

Acting VA Secretary Sloan D. Gibson VFW Annual Convention Remarks 22 July 2014

The Department of Veterans Affairs is in the midst of its most serious crisis in more than a generation. I know that, and I know you know that.

But here's something I want to make sure you also know: The Department of Veterans Affairs has before it perhaps its greatest opportunity to enhance care for Veterans in its history.

I'm not the only one who thinks that. Two weeks ago, I met with Dr. Harvey Fineberg, the distinguished clinician and healthcare leader who just completed 12 years as the President of the Institute of Medicine. When I commented that we could accomplish more in the next two-to-three years than we could have in two-to-three decades, he immediately interrupted and corrected me, "No! VA can accomplish things now it never could have accomplished."

He's right: We are in an extraordinary position.

- We all understand the seriousness of the problem.
- The President, Congress, VSOs, the American people, and VA's rank and file are all on board and understand the need for reform.
- What's needed now is for all of us to seize this opportunity and make the most of it.

VA's faults are well documented:

- Veterans are waiting too long for care.
- Our scheduling system is antiquated and cumbersome.
- The metrics we used to measure performance became an end in themselves, rather than a means to better the quality of Veterans' care.
- There were widespread attempts to "game the system," which only hid the problem, making Veterans wait even longer for care.
- Those employees who pointed out problems in the system or wrongdoing by others were often punished for doing so.
- Managers who hid their poor performance or retaliated against whistleblowers were not held to account.
- Senior leaders failed to adequately assess and quantify the resources needed to provide the care they were obligated to provide.

All of these problems fall into three categories:

- Business process problems, like improper scheduling practices and our antiquated scheduling system;
- Leadership problems, like our misuse of metrics and failure to hold people accountable for negligence and misconduct; and finally;
- Resource problems—our persistent lack of sufficient clinicians, patient-support staff, space, information technology resources, and purchased-care funding to meet current demand for timely, high-quality healthcare.

As we begin to tackle these challenges, what are our priorities?

- First, our process initiatives—using available resources to get Veterans off wait lists and into clinics, while also fixing our scheduling system;
- Second, but simultaneously, our changes of leadership—addressing VA's cultural issues, holding people accountable for willful misconduct or management negligence, and creating an environment of openness and transparency.

- Third, the resource challenge—making a compelling case for the resources needed to consistently deliver timely, high-quality healthcare.

Those are our priorities. Now, here are some of the immediate actions we are already taking to tackle the first one—getting Veterans off wait lists and fixing scheduling problems:

- We have reached out to over 160,000 Veterans to get them off wait lists and into clinics sooner. In just the last two months, we have made over 571,000 referrals for Veterans to receive their care in the private sector. That’s up more than 100,000 over the same time last year.
- Each one of these referrals, on average, results in seven visits or appointments. So, we are talking about 700,000 additional appointments in the private sector just from increased referrals over the last two months!
- Facilities are adding more clinic hours, aggressively recruiting to fill physician vacancies, deploying mobile medical units, and using temporary staffing resources to provide care to more Veterans as quickly as possible in all our healthcare facilities.
- We are updating the antiquated appointment scheduling system with the VFW and other VSOs actively engaged in the process, beginning with near-term enhancements to the existing system and ending with the acquisition of a comprehensive, state-of-the-art, “commercial off-the-shelf” scheduling system.
- We are contracting with an outside agency to conduct a comprehensive independent audit of scheduling practices across the entire VHA system beginning early next fiscal year.
- I have directed every Medical Center Director to conduct regular in-person visits to all of their clinics, to include interacting with scheduling staff to ensure all scheduling practices are appropriate. Veterans’ Integrated Systems Network (VISN) Directors will also conduct similar visits. To date, over 1,100 of these visits have been conducted.
- We are building a more robust, continuous system for measuring patient satisfaction, to provide real-time, robust, site-specific information on patient satisfaction. We will augment our existing survey with expanded capabilities in the coming year, to capture more Veteran experience data using telephone, social media, and on-line means. Our effort includes close collaboration with the VFW and other VSOs, with whom we have already met to begin planning our efforts. We also will learn what other leading healthcare systems are doing to track patient access experiences.
- The 14-day access measure has been removed from all individual employee performance plans to eliminate any motive for inappropriate scheduling practices or behaviors. In the course of completing this task, over 13,000 performance plans were amended.
- VHA has dispatched teams to provide direct assistance to facilities requiring the most improvement, including a large multi-disciplinary team on the ground, right now, in Phoenix.
- VA is expanding our use of private-sector care to improve access to healthcare for Veterans who are experiencing excessive wait times. VHA is improving its monitoring of the effectiveness of our use of non-VA care to ensure Veterans are receiving the care they deserve.

These are just some of the actions we are now taking to meet some of the process challenges. Now, let me take a moment to talk about the leadership challenge.

I’ve been making the rounds of VA medical centers in recent weeks seeking out the “on-the-ground truth.” I’ve heard both good and bad, and what strikes me is the contrast between places like Phoenix and places like San Antonio.

In Phoenix:

- I spent over an hour in listening to a cross section of employees share their frustrations, and sometimes their anger—surgeons, nurses, physical therapists, custodians, IT staff.
- Half of those who spoke seemed to be holding back tears. Some actually broke down crying.
- These are people that care—they care about our mission and they care deeply about doing things right and taking care of Veterans—and it angered them that their complaints weren’t being heard.
- A surgeon in scrubs stood up and said he didn’t have much time before heading off to surgery, but could I please fix the two x-ray machines in the OR, which hadn’t worked since an attempted computer upgrade months earlier. All it took was getting someone down to the OR to work the problem, but somehow that hadn’t happened yet. By the next day, both were working.

Interestingly, the very next day I went to visit the medical center in San Antonio. It was a whole different story:

- Everywhere I looked, what I saw was excellence. Not only in the facility and the equipment, but in the people in the sparkle in their eyes and the spring in their step as they talked about the things they were doing to care for our Veterans.
- When I met with the press later that afternoon, as I do at every one of these visits, I told them I wished every Veteran in America could have been standing by my side as I went through that center—because they would have been proud of what they saw.

I would tell you that, for me, the harder of these two visits was San Antonio. Because everywhere I looked I realized that, but for leadership, that could have been Phoenix. But for leadership.

Since those visits, I've challenged VA leaders to explain to me the difference between Phoenix and San Antonio. I have yet to hear an explanation that doesn't boil down to one thing—leadership—leaders failing to take ownership of the problems, both large and small, facing their employees.

Take, for example, the inoperable X-ray machines in the OR. You know what was wrong? The computers required to operate the machines needed to be updated from Windows XP to Windows 7. How simple a problem to solve. But no one took ownership, and I think that also highlights an unresponsive bureaucracy that frontline staff have simply given up trying to fight.

We've created an environment where the opinions of the rank and file—those doing the hard, day-to-day work of caring for our Veterans—are not only not listened to, they are instead punished!

Here's some of what we've done so far:

- I have frozen VHA Central Office and VISN Office headquarters hiring.
- I have also suspended all VHA senior executive performance awards for fiscal year 2014.
- VA is now posting regular data updates showing progress on its efforts to accelerate access to quality healthcare for Veterans who have been waiting for appointments.
- We have also made public additional care-quality statistics for every medical center as well as the results of our recent field access audit.
- I have personally visited 12 VA Medical Centers in the past six weeks to see firsthand the actions being taken to get Veterans off wait lists and into clinics. I will visit the VA Medical Center here in St. Louis later today. Such visits have been invaluable to me, both as opportunities to speak to Veterans, local VSO representatives, and VA employees; and as opportunities to gauge the scope and scale of the issues we face are.

Let me talk for a moment about accountability. At VA, we depend on the service of employees and leaders who place the interests of Veterans above and beyond self-interest. Accountability, delivering results, and honesty are also key to serving our Veterans.

Those who have not performed and have not delivered results honestly will be held accountable. Where willful misconduct or management negligence is documented, appropriate personnel actions will be taken—this also applies to whistleblower retaliation. We will not tolerate retaliation against whistleblowers.

Leaders make the difference between Phoenix and San Antonio.

- Leaders are responsible for identifying shortfalls in resources and taking action to secure additional resources.
- Leaders are also responsible for setting the standard for honesty and square dealing, and for quashing the “corrosive culture” of self-protection and retaliation that destroys the trust required for any organization to succeed.

So, as you would expect, there are many changes in leadership underway.

First, I've named Dr. Carolyn Clancy interim Under Secretary for Health. Dr. Clancy is new to VA—she joined us last August as Assistant Deputy Under Secretary for Health for Quality, Safety, and Value. Before that, she worked at the Department of Health and Human Services, as Director of the Agency for Healthcare Research and Quality. Dr. Clancy is a proven leader and innovator when it comes to healthcare quality and safety. She will spearhead our reform efforts to accelerate access to care and restore trust among our Veterans.

Second, I have appointed Dr. Gerry Cox as the interim director of the Office of the Medical Inspector (OMI), responsible for restructuring the office. Dr. Cox is a 30-year Navy Veteran and former Assistant Inspector General of the Navy for Medical Matters. He will provide new leadership and a fresh perspective to help restructure OMI and ensure a strong internal audit function.

Third, I've brought on Dr. Jonathan Perlin for a short tour of duty as a Senior Advisor. Dr. Perlin comes to us on loan from the Hospital Corporation of America, where he is Chief Medical Officer and President for Clinical Services. He is also chairman-elect of the American Hospital Association and a former VA Under Secretary for Health. Dr. Perlin brings a wealth of knowledge and experience to help us bridge the period till we have a confirmed Under Secretary for Health. Incidentally, that selection process is well underway and included participation by VFW Executive Director Bob Wallace on the selection Commission.

Fourth, I've also brought back Leigh Bradley for a four-month assignment as Special Counsel to the Secretary. Ms. Bradley is a former General Counsel at VA and, most recently, a senior member of the DoD General Counsel team, with direct responsibility for their ethics portfolio. At VA, she will assist us in taking action against those supervisors and employees accused of wrongdoing or serious management negligence.

Finally, as you all know, the President has nominated former Proctor & Gamble CEO Robert A. McDonald to be the next Secretary of Veterans Affairs. Bob and I have been friends for 40 years beginning during our time together as cadets at West Point. He brings strong leadership and exceptional management skills to this role, and he's got one of the strongest moral compasses I have ever seen.

This combination of executive skills and values are ideal for VA at this critical time. His confirmation hearing is today, and I hope for a speedy confirmation.

Before, I move to my last topic on healthcare, I want to say a brief word about benefits. Since arriving at VA five months ago, I have been very impressed with the transformation that is underway at VBA. I seriously doubt that any major part of the federal government has transformed so much in the past two-to-three years, and I believe that without this transformation, we would not be on track to eliminate the disability claims backlog in 2015.

Having said that, Veterans still wait too long for decisions, and our quality is still not up to standard. More recently, there have been reports that call into question the accuracy of the data we use to report our progress. Clearly, we have more work to do—faster, more accurate decisions, documented with credible reporting.

The last topic I want to address is resourcing VA to meet the current demand for timely, high-quality healthcare. As I mentioned in my Senate testimony last week, and as I will repeat at my House testimony this week, I believe that the greatest risk to Veterans over the intermediate to long-term is that additional resources are provided only to support increased purchased care in the community and not to materially remedy the historic shortfall in internal VA capacity. Such an outcome would leave VA even more poorly positioned to meet future demand.

Make no mistake: Purchased care plays an important role in extraordinary circumstances:

- Extraordinary geography—we will never be able to put an outpatient clinic in every community in America;
- Extraordinary technology—it will always make sense to refer Veterans to great providers for certain, highly-specialized procedures; and
- Extraordinary demand—such as the time we are in right now, trying to accelerate care to Veterans who are waiting too long.

But purchased care is not a replacement for a strong and vital Veterans' healthcare system.

Consider these points:

- For years, the VFW and other key VSOs have warned of a shortfall in resources needed to care for our Veterans.
- In our recent field access audit, the most frequently cited barrier to scheduling Veterans for care was a lack of appointment slots.
- The number of Veterans seeking care at VA continues to grow steadily during a period of high medical care inflation across the country, and we continue to serve a population that is older, with more chronic conditions, and less able to afford care in the private sector.
- We simply lack sufficient clinicians, direct patient support staff, space, information technology resources, and purchased care funding to meet the current demand for timely, high-quality healthcare.

This simple fact explains my statement to Congress last week that we need an additional \$17.6 billion in funding over the next three years—making it possible to hire an additional 10,000 clinical staff, provide essential information technology support, make a very small dent in the massive capital project deficit we carry, and fund additional purchased care while we build the internal capability to meet current demand.

These resources are critical if we are to seize on the opportunity before us! VFW has been there for Veterans from the beginning, as the oldest of the major VSO's.

You have had a hand in every major achievement on behalf of Veterans for the past hundred years: formation of the Veterans Administration and the original GI Bill; advancing VA's elevation to Cabinet-level status; creation of the new GI Bill; and advocating for recent funding increases and advance appropriations. I know I can count on you to lend a hand, along with your best advice, to make a lasting difference for Veterans.

My thanks to your leadership:

- Bill Thien, your Commander-in-Chief
- John Stroud, Senior Vice Commander-in-Chief
- John Hamilton, Adjutant General
- Bill Bradshaw, Director, National Veterans Service
- Bob Wallace, Executive Director of your Washington office.

Thank you for all you do for Veterans. I look forward to working with you to seize this historic opportunity to transform VA into THE provider of choice for Veterans' healthcare.

[Source: VA Press Release Jul 22, 2014 ++]