
RESTORING TRUST IN VETERANS HEALTH CARE

— FISCAL YEAR 2016 ANNUAL REPORT —



VA



U.S. Department
of Veterans Affairs



MISSION

Honor America's Veterans by providing exceptional health care that improves their health and well-being.

VISION

VHA will continue to be the benchmark of excellence and value in health care and benefits by providing exemplary services that are both patient centered and evidence based.

This care will be delivered by engaged, collaborative teams in an integrated environment that supports learning, discovery and continuous improvement.

Care provided will emphasize prevention and population health and contribute to the nation's well-being through education, research and service in national emergencies.

VALUES

Integrity — Act with high moral principle. Adhere to the highest professional standards. Maintain the trust and confidence of all with whom we engage.

Commitment — Work diligently to serve Veterans and other beneficiaries. Be driven by an earnest belief in VA's mission. Fulfill our individual responsibilities and organizational responsibilities.

Advocacy — Be truly Veteran-centric by identifying, fully considering, and appropriately advancing the interests of Veterans and other beneficiaries.

Respect — Treat all those we serve and with whom we work with dignity and respect. Show respect to earn it.

Excellence — Strive for the highest quality and continuous improvement. Be thoughtful and decisive in leadership, accountable for our actions, willing to admit mistakes, and rigorous in correcting them.



Above: More than 100 Veterans participated in the 2016 National Veterans Summer Sports Clinic in San Diego, CA, Sept. 18-23. Veterans with disabilities participated in summer sports and activities at the weeklong clinic, including cycling, archery, sailing and surfing.

Front Cover: VA Puget Sound Health Care System, Seattle Division in Seattle, WA



*"To care for him who shall
have borne the battle, and
for his widow, and his orphan"*

— Abraham Lincoln

Our Priorities — An Ongoing Transformation

It was an extraordinary year for the Veterans Health Administration (VHA).

VHA continues to build on its important primary goal of delivering the best health care to America's Veterans. In 2016, we saw tremendous achievements and improvements as we took on the substantial challenges facing the nation's largest health care operation.

The following pages tell the story of our impressive successes and demonstrate how we are quickly adapting and continually evolving as we transform our multiple services to meet the challenges of the future.

At the department level, we are committed to achieving the VA Secretary Bob McDonald's twelve breakthrough priorities within the *myVA* initiative. Specifically for VHA, we have identified five strategic priorities to help us achieve our ongoing transformation. Our employees have eagerly embraced these five priorities and the results in this report are profound proof of our progress in these key areas:

- **Access:** Provide timely access to Veterans as determined by their clinical needs.
- **Employee Engagement:** Seek a work environment where employees are valued, supported, and encouraged to do their best for Veterans.
- **Building a High-Performance Healthcare Network:** Ensure that Veterans receive the highest level of coordinated care within VA or from participating providers.
- **Best Practices:** Use best clinical practices. We also seek best practices in research, education, and management.
- **Veterans First — Trust in VA Care:** Be there for our Veterans when they need us.

In this annual report you will read about our remarkable record of success over the past year.

This past year has been a good one for the health of America's Veterans and we could not have achieved so much so soon without the hard work and dedication of our employees. They come to work each day to serve our Veterans, continually making that responsibility the center of everything they do.

We are honored that millions of America's Veterans entrust their care to us every day.

David J. Shulkin M.D.

DAVID J. SHULKIN, M.D.
Under Secretary for Health

ORIGINS & OPERATIONS

The Veterans Health Administration (VHA) is the largest of three administrations that make up the U.S. Department of Veterans Affairs. VHA provides medical care to America's military Veterans with finance, public affairs, volunteer and other services providing crucial support.

VHA evolved from the first federal soldiers' facility for Civil War Veterans of the Union Army. President Abraham Lincoln signed a law in 1865 to establish a national soldiers and sailors asylum. Renamed in 1873 as the National Home for Disabled Volunteer Soldiers, it was the first federal institution created specifically for volunteer soldiers. It provided housing and medical care for thousands of Civil War Veterans and became the template for federal Veterans' hospitals.



Lithograph of the National Home in Togus, Maine, from 1891. Now the VA Maine Healthcare System, Togus observes its 150th anniversary this year.

National Homes were the first Federal civilian institutions to house a racially integrated Veteran population. In 1919, Native Americans Veterans of World War I became eligible for full benefits, including health care. The National Home at Danville, IL, became the first to admit women Veterans in 1923.

The first consolidation of federal Veterans programs took place in 1921 when Congress created the Veterans Bureau, and a hospital construction program for World

War I Veterans commenced. In 1930, President Herbert Hoover ordered additional consolidation through the creation of the Veterans Administration (VA). Today, most VA hospitals and medical centers began as National Home, Public Health Service, or Veterans Bureau hospitals.

Beginning in 1945, General Omar Bradley steered VA's transformation into a modern organization. Legislation enacted in 1946 created VA's Department of Medicine and Surgery with numerous other programs and modified the Civil Service system to enable VA to recruit and retain top medical personnel.

Dr. Paul Magnuson, Chief Medical Director from 1948 to 1951, led the creation of an affiliation program with medical schools to foster research and training. By 1948, 60 medical schools were affiliated with VA hospitals. Today, more than 1,800 academic institutions are affiliated with VA.

Although VHA's primary mission is to provide health care for Veterans, its innovations improve the entire practice of medicine in the U.S. The first-ever successful human liver transplant operation took place at the Denver VA Medical Center in 1963. In 1977, two VA doctors, Dr. Rosalyn Yalow (Bronx VAMC) and Dr. Andrew Schally (New Orleans VAMC) received the Nobel Prize in Physiology or Medicine for their work in developing radioimmunoas-



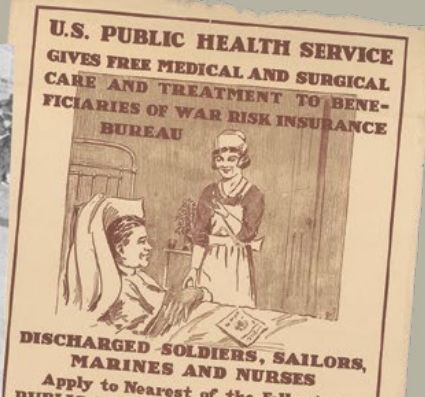
Dr. Chardack, Dr. Gage, and electrical engineer Wilson Greatbatch, inventors of the first implantable cardiac pacemaker, check on one of the first recipients at Buffalo VA hospital, 1961 c.

say of peptide hormones. Many modern medical advances originate in VA hospitals and benefit patients worldwide.

VA was elevated to a Cabinet-level Executive Department by President Ronald Reagan in 1988 and renamed the Department of Veterans Affairs. The Department of Medicine and Surgery was re-designated the Veterans Health Administration in 1991.

Today VHA operates one of the largest health care systems in the world and continues to meet Veterans' changing medical, surgical and quality-of-life needs. New programs provide treatment for traumatic brain injuries, post-traumatic stress, suicide prevention, women Veterans and more. VA has opened outpatient clinics, and established telemedicine and other services to accommodate a diverse Veteran population, and continues to cultivate ongoing medical research and innovation to improve the lives of America's patriots.





Fiscal Year 2016 Budget

MAJOR ACTIVITIES OBLIGATIONS (\$ in 000's)

Ambulatory Care	\$ 34,488,972
Inpatient Care	\$ 12,218,801
Rehabilitation Care	\$ 868,608
Mental Health	\$ 7,484,555
Prosthetics	\$ 2,851,000
Dental Care	\$ 1,035,391
Institutional Care	\$ 5,711,597
Non-Institutional Care	\$ 2,511,081
Direct Research	\$ 673,374
Other Activities	\$ 2,785,344
Total (\$ in 000's)	\$ 70,628,725

Choice Act 802
\$ 3,331,264,000

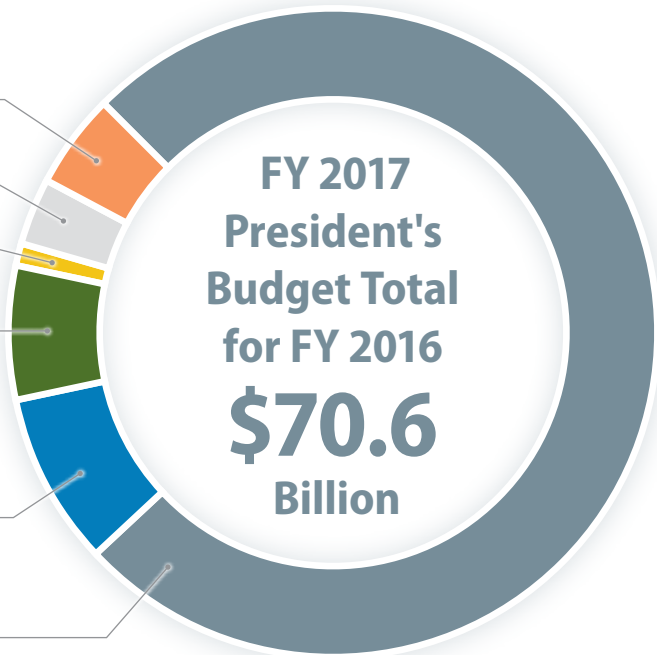
Choice Act 801
\$ 2,312,689,000

Research
\$ 673,374,000

Medical Facilities
\$ 4,680,429,000

Medical Support & Compliance
\$ 6,114,763,000

Medical Service
\$ 53,516,204,000



CROSS SECTIONAL ACTIVITIES SNAPSHOT

Subset of Major Initiatives, included in Major Activities Above (\$ in 000's)

Medical Services Care in the Community (CITC)	\$ 9,114,822	Trainees	\$ 903,000
Veterans Choice Program CITC	\$ 1,531,264	Activations	\$ 598,174
Ending Veterans Homelessness	\$ 1,476,644	Traumatic Brain Injury	\$ 271,800
New Hepatitis C Treatment	\$ 1,500,000	Rural Health	\$ 270,000
Telehealth	\$ 1,114,127	Suicide Prevention	\$ 148,380
Non-Recurring Maintenance	\$ 1,009,286	VistA Evolution	\$ 90,000
Education and Training Support	\$ 903,000	Health Professional Educational Asst. Program	\$ 55,807

WORKLOAD SNAPSHOT



Outpatient Visits (including Readjustment Counseling)

106,759,000



Inpatient Medicine/ Surgery Patients Treated

599,070



Inpatient Mental Health Patients Treated

152,105



Institutional Long Term Support & Services Patients Treated

115,372

THE VA DIFFERENCE

There are three core strengths that distinguish VA from the private sector.

1 First, the VA brings together **comprehensive expertise on service-connected health issues in a single health care system**. Our clinicians are trained to identify, assess, and treat a wide spectrum of health issues, such as spinal cord injury and limb loss, conditions arising from environmental exposures, and traumatic brain injury. Additionally, VA specialists have expertise in the treatment of mental health issues, substance abuse, suicide prevention, and post-traumatic stress disorder (PTSD). Because of this expertise, some services available to Veterans in the VA system are simply not available in the private sector.

2 VA's second core strength is its **team-based, Veteran-centric model of primary care** that focuses on patient-driven, proactive, and personalized care. This patient aligned care team — including primary care providers, nurses, social workers, pharmacists, nutritionists, behavioral health professionals, as well as the Veteran, family members, and caregivers — addresses not only disease management, but also disease prevention, wellness, and health promotion.

3 VA's third core strength — a **holistic approach to patient care** — also is not uniformly seen in the private sector. All too often the private sector health care system addresses only the patient's chief complaint, focusing on the physical manifestation of an illness or the patient's psychological condition. Ensuring a patient's well-being requires the integration

of the physical, psychological, social, and economic aspects of health and a thorough understanding of how these factors impact treatment compliance. What makes VA care unique also makes it better for Veterans. VA provides Veterans culturally competent care that is integrated and coordinated, which it makes it better than what they would receive in the private sector. This difference is demonstrated through our satisfaction scores as well as the American Customer Satisfaction Index survey shows Veterans were more satisfied with their VA care than customers at private sector hospitals.

In the private sector, a Veteran's care is fragmented and their providers are likely not be trained in meeting the unique health needs of Veterans.



FIVE DISTINCTIONS MAKE VA CARE DIFFERENT FROM PRIVATE SECTOR CARE:

1. Veteran Patients are Inherently Different — VA manages a patient mix that is distinct from what civilian community providers typically treat. When compared with the general population, Veterans are more likely to have as many as three additional co-morbid physical conditions as well as a possible mental health diagnosis.

Reporter Suzanne Gordon, in *American Prospect* magazine: A large fraction of the Veterans who are cared for by the VHA have disabilities stemming from combat. Yet VHA delivers care to this challenging population more compassionately and more cost-effectively than other segments of our health system.

2. Reimbursement and Incentives — The Veteran patient population typically requires more time during a typical doctor visit than private sector physicians can provide. Because VA physicians are salaried, they don't face constraints on time spent with patients.

3. VA Employees' Sense of Mission — Almost 95% of VA staff believe the work they do is important. In annual employee surveys, VA sees a high commitment to service from its employees. Nearly 33% of VA staff are Veterans, who can relate to Veteran patients in ways non-Veterans cannot.

This sense of mission, embedded throughout the organization, has a far-reaching impact that includes the relationships formed with Veterans. In stark contrast to the private sector, Veterans tend to forge lifelong relationships with the VA.

4. VA's Unique Integration of Clinical Practice with Education & Research — VA has the ability to advance health care, incorporate new learning, and promote best practices. These capabilities are fortified by its 70-year partnership with academic affiliates. The VA trains tens of thousands of health care professionals yearly and conducts cutting-edge research on service-connected issues.

The VA Research and Development Program is the nation's only intramural research program entirely dedicated to the health of Veterans. More than 60% of VA researchers are clinicians, which means their studies are framed by daily interaction with patients.

5. VA Investment in Large-Scale Capabilities — As the largest integrated health care system in the U.S., the VA can invest in capabilities that are difficult for smaller systems to undertake. Our electronic medical record platform has enabled the organization to capture Veteran health data system wide for more than two decades, longer than almost any other health care enterprise.

This capability also supports the VA Million Veteran Program (MVP), a research effort that is building a genomic database of 1 million users of VA health care. Through the MVP, researchers will be able to use genomic and clinical data to develop personalized therapies for Veterans and address significant research questions.



EMBEDDED IN OUR MISSION

VA care is different from private sector care and this fundamental distinction is embedded in the VA mission to care for those who have "borne the battle" for their country.

According to a RAND study in July 2016, "The Veterans Affairs health care system generally performs better than or similar to other health care systems on providing safe and effective care to patients."

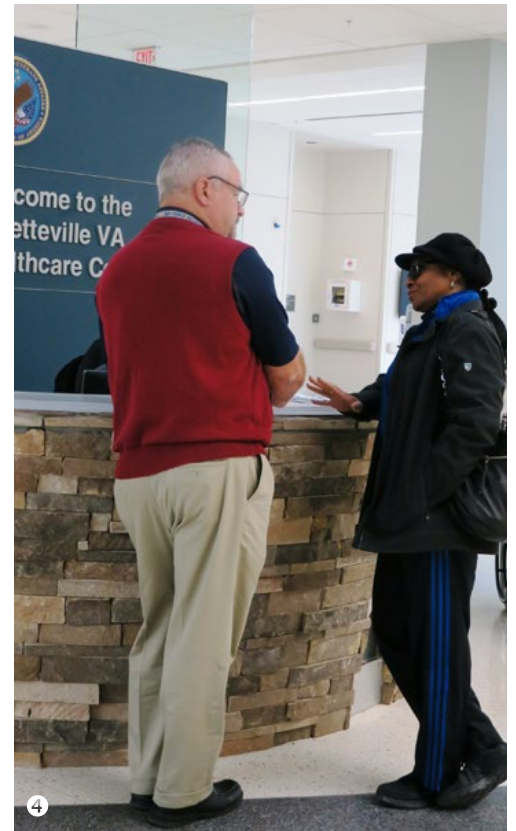
It is also crucial to recognize that our ongoing transformation means closer collaboration with the private sector for Veterans seeking care from community providers.

One factor will remain the same: our long-standing and unwavering commitment to provide patient-centric care and value to every Veteran. It is our great privilege to see this commitment daily and to better position the VA to serve our Veterans and the nation.

Along with VHA leaders throughout the nation, VA Pittsburgh senior leaders signed the MyVA Access Declaration on April 21, 2016. This declaration signifies VHA's commitment to improving access to health care for Veterans.

ACCESS

We pledge that any Veteran with the requirement for urgent care will receive care at the right time appropriate to his or her clinical needs.



1. VA Under Secretary for Health Dr. David J. Shulkin kicks off the myVA Access Program by signing the myVA Access Declaration which was then signed by VA leadership across the country.
2. Washington DC Veterans Affairs Medical Center's Ophthalmology Surgeon, Dr. Arnold Oshinsky, performs eye surgery as part of the National Access Stand Down held February 27, 2016.
3. A Veteran is examined for fitting with a new hearing aid by VA Audiologist Patricia Polizzi at the PFC Lindstrom VA Clinic in Colorado Springs, CO. He was one of 372 Veterans seen at that clinic during a National Access Stand Down.
4. Employee Dave Zentmayer lends assistance at the Information Desk at the Fayetteville VA Health Care Center in North Carolina during a National Access Stand Down.
5. A Veteran receives eye care at Wyoming Health Care Center's Stand Down.





In **April 2016** we launched **MyVA Access**, a declaration from VHA employees to the Veterans we care for. It is a call to action and the reaffirmation of the core mission to provide quality care to Veterans, and to offer that **care as soon as possible to Veterans how and where they desire** to receive that care.

As part of the MyVA Access initiative, VHA's goal is to ensure a Veteran with a need for care right away will have it addressed the same day. Currently, a phased approach exists for **ensuring all facilities are going to meet the goal of same day access**. This includes the ability of 90 facilities to provide same day service when needed by the end of September and all facilities by December 2016.

VHA held two **National Access Stand Down** days at VA medical centers across the country to reach out to all Veterans waiting for urgent care and make sure we are meeting their health care needs. These events also served to demonstrate our commitment to providing timely access to health care for our Veterans.

Veterans receiving care at some VA medical centers are able to schedule routine ear and eye appointments at VA Audiology and Optometry clinics **without a primary care referral**. All our medical centers will have this capability by the end of 2016.

ACCESS ACHIEVEMENTS

Nearly **46% reduction of the Electronic Wait List**; from 56,271 appointments to 30,488 at the end of the fiscal year.

More than **3.2 million authorizations** for Veterans to receive care in the private sector; an 11% year-over-year increase.

Multiple VHA facilities hired former **military medics and Corpsmen** as Intermediate Care Technicians to facilitate timely access to care.

Clinical workload is up 11% over the past two years, providing **7.4 million additional hours of care** for Veterans.

VA leads the prevention and treatment of substance use disorders (SUD), providing **treatment for over 560,000 Veterans**.

SAME DAY CARE AT **ALL**
Facilities

by December 2016

MORE THAN

11,000

new medical center staff hired using Choice Act funding

MORE THAN

39,000

encounters of VA care from home via live video telehealth

AVERAGE MORE THAN

200,000

Veterans seen **each day** in VA Outpatient Clinics nationwide

In June 2016, Dr. Shulkin asked VHA employees across the country why they love their jobs and how they support Veterans through an Employee Engagement Challenge on VA Pulse. Over 200 employees and teams participated.

EMPLOYEE ENGAGEMENT

We will work to give staff greater input into their work environments.



At the Innovator's Network Demo Day, VHA staff from across the country shared their innovations.

We believe that **our employees are the heart of VA** — they are the most equipped to identify potential solutions and process improvements. By investing in the people who make this organization great, the Innovators Network further catalyzes innovation efforts across VA. We introduced a semi-annual **VHA Diffusion of Excellence Shark Tank** competition. All VHA employees are invited to submit practices that have been successfully implemented in at least one facility. This year, more than **250 employee ideas** for innovation and improvement were narrowed to a field of **13 Gold Status Best Practices**.

LEARNING FROM OUR EMPLOYEES

Formally, VHA receives system-wide feedback from employees annually through the **VA All Employee Survey** and the Office of Personnel Management's **Federal Employee Viewpoint Survey**. These surveys provide insights on the workplace that together build a comprehensive picture of employees' experiences with their job, supervisors, and work units. This year most VHA workplaces improved in the areas of overall, organization and workgroup satisfaction, satisfaction with direct supervision, and workgroup collaboration.

3.98

All Employee Survey average
(out of 5.0)

11,000

employees participated
in VA's Leaders Developing Leaders

250+

employee ideas submitted
as VHA Promising Practices

94.4%

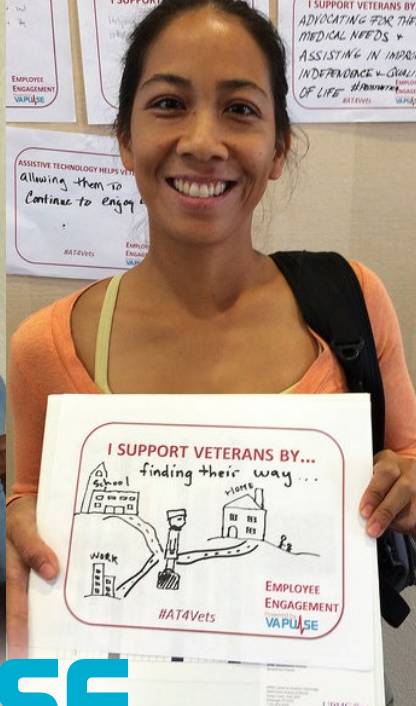
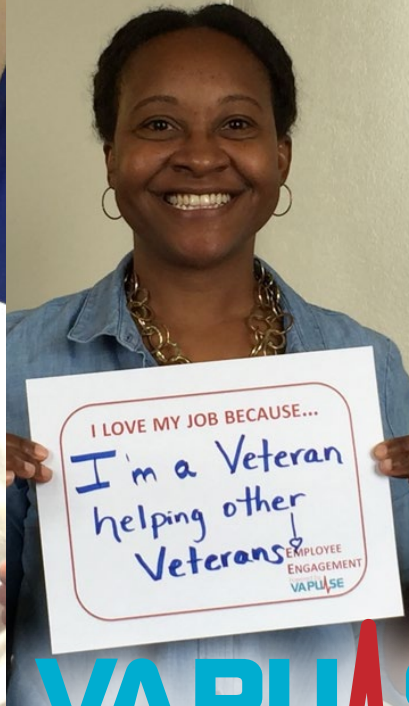
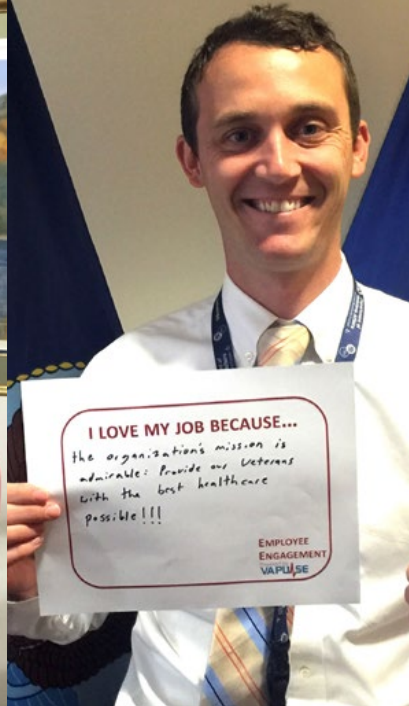
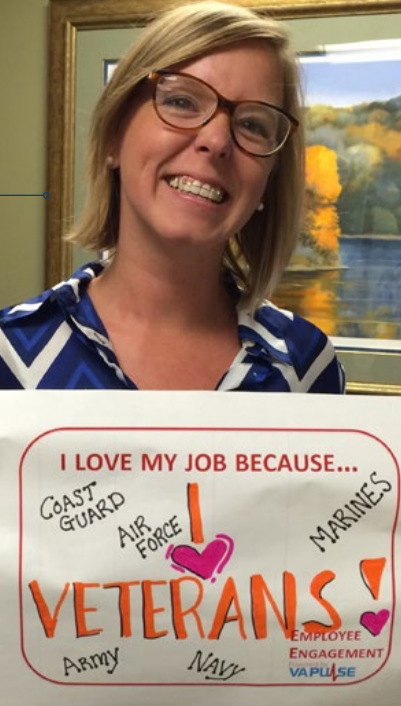
of employees believe
their **work is important**

92.3%

of employees constantly seek
ways to **improve their work**

86.1%

of employees report
liking their kind of work



VAPULSE

VHA employees have the opportunity to engage with top leadership on VA Pulse and are actively encouraged to do so. This collaborative platform also enables staff to share best practices, connect with colleagues to solve problems, and discover ideas to help improve the Veteran experience.

Using VA Pulse, in June we launched the **2016 VHA Employee Innovation Competition** in which all employees and contractors were encouraged to submit their ideas to VHA leadership. We also asked staff to share how they support and care for Veterans in their jobs and why they work for VA as part of the Employee Engagement Challenge.



Staff of the Carl Vinson VA Medical Center in Dublin, GA participate in a somber, touching ceremony to honor the life of one of their long term care residents.

HONORS ESCORT

A main reason staff chose to work for VHA is a **dedication to our mission** and **unique personal connections** made with Veteran patients. This is especially true of the nurses, chaplains and physicians who work in our Hospice & Palliative Care Units throughout the nation to provide Veterans a supportive, high quality of life focused on the essentials of peace, comfort and dignity as life draws to a close. This emotional and psychological care towards the end-of-life is crucial for Veterans. These teams are there to have those difficult conversations, help patients find resolve, and to help patients live their life to the fullest, even in the eleventh hour.

Demonstrating commitment to VHA's mission, staff created an **honors escort ceremony** to honor Veterans they cared for during the last days of life. The honors escort procession ensures Veterans who pass away at the medical center are accompanied from the location of their passing with the dignity and respect that should be accorded one of America's heroes. It also is telling of the passion and solemn respect we all feel in caring for Veterans.

TOWN HALLS

In an effort to increase transparency and access to VHA leadership, VA Under Secretary for Health Dr. David Shulkin hosted **three national town halls for all employees** to discuss process improvement, access, and employee engagement. At each event he addressed questions and concerns from staff and sought employee input about how we can do a better job of providing a **work environment where employees are valued**, supported, and encouraged to do their part in fulfilling our mission.

Across the country our medical centers held **Veteran town halls quarterly** to increase transparency, answer questions, and address concerns directly from Veterans in the communities in which they live.

HIGH PERFORMANCE SYSTEM

We will build a high performance system of care to best serve Veterans.

VOLUNTEER SUPPORT

VA Voluntary Service has provided over **70 years of service** to America's Veterans seeking care in VA health care facilities. **73,334 active volunteers** contributed **10,687,148 hours**.



WOMEN VETERANS

Women are the fastest growing group within America's Veteran population. Our Women Veterans Health Care program addresses the health care needs of women Veterans and works to ensure that timely, equitable, high-quality, comprehensive health care services are provided in a sensitive and safe environment at VA health facilities nationwide. We strive to be a **national leader in the provision of health care for women**, thereby raising the standard of care for all women.

This year VA's Maternity Care Coordination Telephone Care Program provided care coordination **services to over 2,000 unique pregnant Veterans**, over 20% of whom resided in rural zip codes. We also operate a Women Veterans Call Center that provides women Veterans, their families and caregivers information about VA services and resources. The center receives 80 calls per day and makes **1,000 calls per day** on average. As of October 2016, the center received more than 42,000 incoming calls and made more than 684,000 outbound calls resulting in 359,000 successful calls. Additionally, we recently added a **one-to-one chat service** that enables women Veterans to go online and anonymously chat via real-time with a VA representative. Since May 2016, the chat service received over 395 chats.

MENTAL HEALTH

Mental Health programs in VHA use evidence-based treatments that research has proven are effective for particular problems and lead the nation in research of innovative mental health treatments. Our services **focus on recovery** that empowers Veterans to take charge of their treatment and live a full and meaningful life. This approach focuses on an individual's strengths and gives **respect, honor, and hope** to our nation's heroes and their families.

This year we launched the **Veterans Outcome Assessment study** with 3,000 Veterans. This is the first large scale initiative to assess the outcomes of mental health treatment. The study aides future efforts to evaluate outcomes in mental health treatment programs using newer technologies and lower cost.

We developed a **Whole Health for Pain and Suffering: An Integrated Approach clinical education program** for non-pharmaceutical approaches to pain. VHA Mental Health Operations led collaborative efforts implementing **Overdose Education and Naloxone Distribution** to reduce opioid overdoses.

MORE THAN **1.6 million**

Veterans received **specialized mental health** treatment

\$631 million
Spent on Research

MEDICAL RESEARCH

VA is one of **the nation's leaders in health research**. Thousands of studies are conducted at VA medical centers, outpatient clinics and nursing homes each year. This research has significantly contributed to advancements in health care for Veterans and other Americans from every walk of life. Some of these studies include the nation's largest genomic biobank — the Million Veteran Program, health disparities research, women's health and post-traumatic stress disorder.

In addition to VA's obligated funds, our research program is enhanced by private and federal grants administered outside of VA awarded to VA investigators, bringing the estimated total research resources to **\$1.8 billion**.

We are **the largest integrated health care system** in the United States, providing care at **1,234 health care facilities**, including **168 VA Medical Centers** and **1,055 outpatient sites** of care of varying complexity.

SUICIDE PREVENTION

In February, VA Secretary Bob McDonald and Under Secretary for Health Dr. David Shulkin held a **national summit on Veteran suicide prevention** to address Veterans' needs through strategic partnerships with community and federal partners and seek to enhance these partnerships. The summit brought together VA and DoD leaders, mental health professionals, Veteran Service Organizations, Veterans and their families, and other key partners. VA continues to serve as a leader in evidence-based care for suicide prevention.

Veterans Crisis Line



1-800-273-8255
PRESS 1

Our Veterans Crisis Line has answered over **2.3 million calls**, **55,000 texts** and made over **289,000 chat connections** since its launch in 2007. Crisis Line staff have initiated over 61,000 dispatches of emergency services to callers in imminent suicidal crisis and made over **376,000 referrals** to a Suicide Prevention Coordinator to connect Veterans to local care.



VET CENTER PROGRAM

Our Vet Centers provided over **228,000 Veterans, Servicemembers and families** with over **1,664,000 no-cost visits** for readjustment counseling, military sexual trauma counseling, and bereavement counseling services.

Vet Centers provide a broad range of counseling, outreach and referral services to eligible Veterans in order to help them make a satisfying post-war readjustment to civilian life. We also support **70 Mobile Vet Centers**, specialized vehicles that travel the country to provide Vet Center services. Over 7.8 million Veterans live miles away from their nearest VA Vet Center, but with the help of Mobile Vet Centers, services are practically being brought to the Veteran's doorstep.

REHAB & PROSTHETICS

Over 31% (2.38 million) of all Veterans treated in VHA saw a rehabilitation care provider and nearly half of all Veterans seen in VHA received prosthetic and sensory aids items and services. While traditionally taking five to ten days, using cutting-edge digital technology we are now able to produce certain **custom prosthetics within one day**.

We obligated over **\$2.8 billion** to provide **19 million medically prescribed devices** and items to more than 3.2 million Veterans.



SUPPLY CHAIN

Our new, integrated supply chain is already paying dividends, with over **\$24 million in costs avoidance** already recorded, and a **50% savings (\$750 million)** in renegotiated pricing for Hepatitis C treatment. These savings are redirected to Veteran outcomes.

EDUCATION

Across the system, the Veterans Health Administration has **affiliations with more than 1,800 academic institutions**. About **70% of all U.S. physicians** have received at least some of their training at VA hospitals.

BEST PRACTICES

We seek to identify and disseminate best practices throughout VA.

VHA PHARMACY

Our Pharmacy Benefits Management Virtual Pharmacy Services (VPS) provides **virtual outpatient pharmacy support** to VA facility pharmacies to help ensure that prescriptions are processed and dispensed to Veterans in a timely manner. The VPS program processed **over two million outpatient prescriptions** for eighteen VA Medical Centers and associated clinics.

For the **sixth consecutive year** the VA Consolidated Mail Outpatient Pharmacy received the **highest customer satisfaction score** among the nation's public and private mail-order pharmacies, according to a J.D. Power study. Out of 1,000 possible points, VA scored 876, which was the highest score among participating mail-order pharmacies. Nearly **5 million Veterans receive their prescriptions** through VHA pharmacies.

To improve medication safety in the home, we provide medication take-back options to Veterans. Veterans have returned over 23,000 pounds of unwanted/unneeded medication to be destroyed in an environmentally responsible manner.



VA Consolidated Mail Outpatient Pharmacy staff fill prescriptions at one of our sites in North Charleston, SC.

CLINICAL ONBOARDING

Due to hard work across the VHA system, our **average national credentialing time is considerably faster** than credentialing in the private sector. On average we are now able to bring on new physicians in 30 calendar days and registered nurses in 29 calendar days. The national standard is 45–60 calendar days. The Office of Medical Staff Affairs released a report that enables facilities to monitor their own progress and have a tool for continued improvement.

WORK THERAPY

We provide Therapeutic and Supported Employment Services for Veterans whose lives have been disrupted by mental illness or physical disabilities, and who would benefit from **a supportive, stable approach to community-based competitive employment**. These programs provided services to over **80,000 Veterans**. We are currently transforming these programs to emphasize implementation of new Community Based Employment Services, expansion of strong practices with Compensated Work Therapy and discontinuation of older prevocational models. The transformation will be completed throughout the upcoming year.

ENDING HOMELESSNESS

VA is serving more Veterans than ever before with specialized services for Veterans who are homeless or at risk of homelessness. Since 2010, **more than 365,000 Veterans** and their family members have been permanently housed, rapidly rehoused, or prevented from falling into homelessness as a result of VA's homeless continuum of services and targeted community resources.

Twenty nine communities and two states have confirmed and publicly announced that they have effectively ended Veteran homelessness, serving as models for others across the nation.



VA Center for Innovation

THE FUEL. The VA Center for Innovation powers two influential field-based innovation initiatives.



Innovators Network

THE PEOPLE. Through teaching and training, VA is encouraged to innovate and apply those innovations on the front lines to improve the Veteran experience.



The VHA Innovation Program

THE MUSCLE. Employee ideas are transformed into reality through the Employee Innovation Competition and project implementation.

Diffusion of EXCELLENCE

Diffusing Best Practices Across VHA

THE PROCESS. Ideas are vetted, resourced, and replicated so sparks of innovation catch fire.

POST-OPERATIVE OUTCOMES

A study of the post-operative outcomes in VHA shows that **significant improvement in rates of complications** and mortality following complications, known as failure to rescue, within the VA during the last 15 years. This study was carried out by researchers at the Michael E. DeBakey VA Medical Center, Baylor College of Medicine and the VA Pittsburgh Health System, and published in JAMA Surgery.

TOBACCO CESSATION

We are a leader in smoking and tobacco use cessation treatment with a range of evidence-based interventions. Today, the **smoking rate of Veterans in VA care 16.8%**, its lowest ever and a 49% decrease from fiscal year 1999.

INFLUENZA

We administered approximately **1.7 million flu vaccinations** in outpatient settings within our facilities between Aug. 1, 2015 and March 12, 2016. Additionally, more than 42,000 Veterans have received a flu vaccination through our partnership with Walgreens pharmacy.



WAR RELATED ILLNESS & INJURY STUDY CENTER

Our War Related Illness and Injury Study Center offers several clinical programs for Veterans who have post-deployment concerns. **3,000 Veterans** received some form of clinical service from the center and **10,000 VA health care providers and researchers** attended education activities.



MILLION VETERAN PROGRAM

As the nation's largest genomic biobank, the Million Veteran Program (MVP) has **enrolled more than 500,000 Veteran participants** at more than 50 VA sites. Research using MVP data is already underway, studying a range of medical issues like mental illness and heart and kidney diseases. MVP has rich data on various **health conditions that are common in Veterans**. For example, nearly 32% of Veterans present with a history or current diagnosis of cancer. At the National Cancer Moonshot Summit on June 29, we announced a public-private partnership with IBM Watson Health to help doctors expand and scale access to precision medicine over the next two years for 10,000 American Veterans with cancer.

HADRON THERAPY

The VA Palo Alto Health Care System and Stanford University have announced a collaboration to establish **the nation's first center to deliver hadron therapy to cancer patients**. Hadron therapy — which relies on beams of charged particles like protons, carbon, helium and other ions — **is expected to increase cancer cure rates** because it can treat multiple tumors or those resistant to conventional radiotherapy, while also **limiting adverse side effects**.

TRUST IN VA CARE

We will share our results on the quality and timeliness of how we care for Veterans.

HIGH-COMPLEXITY, HIGH-QUALITY

VA hospitals compare favorably with others when it comes to treating older men with three common conditions — heart attacks, heart failure and pneumonia, according to a study on death rates and readmissions published in the *Journal of the American Medical Association* in February 2016. The study further states that VA is a **well performing network** that delivers high-quality care to some of the sickest patients with the most complex conditions.

MENTAL HEALTH PERFORMANCE

Psychiatric Services, a peer-reviewed journal of the American Psychiatric Association, published a report showing that the quality of mental health care provided by VA is superior to that provided to a comparable population in the private sector.

According to the study, “In every case, VA performance was **superior to that of the private sector by more than 30%**. Compared with individuals in private plans, Veterans with schizophrenia or major depression were more than twice as likely to receive appropriate initial medication treatment, and Veterans with depression were more than twice as likely to receive appropriate long-term treatment.” The study concluded “Findings demonstrate the **significant advantages** that accrue from an organized, nationwide system of care. The **much higher performance of the VA** has important clinical and policy implications.”

EASIER TO APPLY

Veterans applying for health care can now do so on **vets.gov**. Unlike the online 10-10EZ and previous applications, this form does not require special software to open, nor does it need to be printed by the Veteran or VA staff to be processed.



Veterans Service Organizations provide tremendous support to our mission and to our local facilities. At a recent event in Savannah, GA, the American Legion Post 184 participated in the day's ceremonies by presenting a flag to one of the clinic's patients, WWII Veteran Howard Young.

COMMUNITY CARE COORDINATION

Throughout our history, we have partnered with individuals and institutions at the forefront of health care developments. This practice of coming together to identify positive trends and share lessons learned has helped both VHA and industry drive innovation toward more positive health outcomes. Keeping up this tradition of partnership, we welcomed leaders from the health care industry to the **first VA Care Coordination Roundtable** discussion on innovations and trends in care coordination.

Care coordination is key for Veterans as we partner with community providers through a number of programs such as the Veterans Choice Program and partnerships with academic affiliates. Care coordination is the **critical two-way communication** bridge that helps make sure information about the Veteran's care is properly shared between VHA and our community providers.



120 VA medical centers

INTERNAL BENCHMARKING

We developed the **Strategic Analytics for Improvement and Learning Value (SAIL) Model** to measure, evaluate and benchmark **twenty seven quality measures** in areas such as death rate, complications, and patient satisfaction, as well as overall efficiency at our medical centers across the country.

showed **improvement in overall quality** over the past year

This model highlights successful strategies of VA's top performing facilities in order to promote high quality, safety, and value-based health care. Data is updated quarterly and released publicly online.

EXTERNAL BENCHMARKING

We began **publicly posting patient access data online** in June 2014. We continue to post regularly updated patient access data for all VA Medical Centers and Community-Based Outpatient Clinics including average wait times, number of patients waiting for a scheduled appointment and number of patients that cannot be scheduled for an appointment in 90 days or less. Both completed and pending appointment data is available. We provide this access-to-care information to Veterans and the public knowing that transparency and accountability will **help improve care for Veterans** over time.

We have also expanded our data sharing agreement with the Centers for Medicare & Medicaid Services (CMS) through the **Hospital Compare** website which allows Veterans to compare VA to private sector hospitals. The site includes data for quarterly timely and effective care measures, Veteran satisfaction survey results, clinical outcome measures including mortality and readmission rates for selected conditions, behavioral health measures and measures of patient safety. We report publicly on all metrics required of private sector hospitals and health care plans as well as metrics unique to VHA.

OPERATIONAL INTEGRITY AND ACCOUNTABILITY

The Office of Integrity completed **targeted compliance audits** in response to Office of the Inspector General and Government Accountability Office reports to ensure Compliance and Business Integrity (CBI) Officers in facilities across the nation were aware of, and overseeing key risk areas. CBI collaborated with other program offices to conduct specialty coding audits at specific facilities, audits of facilities that engaged in sole-sourced contracting, and outpatient consults. The results of completed audits were shared with facilities along with recommendations for improvement.

We established a **new Internal Audit and Risk Assessment Office**. This office serves as VHA's strategic foundation for internal audit, equipped with the tools, personnel, and authority to provide independent assurance to senior management based on the highest level of independence and objectivity.

The Office of the Medical Inspector conducted **twenty three employee whistleblower investigations** referred to VA by the Office of Special Counsel and closing twelve investigations that commenced in fiscal year 2015/2016.

Patient Safety/Inpatient Quality Indicators	VA Rate	Agency for Healthcare Research & Quality (AHRQ)
Pressure Ulcer Rate (PSI 03)	0.35	0.5
Perioperative Bleeding/Bruising (PSI 08)	5.91	5.11
Postoperative Sepsis (PSI 13)	7.64	9.61
Accidental Puncture or Laceration (PSI 15)	1.29	1.89
Congestive Heart Failure Mortality (IQI 16)	19.2	30.68
Acute Stroke Mortality (IQI 17)	27.5	82.53

STRATEGIC INNOVATION

2018–2024 VA STRATEGIC PLAN

The Veteran Health Administration Office of Policy and Planning (OPP) continues to be an active participant in the **VA Quadrennial Strategic Planning Process** to formulate the 2018-2024 VA Strategic Plan. The Strategic Plan guides the organization in fulfilling its mission of providing high quality, accessible health care to America's Veterans, and is rooted in VHA's Five Priorities for Strategic Action discussed throughout this report.

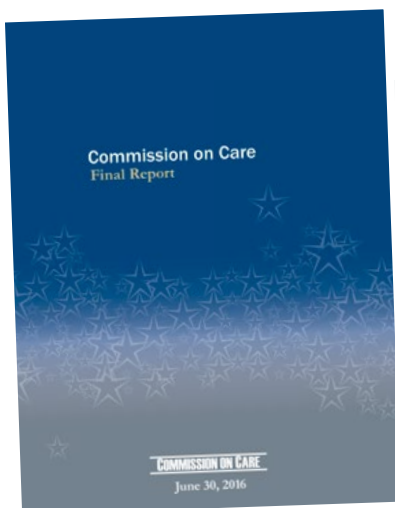
VHA Policy and Planning ensures Veteran health care policies, programs, and resource decisions are **aligned to VA's strategic direction** in providing high quality, accessible health care to our Veterans. Although additional accomplishments are expected in the coming years as we continue to transform the organization to improve the Veteran experience, the Department has made significant strides toward our goals.



VA senior leaders from across the nation together at the 2016 Senior Leadership Business Meeting.

VHA NATIONAL LEADERSHIP COUNCIL

Scheduled for April 2017, the VHA National Leadership Council **Strategic Planning Summit** will provide a venue for senior leaders to agree upon a strategic management approach, organizational roles and responsibilities for transforming VHA. Following the Summit, planning guidance will be developed to **clarify the organization's operational plan** along with roles and responsibilities for aligning location activities to this transformation. This guidance will include milestones for implementing the strategic management approach, which includes goals, objectives, Priorities for Strategic Action and Commission on Care recommendations.



COMMISSION ON CARE

VHA played an integral role in interfacing with the congressionally mandated Commission on Care. This pivotal role allowed the Department the opportunity to outline key transformation efforts that **support 15 of the 18 Commission recommendations.** The VHA Office of Policy and Planning leads tracking VA's progress towards completing requirements in the President's response, including more than **60 commitments** VA has made in concurrence with the Commission on Care recommendations. We are also solidifying the relationship between the Commission on Care recommendations and how implementation will impact VA's removal from the Government Accountability Office's high-risk list.

PRESIDENTIAL TRANSITION

In preparation for changes in the executive branch, OPP participates on the **VA Presidential transition team** to ensure that issue briefs, ongoing initiatives, program and policy challenges are represented in the context of VA strategic imperatives, goals and priorities necessary to improve the health and well-being of Veterans. This effort creates the foundation for a smooth transition for the health care line of business in the Department of Veterans Affairs in the coming year.



SERVICE IMPROVEMENT

96.32%

appointments **within 30 days** of clinically indicated or Veteran's preferred date

84.89%

appointments **within 7 days**

21.44%

same day appointments

WORKFORCE

Throughout our 1,234 health care facilities we employ over **25,000 physicians** and **93,600 nurses** to provide care to Veterans and their families.

We **increased staff by more than 21,750 employees** since the beginning of fiscal year 2015 through 2016. This includes adding more than:

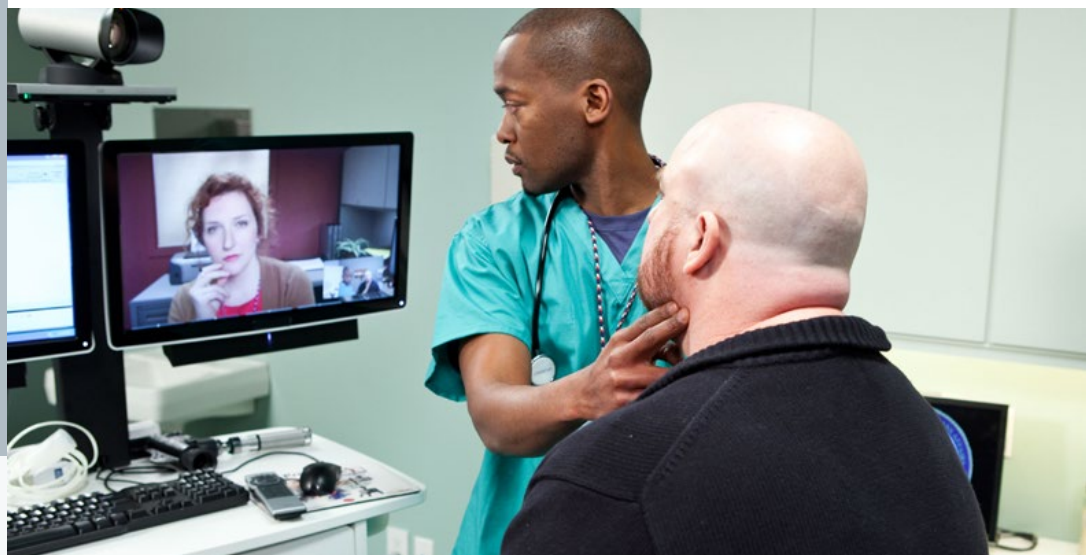
- 7,110 nurses
- 1,943 physicians
- 136 psychiatrists
- 527 psychologists

Our **turnover rate is 9.3%**, which continues to compare favorably to private sector health care turnover rate estimates of 30% as most recently reported by the U.S. Bureau of Labor Statistics.

TELEHEALTH

Telehealth in VA helps ensure Veteran patients get **the right care in the right place at the right time** and aims to make the home the preferred place of care.

VA Telehealth Services use health informatics, disease management and telehealth technologies to target care and case management to improve access to care, improving the health of Veterans.



The value VA derives from telehealth is not in implementing telehealth technologies alone, but how VA uses health informatics, disease management and telehealth technologies to target care and case management, **facilitating access to care** and improving the health of Veterans.

Our Primary Telehealth Offerings:

- TeleMental Health
- TelePrimary Care
- TeleRehabilitation (including speech and audiology)
- TeleRetinal Imaging (for diabetic retinopathy screening)
- TeleICU
- Home Telehealth for chronic conditions (diabetes, COPD, CHF, depression)
- TeleSpecialty Care (dermatology, cardiology, etc)

970

VHA sites provide telehealth, including **140 VA Medical Centers**

12%

of Veterans receiving care in VHA — more than 702,000 Veterans — **received care via Telehealth**

2.17+

million **telehealth visits**

50+

clinical applications in VA

Our commitment

to providing the best possible health care to Veterans is unwavering and is strongly reinforced by the other parts of VHA's mission — research, education and emergency preparedness. Groundbreaking studies by our researchers continuously lead to enhanced care for Veterans and other Americans. Our affiliations with medical schools across the country supports training of more than 120,000 health care professionals each year, and our training programs for clinicians and other employees ensure they have the latest and most advance knowledge and skills. Additionally, our emergency management efforts guarantee the continuity and availability of services to Veterans and others during disasters, contingencies and other events.

VA



**U.S. Department
of Veterans Affairs**

Veterans Health Administration

810 Vermont Avenue, NW
Washington, DC 20420

www.va.gov/health | vets.gov