Department of Veterans Affairs

Blueprint for Excellence

Veterans Health Administration

Intent: The four themes and ten essential strategies contained in the *Blueprint for Excellence* frame a set of activities that simultaneously address improving the performance of VHA healthcare now, developing a positive service culture, transitioning from "sick care" to "health care" in the broadest sense, and developing agile business systems and management processes that are efficient, transparent and accountable.

VA HEALTH CARE | HONORING SERVICE EMPOWERING HEALTH

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I.   Preamble

The mission of the Department of Veterans Affairs (VA) was borne from the immortal words of Abraham Lincoln's second inaugural address. The Veterans Health Administration (VHA) embodies the promise of a grateful nation in the form of the quality health care that Veterans have earned through their service and sacrifices. Although the covenant with Veterans is immutable, health care evolves and so must VHA.

> **VA MISSION**
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> *. . . To care for him who shall have borne the battle, and for his widow and his orphan*

In the late 1990's VHA evolved from a hospital-centric model to become a delivery system, offering exemplary measured performance in a range of care settings. Today, the "triple aim" for better health, better care and better value represents the aspiration of all health systems. In contrast to private sector, in which the payment models limit the ability to address health other than as a derivative of care delivery, the breadth of VA and VHA services offers the ability to address health in the broadest sense of well-being. This means that VHA is ideally positioned for another transformation: VHA can evolve from organization around provider functions to a truly integrated network of services organized around Veteran needs.

Military service presents unique and exceptional occupational health risks. Thus, it follows that Veterans have unique needs. While Veterans at-large are healthier and better off financially than the "average American," Veterans enrolled and using VHA for health services fall into two groups. Roughly two-thirds are over 65 years of age, have higher rates of physical and mental illness, and are poorer than age-matched non-Veterans. Newer to VA are Veterans deployed after 9/11, for whom physical and emotional trauma have been the signature injuries of their service.

All Veterans deserve healthcare that is sensitive to their unique service exposures and health risks. That alone is a compelling reason for a dedicated health system. There is also another compelling rationale: Individuals with multiple health vulnerabilities – like age, poverty, social isolation, physical and mental illness, substance use, and homelessness – fare poorly even with robust "insurance" coverage.

In a sense, Veterans with high levels of service-connected disability are similar to non-Veterans who are dually eligible for both Medicare (by virtue of age or disability) and Medicaid (by virtue of poverty). Sadly, dual-eligible patients experience not only poor functional status and often-tragic health outcomes, but require significantly more resources for care than "average" Medicare patients.[1] The crucial element that is missing for "dual-eligibles" is the one that VA

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[1] Beneficiaries dually eligible for Medicare and Medicaid comprise 21 percent of the Medicare population and require 31 percent of total Medicare costs, and simultaneously comprise 15 percent of the Medicaid population, yet require 39 percent of Medicaid costs. Brown, R. & Mann, D.R., "Best Bets for Recuing Medicare Costs for Dual Eligible

can provide for Veterans: A dedicated team of professionals, tapping into the full breadth of VA benefits, who are committed to weaving support for both care needs and health into a coherent experience of Veteran-centered care that maximizes well-being.

This "Blueprint for Excellence" contemplates what is necessary for the VHA to become the system that Veterans deserve by:
- Improving performance,
- Promoting a positive culture of service,
- Advancing healthcare innovation for Veterans and the country, and
- Increasing operational effectiveness and accountability.

The overwhelming majority of VHA's employees are committed to VA's mission and values. This is not surprising since many are Veterans themselves. That said, it is clear that we need to earn back not only the public trust, but also the trust of Veterans, and to that we rededicate ourselves. However, earning that trust means far more than fixing what's broken, it means embracing change not only in the form of necessary repair, but in the form of a new operating model. It means taking a hard look at how we function now and committing to a model of service that operates around the Veteran's needs, not ours.

> **VA Values**
> - Integrity
> - Commitment
> - Advocacy
> - Respect
> - Excellence

While a dedicated system of health and social services for Veterans remains the core means for meeting Veterans care needs, the *Veterans Access, Choice and Accountability Act of 2014* introduces new possibilities for serving Veterans. The four themes and ten strategies contained in this "Blueprint for Excellence" compel hard questions about how we organize, operate and collaborate to serve Veterans as a model integrated health services network. We must strive for seamlessness externally with the Department of Defense and internally, across all units of VA. And, we must foster new relationships with non-VA care and service providers and national, state and local organizations whose service can benefit Veterans. Most fundamentally, however, we must address how we organize all resources entrusted to us to realize the Triple Aim – better health, care and value – as a system goal and achieving optimal health and well-being as a goal for every Veteran who entrusts us with their life.

II. Purpose

The *Blueprint for Excellence* is offered as a detailed vision for the evolution of health services provided by VHA. As such, it provides guidance for the alignment of resources to transform VHA health services from being provider-centric to being Veteran-centric.

> The greatest danger in times of turbulence is not the turbulence it is to act with yesterday s logic;
> *Peter Drucker*

Beneficiaries: Assessing the Evidence," Washington, DC: Kaiser Family Foundation, October 2012.

The strategies articulated in the *Blueprint for Excellence* intersect directly with annual strategic planning, program development, budget execution and performance reporting. As such, *Blueprint for Excellence* also offers a common framework for action, based on a number of touchstones, including:

- The VA Strategic Plan
- The VHA Strategic Plan
- The VA Health Care Modernization Study
- The Veterans Access, Choice and Accountability Act of 2014

These touchstones are referenced throughout the document, and in the electronic version can be accessed directly as hyperlinks. Certain principles, such as VA Strategic Objectives, remain inviolable.

> **VA Strategic Objectives**
> 1. Empower Veterans to Improve Their Well Being
> 2. Enhance and Develop Trusted Partnerships
> 3. Manage and Improve VA Operations to Deliver Seamless and Integrated Support

Appendix 1 provides a direct crosswalk between the VA Strategic Objectives and the 10 strategies described herein.

Other touchstones are especially notable. The Office of Management and Budget directed VA to conduct a *Modernization Study* that identified ways to improve Veteran health and wellbeing, Veteran satisfaction, and the cost-effectiveness of services. Recommendations resulting from that study, completed in 2014, are referenced and included throughout this document.

Of course, enactment of the *Veterans Access, Choice and Accountability Act of 2014* (VACAA) introduces requirements for the most significant structural changes for Veterans' health care, since VA became a Cabinet-level Department in 1989. The vision, themes and strategies for change outlined in this document are fully aligned with the provisions of this law, which are also referenced, where appropriate.

Through the actions that the *Blueprint for Excellence* envisions, we aspire to live up to the aspirations of our VHA Mission.

> **VHA Mission**
> Honor !m erica's Veterans by providing exceptional health care that improves their health and well being.

III.   The Veterans We Serve

The VA enrollee population has significantly greater morbidity (or disease burden) than the general population in the United States, even after accounting for the age and gender mix. Morbidity varies significantly by the Veteran's statutory priority level for VHA healthcare. Not surprisingly, morbidity determines both the quantity of health services needed, as well as the

cost of providing that care. For example, the morbidity of Priority 4 (catastrophically disabled) Veteran enrollees results in inpatient care costs that are – regardless of setting – two to five times that of the general U.S. population, even after accounting for the demographic differences in the populations. The figure below shows the relative morbidity of enrollees compared to the morbidity of the general population by statutory priority level for several traditional categories of health care services. In the figure, 100% reflects the cost of health care based on the morbidity of the general U.S. population.

Source: VA Enrollee Health Care Projection Model, Base Year 2013 Report

IV.   Four Themes for the Ten Essential Strategies

The four themes and ten essential strategies contained in the *Blueprint for Excellence* frame a set of activities that simultaneously address improving the performance of VHA healthcare now, developing a positive service culture, transitioning from "sick care" to "health care" in the broadest sense, and developing agile business systems and management processes that are efficient, transparent and accountable.

Each of the ten strategies is introduced by an exposition of the rationale in a section referred to as the *Imperative*. Specific *Transformative Actions* are then noted. As the model for Veterans' care will be evolving in the broader context of evolving science, health services, Federal policy, technology, and culture, a section describing *Other Considerations* exists to acknowledge areas where emerging possibilities or challenges may need to be considered to support the intent of the strategy. Finally, to provide transparent crosswalks to the references noted, such as the VA Strategic Plan and VACAA, a *References/Linkages* section is provided.

1. Improve Performance

The first theme of this Blueprint is about improving the current delivery system. As is clear from the overview of the enrolled Veteran population, highly service-disabled Veterans fare better with a system dedicated to coherently meeting their care needs. Thus, the delivery system must not only excel in specialty expertise related to Veterans' unique military occupational health exposures, but also be facile in treating the broader array of mainstream health needs. The system must also have sufficient geographic presence to provide health services unique to the Veteran experience and sufficient volume to excel in general health services.

Veterans deserve care that compares favorably to the best of private sector. Standard metrics (such as the "CMS Core Measures") should be used to assess the performance of VHA's general health services, patient experience, and access to care. Outcomes in these domains should be assessed against resources utilized to demonstrate increasing value over time.

Within the context of the current delivery system, VHA must actively seek to improve not only the care, but the health and well-being of individuals. In the aggregate, VHA must seek to improve the health of the broader population of Veterans overall, as well as cohorts of Veterans with similar military service and non-service related risks (e.g., PTSD and diabetes). VHA is fortunate to have a long-standing electronic health record, offering the possibility of generating "big data" related to care and health. Advanced analytics should be used predictively to identify and intervene on risks, improving the outcomes for individuals, cohorts, and the overall population of Veterans enrolled for care within VA.

2. Promote a Positive Culture of Service

There is, perhaps, no agency of the Federal government with a more noble mission than the Department of Veterans Affairs. However, recent shortcomings of VHA performance highlight the importance of reconnecting leadership and staff to both the VA mission and the expressed values of the organization, as a basis for cultural transformation.

> **V! Secretary's Perspective on Mission & Values**
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> As Secretary Robert A. McDonald said in his inaugural address to all VA staff: *No organization can succeed without values to match its mission. Our mission, as the Department of Veterans Affairs, is to care for those who shall have borne the battle' and for their families and survivors. Our core values focus our minds on our mission of caring and thereby guide our actions toward service to others. These values Integrity, Commitment, Advocacy, Respect, and Excellence define our culture and strengthen our dedication to those we serve. Our commitment to serving Veterans must be unquestioned. Veterans must know that we are all in' when it comes to accomplishing our mission and living by our values.*

A healthy mission and values-based culture provides guidance for decision-making in the absence of rules and is permissive in terms of taking personal ownership for problems.

Individual performance in such an environment is not characterized by minimal expectations, but is inspired to the highest possible levels of performance and conduct. In addition to creating a positive and "Veterans-first" culture of service in VA, this theme seeks to improve Veteran services by building an environment of continuous learning, facilitated by responsible risk-taking and balanced by personal integrity and constructive, sustainable accountability.

3. Advance Health Care Innovation for Veterans and the Country

In the late 1990's, VHA transformed from a portfolio of hospitals to a delivery system. This allowed Veterans to receive care in the most appropriate VHA healthcare setting and, to some degree, in the home and community. In the United States, health services are transforming rapidly, as well, moving not only from hospital to clinic, but from the clinic to retail settings and from the patient's home to the patient himself or herself, with the use of smart-phone apps, sensor devices (e.g., asthma monitors to Fit-Bits®) and patient-generated health data. By seizing the opportunity for continuing transformation, VHA has the opportunity to be at the forefront of serving Veterans with personalized, pro-active and patient driven care.

Outside of the military health system, no other entity has the mandate to advance the understanding of the consequences of military exposures on the health of Veterans. Similarly, no other organization's mission charges them with translating that understanding into state-of-the-art care that helps Veterans not only manage illness, but achieve their highest level of health and well-being. Almost by definition, a mandate of this sort cannot begin and end at the doors of entry and exit of the hospital or clinic: The concept requires continuity of service – and information – that seamlessly integrates with academic affiliates, non-governmental organizations (especially, Veteran Service Organizations), Federal, state and community-based partners.

The *Veterans Access, Choice and Accountability Act of 2014* (*VACAA*) introduces new opportunities to envision a truly integrated health services network that transcends the physical limits of VHA facilities to support Veterans within their VHA "medical home," but provide safe, timely, efficient and coordinated services outside of VHA, too. By definition, no other entity has greater understanding or skill in matters related uniquely to Veteran health. However, when capacity restricts timely access, when beneficial technologies are only available in non-VHA settings, when geography presents an unacceptable barrier, or when the highest level-of-excellence is not available within VHA, VACAA presents the opportunity for a new paradigm: VHA must transform from an incomplete delivery system to a completely integrated health services network.

As an integrated health services network, VHA's service goal must modernize from providing the best care in VHA settings to assuring the highest possible level of health and well-being for both the individual Veteran and the enrolled population, regardless of setting and circumstance. As such, program development, budgeting, and performance accountability

supporting continuing innovation must also evolve to assure the successful transformation required by VA's mission and to again be a model of the best in healthcare for the nation.

4. Increase Operational Effectiveness and Accountability

Serving Veterans proficiently requires improvement of VA and VHA management and business processes. Bottlenecks in meeting human resources needs, in procurement of goods and services, and in modernization and deployment of information technology must be addressed to assure operational effectiveness as both a delivery system today and an integrated health services network tomorrow. VA and VHA must develop an operating model in which decisions to create core shared services are predicated on expectations (supported by service-level agreements) for improved performance of internal operations as a means for helping VHA serve Veterans more effectively and efficiently.

Agile and effective operations require careful consideration of whether Veterans' needs are best served by insourcing or outsourcing selected functions. For example, efficient administration of the "insurance" functions of an integrated health service network may be a competency that VHA can develop, but is a core competency of "third party administrators." Given the substantial resources with which VA and VHA are entrusted, our commitment must be performance that benchmarks favorably for service and efficiency with private sector.

The major decisions that VHA and VA make daily on behalf of all Veterans, as well as the important decisions made in providing care and service to any individual Veteran, must be made in an honest, transparent and accountable manner. In situations other that don't involve protected health information, VHA and VA must adopt proactive communication – internally and externally – as the rule, not the exception. This includes sharing clinical and operating performance data.

To assure that clinical and business processes are beyond reproach, VHA must reintroduce the Office of the Medical Inspector (OMI) as an "internal audit" function, providing unbiased, timely and routine review of critical data and control points (such as clinical and operations performance measures). These and other activities of OMI, such as for cause reviews, should be assessed annually by external audit to also assure integrity that is beyond reproach. The ultimate goal is not inspection: It is continuous improvement of clinical and operating performance to provide Veterans not only with the best possible services, but to earn and maintain the trust of the public, stewards of the system (including Congress and Veteran Service Organizations), and most importantly, Veterans themselves.

V.   Ten Essential Strategies

THEME 1: Improve Performance

1. Strategy One: Operate a health care network that anticipates and meets the unique needs of enrolled Veterans, in general, and the service disabled and most vulnerable Veterans, in particular.

1.1. Imperative

VHA must provide timely, high-quality health services for all enrolled Veterans. We have a particular obligation to those Veterans who have service-connected disability, lower income, special needs, or other vulnerabilities. Highly service-disabled Veterans fare better with a system dedicated to coherently meeting their care needs. Without substantial coordination, most private sector healthcare providers are ill-equipped to meet the special needs of spinal-cord injured veterans, veterans with sensory loss, veterans with poly-trauma, and veterans with serious mental illness (almost always with significant, chronic physical illness), let alone coordinate services between inpatient, outpatient, rehabilitative and home care environments.

The VHA delivery system must, therefore, excel in specialty expertise related to Veterans' unique military occupational health exposures, and it must be adept in treating Veterans' broader health needs. To meet these requirements, the system must have sufficient geographic presence to provide health services unique to the Veteran experience and sufficient volume to excel in general health services.

Our vision is to improve the quality of care for Veterans with complex medical conditions through an evolving approach to personalized, proactive and patient-centered care outlined in Strategy 6. Similarly, as outlined in Theme 3 we envision evolving from a delivery system that can never offer inexhaustible capacity, every necessary technology, and essential geographic proximity into a world-class integrated health service network that has an exceptional delivery system at its core.

Toward anticipating the needs of highly service-connected and other Veterans, VA and VHA planning must be based on actuarial models. Consideration must be given to where VA assets exist, whether they are serving the actuarial demand or require modification based on changing needs (i.e., fewer beds, more outpatient capacity), their state of repair or obsolescence, and their relationship to other resources in the community that might be accessed through new VACAA authorities. For example, the authority to provide care through agreements with Medicare providers and Federally Qualified Health Centers extends VA's health network without having to make capital investments. Additional information relating to partnerships is provided under Strategy 8.

1.2. Transformational Actions

a. **Enhance Coordination-of-Care and the use of Patient-Aligned Care Teams (PACT) for Veterans with the Most Complex Care-Needs:** High-risk patients, especially those who also have mental health or social challenges, will receive higher levels of contact (which may include more telephone calls or care of chronic conditions at home through the use of medical monitoring devices). Enhanced coordination may also include expanded social work and links to community resources. (See Strategy 8) Use of the patient centered medical home, practiced in VHA through the Patient Aligned Care Team (PACT) will continue building a model of care that is personalized, proactive and informed by predicative analytics, and patient-driven.

b. **Responsible Reinvestment in Infrastructure:** Capital and operating investment in the VHA's core delivery capabilities is necessary, as is flexibility to continue transition of VHA's physical infrastructure, from inpatient to outpatient, obsolete to contemporary, and provider-centric to patient-centric. In turn, VA and VHA will need to execute acquisition strategies that augment direct asset operation and ownership with community capacity (see Strategy 6) and leasing (see Strategy 10) to provide the flexibility to meet Veteran service needs with agility and efficiency.

c. **Plan and Design Health Care Delivery Based on Veteran Demographics, Preferences and Care Needs and an Evolving Health Care Delivery Model**: VA will improve the efficiency and flexibility of VA's care delivery as an integrated health services network by encompassing an increasing array of approaches (partnerships, virtual care, other non-capital, and capital solutions) that are used for delivering services to Veterans. To do this, VA will improve its understanding of care delivery gaps by performing recurring comprehensive assessments of the existing care delivery networks and their ability to support anticipated care needs. Once these gaps are known, VA will fill them by providing a more comprehensive set of care delivery proposals, to include non-standard options (e.g., virtual care, partnerships with non-VA providers, etc.), and leveraging the discipline of new Capital Asset Management Planning (CAMP) processes.

d. **Develop or Acquire Competencies Necessary for Effective and Efficient Operation as an Integrated Health Services Network:** Coordinating care with non-VHA providers, as authorized by VACAA, necessitates administrative functions consistent with the competencies of a health plan. VA and VHA must assess whether this competency can be developed and scaled internally or whether it is better outsourced. Criteria for decision-making should include overall cost of operations, capacity to engage non-VHA providers in all necessary geographic locations, and capacity to ensure timely completion of both clinical and administrative functions (e.g., providing medical information back to VHA, scheduling appropriate follow-up with VHA, and providing timely billing and payment for non-VHA services). (See Strategy 8)

1.3. Other Considerations

Replacing substandard or historic facilities that are obsolete, costly to maintain, and incompatible with contemporary care models is politically challenging. Congressional, Veteran

Service Organization, stakeholder and public support for modernization of VHA's core delivery capability is essential.

Similarly, resource allocation must follow Veteran need for maximal utility. Modeling need must balance both the number of Veterans in a geographic area with the mechanisms to assure that their care is the best possible. The "volume-outcomes relationship" predicts difficulty in having "centers-of-excellence" without critical volume, so hub-and-spoke approaches offer the best means to balance access with safety and quality.

Finally, Federal and other health services are evolving simultaneously. How VHA and Veterans may benefit from increased interaction with the Department of Defense (DOD), Indian Health Service (IHS), and Federally Qualified Health Centers (FQHC) is unknown. In addition to potential co-locations, such as the James A. Lovell Federal Health Care Center, other models, such as an inter-Departmental mental health or substance abuse service may offer novel and effective models that provide greater depth-of-resources, including geographic reach, critical mass, and expertise.

1.4. References/Linkages

a. VA Strategic Goal 2: Enhance and Develop Trusted Partnerships
b. VA Strategic Objective 2.2: Enhance VA's Partnerships with Federal, State, Private Sector, Academic Affiliates, Veteran Service Organizations and Non-Profit Organizations
c. VHA Strategic Objective 1g: Collaboration: VHA will strengthen collaborations within communities, and with organizations such as the Department of Defense (DoD), the Department of Health and Human Services (HHS), academic affiliates, and other service organizations.
d. VA Modernization Study Recommendation: Enhance Coordination of Care for Veterans with the Most Complex Medical Conditions
e. VA Modernization Study Recommendation: Plan and Design Health Care Delivery Systems Based on Evolving Veteran Demographics and Health Care Delivery Modalities
f. Sec. 101 of VACAA: Expanded availability of hospital care and medical services for Veterans through the use of agreements with non-VA entities.

2. Strategy Two: Deliver high quality, Veteran-centered care that compares favorably to the best of private sector in measured outcomes, value, access, and patient experience.

2.1. Imperative

Veterans deserve a health system that operates at its highest potential effectiveness and, as individuals, the opportunity to experience the best possible outcomes of care. The "Triple Aim" – better health, care and value –

offers a laudable system goal, while achieving optimal health and well-being serves as the goal for every Veteran who entrusts us with their life. Between the aspirations for the overall system and for individual Veterans exists the requirement for operationalizing assessment of the care provided.

The Institute of Medicine (IOM) "Six Aims for High Performance Healthcare provide a framework for assessing care quality, improving performance, and conducting clinical performance measurement. IOM describes that high-performance healthcare as:

- **Safe**: Avoiding harm to patients from the care that is intended to help them.
- **Effective**: Providing services based on scientific knowledge to all who could benefit and refraining from providing services to those not likely to benefit (avoiding underuse and misuse, respectively).
- **Patient-centered**: Providing care that is respectful of and responsive to individual patient preferences, needs, and values and ensuring that patient values guide all clinical decisions.
- **Timely**: Reducing waits and sometimes harmful delays for both those who receive and those who give care.
- **Efficient**: Avoiding waste, including waste of equipment, supplies, ideas, and energy.
- **Equitable**: Providing care that does not vary in quality because of personal characteristics such as gender, ethnicity, geographic location, and socioeconomic status.

The IOM domains of quality provide a framework for developing a focused set of performance measures. Aligning measures within this framework with those specifically used by the U.S. Department of Health and Human Services (HHS) Center for Medicare and Medicaid Services (CMS) will allow comparison of VA performance to private sector performance at the network, VISN, facility and individual patient level.

2.2. Transformational Actions

a. **VH! will aspire to the "Triple ! im" (Better Health, Care, and Value), and Focus Performance Measurement on Strategic Outcomes:**
   o VHA will measure and improve the _health_ outcomes and functional status of the overall enrolled population and uniquely vulnerable cohorts.
   o VHA services will orient to achieving the highest levels of population health and function, including reducing health disparities. (See Strategy 3)

b. **To advance _care_, VHA will use the six aims for high-performance healthcare as set forth by Institute of Medicine (IOM) as a framework for clinical performance improvement and measurement for comparison with non-VA care. Within this framework, VHA will:**
   o Adopt and publish CMS Performance Measures online for immediate comparison of VHA enterprise, VISN, facility and practitioner performance with private sector, including:

- Core Measures for Value-Based Purchasing
- Safety Measures of Hospital/Healthcare-Acquired Conditions
- Physician Quality Reporting System (PQRS) measures of ambulatory care performance
- Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) patient experience survey

c. **Advance the Experience of Care by Introducing a System for Immediate Veteran Feedback:** Using new technologies (including smartphone "Apps"), VHA will systematically gather individual Veteran feedback during and after the delivery of care. VA will use this feedback to rapidly identify and address patient concerns, safety issues, anticipate and personalize health care for the Veteran during the encounter, ensure that care instructions are clear, inform care planning, improvement, and the implementation of new services

d. **Assure the IOM Aim of Timeliness by providing Veterans Access to primary and specialty care services, other VA services, health information, and virtual (computerized) support as appropriate to their clinical circumstance and personal wishes**.
   o **VA will commission the Institute of Medicine (IOM) to identify clinically appropriate parameters to serve as guidelines for and publically-reported measures of timely access to VHA care services.**
   o **VHA will implement guidelines for access and timeliness, predicated on the findings of the commissioned IOM study.**

e. **To advance _value_, VHA should further employ LEAN management practices to improve Veteran services:** VHA must focus on combating non-productive waste, such as production defects, overproduction, waiting, non-utilized talent, excess motion, and extra processing. (See Strategy 10) Supported by their senior managers and leaders, front-line workers through mid-level management staff should be recruited to identify improvement opportunities in their work areas and (See Strategy 5). Local innovation and improvement provides a basis for organizational learning and potential systemic improvement.

f. **To advance _value_, VHA will measure and support efficient clinical processes using industry-standard models of physician and staff productivity (calibrated to the unique characteristics, morbidities, and service requirements of the enrolled Veteran population):** A LEAN approach will provide insight for optimizing clinical workflow that, in turn, can allow clinicians to work at their highest levels of competence. Attention must be given to utilizing the full potential of each clinical workday, by assuring timely starts to clinic sessions, supporting physician practices with adequate non-physician staff for team-based and efficient care, and removing non-value added administrative burden.

g. **The VHA Leadership Performance Contract Will be Simplified to Reflect the Strategic Priorities and Key Measures of Veteran Care: The** revised VHA Leadership Performance Contract should include three key sections related to: 1) Progress in realizing the

strategic goals of the *Blueprint for Excellence*, 2) Results, described through key clinical and operational performance metrics, and 3) Leadership competencies and integrity, consistent with the Office of Personnel Management (OPM) leadership criteria. The "Strategic Goals" and "Results" sections can be rated as to percent successful, however, "Leadership and Integrity" should be rated as a dichotomous variable (pass/fail), with failure constituting a disqualification for successful evaluation on "Strategy" and "Results." (See Strategy 9)

h. **Conduct a Comprehensive Evaluation of VHA Health Care:** Consistent with the requirements of Section 201 of VACAA, VA will establish and support a "Commission on Care" to conduct a comprehensive evaluation of health care at VA, including reaction and recommendations related to this "Blueprint for Excellence," assessment of best practices in the private sector, and recommendations for strategic reorganization VHA to develop and operate an evolving and state-of-the-art Integrated Health Service Network.

i. **Perform a Comprehensive Annual Environmental Scan to Inform Veteran Service Planning:** As part of strategic planning and budgeting, and to avoid organizational insularity, VHA should augment broadly available environmental scans of changes in health care practice and management (such as that done by the American Hospital Association) with review of how secular changes may affect and apply to improving Veteran health services.

2.3. References/Linkages

a. VA Strategic Goal 1: Empower Veterans to Improve Their Well-Being
b. VA Strategic Objective 1.1: Improve Veteran Wellness and Economic Security
c. VA Strategic Objective 1.2: Increase Customer Satisfaction through Improvements in Benefits and Services Delivery Policies, Procedures, and Interfaces
d. VHA Strategic Objective 1d. Access to Information & Resources: Veterans will have convenient access to information about VA health benefits, their medical records, health information, expert advice, and the ongoing support needed to make informed health decisions and successfully implement their personal health plans.
e. VHA Strategic Objective 1e. Quality & Equity: Veterans will receive timely, high quality, personalized, safe effective and equitable health care, irrespective of geography, gender, race, age, culture or sexual orientation.
f. VHA Strategic Objective 3h. Leadership: VHA will achieve a highly effective, innovative, data-driven, evidence-based, continuously improving, and reliable health care system. By 2017, the system will be nationally recognized as a leader for population health improvement strategies, personalized care, and maximizing health outcomes in a cost-effective and sustainable manner.
g. VA Modernization Study Recommendation: Build a System of Immediate Veteran Feedback
h. Sec. 201 of VACAA: Independent assessment of the health care delivery systems and management processes of the VA.

i. Sec. 202 of VACAA: Commission on Care

j. Sec. 206 of VACAA: Improved transparency concerning health care provided by VA

3. Strategy Three: Leverage information technologies, analytics, and models of health care delivery to optimize individual and population health outcomes.

3.1. Imperative

VHA's long history of use of electronic health records offers a rich set of digitized health information that constitutes "big data." Using "advanced analytics," VHA can leverage its electronic health record and the data it provides as the basis for understanding the relationship between health services (treatment options, pharmaceuticals, use of devices), social interventions, resource utilization, health-related behaviors and an array of health outcomes (function, mortality, and patient-reported outcomes).

Through increased interoperability with DoD, electronic health records documenting military health exposures can not only provide insight into a particular Veteran's later health outcomes and care needs, but late health outcomes can be used as an epidemiological tool to better understand and mitigate the health risks of military service. "Data science" can help elucidate not only suspected relationships among variables, but also identify non-intuitive relationships between interventions and outcomes, providing unprecedented insight and potential for optimizing individual and population health outcomes. Whether for illness unique to the Veteran experience or endemic in contemporary society (e.g., heart disease), the ultimate goal is to turn the clock back from intervention for advanced disease and use predictive modeling to prevent potentially avoidable deterioration of health status.
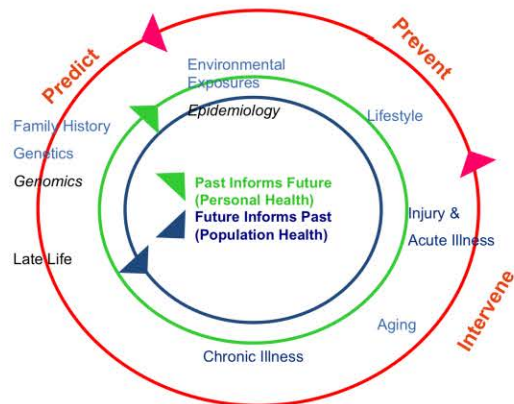
Improving the health of populations is a central objective of an effective health system. While clinical medicine typically focuses on addressing the current needs of individual patients, the focus of population health is distinct from traditional "quality of care" and "performance measurement" and addresses meaningful outcomes (e.g., mortality and function) as influenced by:

- Health *determinants* (e.g., medical care, social and physical environment, individual behaviors, genetics);
- The *interaction* or "patterns" of determinants over time; and
- *Policies* and *interventions* that affect health outcomes and health determinants.

Current trends, including those promoted by the *Affordable Care Act* (ACA), represent a major effort to realign the organization of health delivery systems toward integration of care that can enhance the health of defined populations in a "patient-centric" way.

Addressing population health requires an intimate understanding of the distinct groups comprising the larger population including their socio-demographic, clinical and functional characteristics, as well as their health risks and preferences and trends over time, to anticipate their future needs and those of patients who may enter the health system.

Because patient-reported outcomes are rarely measured, it is unknown whether the perceived health and well-being of patients has changed. This is not surprising because, as depicted in Figure 2, contributions to overall health from medical care are modest in relation to other determinants.[2] Efforts to improve population health must align with interventions to address the most important contributors to poor health outcomes. The population health perspective acknowledges that unhealthy behaviors are closely intertwined with environmental and socioeconomic conditions and that preventing or ameliorating conditions related to these factors requires engagement of individuals in their community, not just within the scope of the healthcare delivery system.
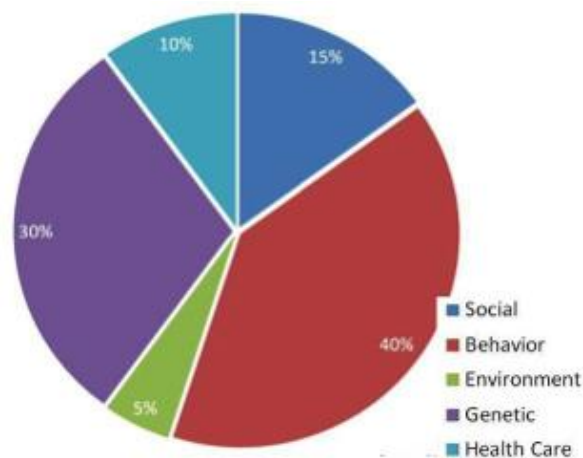
VA is charged by statute to address both the medical and non-medical determinants of health among a highly deserving, defined population. In addition to providing outstanding healthcare services, VA also has an equally important mission to provide social support in the form of disability payments, pensions, educational benefits, loans, housing support, transportation benefits, vocational rehabilitation and a variety of other programs for Veterans. VA has initiated innovative programs to reduce homelessness, prevent suicide, and reduce health disparities. To empower Veteran health and wellbeing, VA must eliminate jurisdictional barriers among its Administrations and programs and coordinate benefits and services for Veterans in an integrated, easily accessible and user-friendly manner. In this manner, VA is better positioned than any other care system to address the health arm of the "Triple Aim."

VA places specific emphasis on equitable care and health equity, which it defines as attainment of the highest level of health for all people. To achieve health equity for Veterans, VA will continue to identify and address health disparities. These disparities adversely affect groups of people who have systematically experienced greater social and/or economic obstacles to health. Health disparities can exist based on multiple factors including race, ethnicity, gender,

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[2] McGinnis, JM and Foege WH, "Actual Causes of Death in the United States," *JAMA* 1993;270(18):2207-12.

Figure 2. Determinants of Population Health

Legend:
- Social — 15%
- Behavior — 40%
- Environment — 5%
- Genetic — 30%
- Health Care — 10%

age, geographic location, religion, socio-economic status, era of military service, sexual orientation, disability (physical, mental, cognitive, sensory), and other characteristics historically linked to discrimination or exclusion. VA seeks to achieve health equity across all of these factors.

In contrast to any other health system in the United States, VHA has the unparalleled opportunity to provide a model of care that uses big data and advanced analytics predictively to optimize individual care, personal health, and well-being, while simultaneously improving the health status of the enrolled Veteran population.

3.2. Transformational Actions

a. **Implement a Population Health Program**: VA-specific strategic targets to maximize the health of Veterans consistent with US Healthy People 2020 must be developed. Based on the burden of disease or risk, cost/benefit and feasibility analysis, interventions must be prioritized. Addressing health and well-being necessitates collaboration among VHA, VBA, selected VA program offices, and other VA innovation and research programs to provide local, regional and national solutions.

   o **VH! should participate in the Commonwealth Fund "Chart Book of Countries" to compare the health status of enrolled Veterans with the national health status of countries around the world (including the U.S.) with the goal of improving both Veteran health and the function of the VHA health system.**

   o **Understand and Eliminate Health Inequities:** VA will identify and address health and health care inequities in vulnerable sub-populations of Veterans. VA will establish common definitions and measures of disparities and inequities, and seek to resolve them through approaches benefitting the overall Veteran population.

b. **Refresh Electronic Health Record System to Support Patient-Centric, Team-based, Quality-driven healthcare**: Continued development of the VistA Evolution program is required to ensure delivery of new service capabilities that VHA's continuing transformation to an Integrated Health Services Network.

   o **Expand the Range of Data Covered in Electronic Health Record (EHR) and Personal Health Record (PHR) Systems:** Addressing social, behavioral, environmental and genetic determinants of health requires expansion of EHR and PHR systems. These data must be a useful part of patient and clinician workflow and demonstrate relationship to health, well-being, life goals and modification by specific interventions. Systems should increasingly include capability for recording patient-reported outcomes and data from consumer and professional health monitoring devices.

   o **Providing Patient-Centric Support:** Requires specifically tailoring healthcare information resources for patient and providers to support the activities and goals that are most important to the Veteran and calibrated to his or her health status and individual preferences. Treating the patient as a full member of the care team through robust communication tools in the patient and provider

workflows increases the patient's engagement in his or her healthcare and the provider's understanding of the patient. Dynamically managing encounters with patients includes proactively escalating or de-escalating the nature and intensity of services for better clinical outcomes and more efficient resource utilization.

- o **Team-based Support**: Requires implementing a single, shared care plan that links activities to goals among the health care team members. Implementing task-based communications in clinician workflows reduces dilatory "information-only" messages and focuses team and patient interactions on the specific activities and goals that contribute to patient-directed and positive health outcomes. Evolving systems must support dynamic identification and management of groups of patients with shared characteristics or needs.

- o **Supporting High Performance**: Care plans must specifically link people and resources to work effective across time and location to achieve care goals. Activity management enables quality to be measured in terms of patient-tailored goals. Improving the user experience facilitates recruitment and retention of the most qualified healthcare workers

c. **Enhance Interoperability of Health Information with DoD and Private Sector:** Interoperable health information with DoD is essential for Veterans to have a lifetime electronic record. Interoperability with private sector is essential for Veterans to have care that is informed and integrated with non-VHA providers. Using standards promulgated by the HHS Office of the National Coordinator for Health Information Technology, not only supports DoD and non-VHA continuity of information and care, but also supports information exchange across VHA sites, enhances compatibility with off-the-shelf (OTS) technologies that VA may acquire, and augments the forward compatibility of current system development.

d. **Enhance Clinical Decision Support using Analytical Systems and Predictive Analytics:** Proactively identify *individual* patients at risk for undesirable outcomes such as death, hospitalization, or preventable medical complications and identify specific interventions that are most likely to reduce risk. Build tools for use at the point of care to dynamically identify and manage specific *groups* of patients to receive group or individual interventions that improve health outcomes and improve efficiency.

e. **Expand Virtual Medical Modalities to Enhance High-Performance, Patient-centered Care for Rural, Homebound, or Otherwise Isolated Veterans**: Expanding virtual medical modalities (such as telehealth, e-Consult, secure messaging, and the MyHealtheVet patient portal) offers Veterans new service options. Developing and launching new mobile applications will improve access and help Veterans take a more active role in the management of their health and well-being.

3.3. Other Considerations

The VA Office of Information Technology will be essential in providing VHA necessary service-levels for developing, commissioning or otherwise acquiring the essential technologies for operation as a state-of-the-art integrated health services network. A clear and coherent

strategy for Health Information Technology, integrating short, medium and long term objectives is required, so that nearer-term fixes offer not only immediate value in problem-solving, but also serve as pieces of a coherently defined end-state architecture. Only with such a strategy in place can rational and effective Health IT investment decisions be made.

Requirements generation needs to be based on thorough understanding of end-user needs, and acquisition and implementation of information technologies needs to occur with benchmark agility and efficiency. (See Strategy 10) Reconsideration of delineation of decision-making and resource allocation is essential and may even require Congressional action.

Virtual care offers the opportunity for timely and convenient access, especially as an adjunct to in-person encounters. Going forward, assessment of provider productivity will need to encompass participation in virtual care. VHA's scheduling system will also need to accommodate the capacity for managing virtual care encounters.

3.4. References/Linkages

a. VA Strategic Objective 1.2: Increase Customer Satisfaction through Improvements in Benefits and Services Delivery Policies, Procedures, and Interfaces
b. VA Strategic Goal 3: Manage and Improve VA Operations to Deliver Seamless and Integrated Support
c. VA Strategic Objective 3.2: Evolve VA Information Technology Capabilities to Meet Emerging Customer Service / Empowerment Expectations of Both VA Customers and Employees
d. VHA Strategic Objective 3f. IT Investments: Information technology investments will be prioritized and made timely to support personalized, proactive health care improvements in a highly responsive manner
e. VA Modernization Study Recommendation: Expand Virtual Medical Modalities to Enhance Access and Satisfaction
f. Sec. 204 of VACAA: Improvement of access of Veterans to mobile Vet centers and mobile medical centers of VA
g. Sec. 203 of VACAA: Technology task force on review of scheduling system and software of the VA.

THEME 2: PROMOTE A POSITIVE CULTURE OF SERVICE

4. Strategy   our: Grow an organizational culture, rooted in VA's core values and mission, that prioritizes the Veteran first; engaging and inspiring employees to their highest possible level of performance and conduct.

4.1. Imperative

Organizational culture is a set of values, expectations, formal and informal practices, and behaviors that define the unique corporate environment. Culture is deeply ingrained in the fabric of organizational life; it determines how the organization conducts its business, treats its employees, evaluates its leaders, serves its customers, and handles productivity and performance.
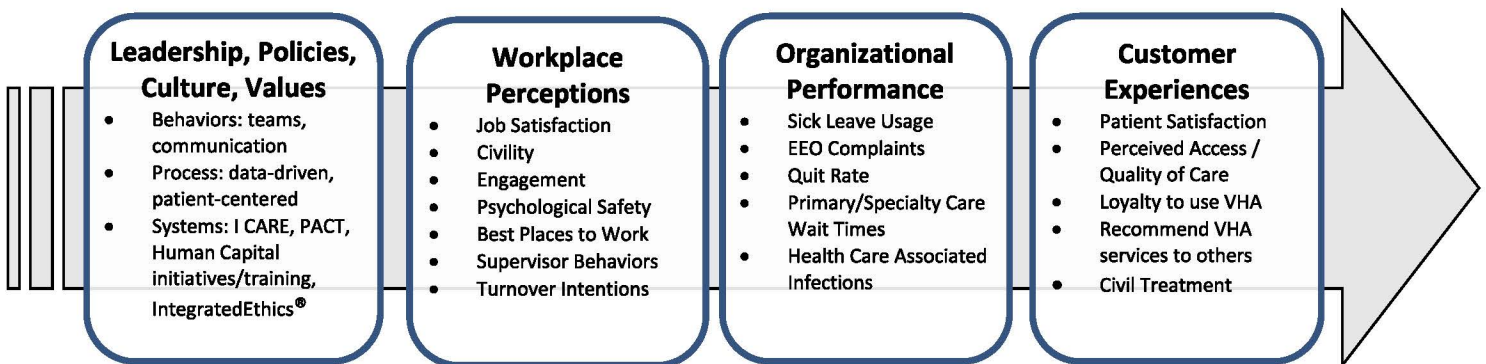
> **We are dealing with Veterans, not procedures; with their problems, not ours;**
> *Gen. Omar Bradley*

VA's culture has been described as too closed and inflexible. Although the majority of VHA employees are committed to serving America's Veterans, there are times when our behavior falls short of our values and expectations, and the culture we have is not the culture we want. We have significant leadership and management challenges that we must fix. Thus, we are committed to a culture that honors our mission, our values, and most importantly, the Veterans that we are privileged to serve. In short, Veterans' needs must always come first.

Given the wisdom of the adage that "culture eats strategy for lunch," to transform the agency, it will be critical to address VA culture in the coming months and years. No matter how well-conceived the strategy, how competent the employees, or how efficient the business processes, if culture is compromised, the organization's mission suffers.

In a healthy, mission-oriented culture, all levels of employees know the right thing to do, even in the absence of policies, procedures, or specific instructions. A healthy culture ensures that employees can emulate the behavior of leaders and, in doing so, be guided by the organization's mission and values.

The relationship of culture to positive Veteran outcomes can be seen in the organizational health chain below: Aspiring to the Triple Aim for the system and achieving safety, timely, effective, equitable, efficient and patient-centered care for Veterans requires strong employee performance and productivity. This can only occur through an engaged team. Employee engagement and satisfaction are best predicted by three foundational factors: Leadership, policies, and culture. Leadership, leadership development, and culture must be addressed to ensure the foundation for necessary improvements to be made and sustained.

Leadership, Policies, Culture, Values	Workplace Perceptions	Organizational Performance	Customer Experiences
• Behaviors: teams, communication • Process: data-driven, patient-centered • Systems: I CARE, PACT, Human Capital initiatives/training, IntegratedEthics®	• Job Satisfaction • Civility • Engagement • Psychological Safety • Best Places to Work • Supervisor Behaviors • Turnover Intentions	• Sick Leave Usage • EEO Complaints • Quit Rate • Primary/Specialty Care Wait Times • Health Care Associated Infections	• Patient Satisfaction • Perceived Access / Quality of Care • Loyalty to use VHA • Recommend VHA services to others • Civil Treatment

4.2. Transformational Actions

a. **Provide Ethical Leadership by Example:** A healthy culture derives from the behaviors of its leaders. Leaders must model selfless service toward Veterans and staff, embracing the concept of servant leadership. VA leaders must demonstrate open communication, respect for employee input, and sustainable accountability. Successful ethical leadership requires specifically demonstrating and supporting the effective integration of strong ethics practices into personal behaviors and organizational culture. This can be demonstrated by communicating expectations for ethical practice, ethical decision-making, and supporting local ethics programs.

b. **Commit to VA ICARE Values and Align Personal Behaviors**: All employees are encouraged to personally reflect upon and publicly renew their commitment to ICARE values, aligning personal goals and behaviors with organizational goals and desired outcomes. While formal performance plans should appropriately align organizational performance elements within the employee's sphere of influence, VHA must also foster an engaged and activated workforce by understanding the informal compact employees have with the organization and Veterans. That informal compact is based on often unspoken beliefs, perceptions, and expectations about how employees will be treated, rewarded, and promoted. We must create an environment that inculcates a deeply internalized belief that Veterans' needs are our first priority. Leadership must engage with employees to help translate that understanding into the behaviors that matter most and are most effective in contributing to the overall wellbeing of Veterans.

c. **Develop and Recruit Leaders**: Restructure, renew and adequately resource the leadership development programs within VA and VHA to create an industry-leading, value-based leadership pipeline. Recruit "rising stars" from within VA into VHA leadership development, with the notion that non-VHA personnel bring insights into other VA components that can help support the broader goal of Veteran health and well-being. Hire for "fit" with VA Core Values, by recruiting aspiring and established leaders with experience in government agencies, private sector and military service to complement and enrich VHA management and leadership skills.

d. **Align Employee Performance Plans with VA Strategy and Desired Outcomes**: Improve the performance management system so that performance plans for all VHA employees are aligned with VA and VHA Strategic Goals and objectives and performance plans of the medical center/network directors are based on quality of care and health outcomes for Veterans.

4.3. Other Considerations

VHA has many noteworthy areas of strength that will assist with the difficult process of culture change. Three that stand out include a competent and dedicated workforce, a noble mission, and employees' personal connections with the mission. These resources will be critical in helping VHA benefit from opportunities. However, it should be noted that culture change is a long-term process. While many other action items in this document may be completed within several months, deep and permanent culture change will take several years.

VA's noble mission attracts many clinicians, administrators, and staff. However, compensation for certain clinical disciplines (e.g., physicians, especially in specialty medicine, advanced practice nurses, and doctorally-prepared pharmacists) and for senior administrators lags – in some instances, substantially – compared to private sector. This not only hinders recruitment and retention, but also impairs assuring that top-talent is universally available within VHA.

4.4. References/Linkages

a. VA Strategic Objective 3.1: Make VA a Place People Want to Serve
b. VA Strategic Goal 3: Manage and Improve VA Operations to Deliver Seamless and Integrated Support
c. VHA Strategic Objective 2a. Expectations: VHA performance expectations will be aligned to the VHA strategic goals.
d. VHA Strategic Objective 2b. Incentives: Incentives will be in place for individual, team and organizational performance and results consistent with VHA strategic goals and objectives.
e. Message from Secretary McDonald requesting recommitment of VA staff to ICARE values of Integrity, Compassion, Advocacy, Respect, and Integrity [insert link here]
f. Sec. 205 of VACAA: Improved performance metrics for health care provided by VA
g. Sec. 707 of VACAA: Removal of senior executives of the VA for performance or misconduct

5. Strategy Five: Foster an environment of continuous learning, responsible risk-taking, and personal accountability.

5.1. Imperative

Continuous learning improves organizational effectiveness. It allows those individuals closest to the point-of-service to seek better ways of serving Veteran needs or meeting internal organizational requirements. The actions of team leader, supervisors, and managers determine how well teams build skills, review work processes, and shape goals to improve organizational effectiveness. Their actions also shape organizational culture, affecting the engagement of employees, the capacity to recruit and retain high-performers, and the culture-of-safety essential to the high-reliability that healthcare demands and Veterans deserve.

Psychological safety facilitates learning behavior because it alleviates excessive concern about others' reactions to ideas or suggestions for needed changes or organizational improvement. It is critical that suggesting positive changes or expressing reasonable concerns be heard and thanked, not stifled or punished. Leaders who value input from employees help ensure those voices are heard and form the foundation for a learning organization. Providing both opportunities and psychological safety for all employees to raise issues and concerns provides

the most direct and constructive pathway to continuous learning and organizational improvement.

Leaders – at all levels of the organization – need to embrace problem-solving, like owners of a business, looking constantly for ways of improving all dimensions of organizational performance. Responsible risk-taking means leading change at a rate demanded by circumstance, but parsing change activities into small enough units that failure is not catastrophic. Responsible risk-taking also requires the psychological safety to challenge the *status quo* and try new approaches, just as it requires the good judgment and integrity expected of responsible leaders.

> VA will become an organization where employees are comfortable raising issues and concerns. Only then, can we truly thrive and innovate. . . Sustainable accountability means ensuring all employees understand how their daily work every single day supports our mission of caring for veterans. They have to know how their daily work ties back to our values, the ICARE values. Sustainable accountability requires we do a better job of training our leaders, flattening our hierarchical culture, and encouraging innovation and collaboration from the bottom.
>
> *VA Secretary Bob McDonald*

The psychological safety that underpins learning must be paired with the sustainable accountability required by our mission, our values, and the trust of Veterans, stewards of the system (including Congress and Veteran Service Organizations) and the public. Only when both psychological safety and accountability are high can an organization truly thrive and innovate. Responsible risk-taking and personal accountability are two sides of the same coin. No organization can be successful over time without innovation, which requires the opportunity to try new ideas and "room to fail." At the same time, every VA employee must be accountable for putting the Veteran first, as a matter of mission, personal integrity and honoring the public trust. (See Strategy 9)

5.2. Transformational Actions

a. **Provide a Psychologically Safe Environment for Employees**: Embrace a just culture by providing employees with a psychologically safe environment that recognizes that humans will make errors in good faith, but also holds employees accountable for their behaviors.

b. **Commit to Continuous Learning for Development of Skills and Culture of Service**: In addition to supporting continuous development of clinical, technical and professional skills to assure the highest levels of competency, continuous learning must indoctrinate mission, values, and service expectations as part of the normative culture, regardless of organizational role and level of responsibility.

c. **Improve the Training of Front-line Supervisors and Managers**: Teach and mentor front-line supervisors and managers on skills such as providing feedback, holding employees accountable, gathering employee input, communicating expectations clearly,

and cultivating an environment where employees feel safe to report errors and discuss problems.

d. **Learn from Adverse Events**: Interpret adverse events – and close calls – as potential learning opportunities or signals that may possibly be extrapolated as systemic problems and develop a mechanism to follow up on those signals.

e. **Ensure Leadership Participation in Developing Sustainable Accountability**: Embrace sustainable accountability by ensuring all leaders understand and act on their responsibilities for setting clear and reasonable expectations, providing adequate resources and authority, delegating decision-making as appropriate, and holding themselves and others accountable for their behavior and outcomes.

f. **Reduce Hiring Barriers:** The Leading Access Scheduling Initiative (LASI) workgroup focusing on human resource concerns identified multiple barriers to hiring and retaining outstanding employees. These recommendations involve such areas as student loan repayment, the credentialing process, the pay system, hiring timeframes, and non-monetary incentives. Exploring and implementing these reforms will form a more solid foundation for the learning organization.

5.3. Other Considerations

Developing a learning organization will take time. It is essentially another form of culture change and thus will likely take several years to become truly inculcated into the culture. Promoting responsible risk-taking is absolutely critical to innovation, yet can be difficult in the bureaucratic structures that often define government and health care. It will require special attention from all internal and external stakeholders to ensure VHA continues to innovate.

The current pipeline of management talent for VHA leadership roles is inadequate. Reinvestment in leadership development is essential to create career paths for individuals who have demonstrated commitment to VA's mission and show promise for additional leadership responsibility. Beyond retaining talent, recruitment of new talent is essential for a healthy organization and culture, as it complements the deep institutional knowledge of VA career employees with perspectives on operations, leadership and learning gained in other settings. This is also true for clinical leadership and line roles. VHA's particular opportunity to attract Veterans as new employees should be valued, not only in terms of consistency with mission and, frequently, demonstrated capability under extreme duress, but as emissaries of and evangelists for a culture of Veteran-centered service. Unique opportunities to employ medical corps, after separation from military service, in clinical support roles and facilitate continuing education as nurses, physicians assistants, or highly-skilled technologists offers VHA continuing refreshment of its largest workforce and, simultaneously, demonstrates commitment to the well-being of Veterans.

5.4. References/Linkages

a. VA Strategic Objective 1.2: Increase Customer Satisfaction through Improvements in Benefits and Services Delivery Policies, Procedures, and Interfaces
b. VA Strategic Goal 3: Manage and Improve VA Operations to Deliver Seamless and Integrated Support
c. VA Strategic Objective 3.1: Make VA a Place People Want to Serve
d. VHA Strategic Objective 1f. Innovation & Improvement: VHA will drive an improvement culture by advancing innovation trials, emerging health technologies, and experimentation, through exploration of both constructive failures and dynamic successes, adopting practices that improve care while minimizing and managing acceptable risk.
e. VHA Leading Access & Scheduling Initiative (LASI) Report on Hiring Barriers.
f. VHA Strategic Objective 2b. Incentives. Incentives will be in place for individual, team and organizational performance and results consistent with VHA strategic goals and objectives.

THEME 3: ADVANCE HEALTHCARE INNOVATION FOR VETERANS AND THE COUNTRY

6. Strategy Six: Advance health care that is personalized, proactive, and patient-driven, and engages and inspires Veterans to their highest possible level of health and well-being.

6.1. Imperative

While the IOM Six Aims frame concepts for greater reliability and accountability in care delivery, the same report also envisions evolution from a "sick care" to "health care" model. No other health system is better positioned than VHA to realize a more contemporary approach to health services in which care is offered through continuous healing relationships (not episodic interactions) and customized according to patient needs, values, and personal desire for control.

This concept, inherently consistent with VA's first strategic goal "to empower Veterans to improve their well-being," also suggests the need for greater coordination of all services offered by the Department of Veterans Affairs, including provision of Veterans' benefits and memorialization, but also with other governmental Veterans' programs (e.g., housing), as possible. This concept also embraces the balance between individual independence and self-determination (i.e., "patient-driven") and a system that seeks to anticipate needs in the manner that the individual Veteran might desire (i.e., proactive and personalized).

A *personalized* approach requires dynamic customization of self-care and professional health and social service strategies in a manner that is specifically relevant to the individual, and based upon factors such as their medical conditions, their genome, their lifestyle, needs, values and

circumstances. As described in Strategy 3, this is most effective by using information technologies, including advanced analytics, predictive modeling and patient-facing "apps."

Proactivity implies strategies that strengthen the person's innate capacity for health and healing, such as more holistic, "mind-body" approaches, including nutrition, exercise and healthy behaviors related to tobacco, alcohol, prescription medications and other substances.

Being *patient-driven* is, perhaps, the most critical of the three attributes of this new model of healthcare. Motivation for health and engagement in care is fundamentally rooted in and driven by that which matters most in person's life, and the best possible outcome is alignment of an individual's health care with their day-to-day – and longer-term – life goals. Together, with Veterans Service Organizations and other advocates, VA can inspire motivation for health and engagement in care to help Veterans become increasingly "mission-ready" for their lives.

6.2. Transformational Actions

a. **Expand Implementation of Personalized, Proactive Patient Driven Care as an Evolutionary goal of the Patient-Aligned Care Team (PACT) Program and for all VHA Health Services**: Use the existing and expanding PACT infrastructure as a platform to develop, demonstrate, test and deliver a new model of healthcare that is personalized, proactive, and patient-driven, and engages and inspires Veterans to their highest possible level of health and well-being. Adopt the philosophy that the Veteran is the "Captain of the Team" and that healthcare professionals are some of the invited players.

b. **Engage VA Health Services Research and Development (HSR&D) in Program Design and Evaluation:** Toward accelerating successful design and implementation, VA HSR&D will provide rapid literature review and evidence-assessment for program leaders. HSR&D will provide ongoing assessment of program function and results including Veteran motivation for health, health behaviors, engagement in care, and health outcomes, with an objective of critically evaluating progress, providing necessary improvements in program design and implementation, and offering a national model for enlightened and progressive care in the formal, academic literature.

c. **Implement Mobile Applications**: The Connected Health Office should implement technologies that allow Veterans to easily access their health data from the EHR to use in applications that improve Veteran engagement in their own healthcare and decision-making. Custom health notifications as well as new apps that individualize developing and achieving personal health goals can be offered using game-like models to enhance participation and activation. The Connected Health Office should also aggressively pursue the development and implementation of capability for Mobile Video Visits to increase provider productivity and save Veterans travel time. As above, HSR&D should be engaged in program design and review.

d. **Implement Personalized Health Plans:** VA will lead the nation in advancing a model that maximizes function and well-being by assisting each Veteran in developing a personalized health care experience through the use of personalized health plans (PHP),

based on the Veteran's personal life-priorities and goals for their health. The PHP should be considered a living document, reflecting the Veteran's values, priorities, health goals and challenges at every stage of life. It includes a current medical treatment plan, as well as proactive self-care strategies. It should inform which VA and community services may be beneficial, and identify how the Veteran prefers to engage with those resources. It also includes a plan for social and financial stability, as necessary to the Veteran's health and well-being. VA providers will use PHPs to direct care that maximizes the Veteran's health and well-being.

e. **Leverage Community Resources**: Establish and enhance community relationships with entities, such as Veteran Service Organizations, that can coordinate peer-to-peer support, affect social determinants of health, and help organize family and other community support programs to fully integrate the Veteran's health, economic, employment, educational, housing and community-based social-support network.

6.3. Other Considerations

With passage of the ACA in 2010, Veterans have many more choices in where and how they receive their healthcare. In addition to needing to "earn Veterans' business," our mission and mandate to support healthcare in the technical sense, as well as health and well-being more broadly, offers tremendous opportunity. We must design and implement an approach to health and healthcare that not only diagnoses and manages disease, but has as its goal the highest possible level of health and well-being for individuals, and consequently for the population. Two things are clear: 1) this is unachievable without engaging and inspiring the individual in this vision for his or her own health and life, and 2) the current medical model is not designed to achieve this. To succeed we must be willing to rethink the fundamental construct of health care, and advance this new approach to healthcare for our Veterans, and for the country. Given the new authorities provided by VACAA in 2014, it is incumbent on VA to understand the circumstances, care preferences, and health goals of each Veteran served, in terms of coordinating care with the community. Going forward, for some Veterans, VA's mandate extends from being the "medical home" to being the center of the Veteran's "health neighborhood," coordinating care and services within an expanded community of non-VA care, social service providers and health services and support. (See Strategy 8)

Maximizing wellbeing also requires a new level of seamlessness across VA services, whether health, benefits or memorialization. It requires VHA leaders and staff to actively support VBA responsibilities, such as timely Compensation & Pension exams and, reciprocally, for VBA to help VHA address Veteran wellbeing as a matter of health. In turn, these aspirations require new operating approaches and commitment to shared culture of Veteran-centered service.

6.4. References/Linkages

a. VA Strategic Goal 1: Empower Veterans to Improve Their Well-being
b. VA Strategic Objective 1.1: Improve Veteran Wellness and Economic Security

    c.   VA Strategic Objective 2.3: Amplify Awareness of Services and Benefits to Veterans through improved Communications and Outreach

    d.   VHA Strategic Objective 1a. VA Health Care Delivery: VA health care partners with each Veteran to create a personalized, proactive strategy to optimize health and well-being, while providing state-of-the-art disease management.

    e.   VHA Strategic Objective 1b. Communication: VHA will effectively communicate the VA model and strategy for delivering personalized, proactive, patient-driven health care to employees, Veterans, key partners and stakeholders, and will prepare our workforce to deliver this type of care.

    f.   VHA Strategic Objective 1c. Awareness & Understanding: The VA model of personalized, proactive, patient-driven health care, which is delivered across the continuum from prevention through tertiary care and end of life, will be clearly defined and commonly understood as evidenced by survey results.

    g.   VA Modernization Study Recommendation: Provide Personalized, Proactive, Patient-Driven Whole Person Care

    h.   Health Futures Group: A growing partnership of HHS, VA, DoD, and OPM leaders calling for transformation "from Healthcare to Health," as part of a national health and wellbeing strategy recognizing health as a national imperative and national security issue.

7. Strategy Seven: Lead the nation in research and treatment of military service-related conditions.

7.1. Imperative

Among all health systems, VHA has the foremost intrinsic interest in conducting research for understanding the health outcomes of military occupational exposures, generally improving Veteran health and well-being, and developing novel treatment of health issues that are unique to Veterans. Moreover, VHA and DoD are the only entities that are positioned to effectively collect data regarding late health outcomes that can be used epidemiologically to understand and mitigate risk in military service and combat exposures.

VA Research and Development plays a key role in advancing the health and care of Veterans, engaging patients and family's altruistic desires to improve health for fellow Veterans and others. The VHA care network of primary, specialty, and other care settings provides an unparalleled foundation for clinical research, and it helps attract clinician-scientists who are committed to both excellent healthcare and advancing knowledge. Robust clinical and health services research supports VHA's efforts to be a learning health system. Additionally, VHA provides an optimal environment for rapid integration of research findings into clinical practice.

Over the next two to three years, VA's research priorities will center on ensuring continued care for Veterans throughout their lifespan, with an emphasis on providing lead-edge care for

conditions related to military service, such as post-traumatic stress disorder (PTSD), traumatic brain injury (TBI), and limb loss.

VA research programs will continue to support and inform health care that is increasingly preventative and rehabilitative, addresses disparities, is oriented to health and well-being, proactive, personalized, and patient-driven, evidence-based, and continuously improving. To accomplish this, VA researchers will leverage innovative approaches and emerging technologies in genomics and molecular medicine, information science and analytics, robotics, among other areas. VA will foster dynamic collaborations both within VHA and with external partners, such as DoD, the National Institutes of Health, academic affiliates and community partners.

7.2. Transformational Actions

a. **Inform Veterans, Stewards of the System, and the Public about VA Research**: Every research proposal will have a clear statement of how it will benefit Veterans and, as applicable, society more broadly. These summaries will be posted on the VA website and made accessible to Veterans, stewards of the system, and the public.

b. **Advance Knowledge on Improving Individual and Population Health:** Consistent with Transformational Actions 6a and 6b, VA Health Services Research and Development will accelerated understanding and successful implementation of care that is personalized, proactive and patient-driven. It will also work to accelerate understanding and improvement of the population health of enrolled Veterans. This work will serve as a resource for VHA's continuing transformation, and provide insight into health-driven models of care for the nation.

c. **Share Intramural Research Opportunities between VA, HHS, DoD, and NIH:** Through research partnerships with other agencies, VA will accelerate its ability to treat Veteran-specific issues and conditions. VA will research evidence-based diagnoses, treatments, and rehabilitation methods for Veterans and their families in the areas of physical, mental, social and occupational health. In accordance with the President's Research Action Plan, VA will continue as a leading member of two research consortia focused on TBI and PTSD. Over the next few years, the findings from these coordinated research teams, particularly in the areas of biomarkers and advanced brain imaging, are expected to fuel new advances in PTSD and TBI care.

d. **Implement V! 's Million Veteran Program (MVP):** Advancing personalized, patient-driven medicine through genomics is a major priority for MVP, a groundbreaking initiative that seeks to collect genetic samples and general health information from one million Veterans. Veterans are being enrolled at nearly 50 sites and the MVP is on track to establish one of the world's largest and most significant databases of genomic and health information. Studies using MVP data will provide important insights on military-related conditions such as PTSD and Gulf War Veterans' illnesses, as well as common chronic diseases such as cancer, hypertension, and diabetes.

e. **Improve Electronic Communications with Veterans:** A robust health services research program will continue to improve the way VA delivers health care and

expand the methods through which Veterans can access that care. Levering the Internet, texting, videoconferencing, and emerging communications technologies will play a major role in this effort. In particular, VA's eHealth Quality Enhancement Research Initiative will identify how to enhance and increase the use of secure messaging and other Veteran-facing technologies.

f. **Use Engineering and Technology to Improve the Lives of Veterans with Disabilities:** Ongoing and planned work includes advancing prosthetic systems that replace lost limbs as well as techniques for activating residual or paralyzed nerves, muscles, and limbs. Further pioneering work involves improving brain-computer interfaces, which promise to transform rehabilitative care over the next decade by linking an individual's brain waves to computerized and robotic assistive devices. One such system that VA is developing is BrainGate, which will help Veterans and others with spinal cord injury, brainstem stroke, amyotrophic lateral sclerosis, or other conditions resulting in paralysis. The technology is being tested as a control system for prosthetic arms, with the goal being to allow intuitive, near-natural control.

g. **Advance Innovations in Women Veterans' Health Care:** VA studies will continue to address the health care needs of *all* Veterans, regardless of geography, gender, race, age, culture, or sexual orientation, and promote quality and equity throughout the VA system of care. One major focus will be the growing population of women Veterans that will be studied through the VA Women's Health Research Network. This innovative network is building research capacity to address women's health during and after deployment, reproductive health, primary care, and prevention. The overall goal is to develop, test, implement, and disseminate effective innovations to improve care and health outcomes.

h. **Rapidly Translate Research Findings and Evidence-Based Treatments into Clinical Practice:** VA will ensure that its studies target the most pressing needs of Veterans and the VA health care system, and promote rapid translation of findings into clinical practice. VA's Centers of Innovation facilitate collaboration across multidisciplinary research teams while engaging VA's clinical and operations partners, who will use the results of research findings.

i. **Conduct Veteran-Focused Comparative Effectiveness Research:** Understanding which treatments are best – safest, most effective, efficient and well-tolerated by patients – is a United States priority for VA care, in particular. VA will continue to address critical questions, completing the VA Cooperative Studies Program #591, which compares two evidence-based psychotherapeutic approaches for PTSD, cognitive processing therapy and prolonged exposure therapy.

j. **Enhance VA Care with Research on Complementary and Alternative Medicine:** Empowering Veterans to improve their own well-being is one of the driving strategies behind VA research into complementary and alternative medicine. A new partnership with the National Center for Complementary and Alternative Medicine will provide $23.5 million over five years for 13 studies targeting pain and related problems in active duty personnel and Veterans, and their families. Other newly funded VA studies will examine the effectiveness of mindfulness-based therapies for PTSD, suicidality, and cardiovascular disease in Veterans.

k. **Enhance VA Research with Health Informatics:** Health informatics and "big data" will drive a significant portion of VA research in the coming years. One flagship initiative has been the [Veterans Informatics and Computing Infrastructure](#) (VINCI) project, which improves researchers' access to VA data and provides a high-performance computing environment, while ensuring Veterans' privacy and data security. Using VINCI and other resources, VA researchers are now making inroads in the use of natural language processing—the technology that underlies Google and other search engines—to extract and interpret free-text data from electronic health records (EHR). This work underpins next generation research and healthcare.

7.3. Other Considerations

Continuing development of VHA's Electronic Health Record (including end-user applications, the underlying architecture, and technologies related to big data and advanced analytics) is essential to realizing the goals for next generation research and care. For example, pilot research in using the EHR for greater patient safety through automated surveillance for improved diagnosis and treatment of five common cancers in primary care suggests not only a promising theme for additional research, but if proven beneficial, would also require scaling for deployment into clinical practice.

While the research agenda should be driven by the highest priorities in caring for Veterans, it is worthwhile contemplating how VA-developed intellectual property might be more proactively commercialized to provide revenue back into the research and care mission.

7.4. References/Linkages

a. VA Strategic Goal 2: Enhance and Develop Trusted Partnerships
b. VA Strategic Objective 2.1: Enhance VA's Partnership with DoD
c. VA Strategic Objective 2.2: Enhance VA's Partnerships with Federal, State, Private Sector, Academic Affiliates, Veteran Service Organizations and Non-Profit Organizations
d. VHA Strategic Objective 1f. Innovation & Improvement: VHA will drive an improvement culture by advancing innovation trials, emerging health technologies, and experimentation, through exploration of both constructive failures and dynamic successes, adopting practices that improve care while minimizing and managing acceptable risk.
e. Presidential Executive Order – Improving Access to Mental Health Services for Veterans, Service Members, and Military Families, August 31, 2012
f. VA Modernization Study Recommendation: Share Intramural Research Opportunities between VA, HHS, and DoD

8. Strategy Eight: Become a model integrated health services network through innovative academic, intergovernmental and community relationships, information exchange, and public-private partnerships

8.1. Imperative

While resolving challenges in accessing care, the broader opportunity exists for VA and VHA to better support Veterans' needs and preferences through an innovative model of integrated health services that aspires not only to excellent "sick care," but to improving the health and well-being of both the Veteran population and individual Veterans. To achieve this, VHA must develop and manage a broad network of formal health care service providers and, also, cultivate relationships with other types of service providers across the communities in which Veterans reside.

VHA's integrated health services network for timely and accessible care should be built around VHA resources as the core and encompass non-VHA providers, as necessary. Planning should be conducted based on gap analysis of where there are geographic challenges for accessing care, expectations for timeliness that cannot be met by VHA providers, or evidence-based, therapeutic technologies that are not reasonably available to Veterans. Planning should also be based on projected Veteran demographics, understanding of Veterans' extensive use of other coverage and care providers currently, and projections of how new authorities provided under VACAA that are likely to further shift Veteran reliance on core VHA services.

In addition to traditional and often co-located academic affiliates and the Tricare networks available through the Patient-Centered Community Care (PC3) program, the integrated health services network of the future will include other academic medical centers, community hospitals and health systems, Federally Qualified Health Centers (FQHC), accountable care organizations (ACO), and Federal health partners, such as the Indian Health Service and DoD. As noted in the Transformative Actions section of Strategy 1, VHA will have to develop or acquire competencies necessary for effective and efficient operation of health plan-like administrative functions and integration of clinical services across multiple care providers. This competency is so essential in terms of assuring Veterans geographic proximity to non-VHA providers through a robust network, timely access to care, and availability of clinical technologies not reasonably accessible in VHA settings, that the Transformative Action is repeated below.

VHA must build on its history of using existing affiliations with health professions training programs to expand health care services to Veterans. The Association of American Medical Colleges (AAMC) surveyed its membership of 141 U.S. medical schools and nearly 400 teaching hospitals and found that the majority have clinical capacity to provide care for additional Veteran patients.

Evolving from a "sick care" model to integrated support for health requires VHA to embrace a broader concept of support for Veteran's needs. Building from the more traditional

relationships with State Veterans Homes and state Departments of Veterans Affairs, VHA will need to explore how Veteran Service and other civic, service and community organizations can assist Veteran health and well-being, especially in terms of supporting secure living arrangements, healthy lifestyles, and crisis management.

The concept of care must continue to expand, both in terms of more sophisticated roles played by advanced practice nurses and other non-physician providers, and trained community care-givers. Interoperable electronic health information is critical not only in filling information gaps, but is essential for coordinating care. Home-based, wearable technologies, and smart phone-based mobile apps can change care from being episodic to continuous, and from responding to crisis to preventing it.

8.2.   Transformational Actions

a. **Coordinate VA Care with Non-VA Providers:** Veterans will have easy access to health care that is timely and convenient through the integration and coordination of care with non-VA providers. Opportunities exist for three types of care integration: 1) integration of health information systems, 2) integration of care processes, and 3) coordination of health insurance coverage. The integration of care will ensure that VA and non-VA providers can leverage existing resources, improve patient outcomes, and avoid duplication of services to patients. Important components of this transformational action include:
     - Expanding the availability of health care services through agreements with Federally-Qualified Health Centers and other Medicare providers.
     - Enhancing collaboration with Indian Health Service (IHS) to increase care for Veterans through existing Memorandum of Understanding.
     - Enhancing collaboration with DoD treatment facilities and Native Hawaiian health care systems to expand delivery sites.
     - Extending pilot programs of enhanced contract care authority for one year.
     - Increasing the number of academic affiliates that provide care to Veterans.

b. **Explore Innovations with Federal, State, and Other Agencies:** VA will participate with Federal and state agencies, health profession schools, professional associations, and other non-governmental associations to explore innovations in health care and clinical practices. These collaborations will advance Veterans' and the nation's health outcomes.

c. **Increase the Number of Medical Residencies and Clinical Training Opportunities within VHA:** To expand the cadre of providers familiar with the care of Veterans, VHA will increase the number of graduate medical education residency positions at VHA medical facilities up to 1,500 positions over 5 years. The expansion of medical residencies will also improve VA's capacity to care for more Veterans in a timely manner. Similarly, increasing relationship with nursing schools and other health professions training programs simultaneously provides opportunity to augment the clinical team available to

Veterans and to recruit into VHA, but also enhances relationships with non-VHA care providers.

d. **Collaborate Authentically with State and Community-based Organizations that Serve Veterans:** VA is authorized to support service to a Veteran's immediate family, as an extension of care deemed essential to that Veteran. VA will provide Veteran-focused, community-based organizations with information and training to help identify what Veterans – and their families – need and connect them to appropriate services. VA will listen closely to both Veterans and community-based organizations, encouraging ongoing input and involvement to continually improve the health and well-being of Veterans.

e. **Implement most Promising Practices and Partnerships to Improve Well-being for the Rural Veteran population.** VA has identified the necessity of elevating the unique needs facing rural Veterans in accessing appropriate health care and other supports for improved wellness. In concert with new access provided through the Veterans Choice Act, VHA will support more closely coordinated and integrated health care, including leveraging the health workforce across disciplines and geography, new technology and transportation solutions, and non-VA partners at the national, state and local level. Existing solutions will be brought to scale, based on demonstration of impact clinically, financially and on patient and provider satisfaction. Regional variations and specific rural market requirements will be explored and better understood as context for the most appropriate, expedient and effective pathways for increasing access to high quality, comprehensive, Veteran-driven care delivered closer to home.

f. **Encourage More Effective Integration of Care with Community Partners through Data Sharing:** Based on capacity for greater information interoperability as described in Strategy 3, payment for non-VA care should incentivize bidirectional information sharing to assure fully informed health services. VHA must provide timely and relevant clinical information to non-VHA providers, and non-VHA providers must provide clinical necessary detail of care back to VHA. Ideally, and as technology allows, these data are both human-readable, as well as machine readable, using prevalent Continuity of Care Document (CCD) specifications, as established by HL-7 and the HHS Office of the National Coordinator for Health Information Technology. In transition, non-VHA providers should provide information that can be easily scanned into the VHA EHR or consumed as a PDF.

g. **Develop or Acquire Competencies Necessary for Effective and Efficient Operation as an Integrated Health Services Network:** Coordinating care with non-VHA providers, as authorized by VACAA, necessitates administrative functions consistent with the competencies of a health plan. VA and VHA must assess whether this competency can be developed and scaled internally or whether it is better outsourced. Criteria for decision-making should include overall cost of operations, capacity to engage non-VHA providers in all necessary geographic locations, and capacity to ensure timely completion of both clinical and administrative functions (e.g., providing medical information back to VHA, scheduling appropriate follow-up with VHA, and providing timely billing and payment for non-VHA services). Providing a Veteran's health

information in an electronic form that can be incorporated into VistA constitutes a transitional step, en route to interoperability between VHA and non-VHA providers.

8.3. Other Considerations

The 90-day implementation of the health plan-like administrative functions required by VACAA, as originally enacted, and envisioned for the VA integrated health services network of the future would be challenging for a major, established health plan, third party administrator (TPA) or Medicare Fiscal Intermediary (FI). Core competencies are only partially developed in VHA, and they are not centralized as a shared-service. Consideration as to whether this should be cultivated as a full core competency of VHA or whether the core competency is management of one or more relationships with established TPAs (or FI) should be given. Decision criteria would include cost of operation and performance expectations in terms of establishing a broad provider network, authorizing and scheduling care services, assuring the quality and timeliness of services, repatriating both Veterans and their health information, and processing bills, adjudicating claims and reimbursing providers for services. Additional criteria may include whether this is inherently governmental work and whether the managerial attention required enhances delivery of services to Veterans or distracts from mission intent.

This strategy has the capacity to improve the quality of health care through better coordination of services and sharing of medical records between VA and non-VA providers. Some insight into the future is garnered from observing how the ACA is increasing the prevalence of dual VA/non-VA health care eligibility and use and is instructive about the potential for fragmentation of care.[3] The negative consequences of fragmented care include duplication of testing, uncoordinated prescribing, redundant services, conflicting care plans, and unnecessary expense. Interoperable electronic health information and policy requirements for timely provision of health information to and from non-VA providers is essential, as demonstrated by the recent RAND study.[4] Finally, a critical challenge will be finding mechanisms to assert Veteran "voice" and self-determination into non-VA providers to the greatest extent possible, as is an inherent value and aspiration for care within VHA.

8.4. References/Linkages

   a. VA Strategic Goal 2: Enhance and Develop Trusted Partnerships
   b. VA Strategic Objective 2.1: Enhance VA's Partnership with DoD

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[3] Lewin Group, *Sensitivity Analysis of the Impact of ACA on VHA Enrollment and Cost* (July 2012). See also: Robert S. Rudin et al., "Care Transitions as Opportunities for Clinicians to Use Data Exchange Services: How Often Do They Occur?", *Journal of American Informatics Medical Association*, vol. 18, no. 6 (Nov-Dec 2011), p. 853-8. Peter C. Smith et al., "Missing Clinical Information During Primary Care Visits, *JAMA*, vol. 293, no. 5 (February 2005), p565-71.

[4] RAND, "Emerging and Evidence-Based Practices to Inform Modernization of the Veterans Health Administration," (April 2014).

    c.   VA Strategic Objective 2.2: Enhance VA's Partnerships with Federal, State, Private Sector, Academic Affiliates, Veteran Service Organizations and Non-Profit Organization

    d.   VHA Strategic Objective 1g. Collaboration: VHA will strengthen collaborations within communities, and with organizations such as DoD, HHS, academic affiliates, and other service organizations.

    e.   Sec. 101 of VACAA: Expanded availability of hospital care and medical services for Veterans through the use of agreements with non-VA entities.

    f.   Sec. 102 of VACAA: Enhancement of collaboration between VA and IHS.

    g.   Sec. 103 of VACAA: Enhancement of collaboration between VA and Native Hawaiian health care systems.

    h.   Sec. 104 of VACAA: Reauthorization and modification of pilot program of enhanced contract care authority for health care needs of Veterans.

    i.   VA Modernization Study Recommendation: Coordinate VA Care with Non-VA Providers

THEME 4: Increase Operational Effectiveness and Accountability

9.   Strategy Nine: Operate and communicate with integrity, transparency and accountability that earns and maintains the trust of Veterans, stewards of the system (Congress, Veterans Service Organizations) and the public.

9.1.   Imperative

The mission of the Department of Veterans Affairs constitutes nothing less than a covenant between – paraphrasing Lincoln – the citizens of a grateful nation and the Veterans that earned that gratitude through their service and sacrifices. The therapeutic relationship between health providers and patients is also based on a covenant that assumes full advocacy for the patient's interest in terms of ethical decision-making and fully informed care. We enjoy the privilege of VA's healthcare mission as a result of the public trust placed in our actions. Therefore, our discharge of that mission must always be beyond reproach.

We must assure that our actions, unintentionally or otherwise, continue to earn the trust of Veterans, stewards of the system (such as Congress and Veteran Service Organizations) and the public. We need to build our systems for success, but be ever vigilant for weaknesses and failure. In addition to working toward a positive culture of service, safety, and excellence, we need to be sure that we also build a culture of improvement and accountability.

As a large and complex organization, we need to tap the innovative potential and deep intellectual capital of a distributed workforce for learning and improvement. Our data are inherently "big" and offer the capacity for clinical discovery and operations improvement. VHA must have a systemic approach to quality, safety and value. Ideally, it should be framed around

the Triple Aim (for the system) and around the IOM Six Aims (for the patient). Many of VHA's current activities directed toward performance improvement are exemplary and industry-leading, however, they are neither coordinated, nor integrated, as they must be going forward.

At the same time, we must be able to trust that our data are accurate, that our control processes are working, and that we are actively listening for signals of weakness or concern and reflexively asking whether issues are isolated or systemic. Such responsibilities are typically entrusted to internal audit or ethics and compliance departments in other large organizations.

Significant change is required to enable the Under Secretary for Health to exercise essential compliance and organizational oversight responsibilities. The Office of the Medical Inspector (OMI) should be reconstituted to create a strong, well-organized internal audit and compliance function with specific responsibility for 1) conducting enterprise risk assessment, 2) testing critical control points in organization operations, data integrity, and clinical services, and, 3) conducting for-cause investigations. As is best practice in private sector, annual external audit of internal audit to test the validity and reliability of its work will assure the continuing credibility of OMI.

The activities embraced by the National Center for Ethics in Health Care, the National Center for Organizational Development, and Workforce Management and Consulting must be coordinated to reinforce the linkage between organizational mission, values and goals, and personal behaviors. Continuing education for management and staff on constructive leadership, personal accountability, and ethical decision-making must be coupled with reinforcing how these program offices can be consulted and used as resources when conflicts or questions arise. Conversely, the agenda of these offices must be oriented to management and staff support as a top priority.

Finally, in addition to honoring the trust placed in us through our mechanisms for improvement and accountability, we need to demonstrate the kind of transparency that builds trust through our communications with internal and external stakeholders. Notwithstanding protected health or personal information and matters of security, our objective should be to keep Veterans, stewards of the system, the public, business associates and, especially, VA colleagues informed about our performance in meeting our mission and other matters of interest. Sharing our successes and shortcomings is the basis for the honest dialog that underpins good leadership, a healthy and accountable culture, and a learning organization.

9.2. Transformational Actions

a. **Integrate Current Enterprise Quality, Safety, Value and Performance Improvement Functions:** VHA Central Office Programs that are largely concerned with and act as "effector arms" for patient safety, quality improvement, and related activities should be consolidated into a unified Office of Quality, Safety, Value and Performance Improvement. This office will report directly to the Under Secretary for Health.

b. **The VHA National Center for Ethics in Health Care (NCEHC) Should Report Directly to the Under Secretary for Health:** The National Center for Ethics in Health Care should be recharged as the lead office for interpreting and advising the USH, Central Office and field on clinical and professional ethics.

c. **Provide Ethical Leadership by Example:** As noted in Strategy 4, VA leaders must demonstrate open communication, respect for employee input, and sustainable accountability. Successful ethical leadership requires specifically demonstrating and supporting the effective integration of strong ethics practices into personal behaviors and organizational culture. This can be achieved by communicating expectations for ethical practice, ethical decision-making, and supporting local ethics programs.

d. **The Office of the Medical Inspector Should Report Directly to the Under Secretary for Health and Incorporate the Office of Compliance and Business Integrity:** Integration of these two functions offers the advantage of bringing the experience of formally trained auditors to healthcare inspectors (who are typically clinicians) and the professional healthcare perspective to the auditors (who typically have accounting backgrounds). Direct reporting to the Under Secretary means that reporting is not intermediated by any individuals or organizational elements with programmatic responsibility that may be subject to audit. Similarly, the role of the OMI is to provide information for others to make improvements, however, it is not the executive agent for making improvements. That function is shared between operations, program offices, and the executive agent for improvement, the Enterprise Office for Quality, Safety, Value and Performance Improvement.

e. **The Reconstituted Office of the Medical Inspector shall Operate as an Office of Audit, Compliance and Investigation whose Responsibilities Include:**

    i. **Regularly Conducting VHA Enterprise Risk Management Assessments.** Effectively conducted Enterprise Risk Management (ERM) assessments will enable VHA's leaders to identify and address risks and opportunities, more accurately report issues that need to be addressed, better assure compliance with laws and regulations, and reduce factors that interfere with accomplishing the goals, objectives and mission of the organization. This process will also systematize the question of whether identified weaknesses represent isolated situations or systemic issues to be addressed.

    ii. **Develop an annual, risk-driven VHA quality review plan.** Once VHA enterprise risk management assessments are established, VHA will develop an annual quality review plan to address organizational risks identified through those assessments which include testing of critical control points in care delivery and organizational management processes and systematic investigation of whether weaknesses are isolated or systemic. VHA leadership will review and approve the quality review plan after obtaining feedback from executive leadership and Veterans Service Organizations (VSOs).

iii. **Establish investigative process for responding to emergent "for cause" issues, hotline and whistleblower complaints.** Although OMI has traditionally served as the "eyes and ears" of the USH, functioning as a rapid response team available to deploy on short notice at the USH's request to conduct quality of care investigations, the circumstances that triggered an on-site investigation were not well defined. VHA will establish clear triggers and mechanisms for responding to emergent or "for cause" issues; and define systematic processes for investigating hotline and whistleblower reports. Methods for early detection of issues and rapid intervention will also be explored.

iv. **Track Remediation and Performance Improvement Plans to Completion.** VHA will develop a structured, system-level capability for tracking progress and completion of critical remediation and performance improvement plans, particularly those related to high risk areas; especially, VAMCs or VISNs with persistent performance challenges, or sites which have been non-responsive to risks and incidents. Copies of reports will be shared with VHA leaders with programmatic responsibility, VHA leadership, and the Office of the Secretary of Veterans Affairs (see below). Tracking reports will be similarly distributed for accountability.

f. **The Office of the Medical Inspector must keep the Office of the Secretary of Veterans Affairs Apprised of its Activities, as well as the Status of Resolution of Recommendations for Improvement.** In addition to providing Tracking Reports on a quarterly basis, patterns of hotline calls and investigations that reveal unusual risk to Veterans or the Department must be provided to the Office of the Secretary of Veterans Affairs (OSVA) as soon as practicable.

g. **Establish External Audits of Internal VHA Audit Process.** The VHA will annually engage a highly qualified external auditing contractor to audit the internal VHA audit process. To increase transparency and accountability, VHA will also explore an approach for including VSOs and leading edge industry practices in the external audit process. The internal and external audit programs will be coordinated through an annual audit plan aligned with VHA's enterprise risk management assessment, under the auspices of an associated governance mechanism. Areas of interest for the external audit of internal processes include the provision of safe and high-quality healthcare, timeliness of service, communications, physical environment, and alignment with Veteran's needs. Each audit resulting in findings will also include recommendations for improvement.

h. **Publicly Share Reports on VHA Programs and Respond Rapidly to Inquiry from Congress, Veteran Service Organization and Media.** VHA must strive toward transparency and accountability in all aspects of operation, ranging from its clinical performance (e.g., quality, safety, patient experience, timeliness of care/access) to its operating efficiency. Internal and external VHA assessments, summary data on VHA performance metrics, provider credentials and other information relevant to health care for Veterans will be shared with Congress, VSOs, and where absent

protected health or personal information or matters that could jeopardize security, the general public.

i. **Commit to Timely, Frequent and Open Communication with Veterans, Employees, Congress, Veteran Service Organizations and the Public:** Substantive "Town-Halls" to engage Veterans on matters of interest should occur quarterly at Medical Centers. Similarly, "Town-Halls" with employees should occur with at least equal frequency to demonstrate visible leadership, commitment to VA Core Values, and to discuss performance challenges, expectations and culture. Communication with VSO's and Congressional members and staff should also be frequent, proactive and candid. Correspondence and inquiries should be acknowledged within one business day, and regular, monthly meetings should be scheduled to address issues of mutual concern.

j. **Engage Veteran Service Organizations in Consideration of a "VSO Joint Commission":** Coordinating site inspections among VSOs could accelerate improvement and amplify the ability for service organizations to provide deep, timely, authoritative and methodologically consistent reviews of Veteran care across VHA services and sites of operation. Responsibility for developing "accreditation standards" could be led by VSOs with particular expertise (e.g., spinal cord injury service standards might be led by Paralyzed Veterans of America), with technical assistance, if requested by VSOs, by relevant VHA program offices or outside experts. Overall, a "Board" comprised of participating VSOs could provide governance of the "VSO Joint Commission." If developed, VHA would be required to institute a process for responding to "recommendations for improvement" that site visits identify as necessary.

k. **Facilities Will Implement Monthly Meetings with Local Veteran Service Organizations**: Continuing communication with Veteran Service Organizations demonstrates transparency and accountability. Meetings are an opportunity to address issues of concern, facilitate innovation and improvement, and build a shared understanding of VA strategy, programs and performance.

l. **Implement a Veteran-employee "Secret Shopper" Program:** Veterans, who are also VA employees and willing to participate, provide the potential for highly informed service evaluation. Using a process that is blinded to identity (unless the Veteran wishes to disclose) might highlight VHA services that worked well and those that were problematic, as well as identifying effective and timely approaches to improvement.

m. **Seek Continuous Feedback on VHA Services:** In addition to the traditional patient engagement surveys, immediate feedback (as described in Transformative Actions, Strategy 2) through the use of smartphone "apps" provides insight for timely improvement, and performance transparency and accountability.

n. **The VHA Leadership Performance Contract Should be Simplified and Reflect the Strategic Priorities and Key Measures of Veteran Care:** As noted in Strategy 2, the revised VHA Leadership Performance Contract should include three key sections related to: 1) Progress in realizing the strategic goals of the *Blueprint for Excellence*,

2) Results, as defined by clinical and operational performance metrics, and 3) Leadership competencies and integrity. Office of Personnel Management (OPM) leadership criteria can be mapped to these three areas, and while the Strategic Goals and Key Metrics section can be rated as to percent successful, Leadership and Integrity should be rated as a dichotomous variable (pass/fail), with failure constituting a disqualification for successful evaluation on Strategy and Results.

9.3. Other Considerations

The relationship of the reconstituted and expanded VHA Office of the Medical Inspector to particular VA functions, especially with respect to activities such as Enterprise Risk Management, will require further consideration and a plan for effective coordination. Within VHA, the relationships of the OMI to Management Review Service (MRS) and the proposed, consolidated Office of Quality, Safety, Value and Performance Improvement require similar consideration. This is critically important in assuring that signal events, be they reports from the Inspector General, external accreditors (e.g., Joint Commission), whistle-blower or "hotline" calls, or Veteran complaints, do not represent systemic issues should be a standard and reflexive question in terms of operating with both accountability and as a learning organization.

9.4. References/Linkages
a. VA Strategic Objective 1.2: Increase Customer Satisfaction through Improvements in Benefits and Services Delivery Policies, Procedures, and Interfaces
b. VA Strategic Goal 2: Enhance and Develop Trusted Partnerships
c. VA Strategic Objective 2.3: Amplify Awareness of Services and Benefits Available to Veterans through Improved Communications and Outreach
d. Sec. 202 of VACAA: Commission on Care
e. Sec. 205 of VACAA: Improved performance metrics for health care provided by VA
f. Sec. 206 of VACAA: Improved transparency concerning health care provided by VA
g. Sec. 207 of VACAA: Information for Veterans on the credentials of VA physicians

10. Strategy Ten: Modernize management processes in human resources, procurement, payment, capital infrastructure, and information technology to operate with benchmark agility and efficiency.

10.1. Imperative

VA is entrusted with extraordinary taxpayer resources for accomplishing its mission and meeting the healthcare needs of Veterans. Thus, there exists an obligation to the public trust and to Veterans, themselves for the most efficient and effective use of resources. That trust is broken when every dollar is not used to its maximal benefit; it shortchanges the country, and it

diminishes the breadth of Veterans that can be served and the depth of service to any individual Veteran.

The VA Administrations serve Veterans directly, and support services in VA Staff Offices exist to make the Administrations successful in meeting their respective – and joint – mission. Given the scale of both VA and VHA operations, certain functions may operate best as "shared services." High-performing organizations use shared services to consolidate functions for operating efficiency through geographic concentration of similar assets for economies-of-scale and of expertise for high levels of proficiency.

The trade-off is dislocation of the shared service from direct contact with the geographically distributed locations and activities it supports. Consequently, it is imperative that shared-services are committed to identical customer service requirements as their "customers." The relationship works best with transparent and accountable service-level expectations, predicated on a rational delineation of which aspects of service are centralized or distributed.

Toward meeting the VA's healthcare mission most effectively, VA staff offices responsible for core shared services (such as information technology, human resources, acquisitions and contracting, capital asset management, etc.) and VHA must share a customer service perspective that places Veterans' needs – and the VHA's ability to meet those needs – as paramount. Staff Offices must leverage all possible authorities, streamlining processes to remove all unnecessary steps within VA and VHA, to promote agility that exceeds that of other Federal agencies and compares with the efficiency of the best private sector health systems. Furthermore, organizing all efforts around world-class agility in meeting Veterans' needs and VA's mission should be the basis for trust among the individuals and offices within VA and VHA, and is demonstrated through joint commitment to the delegation of authorities as broadly as responsible.

10.2. Transformational Actions

a. **Office of the Secretary should Charge VHA and Staff Office Task Forces to Assess Shared Services with Objective of Serving Veteran Needs with Benchmark Effectiveness, Efficiency and Timeliness:** Beginning with acquisition of material and services in the broadest sense, a task-force constituted with necessary VHA and VA staff office leaders should review acquisition challenges. Management engineers should formally process-map representative cases of acquisition and contracting delays to understand constraints and failure modes to be specifically alleviated. Predicated on this understanding, and on the trust required for effective shared service operation, alternative process maps for defining and optimally meeting benchmark service objectives should be developed. Appropriate levels of delegation of decisional and financial authority commensurate with VHA roles and operating responsibilities should be determined. Similarly, transparent and accountable shared-service roles and responsibilities should be defined through a documented service-level agreement.

- o **Task Forces Should be Charged in the General Areas of Information Technology, Human Resources, and Capital Management**: Using an approach similar to the acquisition and contracting task force, the goal is improved stewardship of resources and better service for Veterans by achieving the highest level of agility in the areas of information technology (allowing medical centers, health systems and VISNs to rapidly optimize use of technology), human resources (hiring the most talented employees faster), and capital infrastructure (disposing of obsolete buildings, leasing when appropriate), as necessary for good care and consistent with VA and VHA Strategic Objectives #3b, 3c and 3d.
- o **Task Forces Will use a LEAN Management Approach to Improvement**: As noted in Strategy 3, combating non-productive waste, such as production defects, overproduction, waiting, non-utilized talent, excess motion, and extra processing will be instrumental in improving internal services and, as a result, services for Veterans.

b. **Develop Standard Designs for Physical Health Care Delivery Structures**: Improve health care network efficiency by creating more standardized and reusable designs that are optimized to maximize clinical and operational performance, safety, and research outcomes. Standard designs will enable faster acquisition and deployment of new network components that can more effectively meet care demands. VA will create ideal designs for stand-alone, small, midsize, large, and highly complex outpatient facilities. VA will also identify standards for IT systems and high-tech, high-cost medical equipment.

c. **Use a Variety of Techniques and Technology to Modernize V! 's Supply Chain for Greater Efficiency**: Modernizing VHA's supply chain through improved processes and information systems will provide better visibility into supply levels, enabling a reduction in inventory and related holding costs without sacrificing supply availability. Adopting best practices such as Point of Use (POU) technologies, prime vendor sourcing, and item standardization will improve quality of care while driving greater efficiency.

d. **Encourage Non-Capital Solutions**: Demonstrate preference for use of non-capital solutions in VISN master planning to ensure agility and sustained value, including use of shared resources across facilities and networks, and public and private partnerships, rather than an exclusive preference for capital investments (e.g., construction).

e. **Align Performance Plans of VA Staff with VA Shared-Service Objectives:** Performance plans should support service-level agreements that, in turn, timely access to high-performance health services for Veterans.

10.3. Other Considerations

Support for these objectives requires thoughtful distinction between Federal Acquisition Regulations (FAR) and VA requirements. VA and VHA must examine internal policies and procedures to be certain that constraints disproportionate to process risk do not overburden the ultimate goal of serving Veterans.

10.4. References/Linkages

a. VA Strategic Goal 3: Manage and Improve VA Operations to Deliver Seamless and Integrated Support

b. VA Strategic Objective 3.2: Evolve VA Information Technology Capabilities to Meet Emerging Customer Service / Empowerment Expectations of Both VA Customers and Employees.

c. VA Strategic Objective 3.3: Build a Flexible and Scalable Infrastructure Through Improved Organizational Design and Enhanced Capital Planning

d. VA Strategic Objective 3.5: Ensure Preparedness to Provide Services and Protect People and Assets Continuously and in Time of Crisis

e. VHA Strategic Objective 3a. Support Services: VA and VHA support services (e.g., contracting, human resources, information technology) will be aligned and coordinated in ways to ensure agile responses to VISN/program needs related to health care.

f. VHA Strategic Objective 3b. Operational Processes: Clinical operations and business processes will be aligned to support implementation of the VA model of personalized, proactive, patient-driven health care, enabled through the reduction or elimination of distracting and unnecessary program mandates and underutilized physical resources.

g. VHA Strategic Objective 3d. Agile Footprint: VHA health delivery system capital footprints will be right-sized and aligned consistent with market projections, while ensuring agility to allow for rapid adaptation to policy changes, divestiture of unnecessary facilities and land, and changing Veteran demographics.

h. VHA Strategic Objective 3g. Local Flexibility: There will be flexibility for appropriate local decision making (e.g., make vs. buy decisions) to address local variation in population needs, such that VISNs, VAMCs and market area health systems can adapt locally to maximize access to and quality of a consistent package of VHA health care services.

i. VA Modernization Study Recommendation: Develop Standard Designs for Physical Health Care Delivery Structures

j. VA Modernization Study Recommendation: Use a Variety of Techniques and Technology to Modernize VA's Supply Chain for Greater Efficiency

k. Sec. 105 of VACAA: Prompt payment by VA.

l. Sec. 201 of VACAA: Independent assessment of the health care delivery systems and management processes of the VA.

11.   Conclusion Comment

The *Blueprint for Excellence* provides guidance for improving the VHA healthcare delivery and creating a positive culture of service for Veterans. It also envisions transformation from a delivery system to an integrated health services network that extends the concept of care to health and well-being. Finally, it commits to the efficiency, transparency and accountability appropriate to an organization charged by the nation with the mission of serving Veterans and the privilege of providing healthcare. This *Blueprint* acknowledges that the best work is never done alone. Thus, it is call for Veterans and VA colleagues, Congress and Veteran Service Organizations, compatriots in healthcare and in Veteran care, and the American people to join us in working to fully realize this *Blueprint for Excellence* by 2020.

As the transformational actions described achieve the imperatives for Veterans, the results will be documented in public records, newspapers, and peer-reviewed journals. Our goal is not only to restore the trust and confidence of Veterans and Veteran Service Organizations, Congress, the media and the American public, our goal is to provide Veterans with the care and the opportunities for health that they have earned and paid for dearly through their service and sacrifices.

Appendix 1: Crosswalk of VA Strategic Plan and Blueprint for Excellence

The comprehensive strategies articulated in the *Blueprint for Excellence* provide an excellent framework for implementation of the VA Strategic Plan along with the VHA Strategic Plan the VA Health Care Modernization Study and aspects of VACAA. Given the paramount importance of the VA Strategic Plan, a crosswalk of the Blueprint for Excellence strategies with goals and objectives of the VA Strategic Plan is provided below.

VA Strategic Plan Goal / Objective	Blueprint for Excellence Strategies
Objective 1.1: Improve Veteran Wellness and Economic Security	2, 3, 6
Objective 1.2: Increase Customer Satisfaction through Improvements in Benefits and Services Delivery Policies, Procedures, and Interfaces	2, 3, 5, 6, 9
Objective 2.1: Enhance VA's Partnership with DoD	7, 8
Objective 2.2: Enhance VA's Partnerships with Federal, State, Private Sector, Academic Affiliates, Veteran Service Organizations and Non-Profit Organizations	1, 7, 8
Objective 2.3: Amplify Awareness of Services and Benefits Available to Veterans through Improved Communications and Outreach	6
Objective 3.1: Make VA a Place People Want to Serve	4, 5
Objective 3.2: Evolve VA Information Technology Capabilities to Meet Emerging Customer Service / Empowerment Expectations of Both VA Customers and Employees	3, 10
Objective 3.3: Build a Flexible and Scalable Infrastructure through Improved Organizational Design and Enhanced Capital Planning	4, 10
Objective 3.4: Enhance Productivity and Improve the Efficiency of the Provision of Veterans Benefits and Services	10
Objective 3.5: Ensure Preparedness to Provide Services and Protect People and Assets Continuously and in Time of Crisis	10