ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS
March 1, 2012
1:10 p.m.

MEMBERS PRESENT

Representative Dan Saddler, Co-Chair
Representative Steve Thompson, Co-Chair
Representative Alan Austerman
Representative Bob Lynn
Representative Bob Miller

MEMBERS ABSENT

Representative Carl Gatto, Vice Chair
Representative Sharon Cissna

COMMITTEE CALENDAR

PRESENTATION: ALASKA VETERANS' AFFAIRS - AN OVERVIEW OF THE ALASKA VA HEALTHCARE SYSTEM

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

ALEX SPECTOR, Director
Alaska VA Healthcare System
U.S. Department of Veterans Affairs
Anchorage, Alaska
POSITION STATEMENT: Provided a PowerPoint presentation entitled, "Alaska VA Healthcare System Military & Veterans Affairs Committee Update," dated 3/1/12.

ACTION NARRATIVE

1:10:48 PM

CO-CHAIR DAN SADDLER called the House Special Committee on Military and Veterans' Affairs meeting to order at 1:10 p.m. Representatives Saddler, Thompson, Lynn, Austerman, and Miller were present at the call to order.

PRESENTATION: Alaska Veterans' Affairs - An Overview of the Alaska VA Healthcare System

1:11:01 PM

CO-CHAIR SADDLER announced that the only order of business would be an overview of the Alaska VA Healthcare System.

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ALEX SPECTOR, Director, Alaska VA Healthcare System, U.S. Department of Veterans Affairs, said he would bring the committee up to date on what the federal Department of Veterans Affairs (VA) is doing in Alaska. The topics of his presentation were: Demographics; Basic Eligibility; Alaska VA - Scope of Clinical Services; Sites of Care; Joint Venture Relationship with 673d Medical Group; Alaska Federal Healthcare Partnership; Operation Enduring Freedom (OEF)/Operation Iraqi Freedom (OIF)/Operation New Dawn (OND); Eliminating Homelessness; Rural Health; Care Closer to Home; and Health Information Exchange. Mr. Spector said there are 77,351 veterans in the state, which means Alaska has the highest percentage per population in the U.S. Of those, 30,022 enrolled in the VA Healthcare System, and the number enrolled is also a very high percentage when compared with other states. Further, 16,595 veterans received treatment last year. Slide 2 entitled, "Alaska Veteran Population Distribution," indicated that one-half of the veteran population is located in the Anchorage and Matanuska-Susitna areas, followed by Fairbanks. There are eight priority groups of basic eligibility for VA medical care, from the highest priority of Group 1, which are veterans who have a condition resulting from their service, to priority Group 8, which are not service-connected veterans, and who have high incomes. He explained that copayments are required of some not service-connected veterans, and the copayments are approximately equivalent to those of Medicare. In addition, the healthcare system bills third-party insurance when available. Mr. Spector observed that VA medical services are very popular with veterans, and its services have grown each year by 5 percent to 6 percent, which indicates that the benefit package is very good for veterans, and there is very good and respectful care.

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CO-CHAIR SADDLER asked for the factors that determine who signs up and who does not.

MR. SPECTOR opined those who enroll may not have private insurance and/or are returning veterans who are staying in Alaska - perhaps due to its economic stability. However, enrollment drops in areas distant from urban centers. He stressed that enrollment is the key to receiving services, and there is a focus on the local and national level to increase enrollment, thus increasing funding from Congress. In response to Co-Chair Saddler, he advised representatives of the healthcare system attend many sessions held for returning soldiers to explain benefits and enroll them. There are more opportunities to enroll prior to discharge, and at required follow-up health reviews held six months and one year after discharge. Mr. Spector turned to the scope of the clinical services delivered by the Alaska VA Healthcare System, noting that it is mostly primary care delivered at several sites. There is also a home-based primary care program available to frail veterans living within a 20-mile radius of the Anchorage facility. A small lab and pharmacy are also located at the Anchorage Muldoon Clinic and limited dental care is available. Mental health staff has been doubled in the last five years because of issues with returning soldiers; for instance, there is a suicide prevention coordinator, outreach to all returning soldiers, and a military sexual trauma specialist. A mental health staff member is integrated into primary care clinics, and this aspect has been very successful.

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REPRESENTATIVE LYNN asked whether there is an increase in mental health needs when compared to past wars, or if there is better identification, and more prominence, of those needs.

MR. SPECTOR opined it is everything. He added that VA is focusing on returning soldiers, but as services for posttraumatic stress disorder (PTSD) become more public, older veterans are coming in for treatment. Furthermore, Alaska's population of older veterans is growing. Returning to the clinical services, he said VA provides limited specialty care at the clinic, however, major surgery is performed at the 673rd Medical Group, including orthopedic surgery, podiatry, and contract urology services. He described the home telehealth (HTM) program that places devices in patient's homes to monitor diabetes, blood pressure, depression, hypertension, and weight. This service is effective in rural areas for those who have a landline and, in certain cases, can save on travel and hospitalization. Also at the Muldoon clinic, there are

rehabilitation services for physical, speech, and occupational therapy, audiology, a traumatic brain injury (TBI) clinic, and a small prosthetics program.

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MR. SPECTOR continued, listing the sites of care: Anchorage Muldoon Clinic; 673rd VA/DOD Joint Venture Hospital Joint Base Elmendorf-Richardson; Domiciliary Residential Rehabilitation Treatment Program located at Benson and C Street; VA Community Based Outpatient Clinic located at the Bassett Army Community Hospital at Fort Wainwright; Mat-Su Community Based Outpatient Clinic; Kenai Outpatient Clinic; Outreach Clinic at the South Peninsula Hospital in Homer; and the Juneau Outreach Clinic. He pointed out that during the last 10 years, clinics have been located so that 89 percent of all veterans in Alaska live in a borough with primary and mental health care, although there are still challenges to provide rural health care.

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CO-CHAIR SADDLER asked whether future sites are planned.

MR. SPECTOR said there will be no more clinics, but VA seeks to expand contract services in underserved areas. Community based outpatient clinics (CBOCs) are funded by Congress and funding is "on hold." He turned attention to the VA/DOD joint venture with the Air Force, saying there are nine joint ventures between VA and DOD, and the 673rd Medical Group is recognized as one of the best. It is a VA and Air Force co-managed facility, commanded by the Air Force and with 70 VA staff members. Pooled funds from VA and DOD have been utilized to provide a sleep lab and a sterile processing unit, to purchase an MRI machine, and to improve cardiology services. This facility is the VA hospital for Alaska and has received several awards. Regarding soldiers returning from OEF, OIF, and OND, he advised that since [the terrorist attacks of September 11, 2001], VA has registered 6,357 discharged soldiers. Of those enrolled, 2,696 - 42 percent - are receiving care at several sites. Approximately 40 percent are receiving mental health services, including approximately 10 percent for new substance abuse problems, and about 60 percent for combined PTSD/substance abuse problems. Of the soldiers returning to Alaska, approximately 13.3 percent test positive during the initial screening for TBI. Soldiers suffering serious TBI injuries are not discharged in Alaska. As veterans come into the VA healthcare system, they are assigned to a Patient Aligned Care Team (PACT) where they are screened by

a social worker for alcohol use, depression, suicide prevention, or PTSD/TBI on their first visit. Subsequently, they are managed by the social worker - or referred to a specialty service - with no delay of care.

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CO-CHAIR SADDLER gave a scenario of a returning veteran who tests positive for alcohol or substance abuse, and asked whether VA has a facility for his/her treatment, or if the patient would be referred.

MR. SPECTOR responded that most of that type of care is delivered on an outpatient basis; however, VA refers patients to a Seattle facility for inpatient care or to Alaska Psychiatric Institute (API) for acute psychiatric needs. In further response to Co-Chair Saddler, he said, "Our average daily census at API for mental health is probably two."

MR. SPECTOR directed attention to the topic of homelessness and listed the services available to homeless veterans. Compensated work therapy (CWT) is a program that pays veterans' salaries while they gain skills with local employers - sixty veterans participated in fiscal year 2011 (FY 11); twenty-one gained employment, two are pursuing education, and some dropped out. Incentive Therapy (IT) is a program that pays a small amount of money to veterans working within the VA system. These two programs paid $301,364.33 to veterans.

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CO-CHAIR SADDLER asked about other types of independent employment possible through CWT.

MR. SPECTOR said veterans are working for the Municipality of Anchorage, General Communications Inc. (GCI), and others. He then described the Transitional Residence program which uses two apartment buildings to house veterans transiting from in-patient domiciliary treatment to the residential program. The Grant & Per Diem program pays other homeless shelters - such as the Salvation Army in Anchorage and the Rescue Mission in Fairbanks - for housing for veterans. The Housing and Urban Development/VA Supported Housing (HUD/VASH) voucher system provides vouchers to veterans for rental apartments, and 42 veterans were housed in FY 11. This program works with the Alaska Housing Finance Corporation (AHFC) to find housing, and also partners with the Alaska Mental Health Trust Authority to

expand the program to rural areas and to keep veterans connected with their case managers and social workers.

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CO-CHAIR SADDLER asked for the dollar value of the voucher.

MR. SPECTOR said the vouchers apply to eligible HUD housing, but low vacancy rates make finding housing challenging in some areas. The Domiciliary Care for Homeless Veterans (DCMV) program has a 50 percent success rate, which is a common rate of recidivism. In response to Co-Chair Saddler, he explained success is measured by "stability in not being homeless for a six-month period." In support of veterans' families, VA has awarded Catholic Social Services a grant in the amount of $350,000 to provide services for homeless veterans with families. For unemployed veterans who do not have medical or mental health problems, VA is working with employers through the Homeless Veterans Supported Employment Program, and 24 veterans have been placed in jobs. Mr. Spector advised that HUD's Point-In-Time homeless survey determined in Alaska, the percentage of homeless veterans has decreased by 49 percent in the last two years, indicating that progress is being made toward ending homelessness for veterans. In response to Co-Chair Saddler, he said this rate is better than that of other states.

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CO-CHAIR SADDLER asked whether Mr. Spector holds a position on the proposed "vet's village" in the Eagle River area.

MR. SPECTOR said he held no position; however, VA has been working with Karluk Manor in Anchorage and some housing in Fairbanks which are Housing First residences that place homeless people in a safe environment without the requirement of sobriety. In response to Representative Thompson, he said he believed the Housing First house in Fairbanks opened this week. Mr. Spector expressed VA's high interest in reaching out to veterans in rural areas and to work better with the tribal systems. A memorandum between VA and the Indian Health Service (IHS), U.S. Department of Health and Human Services, created a separate workgroup on Alaska issues, which is meeting with tribal leaders in healthcare on how to get Native veterans' healthcare through three tactics. The first tactic is to increase access to the VA healthcare system through the sponsorship of one of the forty Tribal Veteran Representatives (TVR). In response to Co-Chair Saddler, he explained that a TVR

is not trained to the level of a Veteran Service Officer (VSO); however, TVRs have increased the response from veterans living in villages to VA outreach efforts many times over. This tactic also includes using money from the VA Office of Rural Health to redesign the intake process of Native organizations thus increasing the identification of veterans. The second tactic is to improve the coordination of care by entering into memorandums of understanding with Native organizations to work together. In response to Co-Chair Saddler, he explained VA and Native organizations in various communities have agreed to work to co-manage the healthcare of Native veterans by sharing information and the responsibility that healthcare needs are met.

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REPRESENTATIVE AUSTERMAN asked whether VA is involved with the National Guard effort to locate veterans living in villages.

MR. SPECTOR said yes; in fact, VA visited 120 villages during its last outreach effort and will be doing that again. The third tactic is to establish a sharing agreement template to be utilized by VA and Alaska Native Tribal Health Consortium members. Turning to the topic of care closer to home, Mr. Spector said this subject originated with Alaska's U.S. senators' concerns about sending veterans to Seattle for care. In 2008, 750 veterans went to Seattle for care, which was "just not right." National VA leadership advocated for oncology and additional services in Alaska; as a result, since 2010, 221 oncology patients have stayed home for care. In response to Co-Chair Saddler, he clarified that care purchased in Alaska is more expensive than care provided at the VA facility in Puget Sound. In July 2011, care in Alaska was expanded to other specialty care, reducing the number of veterans traveling out of state most years. Veterans that are still referred outside include some post-surgical cases, highly complex cases, for continuity of care, spinal cord injuries, trauma, transplants, cardio-thoracic surgery, and at the request of the veteran. Slide 24 was a list of cases referred for care in Alaska. He warned of the possibility of not continuing local care due to the increased cost. In response to Co-Chair Saddler, he said most of the specialty care cases are handled in Anchorage or Fairbanks, depending on the treatment plan. He pointed out that VA cannot support research or procedures that are not approved by the U.S. Food and Drug Administration.

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MR. SPECTOR, in response to Co-Chair Saddler, explained that the Fisher House of Alaska is like a Ronald McDonald House for active-duty and veteran families. It is located on the 673rd Elmendorf campus and is also available to Coast Guard families. There are 12 beds provided at no charge. The home was funded by the Fisher House Foundation which has built homes in the U.S. and Europe for military families. Directing attention to the Health Information Exchange, Mr. Spector informed the committee he represents VA and DOD on the board of directors for the Alaska e-Health Network (AeHN). This organization will create an exchange system in Alaska for sharing medical records between providers electronically. The purpose is to improve patient safety and decrease costs. The exchange is federally funded, will save Medicaid money by eliminating duplicate tests, and includes participation from the private sector in Alaska. In response to Co-Chair Saddler, he said participation in the exchange is optional, but there are incentives to join. He observed that there are 2,000 doctors in Alaska, several major hospitals, smaller hospitals, and the Alaska Native Health Consortium, which can all be connected for an annual cost of $2.5 million.

1:59:25 PM

CO-CHAIR THOMPSON assumed the system is sufficiently secure to include Native and military health organizations, and to abide by the Health Insurance Portability and Accountability Act of 1996 (HIPPA).

MR. SPECTOR stated the system is built to the highest military security standards. As a matter of fact, to address the concerns of citizens about their health information, patients must opt-in and agree to be part of the network.

CO-CHAIR SADDLER asked whether the records contain basic information, or include drugs, therapies, and appointments.

MR. SPECTOR explained that if a patient has an electronic record, the network finds that information and creates a summary of medications, problems, lab test results, and office visits.

2:00:56 PM

REPRESENTATIVE AUSTERMAN asked whether Alaska National Guard members who do not do active duty service are included in the Alaska VA Healthcare System.

MR. SPECTOR said no. He then referred to the federal system's effort to work with the state veterans' affairs organization to look for gaps where the state can help; in fact, his office is working with TriWest Healthcare Alliance, the TRICARE managed care contractor, the state, the National Guard, and all of the federal partners to conduct an outreach focused on suicide prevention. It is important to provide support for families before the soldiers come home. All of these organizations are doing an assessment of needs and will share the responsibility of visiting villages to provide training to mental health providers, to schools, and to the religious communities.

CO-CHAIR THOMPSON recalled his experience as mayor of Fairbanks in 2001-2007, when many troops came home.

MR. SPECTOR said several screenings are done on alcohol use, PTSD, suicide prevention, and TBI to prevent domestic abuse.

2:04:33 PM

CO-CHAIR SADDLER asked whether VA is represented on the Statewide Suicide Prevention Council, Department of Health and Social Services.

MR. SPECTOR was unsure. In response to Representative Lynn, he said two years ago DOD began predeployment mental health screening for research purposes. He opined the intent was to look for a predisposition of depression, which military service can aggravate. This type of situation is difficult to measure by a healthcare system that only sees those veterans who are in need, and not veterans who have adjusted well. He restated 40 percent of those seeking care need mental health intervention.

2:07:58 PM

REPRESENTATIVE LYNN suggested that a volunteer military force has a different demographic than did the drafted soldiers in earlier wars.

CO-CHAIR THOMPSON, as mayor of Fairbanks, ensured that the Fairbanks police force was trained to be sensitive to returning veterans.

2:09:18 PM

MR. SPECTOR stated that in Anchorage the system has reached out to police, and to village police, with information on the signs

and symptoms of PTSD, suicide prevention, and appropriate reactions to startle reflexes.

CO-CHAIR SADDLER mentioned pending legislation that would put a veteran designation on driver licenses to provide "early warning to a traffic stop situation." He then asked if Mr. Spector had heard any indications of funding cuts in healthcare for veterans.

MR. SPECTOR said he has not received concrete information about budget cuts for FY 13 or FY 14.

CO-CHAIR SADDLER asked whether there are gaps in healthcare services that need to be addressed.

2:11:14 PM

MR. SPECTOR acknowledged that in Alaska it is a challenge to cover the great distances to rural areas, and to ensure that veterans receive all the services to which they are entitled. As a result of this, the travel budget is stretched. In further response to Co-Chair Saddler, he advised all veterans to enroll in the VA system, even those who have private health insurance. This can be done at many locations such as through service officers, the Military Order of the Purple Heart, the Veterans of Foreign Wars (VFW), the Disabled American Veterans (DAV), the American Legion, and at the healthcare sites.

2:13:30 PM

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Military and Veterans' Affairs meeting was adjourned at 2:13 p.m.