



## Frequently Asked Questions Updated May 2008

#	QUESTION	RESPONSE
1.	<b>What is Project HERO?</b>	<p>Project HERO enhances the opportunity for VA to conduct effective medical management, improve continuity of care, and establish complete patient records. Project HERO is a demonstration program being piloted in Veterans Integrated Service Networks (VISNs) 8, 16, 20, and 23. Through this program, VA will better manage Fee care provided to eligible veterans.</p> <p>The ultimate goal of Project HERO is to ensure that all care delivered by VA is VA-managed and is of the same quality and consistency for veterans.</p>
2.	<b>Why was Project HERO created?</b>	In November 2005 VA developed Project HERO in response to House of Representatives Committee on Appropriations Conference Report 109-305, which directed VA to focus on cost-effective purchasing of care and develop a competitive award with at least three objectives-oriented demonstrations to encourage collaboration with industry and academia.
3.	<b>What are the objectives of Project HERO?</b>	<p>The Demonstration Objectives were developed based on the recommendations set forth in the Committee on Appropriations Conference Report, and include the following:</p> <ul style="list-style-type: none"> <li>• Provide for veterans as much care within the VA as practicable</li> <li>• When necessary, efficiently refer veterans to high-quality community-based care</li> <li>• Improve exchange of medical information between VA and non-VA providers</li> <li>• Foster high-quality care and patient safety</li> <li>• Control operating costs</li> <li>• Increase veteran satisfaction</li> <li>• Secure accountable evaluation of Demonstration results</li> <li>• Sustain partnerships with university affiliates</li> </ul>
4.	<b>What are the expected benefits of Project HERO?</b>	<p>Through Project HERO, VA will contract with specialty care provider networks and take steps to better manage Fee care provided to eligible veterans. All contracted provider networks are required by contract to:</p> <ul style="list-style-type: none"> <li>• Meet VA-specified quality standards</li> <li>• Meet accreditation standards for inpatient and outpatient facilities</li> <li>• Submit clinical information to VA to improve continuity of care</li> <li>• Provide a centralized VHA/vendor-coordinated referral and appointment process</li> <li>• Provide timely payments to providers creation and sending of claims to the VA for reimbursement</li> </ul>
5.	<b>What is the duration of the Demonstration?</b>	The contracts have a base year plus four option years.
6.	<b>Where will services be provided?</b>	The following four VISNs were selected:

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		<ul style="list-style-type: none"> <li>• VISN 8 – Florida and Southern Georgia</li> <li>• VISN 16 – Oklahoma, Arkansas, Louisiana, Mississippi and portions of the states of Texas, Missouri, Alabama and Florida</li> <li>• VISN 20 – Washington state, Oregon, most of the state of Idaho, and one county each in Montana and California</li> <li>• VISN 23 – Iowa, Minnesota, Nebraska, North Dakota, South Dakota, and portions of northern Kansas, Missouri, western Illinois, western Wisconsin, and eastern Wyoming</li> </ul>
7.	<b>How were the Demonstration sites chosen?</b>	The selected VISNs are among those with the highest expenditures for community-based care, particularly relative to the number of enrollees in the VISN. In addition, these VISNs are some of the largest VA networks, together representing 25% of total enrollment and 30% of total out-of-network expenditures. These selection factors were used to ensure the Demonstration results are representative of the larger VA population.
8.	<b>What services will be provided?</b>	<p>The scope of services purchased under Project HERO include: medical/surgical specialty care, mental health, diagnostics, dialysis, and dental.</p> <p>Each VISN team identified specialty care needs by geographic location based on historic data regarding care that is consistently purchased and ongoing care needs as identified by each VISN team. VISN teams documented existing contracts for specialty care to ensure that Project HERO does not conflict with existing contracts.</p>
9.	<b>Why should veterans support this project?</b>	Project HERO is focused on care coordination to improve quality of care while reducing costs. The goal of Project HERO is to ensure that all care delivered by VA is VA-managed and of the same quality and consistency for veterans.
10.	<b>How will patient satisfaction be assessed during the Demonstration?</b>	The Project HERO Demonstration PMO is developing and implementing surveys to assess the satisfaction of veterans who receive specialty care services delivered by contracted provider networks. These surveys assess patient satisfaction with access to care, timeliness of care, and communication with provider, among other measures.
11.	<b>How do you intend to involve the VSOs in the Project HERO process?</b>	VSOs were actively engaged throughout the proposal and award process, and Project HERO will continue to communicate with them for the duration of the program. In addition to regularly distributed reports, VA hopes to continue to collaborate with VSOs and seek their input on program developments. To this end, the PMO has established quarterly meetings with the VSOs to discuss the Project HERO Demonstration.
12.	<b>Who were the contracts awarded to, and when did delivery begin?</b>	<p>VA received a total of seven proposals in response to the RFP for a Specialty Care Provider Network. Project HERO contracts were awarded to Humana Veteran Healthcare Services (HVHS) and Delta Dental Federal Services (Delta Dental) on October 1, 2007. As of January 2008:</p> <ul style="list-style-type: none"> <li>• HVHS provides medical/surgical, mental health, diagnostics, and dialysis services in</li> </ul>



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		VISNs 8, 16, 20, and 23 <ul style="list-style-type: none"> <li>• Delta Dental provides dental services in VISNs 8, 16, 20, and 23</li> </ul>
13.	<b>Will this effort be implemented on a national level?</b>	The intent of the Demonstration is to find better and more cost-effective ways to serve VA patients. In order to ensure that a comprehensive evaluation of the Demonstration is conducted, Project HERO will measure: the cost, volume, and type of care provided both through Project HERO and the Fee program; any changes in the volume of VA-provided care in the participating VISNs; quality of care; and contractual status. If the Demonstration proves valuable, VA intends to bring those capabilities to all VA facilities and patients who may benefit and communicate lessons learned. An external, independent evaluator will also be retained to evaluate and report whether the Project HERO objectives are being met by the Demonstration.
14.	<b>Will the Demonstration merely serve to transfer greater amounts of care outside VA?</b>	Project HERO is not intended to increase the volume of care provided outside of VA facilities, and VA will collect data and metrics from industry to ensure that the proportion of care provided outside of the VHA system does not escalate. Contractor performance will be measured according to quality and timeliness standards and other measures defined by the Veterans Health Administration (VHA), and <i>not</i> according to the volume of care provided.
15.	<b>How much will Project HERO cost? Where are the funds coming from?</b>	Medical care provided under Project HERO will come from current medical services dollars already allocated for purchased care. Purchased health care needs have been identified by geographic area (VISN and VAMC) and by type of specialty care needed. VA will purchase the services outlined below ONLY when VA staff cannot provide the service.
16.	<b>What savings do you hope to achieve through Project HERO?</b>	Cost savings are expected as a result of contract award, as contracted provider network pricing is comparable to or less than Medicare rates.
17.	<b>Why do we want a contracted network – won't that restrict enrollee choice?</b>	VA seeks effective, high-quality relationships with community-based providers to complement the VHA system of care when specific medical expertise or technology is not available in the Department. In instances where veterans must seek care from community-based providers, veterans will continue to have a range of choices among high-value providers that meet or exceed the Department's standards of care.
18.	<b>Why don't we just issue "Fee Cards" and let patients choose their own providers?</b>	Issuing Fee Cards and allowing patients to choose their own providers eliminates the opportunity for VA to conduct effective medical management, resulting in unnecessary or duplicative services and missed opportunities to repatriate care to VA. A non-structured selection of providers also adversely impacts continuity of care and establishment of a complete patient record. Through Project HERO, VA can establish meaningful professional relationships with community-based providers and ensure that these providers pass qualification standards that might not be found in otherwise selected providers.
19.	<b>Will veterans be offered a choice to participate or not?</b>	All VA enrollees will enjoy the benefits of Project HERO, which will function as a behind-the-scenes demonstration that is largely transparent to the veteran.



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20.	<b>Will anything in this program deny veterans the right to go to any VA medical facility to obtain care?</b>	Project HERO will not restrict or reduce a veteran's right to seek care at any VA medical facility. In no way will veteran eligibility status or policy change through the Demonstration.
21.	<b>Will veterans have to enroll in the Demonstration?</b>	Eligible veterans enroll only with the VA system. Once enrolled, VA will continue to provide all services where the capacity and capability exist. Project HERO will allow VA to take an even greater role in coordinating and integrating care when that care is delivered by community-based providers.
22.	<b>On what basis were the awards made, and who decided?</b>	<p>The evaluation factors for proposals were based on network quality, access capability, and price, and overall best value</p> <ul style="list-style-type: none"> <li>• When combined, all technical factors were significantly more important than price. Price was fifth in the order of precedence (factors 1-5)</li> <li>• Based on best value, the highest technically rated offerors were selected</li> </ul> <p>VA conducted a performance-based solicitation that compared bidders on their ability to effectively and efficiently partner with VA to achieve VA-defined demonstration objectives. Solicitation evaluation teams were formed and staffed by multiple VA disciplines to ensure comprehensive comparisons. The teams made recommendations to the Source Selection Authority, who made the final decision.</p> <p>The following components of value were considered in the solicitation: historical performance, competency, consistency of proposals with VA mission and objectives, timeliness and access to quality services, increased efficiency and productivity of VA facilities, patient safety and satisfaction, and cost-effectiveness.</p>
23.	<b>How will contracts be administered?</b>	<p>The Project HERO contracts are administered by Contracting Officer Technical Representatives (COTRs) who oversee the management and administration of Project HERO contracts, and monitor that Contracted Provider Networks meet all VA privacy and security standards.</p> <p>Project HERO convenes a Contract Administration Board (CAB) on an as-needed basis to provide further guidance concerning changes in terms, quantities, or conditions of the contracts.</p>
24.	<b>How does Project HERO work with the Fee program?</b>	Under Project HERO, veterans eligible for Fee care will have access to a network of pre-qualified, credentialed providers that meet or exceed VA specified standards for quality. Like today, veterans will continue to see their VA primary care physicians. Veterans will only be referred to Project HERO specialty care providers if a veteran requires care that is geographically inaccessible or VA facilities are not able to meet a veteran's needs.



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		<p>In the case that care is not available within VA facilities, eligible veterans will receive an authorization and will be referred to a network of pre-qualified, credentialed providers to receive care, thus allowing VA to monitor the quality of care veterans receive in the community. VA will also be able to ensure that the care provided in the community meets specified quality standards. VA patients will have timely access to care and specialty care will be available to veterans in previously underserved geographic areas, improving patient outcomes. In addition, VA will be able to ensure improved continuity of care for veterans between VA facilities and community facilities through the enhanced exchange of relevant clinical information from the patient record.</p>
25.	<b>How is care evaluated by Project HERO?</b>	<p>The Project HERO Program Management Office (PMO) will regularly track and monitor cost, quality, safety, vendor performance and other data relevant to the Demonstration. This information will be gathered, analyzed and reported on a monthly, quarterly, and annual basis. The Project HERO PMO will share its findings in reports with internal and external stakeholders including the Project HERO Governing Board, Directors of participating Project HERO VISNs, Senior VA and VHA leadership, VSOs, Academic Affiliates, and Labor Unions.</p> <p>Project HERO is not intended to increase the volume of care provided outside of VA facilities. VA will collect data and metrics from industry to ensure that the proportion of care provided outside of the VHA system does not escalate. Contractor performance will be measured according to quality and timeliness standards and other measures defined by VHA and will NOT be measured according to the volume of care provided.</p> <p>VHA providers will also have access to patient records documenting care received in the community, so continuity of care between VHA facilities and community facilities will improve.</p>