

Manual M-9, Strategic Planning

(Veterans Health Administration)

Chapter 1, Strategic Planning

(Paragraphs 1.01 through 1.07)

Rescinds Chapter 1 dated October 2, 1989

This document includes:

Title page and p. ii for M-9, dated **July 26, 1991**

Contents page for M-9, dated **June 5, 1992** (Change 9)

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Change 9, dated **June 5, 1992**

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Change 2, dated **July 26, 1991**

Sheet dated **October 2, 1989**

Reference Slip, dated **January 27, 1986**

Memorandum dated **April 3, 1984**



Department of
Veterans Affairs

Strategic Planning

July 26, 1991

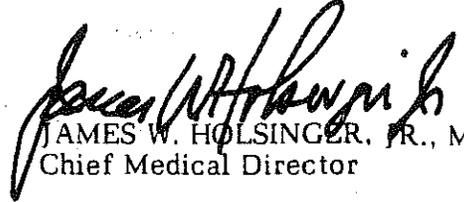
Veterans Health Administration
Washington DC 20420

Department of Veterans Affairs
Veterans Health Administration

Department of Veterans Affairs
Veterans Health Administration
Washington, DC 20420

July 26, 1991

Department of Veterans Affairs, Veterans Health Administration Manual M-9, "Strategic Planning," is published for the information and compliance of all concerned.


JAMES W. HOLSINGER, JR., M.D.
Chief Medical Director

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RESCISSIONS

The following material is rescinded:

Complete rescissions:

Circulars

10-87-113 and Supplement No. 1
10-87-147
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CHAPTER 1. STRATEGIC PLANNING

1.01 INTRODUCTION

a. Strategic planning in VHA (Veterans Health Administration) is a continuous process of coordinated needs assessment activities and outcomes that reflect the principal VA (Department of Veterans Affairs) goals and strategic direction set forth by the Secretary of Veterans Affairs, as well as the objectives, directives and guidelines issued by the CMD (Chief Medical Director) to address the present and projected health care needs of veterans. Strategic planning efforts undertaken in this process culminate in the development of strategic and implementation plans that are the products by which the desired outcomes are achieved.

b. The strategic planning component of VHA planning activities is a needs-based process that establishes the framework within which VHA proposes to proceed over a 5-year planning interval. Long-range projections for selected target years beyond the 5-year timeframe are also included in the development of VHA plans to provide a future point toward which the system evolves over time.

c. Initiatives and actions that are produced via the process of needs examination are intended to generate changes which allow the VA to remain proactive and responsive to the dynamic health care demands of the veteran population. Specifically, such recommendations are used to:

- (1) Ensure and promote the quality of patient care.
- (2) Determine the future size and scope of VA health care services.
- (3) Develop construction and operational plans.
- (4) Provide initiatives and data for the medical care component of the President's budget request to Congress.
- (5) Contribute information and data for facility operating budgets.
- (6) Improve the efficiency and cost-effectiveness of services and service delivery.
- (7) Identify innovative approaches to health care.

1.02 STRATEGIC PLANNING PHILOSOPHY

The CMD espouses a strategic planning process that provides for:

a. A comprehensive, quality-based, cost-effective and accessible health care delivery system for eligible veterans which:

- (1) Encompasses all VHA activities.
- (2) Identifies defensible resource needs based upon maintaining an acceptable level of quality.
- (3) Maximizes resource utilization by deleting unnecessary duplication of services consistent with quality of care.

(4) Develops plans for correcting deficiencies in quality and significant shortages in the availability of health care services.

(5) Promotes the redirection of services and resources at all levels to more cost-effective and quality enhancing alternatives.

b. Needs-based health care assessments that are developed with collaboration among clinicians and administrators at all organizational levels and based on central guidance and oversight to:

(1) Identify strengths, weaknesses, opportunities for improvement and challenges;

(2) Create a proactive, dynamic, and innovative environment which encourages positive change; and,

(3) Provide the foundation for the formulation of timely plans that are rational, defensible, and supported by accurate databases.

c. Integration and coordination of VHA planning activities with the planning efforts of other organizations within the Department, and with external health care entities, as necessary, to:

(1) Ensure the knowledge of, and participation by, interested and affected parties in VHA planning, as appropriate;

(2) Maximize the interaction and exchange of methods and innovative approaches to include but not limited to:

(a) Health service delivery quality improvement and management, and

(b) Explore and capitalize on opportunities for the sharing of resources, such as:

1. Augmenting access, and

2. Containing costs.

(3) Achieve commitment to cooperative services among those dedicated to enhancing the quality of health care services; and,

(4) Encourage partnership investment in planning outcomes.

d. Regular involvement with, and education of, representatives of Congress, Veterans Service Organizations, academic affiliates, other community providers and the concerned public regarding veterans health care needs and VHA strategies to address those needs, to:

(1) Ensure constituency and public awareness;

(2) Recognize sensitivities of the public and constituencies to VHA strategies for responding to identified health service needs and quality improvements; and,

(3) Ensure VA awareness of the strategies of other affiliates and health care providers.

1.03 PLANNING ASSUMPTIONS

a. The following planning assumptions underlie VHA strategic planning:

(1) VA's health care system will provide continuity of care for America's veterans and will continue to fulfill its four basic missions:

(a) To care for veterans.

(b) Provide medical education.

(c) Conduct medical research.

(d) Serve as a backup to the DOD (Department of Defense) in times of national emergency.

(2) The nation will continue to demand increased health care services and will place additional emphasis on the quality of care.

(3) Medical technology and knowledge will advance rapidly. While such advancements will enhance the quality of medical care, they will also increase costs.

(4) In cooperation with other Federal and non-Federal health care organizations, VA will expand the development and use of clinical practice indicators and guidelines.

(5) Increases in medical care costs, due to improved technology and inflation, will continue.

(6) To respond to the changing needs of the aging veteran population with its increased utilization and to keep pace with advances in medical technology and changing medical care practices, VA will place increased emphasis on programs which delay or eliminate the need for high cost inpatient care, such as:

(a) Preventive care.

(b) Outpatient care.

(c) Home care.

(d) "Managed" health systems with incentives for health promotion.

(7) VA will continue to expand sharing and joint ventures with DOD, other Federal health care providers, and the private sector. Innovative approaches to sharing will be strongly encouraged, including improved coordination with other Federal programs. Other areas of emphasis will include expanded arrangements with community programs that can help obviate the need for inpatient care, and improve continuity of care.

(8) Increased incentives for recruitment and retention of health care professionals will be essential if VA is to compete successfully for skilled personnel.

(9) VA will enhance clinical and management effectiveness through appropriate use of automated data processing and telecommunications technology.

(10) AIDS (Acquired Immune Deficiency Syndrome), PTSD (Post-Traumatic Stress Disorder), and other illnesses requiring special responses and resources will place substantial demands on VA's health care system.

(11) Congress will review eligibility laws to clarify priorities for care and ensure equity of access to care.

1.04 PLANNING GUIDANCE

a. Planning guidance issued in conjunction with each planning cycle provides the instructions necessary for the development and submission of strategic plans to address veterans' health care needs. The guidance is to be used by all planning elements (VA medical centers, regions, and VA Central Office) in the formulation of VHA plans.

b. The development of guidance is an ongoing process that is regularly updated based on:

(1) The health care delivery environment and legislation governing veterans' health care programs and entitlements:

(2) Departmental and administration policies.

(3) New technologies and treatment modalities.

(4) Identified quality improvement criteria, issues, and policies.

(5) Changes in demographic, health care utilization, and other data.

(6) New or enhanced projection and assessment methodologies.

c. The planning guidance contains VHA:

(1) Planning mandates.

(2) Assumptions.

(3) General and specific planning issues.

(4) Review and submission requirements particular to each plan and planning cycle.

d. Regional Directors will develop and issue planning guidance which:

(1) Clarifies and facilitates implementation of the VHA planning guidance.

(2) Addresses planning issues specific to each Region.

(3) Fosters collaboration between and among medical centers within the network councils and between network councils within the Region.

1.05 STRATEGIC PLANNING RESPONSIBILITIES

a. The CMD is responsible for providing the tools and direction for accomplishing planning activities.

b. The DCMD (Deputy Chief Medical Director):

(1) Serves as the chairperson of the PRC (Planning Review Committee), which reviews:

- (a) Proposed mission and affiliation changes.
- (b) Regional submissions for the NHCP (National Health Care Plan).
- (c) Periodic off-cycle initiatives.

NOTE: Reviewing the submissions and initiatives assists the PRC in identifying policy and planning issues requiring further resolution and making recommendations to the CMD.

(2) Ensures that appropriate programmatic guidance is developed by VHA program officials.

c. The DCMD for Administration and Operations has the following responsibilities:

(1) Provide guidance, in conjunction with guidance of the DCMD, for development of the following VHA plans:

(a) **NHCP.** The NHCP is a national plan developed within VHA that reflects the CMD's priorities and future directions for VHA, and addresses the need for changes in missions and clinical programs and supports the longer range planning required to meet veterans' health needs. The NHCP, which forms the basis for the development of VHA's Strategic Plan that, in turn, provides input for the Secretary's Strategic Plan, is a key means of influencing the latter document as well as the medical care portion of the President's budget request to Congress.

(b) **Strategic Plan.** The Strategic Plan is a 5-year plan which outlines the goals, objectives and specific initiatives developed by VHA as the basis for the VHA portion of the Departmental budget submission to the President. Within the Departmental strategic planning process, the VHA 5-year plan integrates planning, and budget formulation.

(c) **Implementation Plan.** The Implementation Plan is the facility specific identification of workload, FTE (Full-time Equivalent) and costs required to implement initiatives in the Strategic Plan.

(d) **Target Allowance/Budget Request.** The Target Allowance/Budget Request is a 4-year planning base used to project resource requirements for the target year. The results of workload projections and cost roll-ups for each facility as reflected in the target allowance and budget request processes are used to update the NHCP.

(2) Ensure, in conjunction with DCMD, that VHA plans conform to the guidance and instructions issued.

(3) Formulate a system-wide Implementation Plan, and the VA medical center-specific Target Allowances which will be used to make adjustments to Region/facility funding levels.

d. The Director, Strategic Planning and Policy, through the Associate CMD for Resource Management, has the following responsibilities:

- (1) Monitor changes in the external environment.
- (2) Forecast future conditions.
- (3) Recommend planning premises to the CMD.
- (4) Evaluate alternative policies and strategies.
- (5) Develop the strategic guidance which is issued each planning cycle.
- (6) Coordinate development of needs assessment methodologies, PPFs (Program Planning Factors), and criteria and standards for specific program areas.
- (7) Maintain and enhance various projection methodologies.
- (8) Maintain and coordinate updates of the Clinical Inventory.
- (9) Coordinate the VA Central Office review of Region submissions to the NHCP.
- (10) Provide staff support to the PRC.
- (11) Coordinate the formulation of the NHCP and the VHA Strategic Plan.
- (12) Provide assistance to the field with regard to interpretation of guidance and policy during the development of the NHCP and Strategic Plan and program review of those plans.

e. VA Central Office program officials have the following responsibilities:

- (1) Develop the programmatic guidance necessary for field implementation of strategic proposals.
- (2) Develop, with support of planning officials, PPFs for special program areas for application by VA Central Office, Regions or field facilities.
- (3) Develop strategic program plans for use in the VHA NHCP, Strategic and other Plans.
- (4) Review proposals submitted by Regions for consistency with guidance, clinical appropriateness, and national program direction.
- (5) Identify areas requiring further policy clarification/decision.
- (6) Use approved strategic actions to build budget initiatives for possible inclusion in the VHA, and subsequently Departmental, budget request.

f. Regional Directors have the following responsibilities:

- (1) Recommend policy and assumptions to the PRC.
- (2) Develop Regional planning documents and submissions that are consistent with published guidance.
- (3) Provide operational decisions and assistance in the implementation of approved initiatives.

- (4) Recommend composition of networks within the region.
 - (5) Assist in the development of and review draft guidance, e.g., criteria and standards issues.
 - (6) Establish an effective intra-region planning process including a Regional Planning Board.
 - (7) Implementing other planning directives.
- g. Facility Directors have the following responsibilities:
- (1) Function as a member of a network.
 - (2) Conduct/participate in the required analyses.
 - (3) Implement approved actions.

1.06 STRATEGIC PLANNING PROCESS

a. The principal goals of the Department are articulated to VHA through the Secretary's annual statement of Strategic Direction.

b. Broad objectives, reflecting VHA planning assumptions and priorities, are issued by the CMD to address the Departmental goals and to guide the Administration during a 5-year planning interval.

c. The foundation for developing a 5-year NHCP is provided by Departmental goals and VHA objectives, coupled with the results of reviews and analyses of:

- (1) Missions.
- (2) Affiliations.
- (3) Resources and major programs.
- (4) Quality improvement measures.

NOTE: A long-range projection year is also included as a component of the NHCP to provide a benchmark towards which the system is expected to progress over time.

d. A wide range of program-specific initiatives are developed to achieve the VHA objectives outlined in the NHCP.

(1) These initiatives constitute the VHA Strategic Plan, which describes the rationale and alternatives underpinning each objective and delineates program plans for each year in the 5-year planning period.

(2) The strategic initiatives, reflecting the highest priorities of the Administration and embracing the Department's principal goals, represent the VHA submission to the Department's Strategic Plan and are a key means of conveying VHA needs in the development of VA's Presidential Budget.

e. Implementation of the Administration's Strategic Plan initiatives is accomplished through a 3-year, facility-specific Implementation Plan, in which workload levels and resource requirements associated with each initiative and quality improvements are outlined.

f. The development of Target Allowances/Budget Requests are also an outcome of the strategic planning process:

(1) The results of workload projections and cost roll-ups for each facility as reflected in the Target Allowance and budget request processes are used to update the NHCP.

(2) Resource requirements for program initiatives for each facility in Implementation Plans are included in the roll-up of workloads and costs in the Target Allowance Distribution Process.

1.07 STRATEGIC PLANNING REVIEW AND APPROVAL LEVELS

a. The Secretary must approve:

(1) All initiatives to establish new:

(a) VA medical centers.

(b) Satellite outpatient clinics.

(c) Community-based or outreach clinics.

(d) Nursing home care units.

(e) Domiciliaries.

(2) Initiatives to accomplish major mission realignments.

b. The following formal plans developed under the VHA strategic planning process must receive the approval of the CMD:

(1) VHA Strategic Plan.

(2) NHCP.

(3) Implementation Plan.

(4) Target Allowance/Budget Request.

c. The PRC is the official body through which all plans and significant planning issues must be reviewed for recommendation to the CMD.

d. Preliminary (pre-PRC) review of VHA plans occurs with a structured review by VA Central Office program officials to identify issues and ensure that plans conform to policy, guidance and program direction.

June 5, 1992

1. Transmitted is a change to the Department of Veterans Affairs, Veterans Health Administration Manual M-9, "Strategic Planning."

2. Principal changes are:

a. Significant revisions to the following chapters to reflect changes in Veterans Health Administration strategic planning:

- (1) Chapter 1: "Strategic Planning."
- (2) Chapter 2: "Strategic Planning Constituency Awareness."
- (3) Chapter 3: "Strategic Planning Confidentiality Policy."
- (4) Chapter 4: "Off-Cycle Submissions."

b. The addition of a new Chapter 12, "National Health Care Plan."

3. Filing Instructions

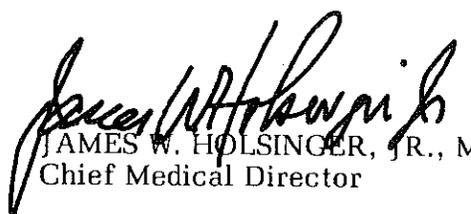
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iii ✓
1-i through 1-8 ✓
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3-i through 3-1 ✓
4-i through 4-1 ✓
12-i through 12-5 ✓

4. **RESCISSION:** M-9, Chapters 1, 2, 3, and 4, dated October 2, 1989, and VHA Circulars: 10-86-013, 10-86-056 and its supplements, 10-87-009 and its supplement, 10-87-097, 10-87-147, 10-88-028, and 10-89-039.


JAMES W. HOLSINGER, JR., M.D.
Chief Medical Director

Distribution: RPC: 1318
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Printing Date: 6/92

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July 26, 1991

1. Transmitted is a change to Department of Veterans Affairs, Veterans Health Administration Manual M-9, "MEDIPP," which is changed to M-9, "Strategic Planning."

2. Principal reason for this manual change is to delete the term "MEDIPP":

a. In chapters 1 through 11, delete the term "MEDIPP" and replace it with "Strategic Planning."

b. Changes to all M-9 chapters are in process to update to current procedures.

3. Filing Instructions:

Remove pages

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Cover page through iv

Cover page through iv


JAMES W. HOLSINGER, JR., M.D.
Chief Medical Director

Distribution: RPC: 1318
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October 2, 1989

1. Transmitted is a new Veterans Health Services and Research Administration Manual M-9, "MEDIPP," chapter 1 through chapter 11. Changes will be made to incorporate the recent reorganization in the near future.

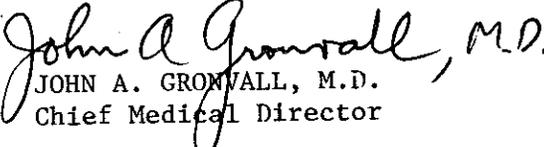
2. Principal reason for this manual is to provide a description of and issue guidance concerning VHS&RA planning process.

3. Filing Instructions:

Insert pages

Cover page through v
1-1 through 11-3

4. RESCISSIONS: Circular 10-87-113, dated October 10, 1987 and Supplement No. 1 dated April 4, 1988; Circular 10-87-147, dated December 30, 1987; Circular 10-88-3, dated January 13, 1988; Circular 10-88-150, dated December 9, 1988; and Circular 10-89-31, dated March 23, 1989.


JOHN A. GRONVALL, M.D.
Chief Medical Director

Distribution: RPC: 1318 is assigned
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Veterans Administration

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REMARKS

SUBJ: Departmental Manual M-9

1. In DM&S Supplement MP-1, Part II, Changes 35 dated November 13, 1984, the title of M-9 is "Medical District Initiated Program Planning."

2. This is to request that the title of this manual be changed to:

"Planning and Evaluation and Systems Development"

We expect to be submitting a number of items to be included in this manual during the coming year.

3. Thank you for your assistance.

Approved Disapproved

John W. Ditzler
JOHN W. DITZLER, M.D.
Chief Medical Director

2-3-86
Date

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611/134
JAN 27 1986

FROM *Marjorie R. Quandt* *2/13/86*
MARJORIE R. QUANDT
ACMD for Planning Coordination (17A)

Regulations and Publications
Management Staff (10A1B)

TEL. EXT. 3331

VA FORM 3230
MAY 1980

EXISTING STOCKS OF VA FORM 3230, ★ U.S. G.P.O. 1984-709-228
AUG 1976, WILL BE USED.



Veterans
Administration

Memorandum

APR 03 1984

From: Director, Program Analysis and
Development (10C2B)

To: Chief Medical Director (10)
Publications Control Officer (101B2)

Subj: Establishment of M9-MEDIPP

1. Request permission to establish a new manual (M9-MEDIPP) to formalize MEDIPP (Medical District Initiated Program Planning) as a permanent DM&S Policy.
2. MEDIPP has in its two year cycle become an effective mechanism for DM&S planning purposes. MEDIPP has become the management tool providing comprehensive information directly from the medical districts. This allows prudent decision making in order to meet the health care veterans needs of the 1990's and beyond.
3. The '84 MEDIPP Planning Guidance has been reviewed and concurred in by appropriate program offices, therefore, in order to expedite the process, I would recommend that Volume I: Medipp Purpose, Structure, and Process and Volume II: Plan Development, of the '84 MEDIPP Planning Guidance be accepted as the M9-MEDIPP Manual without further circulation. (Appropriate formatting would be instituted.) I anticipate no changes to these two volumes in the near future.

Volume III: Needs Assessment Methodology and Volume IV: MEDIPP Reference Documents will by necessity be revised annually and will therefore have to be issued annually as a CMD Circular.

4. It is timely that M9-MEDIPP be developed in order to firmly establish its important place in DM&S as a consistent, and permanent policy.

Murray G. Mitts M.D.
MURRAY G. MITTS, M.D.

Donald L. Custis
DONALD L. CUSTIS, M.D.
Chief Medical Director (10)

Approve
~~Disapprove~~

4/17/84
Date