VISN: 01 New England Healthcare System

Facility Name: Edith Norse Rogers Memorial Veterans Hospital (Bedford)

Affected Facilities: Bedford, Manchester, and Boston Healthcare System

1. Summary and Conclusions

a. Executive Summary:

Health care has changed dramatically over the last decade, in delivery and in economics of the health care environment. The VA New England Healthcare System (VISN 1) has continually strived to meet and stay ahead of the challenges in this changing environment. VISN 1 has implemented an integrated service delivery system, which provides consistent, high quality care, at the right time, in the right place, for the right cost. Similar to some other VA health care networks, VISN 1 has been challenged when implementing new programs because of an aging infrastructure and limited resources. Despite these challenges, VISN 1 made dramatic changes in reducing lengths of stay and admissions as the Network shifted from inpatient care to outpatient, community and home care. In addition, any changes to the delivery system must consider the recognition of the Network's commitment to research, education and our current affiliations with such prestigious medical schools as Harvard, Yale, Brown and Dartmouth Universities**.** This Network has significant numbers of medical trainees from their affiliates and is third in the country for medical research dollars.

The Network is committed to ensuring that changes in the health care delivery system will continue to meet our high standards. The realignment study outlined below addresses key issues to ensure that VISN 1 meets the health care needs of veterans now and in the future.

The East Market (Massachusetts/Rhode Island) has five medical facilities located in West Roxbury, Jamaica Plain, Brockton, Bedford, Massachusetts and Providence, Rhode Island. Significant patient referrals occur between Rhode Island and the medical facilities in the Boston Healthcare System. There are ample opportunities throughout the East Market to consolidate and streamline services. Generally, the East Market facilities are within the proximity guidelines that offer same or similar services, particularly in the area of mental health. In addition, the East Market has a comprehensive area-wide network transportation system. Many campuses in the East Market have vacant space that is costly to maintain and an aged infrastructure, resulting in the need to review the delivery of inpatient care at the Bedford site.

Data projections show that inpatient demand for psychiatry is decreasing in the East Market and is expected to continue to decrease through fiscal year 2022. Acute inpatient care is available at the Boston Healthcare System and Providence VA

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Medical Center. Inpatient psychiatry services are provided at Bedford, Brockton, and Providence facilities. Considerable integration has already occurred in the Boston Healthcare System. Inpatient psychiatry services at the Jamaica Plain campus were consolidated at the Brockton campus. Other inpatient services at the Jamaica Plain campus were consolidated at the West Roxbury campus because they represented large-scale duplication of facility operations. Although efforts to integrate and combine operations in the East Market have already been successful, additional realignments of duplicate programs and services is possible, particularly in the area of inpatient psychiatry.

The realignment proposal for the VA New England Healthcare System calls for the transfer of inpatient care to other VISN 1 facilities from the Bedford facility. Five cost scenarios were reviewed as part of this process:

- Status quo (no change to any VISN 1 facilities);
- VISN 1 Market Plan (reallocation of capital assets developed by the Network in April 2003 to meet the projected health care needs of veterans through FY 2022;
- Contract Care (contract all inpatient workload at VAMC Bedford to the private sector);
- Alternative 1: transfer inpatient workload from VAMC Bedford to Brockton and Manchester;
- Alternative 2: transfer all inpatient and outpatient workload from VAMC Bedford and from the VA Boston Healthcare System (Brockton, Jamaica Plain, and West Roxbury campuses) to a new large medical complex in the metropolitan area.

Three of the cost scenarios were proscribed: “Status Quo,” “Original Market Plan,” and “100% Contract.” The remaining scenarios were developed based on patient demographics, assessment of nearby VA facilities, (e.g., compatibility of missions, facility infrastructure, potential for program consolidation, etc.), access, quality of care, utilization of existing capital resources, and other cost considerations (e.g. life cycle costs and Net Present Values). Stakeholder input, including comments received during and following the CARES Commission Hearing held in VISN 1, was considered. The VISN 1 Executive Leadership Council (ELC) reviewed the alternative solutions for the realignment of inpatient services from Bedford.

Nearby VA facilities with similar missions as Bedford were identified as likely sites for workload referral. These included VAMC Manchester (located in southern New Hampshire) and the Brockton campus of the Boston Healthcare System (located in southeastern Massachusetts). Manchester is an outpatient facility with VA nursing home care capacity, and Brockton is an inpatient psychiatric facility with chronic spinal cord injury and nursing home capacity. (Brockton also provides a broad range of outpatient programs, including mental health and substance abuse). Because Manchester has space in its existing nursing home care unit (Building 15) to expand nursing home capacity, and it shares a portion of Bedford’s catchment area (northern Massachusetts), it was recommended that Manchester’s NHCU be expanded by 30 beds. Upon review of the mission and assets of the Brockton campus, it was recommended that the domiciliary (40 beds), inpatient psychiatry (75

beds), and nursing home workload (240 beds) be transferred from Bedford to that facility.

The rationale for this recommendation was based on mission compatibility (both Bedford and Brockton have similar missions), shared patient catchment areas, access, quality of care, utilization of resources, and opportunities for program consolidations. Brockton currently hosts a domiciliary located on the 1st floor of Building 7. Relocation of Bedford's domiciliary to the 2nd floor of Building 7 (currently vacant) would co-locate both programs in one central location. With regard to inpatient psychiatry, the inpatient psychiatry units in Building 2 could accommodate the inpatient workload from Bedford. Minimal costs would be incurred to relocate existing outpatient and residential-type programs that are currently housed in this area.

Existing nursing home capacity at Brockton is fully utilized. Options considered for expansion included the renovation of vacant space in Building 3 or new construction. Based on CARES space criteria for construction of nursing home care units, it was determined that conversion of vacant space (currently targeted for primary care and specialty care outpatient expansion) was not a viable option. New construction was recommended for the nursing home care expansion, particularly in light of the planned Major Construction project at Brockton for a new SCI building to accommodate 65 chronic SCI beds, based on CARES workload projections for FY 2022.

The concept of a replacement facility for Bedford and the VA Boston Healthcare System was identified as Alternative 2 based on questions raised by the CARES Commission and to determine if life cycle costs would justify consolidation of all VA facilities in eastern Massachusetts.

Alternative 1 reflects the transfer of inpatient programs from VAMC Bedford to Brockton and Manchester facilities. Specifically, relocation of 75 psychiatry beds, 40 domiciliary beds plus 240 VA NHCU beds would transfer to the Brockton campus and 30 VA NHCU beds would transfer to the Manchester facility. In addition, a minimal amount of related primary care and mental health workload as well as the research support associated with the inpatient programs being transferred would also shift to the Brockton campus. The SCI long-term care program at Brockton will be expanded to 65 beds and included in the new construction. If approved, it is anticipated that a new building would be constructed on the Brockton campus in 2007.

Alternative 2 reflects the consolidation of all inpatient and outpatient programs from both the Bedford facility and the three campuses of the VA Boston Healthcare System (Brockton, Jamaica Plain, and West Roxbury) to one large medical complex located in Boston. This proposal is based upon the need to construct modern, state-of-the-art facilities as well as eliminate duplication of programs and facilities by consolidating into one modern facility. The new facility is projected to include approximately 600 hospital beds and 476 nursing home care beds. An estimated 30 acres of land would be required to construct the 4 million gross square feet facility

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including both surface and garage parking facilities. Under this alternative, the Bedford VAMC and the three campuses of the VA Boston Healthcare System would be divested. If approved, it is anticipated that the new hospital would be constructed in 2010.

Conclusion:

After carefully considering all the options for realignment of care within VISN 1, Alternative 1 was selected as the preferred option. This option would enhance VA's missions, improve the delivery of patient care, and would be the most cost-effective viable alternative. All domiciliary and chronic inpatient care would be consolidated on one campus (Brockton) in the East Market. Access to Brockton is near several major highway systems and is in close proximity to Providence and West Roxbury for referrals. Vacant space at Bedford could be used for enhanced sharing/lease revenue. Quality of care, already being delivered at a very high standard, offers opportunities for enhancement under Alternative 1.

Key factors that support this decision include the following:

Access: The issue of accessibility was carefully studied. It should be noted that veterans who live in the northeastern part of Massachusetts will travel farther to the Brockton campus, however, access to primary and acute care will not significantly change in the Alternative 1 solution. The access measures below show that access in primary and acute care is improved overall.

Type	**Current Access**	**New Access**
Primary Care	96%	96%
Acute Care	90%	93%

Alternative 1 will provide a comprehensive continuum of care offered by VISN 1, for primary care, acute medical and surgical care, psychiatric care, long-term care, nursing home care and ambulatory surgery. Special programs offered in the East Market include: acute and long-term Spinal Cord Injury Centers, a Radiation Therapy Center, a consolidated domiciliary, a Cardiac Surgery Center, MRI, a PET Scanner, Homeless Veterans Outreach Programs, GRECC, Women Veterans Programs, PTSD National Centers, and an inpatient Alzheimer's Disease program. The access to care for the special emphasis veteran will not change with any of the options.

Quality: Quality of care was a very important factor in the review. Based on the many indicators of quality studied, it was concluded that the current standards of care at both facilities (Bedford and the Boston Healthcare System) are high. These are excellent VA facilities with high marks for satisfaction from veterans and family members. VISN 1 is among the top 3 VISNs on performance measure achievement and is a leader in patient satisfaction results. Alternative 1 will continue the VISN's excellent quality performance. Inpatient psychiatry, domiciliary, and nursing home care would be consolidated at one location with one standard of care. In addition,

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mental health, geriatrics and long-term care would be enhanced by combining the excellent programs from both Bedford and Brockton.

Cost: Compared to the Status Quo option (life cycle costs = $10.2B), the Original Market Plan (life cycle costs = $9.5B) and Alternative 2 (life cycle costs = $12.5B), Alternative 1 has the lowest life cycle costs ($9.4B). Consolidation of inpatient psychiatry and domiciliary at Brockton would negate the need to renovate existing wards at Bedford. Expansion of 30 NHCU beds at Manchester would maximize the NHCU capacity at that facility. In addition, leasing space from vacant inpatient wards at Bedford would generate revenues, which in turn would be used to enhance patient care.

Research & Education: VISN 1 enhances its education and research missions by partnership with its prestigious affiliates and their medical, dental, nursing, and allied health professional programs. VISN 1 has over 500 resident positions and over 400 associate health profession educational agreements for the training of various allied health professionals. The academic affiliates and other allied health trainees are, therefore, vital stakeholders in the planning and future direction of VISN 1. Alternative 1 relocates the related research and education programs to the Boston Healthcare System. The planning provides for a relocation of the animal laboratories and other research space. The new space would meet the appropriate criteria for accreditation. It is anticipated new construction will enhance both the research and education programs. Alternative 1 strengthens our commitment to the research and education mission.

Employee and Staff Acceptance: All proposed options impact on the employees and staff. Commuting distance may be too great for some staff to accept transfers to the Brockton facility. Local government as well as local community groups have not yet been involved in the development of the proposed replacement facility. It is anticipated that there will be significant opposition by all stakeholders (patients, staff, and political leaders). It is anticipated that there will be strong political pressures regarding the site location of the proposed facility. It is also anticipated that there would be a negative economic impact on the local community of Bedford.

Enhancement of Missions: The proposed reallocation of inpatient workload from Bedford to Brockton and Manchester would enhance existing missions at those facilities.

An impact assessment of the various alternative strategies is included under the alternative analysis summary.

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b. Current Environment:

The Edith Nourse Rogers Memorial Veterans Hospital, constructed in 1928, is comprised of approximately 60 buildings located on 184 acres of land at 200 Springs Road in Bedford, Massachusetts.

Facility Condition: As part of the CARES process, the condition of the physical plants of all facilities was conducted. Ratings of facilities were based on a scale from 0 to 5 with a score of "3" representing "average" physical plant condition and "5" representing a modern physical environment with no deficiencies. With regard to the proposed realignment of inpatient facilities at Bedford, the respective condition codes of the inpatient units are as follows: Nursing Home = 3.62; Psychiatry = 2.25; and Domiciliary = 2.75. For comparative purposes, condition codes for like programs at Brockton are as follows: Nursing Home = 4.25; Psychiatry = 3.57; and Domiciliary = 4.63.

Potential uses: Residential (multifamily or senior housing) or educational facilities are the most likely uses for this site. Local traffic network (Springs Road) will present significant limitations on any potential development. There are older (200 + years in some cases) houses in close proximity to the site with small setbacks from the main road.

Subdivision Potential: Subdivision of the site is possible, utilizing access from Springs Road. Future development will be limited by local zoning, a vocal neighborhood group, and limitations placed upon the site by the capacity of the local road system. While most of the property is generally level and has access to Springs Road, the winding nature of the roads, the dense forestation, and the relatively dense surrounding neighborhood would affect development alternatives. These factors affect visibility and accessibility, which are important factors in possible subdivision of the property.

Description of neighborhood surrounding the Medical Center:

Direction	Description
North	Residential
East	Residential, community college
South	Recreational (municipal park and a 9-hole golf course)
West	Residential

Neighborhood Development: Approximately 76-100% of the neighborhood land has been developed, primarily upper moderately priced single family dwellings. Overall conditions of the neighborhood properties are good to above average, with most falling into an above average category.

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Workload Summary:

Workload or Space Category	2001 ADC	Baseline Wkld (beds, stops)	2012 Projected Wkld (beds, stops)	2022 Projected Wkld (beds, stops)
Inpatient Medicine	0	0	0	0
Inpatient Surgery	0	0	0	0
Inpatient Psych	99*	117*	115*	108*
Inpatient Dom	38	40	40	40
Inpatient NHCU	444	467	467	467
Inpatient PRRTP	0*	0*	0*	0*
Inpatient SCI	0	0	0	0
Inpatient BRC	*	*	*	*
Outpatient Primary Care		32,127	72,785	56,135
Outpatient Specialty Care		17,713	65,354	52,936
Outpatient Mental Health		116,064	116,802	114,299
Ancillary & Diagnostics		44,735	66,462	54,538

*Residential Care workload included in inpatient psychiatry workload

c. Proposed Realignment:

The realignment proposal for the VA New England Healthcare System addresses the feasibility of converting the Edith Nourse Rogers Memorial Veterans Hospital (Bedford) to an eight-hour a day, 5-day per week outpatient-only operation. This would include the relocation of inpatient psychiatry, domiciliary and nursing home care to other VISN 1 facilities. Alternative 1 reflects the transfer of these programs to VA facilities in Brockton (part of the VA Boston Healthcare System) and Manchester. Specifically, relocation of 75 psychiatry beds, 40 domiciliary beds plus 240 VA NHCU beds would transfer to the Brockton Campus of the VA Boston Healthcare System, and 30 VA NHCU beds would transfer to the Manchester VA facility. In addition, a minimal amount of related primary care and mental health workload as well as some research support that is associated with the inpatient programs being transferred would also shift to the Brockton Campus. The 2nd alternative reflects the consolidation of all inpatient and outpatient programs from both the Bedford facility and the VA Boston Healthcare System (Brockton, Jamaica Plain, and West Roxbury Campuses) to one large medical complex located in Boston.

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2. Analysis.

a. Description of Current Programs and Services Environment:

The Edith Nourse Rogers Memorial Veterans Hospital provides services in such areas as: Geriatrics, with specialty care in Alzheimer's Disease, Mental Health, including homelessness, substance abuse and Compensated Work Therapy and Ambulatory Care. The hospital currently offers 6 service lines: Ambulatory Care, Mental Health, Geriatrics & Extended Care, Geriatrics Research Education & Clinical Center (GRECC), Clinical Support, and Administrative Support.

SERVICES PROVIDED
Nursing Home Care, Substance Abuse, Acute Inpatient Psychiatric Care, and Alzheimer's inpatient and outpatient care, Domiciliary for Homeless Veterans, Community Stabilization Program, Community Residential Care, Ambulatory Care, and Outpatient Specialty Care

COMMUNITY BASED OUTPATIENT CLINICS
Lynn, Haverhill, Gloucester, and Fitchburg

AFFILIATIONS
Boston University Schools of Medicine and Public Health
Lahey Clinic
Harvard School of Dental Medicine

OPERATING BEDS
65 Hospital beds (Psychiatry)
304 Nursing Home beds
40 Domiciliary beds
52 PRRTP beds

SPECIAL PROGRAMS
Intensive Psychiatric Community Care Program (IPCC)
Geriatric Research Education Clinical Center (GRECC)
Domiciliary for Homeless Veterans
Readjustment Counseling (Vet's Center)
Seriously Mentally Ill Veterans
Substance Abuse
Geriatric Evaluation Unit
CWT/Psychiatric Rehabilitation Residence Program (PRRTP)

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Alternate # 1 Shift Workload to Brockton and Manchester					The first alternative requires new construction at Brockton and renovation of existing space at Manchester for nursing home care. A new SCI unit is currently planned at Brockton and this additional construction could be added to that major project. This alternative moves 76 inpatient acute psychiatry, 240 NHCU and 40 domiciliary beds to Brockton and 30 NHCU beds to Manchester. 41 PRRTP beds will be provided in the community at the Crescent Building in Lowell, with oversight of the program moved to Brockton . A limited amount of related primary care and mental health outpatient workload would be transfered to Brockton to support the inpatient programs.			
Workload or Space Category	**2001 ADC**	**Baseline Wkld (beds, stops)**	**2012 Projected Wkld (beds, stops)**	**2022 Projected Wkld (beds, stops)**	**% to be transferred**	**Year to begin transfer**	**Receiving Facility Name**	**Receiving Facility % contracted out**
Domiciliary	38	40	40	40	100.0%	2007	Brockton	
Interm Med/NHCU	444	467	467	467	93.6%	2007	Brockton	45%
Interm Med/NHCU	444	467	467	467	6.4%	2005	Manchester	
Psychiatry	99	117	115	108	65.0%	2005	Brockton	
Psychiatry	99	117	115	108	35.0%		Brockton (Crescent Bldg, Lowell)	
Mental Health		116,064	116,802	114,299	4.0%	2007	Brockton	
Primary Care		32,127	72,785	56,135	1.0%	2007	Brockton	
Research SPACE	$8,261,117	N/A	N/A	N/A	100.0%	2007	Brockton	

VISN 1 - Bedford								
Alternate # 2 New Boston Facility - Close 4 Boston VAMCs					The second alternative closes the four Boston facilities (Bedford, Jamaica Plain, West Roxbury and Brockton) and transfers all inhouse workload to a new facility centrally located in the city of Boston. This alternative allows the four campuses to be used for enhanced use opportunities while constructing a modern medical center more suited to the current and projected veteran demographics and health care services over the next twenty years.			
Workload or Space Category	**2001 ADC**	**Baseline Wkld (beds, stops)**	**2012 Projected Wkld (beds, stops)**	**2022 Projected Wkld (beds, stops)**	**% to be transferred**	**Year to begin transfer**	**Receiving Facility Name**	**Receiving Facility % contracted out**
Ancillary/Diagnostic		44,735	66,462	54,538	100.0%	2010	New Boston Facility	
Domiciliary	38	40	40	40	100.0%	2010	New Boston Facility	
Interm Med/NHCU	444	467	467	467	100.0%	2010	New Boston Facility	37%
Medicine	1	1	1	1	100.0%	2010	New Boston Facility	
Mental Health		116,064	116,802	114,299	100.0%	2010	New Boston Facility	
Primary Care		32,127	72,785	56,135	100.0%	2010	New Boston Facility	
Psychiatry	99	117	115	108	100.0%	2010	New Boston Facility	
Specialty Care		17,713	65,354	52,936	100.0%	2010	New Boston Facility	

VISN 1 - Jamaica Plain								
Alternate # 2 New Boston Facility - Close 4 Boston VAMCs					The second alternative closes the four Boston facilities (Bedford, Jamaica Plain, West Roxbury and Brockton) and transfers all inhouse workload to a new facility centrally located in the city of Boston. This alternative allows the four campuses to be used for enhanced use opportunities while constructing a modern medical center more suited to the current and projected veteran demographics and health care services over the next twenty years.			
Workload or Space Category	**2001 ADC**	**Baseline Wkld (beds, stops)**	**2012 Projected Wkld (beds, stops)**	**2022 Projected Wkld (beds, stops)**	**% to be transferred**	**Year to begin transfer**	**Receiving Facility Name**	**Receiving Facility % contracted out**
Ancillary/Diagnostic		100,014	141,282	121,493	100.0%	2010	New Boston Facility	
Interm Med/NHCU	54	57	57	57	100.0%	2010	New Boston Facility	91%
Medicine	9	10	19	14	100.0%	2010	New Boston Facility	
Mental Health		117,736	119,987	118,339	100.0%	2010	New Boston Facility	
Primary Care		101,610	138,674	105,033	100.0%	2010	New Boston Facility	
Psychiatry	14	17	14	9	100.0%	2010	New Boston Facility	
Specialty Care		133,876	162,249	129,917	100.0%	2010	New Boston Facility	
Research	$35,389,337				100.0%	2010	New Boston Facility	

VISN 1 - Brockton								
Alternate # 2 New Boston Facility - Close 4 Boston VAMCs					The second alternative closes the four Boston facilities (Bedford, Jamaica Plain, West Roxbury and Brockton) and transfers all inhouse workload to a new facility centrally located in the city of Boston. This alternative allows the four campuses to be used for enhanced use opportunities while constructing a modern medical center more suited to the current and projected veteran demographics and health care services over the next twenty years.			
Workload or Space Category	**2001 ADC**	**Baseline Wkld (beds, stops)**	**2012 Projected Wkld (beds, stops)**	**2022 Projected Wkld (beds, stops)**	**% to be transferred**	**Year to begin transfer**	**Receiving Facility Name**	**Receiving Facility % contracted out**
Ancillary/Diagnostic	44,735	66,462	54,538		100.0%	2010	New Boston Facility	
Domiciliary	71	75	75	75	100.0%	2010	New Boston Facility	
Interm Med/NHCU	207	218	218	218	100.0%	2010	New Boston Facility	33%
Medicine	4	4	7	6	100.0%	2010	New Boston Facility	
Mental Health		81,601	83,078	82,475	100.0%	2010	New Boston Facility	
Primary Care		30,529	50,851	39,299	100.0%	2010	New Boston Facility	
Psychiatry	140	164	156	145	100.0%	2010	New Boston Facility	
Residential Rehab	1	1	1	1	100.0%	2010	New Boston Facility	
Specialty Care		30,921	54,592	44,622	100.0%	2010	New Boston Facility	
Spinal Cord Injury	24	29	65	65	100.0%	2010	New Boston Facility	
Surgery	4	5	5	4	100.0%	2010	New Boston Facility	

VISN 1 - West Roxbury								
Alternate # 2 New Boston Facility - Close 4 Boston VAMCs					The second alternative closes the four Boston facilities (Bedford, Jamaica Plain, West Roxbury and Brockton) and transfers all inhouse workload to a new facility centrally located in the city of Boston. This alternative allows the four campuses to be used for enhanced use opportunities while constructing a modern medical center more suited to the current and projected veteran demographics and health care services over the next twenty years.			
Workload or Space Category	**2001 ADC**	**Baseline Wkld (beds, stops)**	**2012 Projected Wkld (beds, stops)**	**2022 Projected Wkld (beds, stops)**	**% to be transferred**	**Year to begin transfer**	**Receiving Facility Name**	**Receiving Facility % contracted out**
Ancillary/Diagnostic		91,852	142,486	123,554	100.0%	2010	New Boston Facility	
Interm Med/NHCU	40	42	42	42	100.0%	2010	New Boston Facility	38%
Medicine	39	46	95	73	100.0%	2010	New Boston Facility	
Mental Health		9,526	9,912	9,774	100.0%	2010	New Boston Facility	
Primary Care		43,044	58,305	45,064	100.0%	2010	New Boston Facility	
Psychiatry	2	2	2	1	100.0%	2010	New Boston Facility	
Specialty Care		36,703	77,734	63,286	100.0%	2010	New Boston Facility	
Spinal Cord Injury*	13	15	15	15	100.0%	2010	New Boston Facility	
Surgery	33	39	54	41	100.0%	2010	New Boston Facility	

b. Travel times:

Access: Access based on CARES criteria for primary care and for acute care standards will not change significantly. Despite sufficient public and private transportation throughout the East Market, practice patterns of the general population divides the market into three areas, Rhode Island, Southeastern MA and Northeastern MA. While commuting is common into the Greater Boston area for tertiary health care, major sporting and cultural events and other personal needs, it is not common for commuting between areas to occur for more common events (i.e. primary healthcare, ambulatory surgery, routine shopping, school events, etc.). Accordingly, the relocation of all inpatient programs from Bedford would result in significant stakeholder protest. Access data for the Alternatives 1 and 2 are as follows:

Alternate # 1 Shift Workload to Brockton and Manchester	**VISN 1 - Bedford VAMC**									
CARES Category (Dom, Specialty Care or NHCU)	**County Name** (With majority of the workload)	**FY 2012 Workload (BDOC)**	**Travel time from County to Facility being studied**	**Workload to be transferred to Brockton**	**Travel Time from County to Brockton**	**Workload to be transferred to Manchester**	**Travel Time from County to Manchester**	**New Weighted Travel Time** (calculated)		**Change in Driving Time in Minutes**
Domiciliary	MIDDLESEX (25017)	4,099	18	4,099	52			52		34
Domiciliary	SUFFOLK (25025)	1,858	36	1,858	39			39		3
Domiciliary	ESSEX (25009)	1,409	39	1,409	72			72		33
Domiciliary	WORCESTER (25027)	1,402	68	1,402	88			88		20
Nursing Home	MIDDLESEX (25017)	52,777	18	49,346	52	3,431	57	52		34
Nursing Home	ESSEX (25009)	19,532	39	18,262	72	1,270	65	72		33
Nursing Home	NORFOLK (25021)	19,333	45	18,076	26	1,257	81	30		(15)
Nursing Home	SUFFOLK (25025)	17,408	36	16,276	39	1,132	65	41		5

Type	**Current Access %**	**New Access %**
Primary Care	96%	96%
Acute Care	90%	93%

Alternate # 2 New Boston Facility - Close 4 Boston VAMCs	VISN 1 - Bedford to New Boston Facility									
CARES Category (Dom, Specialty Care or NHCU)	County Name (With majority of the workload)	FY 2012 Workload (BDOC)	Travel time from County to Facility being studied	Workload to be transferred to New Boston Facility (JP Area)	Travel Time from County to New Boston Facility (JP Area)					Change in Driving Time in Minutes
Domiciliary	MIDDLESEX (25017)	4,099	18	4,099	38					20
Domiciliary	SUFFOLK (25025)	1,858	36	1,858	21					(15)
Domiciliary	ESSEX (25009)	1,409	39	1,409	51					12
Domiciliary	WORCESTER (25027)	1,402	68	1,402	79					11
Nursing Home	MIDDLESEX (25017)	52,777	18	52,777	38					20
Nursing Home	ESSEX (25009)	19,532	39	19,532	51					12
Nursing Home	NORFOLK (25021)	19,333	45	19,333	26					(19)
Nursing Home	SUFFOLK (25025)	17,408	36	17,408	21					(15)
Specialty Care	MIDDLESEX (25017)	29,071	18	29,071	38					20
Specialty Care	ESSEX (25009)	17,802	39	17,802	51					12
Specialty Care	WORCESTER (25027)	6,667	68	6,667	79					11

Type	Current Access %	New Access %	
Primary Care	96%	90%	
Acute Care	90%	92%	The increase is due to the additional acute care contract sites in North and Far North Mark

Alternate # 2 New Boston Facility - Close 4 Boston VAMCs	VISN 1 - Jamaica Plain to New Boston Facility									
CARES Category (Dom, Specialty Care or NHCU)	County Name (With majority of the workload)	FY 2012 Workload (BDOC)	Travel time from County to Facility being studied	Workload to be transferred to New Boston Facility (JP Area)	Travel Time from County to New Boston Facility (JP Area)					Change in Driving Time in Minutes
Nursing Home	SUFFOLK (25025)	4,462	21	4,462	21					-
Nursing Home	MIDDLESEX (25017)	3,910	38	3,910	38					-
Nursing Home	NORFOLK (25021)	3,202	26	3,202	26					-
Nursing Home	ESSEX (25009)	2,676	51	2,676	51					-
Nursing Home	WORCESTER (25027)	2,009	79	2,009	79					-
Specialty Care	MIDDLESEX (25017)	39,554	38	39,554	38					-
Specialty Care	SUFFOLK (25025)	30,227	21	30,227	21					-
Specialty Care	ESSEX (25009)	19,455	51	19,455	51					-
Specialty Care	NORFOLK (25021)	18,143	26	18,143	26					-

Alternate # 2 New Boston Facility - Close 4 Boston VAMCs	VISN 1 - Brockton to New Boston Facility									
CARES Category (Dom, Specialty Care or NHCU)	County Name (With majority of the workload)	FY 2012 Workload (BDOC)	Travel time from County to Facility being studied	Workload to be transferred to New Boston Facility (JP Area)	Travel Time from County to New Boston Facility (JP Area)					Change in Driving Time in Minutes
Domiciliary	PLYMOUTH (25023)	7,049	39	7,049	52					13
Domiciliary	SUFFOLK (25025)	3,297	39	3,297	21					(18)
Domiciliary	MIDDLESEX (25017)	2,552	52	2,552	38					(14)
Domiciliary	BRISTOL (25005)	2,492	34	2,492	59					25
Nursing Home	PLYMOUTH (25023)	13,340	39	13,340	52					13
Nursing Home	NORFOLK (25021)	11,403	26	11,403	26					-
Nursing Home	SUFFOLK (25025)	7,960	39	7,960	21					(18)
Nursing Home	MIDDLESEX (25017)	7,369	52	7,369	38					(14)
Nursing Home	WORCESTER (25027)	7,259	88	7,259	79					(9)

Alternate # 2 New Boston Facility - Close 4 Boston VAMCs	VISN 1 - West Roxbury to New Boston Facility									
CARES Category (Dom, Specialty Care or NHCU)	County Name (With majority of the workload)	FY 2012 Workload (BDOC)	Travel time from County to Facility being studied	Workload to be transferred to New Boston Facility (JP Area)	Travel Time from County to New Boston Facility (JP Area)					Change in Driving Time in Minutes
Nursing Home	SUFFOLK (25025)	2,575	26	2,575	21					(5)
Nursing Home	MIDDLESEX (25017)	2,536	33	2,536	38					5
Nursing Home	NORFOLK (25021)	2,366	20	2,366	26					6
Nursing Home	PLYMOUTH (25023)	1,524	57	1,524	52					(5)
Nursing Home	ESSEX (25009)	1,332	52	1,332	51					(1)
Specialty Care	WORCESTER (25027)	24,388	73	24,388	79					6
Specialty Care	NORFOLK (25021)	15,527	20	15,527	26					6
Specialty Care	MIDDLESEX (25017)	8,308	33	8,308	38					5
Specialty Care	SUFFOLK (25025)	7,703	26	7,703	21					(5)

c. Current Physical Condition of the Realignment Site and Patient Safety

2001 Baseline Data	VISN 1 - Bedford							
Facility Name	Campus Acreage	Original Bed Capacity (Beds)	Number of Vacant Bldgs	Number of Occupied Bldgs	Vacant Space (SF)	Average Condition Score	Annual Capital Costs *	Valuation of Campus (AEW Market Value)
Bedford, MA	184	2,000	7	56	66,273	3.0	$4,943,006	$7,200,000
Brockton, MA	146	958	2	36	123,929	3.3	$3,933,098	-$500,000
Manchester, NH	32	150	3	10	4,129	3.4	$3,035,791	-$400,000
West Roxbury, MA	31	300	0	16	9610	3.4	$5,713,172	$13,700,000
Jamaica Plain (Boston)	18	1,000	0	10	69,229	3.1	$8,440,583	$7,100,000

d. Impact Considerations:

- **Capital:**

  The preferred scenario, Alternate 1, relocation of all inpatient services from the Bedford campus, requires a capital expenditure of $150.2M over the current planning horizon (2004-2022). This calculation includes the national expected cost for maintaining VHA facilities and the cost of expansion or renovation to address the increasing workload. The other scenarios vary from a low of $114.4M, contracting Bedford's workload, to $609.1M, Alternative 2, building a four-campus (Bedford, Brockton, Jamaica Plain, and West Roxbury) replacement hospital.

  In comparing the capital investment of the original market plan submitted in April 2003 to the proposed Alternative 1, additional capital costs of $31.9M would be needed. The increased costs of Alternative 1 reflect renovation costs at Manchester to accommodate 30 nursing home care beds as well as construction required at Brockton to accommodate 240 nursing home care beds, 75 inpatient psychiatry beds, 40 domiciliary beds, increased primary care and mental health outpatient workload associated with the relocation of inpatient capacity from Bedford as well as associated research programs

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The preferred scenario is the most efficient use of capital expenditures as related to the other alternatives. Alternative 2, replacement hospital, is an order of magnitude investment above the other scenarios. This expenditure variance comparing this alternative to the others reflects the difference between the inherent value in our existing facilities and the minimal return we will receive upon divestiture. This is reflected in the Life Cycle Costing and the NPV comparison.

Alternative 1 is the preferred alternative for the following reasons: it would maximize the nursing home care capacity in Building 15 at Manchester; it would maximize the utilization of existing inpatient psychiatry wards in Building 2 at Brockton (renovation of wards would not be required); it would centralize the domiciliary programs in the East Market in one building at Brockton (Building 7); and it would centralize the long-term care capacity in the East Market (at Brockton). Economies of scale could also be maximized by incorporating the construction of the 240 NHCU beds being relocated from Bedford with the planned construction of SCI building (65 beds) at Brockton (Major Construction). A summary of capital costs for the 5 scenarios follows:

Capital Cost Summary		**Years 2004-2022**			
		Original Market Plan	**100% Contract**	**Alt 1**	**Alt 2**
Bedford					
New Construction		$0	-	$0	$0
Renovation		$20,380,847	13,908,423	$10,713,594	$0
	TOTAL	**$20,380,847**	**$13,908,423**	**$10,713,594**	**$0**
Brockton					
New Construction		$26,550,227	$26,550,227	$53,946,978	$0
Renovation		$9,316,679	$9,316,679	$21,503,670	$0
	TOTAL	**$35,866,906**	**$35,866,906**	**$75,450,648**	**$0**
Manchester					
New Construction		$3,073,991	$3,073,991	$4,544,016	$3,073,991
Renovation		$6,681,051	$6,681,051	$7,203,741	$6,142,308
	TOTAL	**$9,755,042**	**$9,755,042**	**$11,747,757**	**$9,216,299**
Jamaica Plain (Boston)					
New Construction		$0	$0	$0	$0
Renovation		$13,780,791	$16,390,319	$13,780,791	$0
	TOTAL	**$13,780,791**	**$16,390,319**	**$13,780,791**	**$0**
West Roxbury					
New Construction		$27,196,931	$27,196,931	$27,196,931	$0
Renovation		$11,302,671	$11,302,671	$11,302,671	$0
	TOTAL	**$38,499,602**	**$38,499,602**	**$38,499,602**	**$0**
New Boston Medical Center					
New Construction		$0	$0	$0	$599,890,589
Renovation		$0	$0	$0	$0
	TOTAL	**$0**	**$0**	**$0**	**$599,890,589**
Crescent Building					
New Construction		$0	$0	$0	$0
Renovation		$0	$0	$0	$0
	TOTAL	**$0**	**$0**	**$0**	**$0**
		$118,283,188	$114,420,292	$150,192,392	$609,106,888

- **Operating costs:**

The cost analysis for the five (5) cost scenarios includes comparing the life cycle costs to the status quo using the IBM model. It should be noted that economies of scale are included in the IBM model and that the "100% Contract" scenario reflects the contracting of all inpatient care at Bedford beginning in FY 2004 based on Medicare rates that are underestimated for the East Market (particularly for the complex care Alzheimer's patients). Life cycle costs, Capital Costs, Operating Costs and Revenue Generated in Present Value dollars are used in the analysis.

The summary table of operating costs that follows indicates for Alternative 1 (relocation of inpatients from Bedford to Brockton and Manchester) total life cycle costs of $9,436,252,961. This is compared to $10,157,490,339 for the status quo, $9,482,933,901 for the Original Market Plan, $9,384,934,279 for the contracting alternative and $12,530,317,063 for Alternative 2 (construction of a mega-facility to replace Bedford, Brockton, Jamaica Plain, and West Roxbury).

Original Market Plan: The Market Plan submitted in April reflects a reduction in life cycle costs of approximately $675M compared to the Status Quo. This option retains inpatient capacity at Bedford and includes planning initiatives to meet the patient care demands through 2022.

100% Contract: The contracting option reflects the contracting of all inpatient care (psychiatry, nursing home care and domiciliary care) from Bedford, beginning in FY 2004. This option reflects a reduction in life cycle costs of approximately $773M compared to the Status Quo. The contracting alternative costs are generated by the IBM model and represents an underestimate of true cost of contracting in our area. This alternative ultimately does not represent a substantive cost savings and as it represents a decrement in other CARES criteria and VHA missions (e.g. quality, access, research, stakeholder satisfaction, education and support to the DoD), contracting all Bedford inpatient care is not a viable alternative. The lack of available community resources, particularly for inpatient psychiatry, domiciliary, and Alzheimer's patients make contracting a non-viable alternative.

Alternative 1: Alternative 1 reflects the transfer of inpatient programs from VAMC Bedford to VA facilities in Brockton and Manchester. Specifically, relocation of 75 psychiatry beds, 40 domiciliary beds plus 240 VA NHCU beds would transfer to the Brockton Campus of the VA Boston Healthcare System, and 30 VA NHCU beds would transfer to the Manchester VA facility. In addition, a minimal amount of related primary care and mental health workload as well as research support that is associated with the inpatient programs being transferred would also shift to the Brockton Campus. This option reflects a reduction of approximately $721M compared to the status quo.

Alternative 2: Alternative 2 reflects the consolidation of all inpatient and outpatient programs from both the Bedford facility and the VA Boston Healthcare System (Brockton, Jamaica Plain, and West Roxbury Campuses) to one large medical complex located in Boston. This proposal is based upon the need to construct modern, state-of-the-art facilities as well as eliminate duplication of programs and facilities by

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consolidating into one modern facility. The new facility is projected to include approximately 600 hospital beds and 476 nursing home care beds. An estimated 30 acres of land would be required to construct the 4M gross SF facility including both surface and garage parking facilities. Under this alternative, we would divest the Bedford VAMC and the three campuses of the VA Boston Healthcare System. This option reflects an increase of approximately $2.3B compared to the status quo.

Preferred Alternative: The preferred option, Alternative 1, includes the movement of inpatient care at Bedford to other sites, mainly Brockton, as described above. In addition, this alternative provides significant facility condition improvements through new construction and renovation. The CARES process recognizes that the management of capital assets must be coordinated with respect to the functionality of the space, occupational safety and health, fire safety, and other building and equipment design criteria which affect safety codes and standards. Alternative 1 enhances and optimizes these considerations over those noted in the Bedford space and condition assessments.

Benefits of Alternative 1 compared to the Original Market Plan are as follows: it would maximize the nursing home care capacity in Building 15 at Manchester; it would consolidate all inpatient psychiatry in eastern Massachusetts to a single site and maximize the utilization of existing inpatient psychiatry wards in Building 2 at Brockton (renovation of wards would not be required); it would centralize the domiciliary programs in the East Market in one building at Brockton (Building 7); and it would centralize the long-term care capacity in the East Market (at Brockton). Economies of scale could also be maximized by incorporating the construction of the 240 NHCU beds being relocated from Bedford with the planned construction of SCI building (65 beds) at Brockton (Major Construction).

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10-29-2003 ReRun **Years 2004-2022**

Operating Costs	**Status Quo (Plus capital)**	**Original Market Plan**	**100% Contract**	**Alt 1**	**Alt 2**
Bedford	$1,748,105,281	1,650,897,736	**$1,616,802,855**	**$859,495,281**	**$558,700,399**
Brockton	$1,539,312,687	**$1,450,365,882**	$1,450,365,882	$2,106,861,175	**$483,160,487**
Manchester	$1,157,063,229	$1,186,070,989	$1,186,070,990	$1,226,807,837	$1,186,070,990
Jamaica Plain (Boston)	$2,508,872,385	$2,161,982,960	$2,162,768,545	$2,143,601,147	**$757,041,675**
West Roxbury	$2,778,300,248	$2,932,761,185	$2,932,761,185	$2,932,761,185	**$1,017,832,412**
New Boston Medical Center	$0	$0	$0	$0	$7,920,169,845
Crescent Building	$0	$0	$0	$101,497,860	$0
TOTAL	$9,731,653,830	$9,382,078,752	$9,348,769,457	$9,371,024,485	**$11,922,975,808**

Non-Recurring Costs	**Status Quo (Plus capital)**	**Original Market Plan**	**100% Contract**	**Alt 1**	**Alt 2**
Bedford	$80,754,263	$15,968,725	-$50,590,183	-$43,593,024	-$19,060,119
Brockton	$64,255,316	**$36,102,837**	$36,102,837	$71,663,903	-$19,585,629
Manchester	$49,595,950	$10,180,776	$10,180,776	$12,173,491	$9,642,033
Jamaica Plain (Boston)	$137,894,455	$92,699	$1,961,280	-$13,526,006	-$13,446,014
West Roxbury	$93,336,525	$38,510,112	$38,510,112	$38,510,112	-$9,055,557
New Boston Medical Center	$0	$0	$0	$0	$599,890,589
Crescent Building	$0	$0	$0	$0	$0
TOTAL	$425,836,509	$100,855,149	$36,164,822	$65,228,476	$548,385,303

Life Cycle Costs 2004-2022	**Status Quo (Plus capital)**	**Original Market Plan**	**100% Contract**	**Alt 1**	**Alt 2**
Bedford	$1,828,859,544	$1,666,866,461	$1,566,212,672	$815,902,257	$539,640,280
Brockton	$1,603,568,003	$1,486,468,719	$1,486,468,719	$2,178,525,078	$463,574,858
Manchester	$1,206,659,179	$1,196,251,765	$1,196,251,766	$1,238,981,328	$1,195,713,023
Jamaica Plain (Boston)	$2,646,766,840	$2,162,075,659	$2,164,729,825	$2,130,075,141	$743,595,661
West Roxbury	$2,871,636,773	$2,971,271,297	$2,971,271,297	$2,971,271,297	$1,008,776,855
New Boston Medical Center	$0	$0	$0	$0	$8,520,060,434
Crescent Building	$0	$0	$0	$101,497,860	$0
TOTAL Life Cycle Cost	**$10,157,490,339**	**$9,482,933,901**	**$9,384,934,279**	**$9,436,252,961**	**$12,471,361,111**

Net Present Value FY2004-2022	**Original Market Plan**	**100% Contract**	**Alt 1**	**Alt 2**
Bedford	$161,993,083	$262,646,872	$1,012,957,287	$1,289,219,264
Brockton	$117,099,284	$117,099,284	-$574,957,075	$1,139,993,145
Manchester	$10,407,414	$10,407,413	-$32,322,149	$10,946,156
Jamaica Plain (Boston)	$484,691,181	$482,037,015	$516,691,699	$1,903,171,179
West Roxbury	-$99,634,524	-$99,634,524	-$99,634,524	$1,862,859,918
New Boston Medical Center	$0	$0	$0	-$8,520,060,434
Crescent Building	$0	$0	-$101,497,860	$0
TOTAL Net Present Value	**$674,556,438**	**$772,556,060**	**$721,237,378**	**-$2,313,870,772**

Revenues: Alt 1 - EU revenue calculated at $22/SF, based on recently negotiated contract and FMS data.

Original Summary	Years 2004-2022				
Operating Costs	**Status Quo (Plus capital)**	**Original Market Plan**	**100% Contract**	**Alt 1**	**Alt 2**
Bedford	$1,748,105,281	1,622,331,449	**$1,531,646,994**	**$782,710,440**	**$408,889,713**
Brockton	$1,539,312,687	**$1,411,805,535**	$1,411,805,535	$2,091,689,745	**$341,047,486**
Manchester	$1,157,063,229	$1,183,561,467	$1,181,962,315	$1,225,233,257	$1,181,962,315
Jamaica Plain (Boston)	$2,508,872,385	$2,140,061,945	$2,154,099,264	$2,121,680,132	**$624,167,833**
West Roxbury	$2,778,300,248	$2,931,793,084	$2,931,431,021	$2,931,793,084	**$939,246,415**
New Boston Medical Center	$0	$0	$0	$0	$7,920,169,845
Crescent Building	$0	$0	$0	$101,497,860	$0
TOTAL	$9,731,653,830	$9,289,553,480	$9,210,945,129	$9,254,604,518	$11,415,483,607
Non-Recurring Costs	**Status Quo (Plus capital)**	**Original Market Plan**	**100% Contract**	**Alt 1**	**Alt 2**
Bedford	$80,754,263	$15,968,725	-$50,590,183	-$43,593,024	-$19,060,119
Brockton	$64,255,316	**$36,102,837**	$36,102,837	$71,663,903	-$19,585,629
Manchester	$49,595,950	$10,180,776	$10,180,776	$12,173,491	$9,642,033
Jamaica Plain (Boston)	$137,894,455	$92,699	$1,961,280	-$13,526,006	-$13,446,014
West Roxbury	$93,336,525	$38,510,112	$38,510,112	$38,510,112	-$9,055,557
New Boston Medical Center	$0	$0	$0	$0	$599,890,589
Crescent Building	$0	$0	$0	$0	$0
TOTAL	$425,836,509	$100,855,149	$36,164,822	$65,228,476	$548,385,303
Life Cycle Costs 2004-2022	**Status Quo (Plus capital)**	**Original Market Plan**	**100% Contract**	**Alt 1**	**Alt 2**
Bedford	$1,828,859,544	$1,638,300,174	**$1,481,056,811**	**$739,117,416**	**$389,829,594**
Brockton	$1,603,568,003	**$1,447,908,372**	$1,447,908,372	$2,163,353,648	**$321,461,857**
Manchester	$1,206,659,179	$1,193,742,243	$1,192,143,091	$1,237,406,748	$1,191,604,348
Jamaica Plain (Boston)	$2,646,766,840	$2,140,154,644	$2,156,060,544	$2,108,154,126	**$610,721,819**
West Roxbury	$2,871,636,773	$2,970,303,196	$2,969,941,133	$2,970,303,196	**$930,190,858**
New Boston Medical Center	$0	$0	$0	$0	$8,520,060,434
Crescent Building	$0	$0	$0	$101,497,860	$0
TOTAL Life Cycle Cost	**$10,157,490,339**	**$9,390,408,629**	**$9,247,109,951**	**$9,319,832,994**	**$11,963,868,910**

Net Present Value FY2004-2022	**Original Market Plan**	**100% Contract**	**Alt 1**	**Alt 2**
Bedford	$190,559,370	**$347,802,733**	**$1,089,742,128**	**$1,439,029,950**
Brockton	**$155,659,631**	$155,659,631	-$559,785,645	**$1,282,106,146**
Manchester	$12,916,936	$14,516,088	-$30,747,569	$15,054,831
Jamaica Plain (Boston)	$506,612,196	$490,706,296	$538,612,714	**$2,036,045,021**
West Roxbury	-$98,666,423	-$98,304,360	-$98,666,423	**$1,941,445,915**
New Boston Medical Center	$0	$0	$0	-$8,520,060,434
Crescent Building	$0	$0	-$101,497,860	$0
TOTAL Net Present Value	**$767,081,710**	**$910,380,388**	**$837,657,345**	**-$1,806,378,571**

Revenues: Alt 1 - EU revenue calculated at $22/SF, based on recently negotiated contract and FMS data.

- **Human resources:** Existing staff will continue to be offered first opportunity for consideration for positions created/relocated in any realignment. Any remaining staff will be accommodated elsewhere within their original organization. Commuting distance may be too great for staff to accept transfers from the Bedford to Brockton facilities. Relocation of inpatient services from Bedford could have an impact on the staff of the loosing facility. Local government as well as local community groups have been not yet been involved in the development of the proposed mission change at Bedford. It is anticipated that there will be significant opposition by all stakeholders (patients, staff, and political leaders) and particular note should be made of long standing mutually beneficial relationships with the Town of Bedford, Lahey and Emerson Hospitals, Hansom Air Force Base and the New England Shelter for Homeless Veterans.

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- **Patient care issues and specialized programs:**
  Inpatient Care Units: During the development of Alternative 1, there was concern that the relocation of inpatient psychiatric units could impact the coordination of care for patients receiving inpatient and outpatient care. In addition, the Outpatient Alzheimer's Adult Day Healthcare Center (ADHC) is fully integrated with the inpatient units and the full continuum of long term care programs which are provided by staff who cover both inpatient and outpatient operations at Bedford. Relocation of the inpatient activities would necessitate relocation of the ADHC to maintain this relationship. Alternative 1 plans for the relocation of both inpatient and related outpatient programs to the Brocton campus. In addition, the nursing home and long-term care programs will also be relocated with their related outpatient programs.

- **Impact on Research and Academic Affairs:** During the development of Alternative 1, there was concern that the GRECC program, which houses an NIH-funded Alzheimer Disease Center and is involved with several clinical trials, could be seriously impacted if the LTC beds were relocated. To minimize this impact, relocation of associated research activities to Brockton is planned under Alternative 1. The Harvard and BU geriatrics fellows assigned to related inpatient programs would also be transferred to the Boston Healthcare System. It was also noted that there is a large animal care facility at Bedford housing large numbers of animals used for VA and NIH funded research under the direction of GRECC investigators. Under Alternative 1, construction of new research space at Brockton is planned to accommodate these needs. Overall, upwards of 150 trainees, medical students, residents, fellows and other students will be affected by these relocations.

- **Reuse of the Realigned Campus**: Under Alternative 1, approximately 200,000 SF of space at Bedford would be vacated and could be leased. An estimated $4.4 million in revenues could be generated (based on a market average of $22/SF) on an annual basis to enhance services to veterans in the East Market.

- **Alternative Analysis Summary:**

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VISN 1 - Bedford VAMC

Preferred alternative description and rationale:	Alternative 1 relocates from Bedford: 75 inpatient acute psychiatry, 240 NHCU and 40 domiciliary beds to Brockton and 30 NHCU beds to Manchester. 41 PRRTP beds will be provided in the community at the Crescent Building in Lowell, with oversight of the program moved to Brockton. A limited amount of primary care and mental health outpatient workload would be transferred to Brockton to support the inpatient programs. This alternative would result in the conversion of the Bedford facility to an eight hour a day, 5 days/week outpatient-only operation.

	Status Quo	Original Market Plan	100% Contract	Alternate # 1	Alternate # 2
Short Description:	No change to VISN 1 facilities in the East Market. Current configuration of facilities is inadequate to meet the projected inpatient and outpatient demands of the veteran population through FY 2022.	Retain inpatient capacity at Bedford, including inpatient psychiatry, domiciliary, and nursing home care. Reallocate capital assets to meet projected patient care demands through FY 2022.	Contract all inpatient care and related outpatient care at Bedford to the private sector.	The first alternative relocates from Bedford: 75 inpatient acute psychiatry, 240 NHCU and 40 domiciliary beds to Brockton and 30 NHCU beds to Manchester. 41 PRRTP beds will be provided in the community at the Crescent Building in Lowell, with oversight of the program moved to Brockton. A limited amount of primary care and mental health outpatient workload would be transferred to Brockton to support the inpatient programs.	The second alternative closes the four Boston facilities (Bedford, Jamaica Plain, West Roxbury and Brockton) and transfers all in-house workload to a new facility centrally located in the city of Boston. This alternative allows the four campuses to be used for enhanced use opportunities while constructing a modern medical center more suited to the current and projected veteran demographics and health care services over the next twenty years.
Total Construction Costs	N/A	$118,283,188	$114,420,292	$150,192,392	$609,106,888
Original Life Cycle Costs	$10,157,490,339	$9,390,408,629	$9,247,109,951	$9,319,832,994	11,963,868,910
New Life Cycle Costs (if any)		$9,482,933,901	$9,384,934,279	$9,436,252,961	$12,471,361,111

	Status Quo	Original Market Plan	100% Contract	Alternate # 1	Alternate # 2
Impact on Access	The lack of enhanced capacity to meet the patient care demands of veterans would not address the current long waiting times and waiting lists.	No impact (Access standards met for Primary Care and Acute Care)	Although access standards would be met for primary and acute care, the access to care for patients in the 100-bed Alzheimer's Unit at Bedford would be impacted since there is limited capacity to accommodate these patients in the community.	Access standards met for Primary Care based on provision of care at existing CBOCs. Access standards for Acute Care improve slightly. Although access will not be compromised to levels not meeting CARES criteria, access as defined by the veterans' population of this Market will. Despite sufficient public and private transportation throughout the East Market, practice patterns of the general population divides the market into three areas, Rhode Island, Southeastern MA and Northeastern MA. While commuting is common into the Greater Boston area for tertiary health care, major sporting and cultural events and other personal needs, it is not common for commuting between areas to occur for more common events (i.e. primary healthcare, ambulatory surgery, routine shopping, school events, etc.).	Access standards met for Primary Care based on provision of care at existing CBOCs. Access standards for Acute Care improve slightly. Although access will not be compromised to levels not meeting CARES criteria, access as defined by the veterans' population of this Market will. Despite sufficient public and private transportation throughout the East Market, practice patterns of the general population divides the market into three areas, Rhode Island, Southeastern MA and Northeastern MA. While commuting is common into the Greater Boston area for tertiary health care, major sporting and cultural events and other personal needs, it is not common for commuting between areas to occur for more common events (i.e. primary healthcare, ambulatory surgery, routine shopping, school events, etc.).

	Status Quo	Original Market Plan	100% Contract	Alternate # 1	Alternate # 2
Impact on Quality	The environment of care could impact quality of care. In addition, facilities would not have sufficient capacity to meet the projected demand, resulting in patient care delays.	Realignment of capital assets & planned initiatives to expand capacities to meet projected demand will reduce patient waiting times and access to care. Quality as measured by patient satisfaction, clinical practice guidelines and preventive measures would be enhanced.	Continuity of care, follow-up and cost control may be impacted.	Inpatient psychiatry, domiciliary, and nursing home care would be consolidated at one location with one standard of care.	The failing infrastructures of existing facilities would continue until a new facility is constructed.
Impact on Staffing & Community	No impact	Same as Status Quo	There would be a loss of jobs at VA facilities. There are inadequate facilities in the community to treat acute psychiatric patients and patients with Alzheimer's disease.	Commuting distance may be too great for some of the staff to accept transfers to the Brockton facility. Local government as well as local community groups have been not yet been involved in the development of the proposed replacement facility. It is anticipated that there will be significant opposition by all stakeholders (patients, staff, and political leaders). It is anticipated that there will be strong political pressures regarding the site location of the proposed facility. It is also anticipated that there would be a negative economic impact on the local community of Bedford.	Commuting distance may be too great for some of the staff to accept transfers from the Bedford and Brockton facilities. Local government as well as local community groups have been not yet been involved in the development of the proposed replacement facility. It is anticipated that there will be significant opposition by all stakeholders (patients, staff, and political leaders). It is anticipated that there will be strong political pressures regarding the site location of the proposed facility. It is also anticipated that there would be a negative economic impact on the local communities of Bedford, West Roxbury, and Brockton.

	Status Quo	Original Market Plan	100% Contract	Alternate # 1	Alternate # 2
Impact on Research and Education	No impact	Research and education facilities will be renovated/expanded to meet projected demand. Ability to recruit and retain clinical staff will be enhanced.	Contracting inpatient care at Bedford would have a detrimental impact on the research & education programs at Bedford.	Alternative 1 relocates the related research and education programs to the Boston Healthcare System. The planning provides for a relocation of the animal laboratories and other research space. The new space would meet the appropriate criteria for accreditation. It is anticipated new construction will enhance both the research and education programs.	New modern facilities located in downtown Boston on a single site for inpatient, outpatient, and research activities would greatly enhance both the research and education programs (current affiliates are located in Boston).
Optimizing Use of Resources	Vacant space will not be utilized to its full potential.	Conversion of vacant space to meet the projected patient care demand through FY 2022 will be maximized.	Although the life cycle costs are lower for this alternative. They may be understated due to the variance between Medicare rates and the actual market costs. This would have a negative impact on available resources. Cost for care of Alzheimer's patients is significantly higher than Medicare rate.	Consolidation of inpatient psychiatry and domiciliary at Brockton would negate the need to renovate existing wards at Bedford. Expansion of 30 NHCU beds at Manchester would maximize the NHCU capacity at that facility. Revenues would be generated by leasing space from vacant inpatient wards at Bedford.	Provision of inpatient and outpatient care at a modern facility located on a single site would significantly improve staff and operational efficiencies by offering "one stop care" for veterans. Costs of transporting nursing home patients requiring hospitalization would be reduced. Duplication of services/equipment between campuses would be eliminated. Bedford, Brockton, Jamaica Plain, and West Roxbury Campuses could be sold to offset the cost of constructing a replacement facility.

	Status Quo	Original Market Plan	100% Contract	Alternate # 1	Alternate # 2
Support other Missions of VA	No impact	Enhanced capacity would strengthen VA's National Emergency Response to include community support in response to regional disasters, national emergencies & DoD contingency planning.	NA	Enhanced capacity would strengthen VA's National Emergency Response to include community support in response to regional disasters, national emergencies & DoD contingency planning.	Enhanced capacity would strengthen VA's National Emergency Response to include community support in response to regional disasters, national emergencies & DoD contingency planning.
Other significant considerations	Current configuration of facilities is inadequate to meet the projected inpatient and outpatient demands of the veteran population through FY 2022. Many patient care areas do not meet VA criteria regarding adequacy of space, accessibility, privacy and all applicable codes & VA standards regarding safety.	No impact	There is insufficient capacity in the community to contract inpatient psychiatry and the patients from the Alzheimer's Unit (100 patients)	There has been significant opposition from the local community and politicians to eliminate inpatient beds from Bedford. Administrative and clinical consolidation of Bedford and the VA Boston Healthcare System could be facilitated.	Funding of the proposed mega-facility in Boston may not compete favorably with the needs and political influences elsewhere in the country. Availability and cost of land to build a replacement facility in the Boston area could be challenging. Political factors regarding site location and impact on local communities would likely delay approval process/funding.