

**WRITTEN STATEMENT OF
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DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS,
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
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Good morning, Mr. Chairman, Ranking Member Kuster, and Members of the Committee. Thank you for the opportunity to discuss the VA's handling, prescription, oversight practices, and the appropriate use of controlled substances at VA facilities. I am accompanied today by Sallie Houser-Hanfelder, Director, Eastern Colorado Health Care System, and Dr. Ellen Mangione, Chief of Staff, Eastern Colorado Health Care System (ECHCS).

Oversight and Handling of Prescription Drugs

Questions have arisen regarding pharmacy practices and accountability in VA ECHCS. Specific inquiries relate to the results of a Drug Enforcement Administration

(DEA) investigation from July 2015, regarding pharmacy discipline practices and prescription and opioid drug management. On July 7, 2015, the DEA issued an administrative warrant and presented on site at the Denver VA medical center with several DEA investigators. The investigators were on site for approximately 3 weeks. In February 2016, DEA reported findings to the Executive Leadership Team and pharmacy management. Many items were addressed verbally while DEA was on site but the DEA investigation remains open.

In the last 5 years, 8 ECHCS VA employees have been disciplined or removed for illegal possession or use of drugs on VA property. Either disciplinary action was taken or the employee resigned from their position.

To improve safe pharmacy practices, the VA Opioid Safety Initiative (OSI) was implemented nationwide in August 2013. The OSI objective is to make the totality of opioid use visible at all levels in the organization. It includes key clinical indicators such as the number of unique pharmacy patients dispensed an opioid, unique patients on long-term opioids who receive a urine drug screen, the number of patients receiving an opioid and a benzodiazepine (which puts them at a higher risk of adverse events), and the average Morphine Equivalent Daily Dose (MEDD) of opioids. Nationally, results of key clinical metrics for VHA measured by the OSI from Quarter 4 FY 2012 (beginning in July 2012) to Quarter 2 FY 2016 (ending in March 2016) show:

- 151,982 fewer patients receiving opioids (679,376 patients to 527,394 patients, a 22 percent reduction);
- 51,916 fewer patients receiving opioids and benzodiazepines together (122,633 patients to 70,717 patients, a 42 percent reduction);

- 94,045 more patients on opioids that have had a urine drug screen to help guide treatment decisions (160,601 patients to 254,646, a 37 percent increase);
- 122,065 fewer patients on long-term opioid therapy (438,329 to 316,264, a 28 percent reduction);
- The overall dosage of opioids is decreasing in the VA system as 18,883 fewer patients (59,499 patients to 40,616 patients, a 32 percent reduction) are receiving greater than or equal to 100 MEDD; and
- It is important to note that these desired results of OSI have been achieved during a time that VA has seen an overall growth of 136,944 patients (3,959,852 patients to 4,096,796 patients, a 3 percent increase) that have utilized VA outpatient pharmacy services.

The OSI dashboard metrics indicate the overall trends are moving steadily in the desired direction. VA expects this trend to continue as it renews its efforts to promote safe pain management therapies. VA intends to implement safe opioid prescribing training for all prescribers, as the President directed all Federal agencies in his October, 21, 2015, presidential memorandum. To date, 70 percent of prescribers have received training.

VA ECHCS Access

Over the past 3 fiscal years (FY), VA ECHCS has experienced a consistent increase in demand for services. Unique patients receiving services have grown by over 13 percent from 67,070 in April 2014, to 75,896 in April 2016. We have increased the supply of health services over the same time period by 12 percent, completing

571,464 outpatient visits through April 2016, compared to 510,109 through April 2014. High demand has outpaced this increase in supply, resulting in longer wait times for our Veterans in primary care, specialty care, and mental health services. Despite this, VA ECHCS has made tremendous strides in decreasing the electronic wait list (EWL) from a high of 6,817 in January 2016 to 543, as of May 9, 2016.

VA ECHCS has increasingly relied on the community to provide health services to our growing Veteran population. Excluding the Veterans Choice Program, expenditures through the Non-VA Medical Care Program increased by 28 percent from \$112,595,770 in 2014 to \$144,313,630 in 2015. VA ECHCS continues to be in the top five facilities in the nation in the volume of referrals to the Veterans Choice Program. Through March 2016, VA ECHCS has referred 27,716 episodes of care, resulting in 17,251 appointments in the community.

Colorado Springs has seen the most notable increase in workload within the VA ECHCS catchment area over the last 3 FYs. On February 4, 2016, the Office of Inspector General released a report identifying untimely care concerns at the Colorado Springs Outpatient Clinic resulting from a complaint received in January 2015. The report also identified areas, such as scheduling and referrals to the Veterans Choice Program, that needed improvement. The department's Office of the Inspector General acknowledged in the same report that ECHCS had already executed a number of corrective actions to become compliant with their concerns. Actions taken include filling vacancies; hiring new staff and trainers from entry to executive levels; retraining; and practicing continuous quality improvement.

In January 2016, the Electronic Wait List for Primary Care was 807 and Optometry was 4,247. As of May 9, 2016, the combined total is 15. We expect patient wait times to continue decrease over the next 90 days. Other access-challenged services in Colorado Springs include Podiatry, Physical Therapy, and Dental, and wait times in these services have shown significant improvement. Podiatry has opened a second Same-Day Access clinic, while Physical Therapy and Dental wait times have improved as a result of better clinic management and scheduling. As wait times continue to decrease in these services, Veterans will receive prompt access to the care they deserve.

Difficulties in recruiting providers at the Alamosa Community-Based Outpatient Clinic (CBOC) and the recent resignation of the primary physician prompted a review of how best to provide care to the Veteran population in the San Luis Valley. Ongoing recruitments for Alamosa have not been successful due to rurality. By law all Veterans in San Luis Valley are eligible for the Veterans Choice Program because they live more than 40 miles from the nearest VA medical facility. A VA medical facility is defined under the Choice Program as a VA hospital, a CBOC, or a VA health care center, that has at least one full-time primary care physician. Another provider challenge is the resignation of one provider and the impending retirement of another. Recently, VA has identified two potential physician candidates interested in employment at the Alamosa CBOC. However, successful physician recruitment will result in the Veteran population no longer being able to directly opt into Choice because they will no longer reside more than 40 miles from the nearest VA medical facility with a full-time primary care

physician. Nevertheless, we will work to ensure continuity of care for those Veterans who have been treated through the Veterans Choice Program in the community.

Denver VA Campus

Medical and prosthetic research currently located on the Denver VA campus, including in some temporary modular buildings, should be moving into its new space at the Replacement Facility on the Fitzsimmons Campus in Aurora, Colorado. The project is to replace the current Denver VA Medical Center which was built in 1948. VA engaged the U.S. Army Corps of Engineers (USACE) and entered into an interagency agreement (IAA) with USACE to provide services in support of VA's construction program. VA and USACE utilize this IAA to engage USACE as VA's design and construction agent on our super construction projects over \$100 million in accordance with VA Expiring Authorities Act of 2015 (Public Law 114-58), enacted on September 30, 2015.

The USACE, VA, and Kiewit-Turner are working in close collaboration to complete the construction in Aurora. The construction team is dedicated to meeting the highest possible standard while achieving VA requirements and criteria, while also pursuing cost savings opportunities to maintain the current budget. To ensure that previous challenges are not repeated and to lead improvements in the management and execution of our capital asset program as we move forward, we will continue to focus on these lessons learned over the course of this construction project:

- Integrated master planning to ensure that the planned acquisition closes the identified gaps in service and corrects facility deficiencies.
- Requiring major medical construction projects to achieve at least 35 percent design prior to cost and schedule information being published and construction funds requested.
- Implementing a deliberate requirements control process, where major acquisition milestones have been identified to review scope and cost changes based on the approved budget and scope.
- Institutionalizing a Project Review Board (PRB) – VA's Office of Acquisition, Logistics, and Construction worked with USACE to establish a PRB for VA that is similar to the structure at the USACE District Offices. The PRB regularly provides management with metrics and insight to indicate if/when the project requires executive input or guidance.
- Using a Project Management Plan – outlines for accomplishing the acquisition from planning to activation to ensure clear communication throughout the project.
- Establishment of VA Activation Office – Ensures the integration of the facility activation into the construction process for timely facility openings.
- Conducting pre-construction reviews – Major construction projects must undergo a “constructability” review by a private construction management firm to review design and engineering factors that facilitate ease of construction and ensure project value.

- Integrating Medical Equipment Planners into the construction project teams – Each major construction project will employ medical equipment planners on the project team from concept design through activation.

The new 148-bed medical center will accommodate inpatient tertiary care and ambulatory care functions. Several renewable energy initiatives are a part of the project, including efforts to achieve LEED certification. In all phases of construction and activation, the Activations Team is working in close consultation with our Military, Veteran and Community stakeholders. VA ECHCS holds regular on-site meetings with the United Veterans Committee of Colorado, as well as executive-level meetings with Paralyzed Veterans of America regarding the new Spinal Cord Injuries and Disorders (SCI-D) unit. As of the end of April 2016, there are approximately 950 Craft construction personnel working onsite. The project is 67percent complete.

Security

Due to undeniably tragic events, other questions have been raised regarding the safety and security of our Veterans and employees. Self-harm and intended injury to others is an unfortunate and rising trend in our global community. Colorado has faced its share of tragedy. VA ECHCS has taken a proactive approach and high-level trainings have been voluntarily scheduled to improve the safety and security of our Veterans and employees.

The VA ECHCS Director requested a security assessment be performed by VA Central Office. The team visited the Denver VA Medical Center, the replacement

hospital facility in Aurora, and the outpatient clinics located in Colorado Springs and Golden. At the out-briefing, the team did not identify any significant findings, and was complimentary of the physical security measures in place. VA ECHCS is eagerly waiting to receive the team's written assessment and will rapidly address any findings or recommendations made. VA ECHCS has scheduled the VA Law Enforcement Training Center to provide an employee educational course "Verbal Defense in Healthcare." We anticipate this will help empower our staff with additional skills that they can use to keep people safe during difficult encounters. VA Police and the Emergency Preparedness Coordinator are providing Active Threat Response training and drills throughout the organization.

Sustainable Accountability

VA is committed to creating an environment of sustainable accountability, in which employees know what is expected of them and do it, and then some. Sustainable accountability means VA uses taxpayer dollars wisely and well to improve post-military life for our Veterans and their families. To create this culture, we have taken steps such as changing Senior Executives' and Medical Center Directors' performance reviews to include Veteran-centric outcome objectives. Improvements in workforce culture, with a focus on ICARE values, will allow VA to address issues as they arise, rather than necessitating employee termination following repeated and/or pervasive poor behavior. VA has also implemented strong independent oversight by establishing the Office of Accountability Review, and by securing certification in OSC's 2302(c) Whistleblower Protection Certification Program, which ensures that Federal agencies meet the

statutory obligation to inform their workforce about the rights and remedies available to them under the Whistleblower Protection Enhancement Act and related civil service laws.

Additionally, VA policy states Senior Executives who are the subject of a pending investigation have their performance ratings deferred until the investigation is complete. Any adverse finding is then addressed in the rating itself. VA implemented the expedited Senior Executive removal authority provided by Section 707 of the Veterans Access, Choice, and Accountability Act of 2014, and has thus far used that authority to propose removal of Senior Executives. Furthermore, Federal employees may be terminated for a variety of reasons ranging from absence without leave and inability to maintain performance standards to serious offenses such as falsification of records, misuse of government property, or sexual harassment. The vast majority of VA's more than 300,000 employees are committed to serving Veterans effectively and well. Where performance or conduct issues warrant removal, however, VA takes appropriate action to terminate employment.

Mr. Chairman, this concludes my testimony. My colleagues and I are prepared to answer any questions you, Ranking Member Kuster, or other Members of the Committee may have.