on Campus program at the University of Alaska in Anchorage. This program places a qualified counselor on campus to assist Veteran students transitioning from active duty.

Improvements in Service Delivery

Since the last field hearing in 2010, performance measures have steadily improved, with the Anchorage RO completing a greater number of claims each month while improving accuracy.

Since the beginning of FY 2010 to the start of FY 2013, the yearly total rating production number increased approximately 190 percent (934 ratings to 2,709 ratings). Based on current monthly rating production numbers, Anchorage is expected to exceed this number by the end of FY 2013, having completed 365 ratings in July. From January 2013 through July 2013, Anchorage VSC is averaging 255 ratings completed per month, as compared with an average of 179 ratings completed from January 2012 through July 2012. This represents a 43 percent increase in productivity.

An indication of the Anchorage RO's progress is the fact that over the last several years, the Anchorage RO has gone from an office needing help from other VBA ROs to one that now regularly assists other ROs.

On April 19, 2013, VA announced a new initiative to expedite compensation claims decisions for Veterans who have waited 1 year or longer for a decision on their claim. VA claims raters are making provisional decisions on the oldest claims in inventory, which allows

eligible Veterans to begin collecting compensation benefits more quickly. Veterans are able to submit additional evidence for consideration a full year after the provisional rating, before VA issues a final decision. Provisional decisions are based on all evidence provided to date by the Veteran or obtained on their behalf by VA. If a VA medical examination is needed to decide the claim, it is ordered and expedited. Issuing provisional decisions not only provides Veterans with applicable benefits more quickly, but it also gives Veterans an additional 1 year safety net to submit further evidence should additional evidence become available. If a Veteran submits additional evidence, their case will be prioritized.

It should be noted that VA already prioritizes processing of some claims, including the claims of seriously-ill and injured Servicemembers separating through IDES, as well as Medal of Honor recipients, former prisoners of war, the homeless, terminally-ill, and those experiencing extreme financial hardship. VA also prioritizes Fully Developed Claims (FDC).

With VBA's recent initiative to focus on the oldest claims in our backlog, I am pleased to report that the Anchorage RO has no claims pending over 2 years and is on track to be one of the first offices in VBA to have no claims pending over 1 year.

To increase VBA rating claims production, VA exercised its option to mandate overtime for all claims processors and claims processing support personnel, effective May 15, 2013. To date, overtime hours have been focused on our highest-priority claims, including meeting our goal of eliminating all claims pending longer than 1 year. Overtime hours also continue to assist claims processors and support personnel focus on special priority claims.

To drive continual performance improvement and efficiencies, the Anchorage VSC implemented VBA's new Transformation Model earlier this year. The Model includes:

- Creating an internal Quality Review Team (QRT) to conduct in-process reviews and thereby prevent possible errors from negatively impacting claimants' benefits while identifying error trends for more focused training. As a result of the QRT program, the quality of our claims decisions improved from approximately 81 percent accuracy in FY 2012 to 83 percent accuracy today. Realigning claims processors into cross-functional teams, where all skill sets are co-located and claims are case managed by the team.
- Realigning teams into three 'lanes': a Core Lane for traditional claims work; an Express Lane to quickly process less complex cases; and a Special Operations Lane to case manage the most complex cases using our most experienced personnel.
- Creating an Intake Processing Center within the VSC and assigning an experienced claims processor to screen all new claims to determine their appropriate disposition – thereby saving time and reducing unnecessary hand-offs.

In addition, the RO implemented the Veterans Benefits Management System (VBMS) – VBA's paperless electronic claims processing system – for all new claims. VBMS brings the latest claims processing functionality to the claims processors, freeing them of the burdens of an antiquated paper-based system and enabling them to process claims more efficiently and accurately. The RO is also promoting the use of VBA's FDC program. Thanks to the excellent relationship the RO has with the numerous Veterans Service Organizations in the state, the RO is one of VBA's leaders in the volume of FDCs filed. FDCs are the fastest way for Veterans to receive a decision on their claim, with decisions rendered in about half the time of traditional claims.

One specific accomplishment is an initiative implemented in the Anchorage RO several years ago, which is currently being utilized VA-wide. The RO Medical Officer initiative leverages the relationship between VA ROs and its servicing VA Medical Center to locate a qualified medical provider within the RO to offer on-the-spot medical opinions and examination clarifications to RO claims processors. This

results in faster turnaround of claims decisions and service to Veterans and has been a critical success factor in VBA's ability to reduce its backlog.

Finally, regarding service delivery, the Anchorage RO supports the four IDES sites in the state with full-time Military Service Coordinators working hand-in-hand with DoD to guide wounded warriors through the program. The Anchorage RO IDES sites are consistently at the top of national rankings regarding timeliness of service for segments of the claims process within our scope of responsibility. Current claims development timeliness is averaging between 1 and 2 days for the 4 Alaska military installations, which is well under the goal of 10 days.

Outreach Efforts

Our employees conduct an average of 462 personal interviews with beneficiaries per month. During these interviews, VA Public Contact Representatives provide information on benefits and accept applications for claims. Last year, Public Contact Representatives conducted 94 Transition Assistance Program briefings to more than 1,900 Servicemembers. They have completed 82 briefings so far in FY 2013 to over 2,500 Servicemembers. VR&E personnel provide monthly Disabled Transition Assistance Program briefings at JBER and Fort Wainwright. The RO partnered with VHA in several rural outreach initiatives in 2012 and 2013. Veterans Service Representatives visited St. Paul Island, Point Barrow, Dillingham, and Kake, taking 104 rural Veterans' claims over the past 2 years.

The RO also participated in two homeless Stand Downs at Fort Richardson and in Fairbanks in the past year. An RO representative provided information and counseling on VA benefits at these events.

In October 2012, the RO partnered with the Alaska VA Healthcare System to staff an information booth for Veterans and family members via the Alaska Federation of Natives (AFN). AFN is the largest statewide Native organization in Alaska. Its membership includes 178 villages.

Conclusion

In summary, Alaska VA Healthcare System and the Anchorage RO have continued to improve access and services to meet the needs of Veterans residing in Alaska. VA leadership both within VHA and VBA are committed to ensuring the best possible service is provided to Alaska Veterans, their families, and Survivors. Senator Begich, thank you again for the opportunity to testify at this hearing. I am happy to answer any questions.