

**Department of Veterans Affairs (VA)  
Federal Advisory Committee  
National Academic Affiliations Council (NAAC)  
Meeting Minutes for December 8-9, 2015**

**Office of Academic Affiliations  
1800 G Street NW, Suite 870  
Washington, DC 20006**

The National Academic Affiliations Council met face-to-face on December 8-9, 2015. A quorum was present, affording the Council the opportunity to conduct normal business.

**Council members present:** Malcolm Cox, MD, (Chair), Retired Federal Executive, Department of Veteran Affairs; J. Lloyd Michener, MD, Chair, Department of Community and Family Medicine, Duke University School of Medicine; Claire Pomeroy, MD, MBA, President, Albert and Mary Lasker Foundation; Stephen Shannon, DO, MPH, President and Chief Executive Officer, American Association of Colleges of Osteopathic Medicine; Jacqueline Maffucci, PhD, Research Director, Iraq and Afghanistan Veterans of America; Paul Cunningham, MD, Dean and Senior Associate Vice Chancellor for Medical Affairs, East Carolina School of Medicine; Doreen Harper, PhD, RN, Dean, School of Nursing, University of Alabama at Birmingham; Eileen Breslin PhD, RN, FAAN, President, American Association of Colleges of Nursing (AACN); Lucinda Maine, PhD, RPh, Executive Vice President and Chief Executive Officer, American Association of Colleges of Pharmacy (AACP); Edgar Colon Negron, MD, FACR, Dean, School of Medicine, University of Puerto Rico; Robert L. Jesse, MD, PhD, (Ex-Officio), Chief Academic Affiliations Officer, Department of Veteran Affairs; Michael F. Mayo-Smith, MD, MPH, (Ex-Officio), Network Director, New England Healthcare System (VISN 1), Department of Veterans Affairs (via phone); Candice Chen, MD, MPH (Ex-Officio), Director, Division of Medicine and Dentistry, HHS Bureau of Health Workforce, Health Resources and Services Administration (HRSA); and Arthur Kellermann, MD, MPH (Ex-Officio), Dean, F. Edward Hebert School of Medicine, Uniformed Services University of the Health Sciences (USUHS). [John Prescott, Chief Academic Officer, Association of American Medical Colleges in attendance December 9<sup>th</sup> only.]

**Council members unable to attend:** Kavita Patel MD, Nonresident Senior Fellow and Managing Director of Clinical Transformation at the Center for Health Policy, Brookings Institute, Washington, DC.

**VHA Office of Academic Affiliations staff attending:** Stephen K. Trynosky, JD, MPH, MMAS, Staff Assistant (Designated Federal Officer for the NAAC); William J. Marks, Jr., MD, MS-HCM, Chief, Health Professions Education; Karen M. Sanders, MD, Deputy Chief Academic Affiliations Officer; Kenneth Jones PhD, Director, Associated Health Education; Alicia B. Bates, MEd, Program Analyst, Health Professions Education; Christopher Clarke, PhD, Chief Financial and Data Officer; Tonya Pruitt, Presidential Management Council Member; Kathleen Klink, MD, Director of Graduate

Medical & Dental Education; Edward Bope, MD, VACAA Staff Physician; and Christy Clary, MSW, Medical & Dental Education.

**VA and VHA staff attending:** Susie Jones, VHA, Medical Sharing Office; Jessica Farrow, JD, VA Office of General Counsel; Doug Carmon, Special Assistant to the Secretary for Public and Private Partnerships; Bradley Bender, MD, Chief of Staff, Gainesville VAMC.

**Guest Presenters:** Baligh R. Yehia, MD Assistant Deputy Under Secretary for Health for Community Care, Department of Veterans Affairs; William Sexton, JD, Real Property Law Group, Office of General Counsel, Department of Veterans Affairs; Thomas G. Pasakarnis, JD, Health System Specialist, Deputy Under Secretary for Health for Operations and Management, Department of Veterans Affairs; Purnima G. Boominathan, JD, Attorney/Deputy Ethics Official Ethics Specialty Team, Office of General Counsel, Department of Veterans Affairs; Caitlin Cunningham, Office of Construction & Facilities Management, Real Property Service, VA; Jessica Kaplan, Office of Construction & Facilities Management, Director, Real Property Service, VA; and Christine Rai, Office of Construction & Facilities Management.

**Members of the public attending:** Judith Mun, American Association of Colleges of Osteopathic Medicine; Aceargta Long, American Association of Colleges of Osteopathic Medicine; Matthew Shick, Association of American Medical Colleges; Ashley Walton, American Society of Anesthesiologists; Ryan McBride, American Osteopathic Association; and Orkideh Malkoc, American Osteopathic Association.

**Court Reporter:** Art Miller & Associates Staff/Contract

## **I. Welcome and Introductions**

Dr. Cox called the meeting to order at 9:00 am eastern and conducted the roll call of the NAAC members.

Dr. Cox thanked the NAAC members for their attendance. He asked for all present to introduce themselves. Dr. Cox thanked those members who have rotated off the group, so that others could have the opportunity to serve. New to the NAAC are the “ex officio” membership positions from partner Federal agencies; these are welcome additions to the NAAC membership.

Dr. Cox reminded the NAAC members of their responsibilities and to make certain there were no conflicts of interest for any of the members. The NAAC’s responsibility is to make recommendations to the Secretary and the Under Secretary for improvement in the care delivered to Veterans. Dr. Cox informed members that the VA Office of General Counsel will provide all Council members with conflict of interest and ethics training during the December 9<sup>th</sup> session.

The Chair asked for any additions to the agenda either for this meeting or future meetings. The NAAC members had no additions at this time.

## **II. Veterans Access, Choice, and Accountability Act (VACAA) of 2014: Progress Report on GME Implementation Phase II**

Dr. Jesse provided a synopsis of the implementation of Rounds 1 and 2 of the Veterans Access, Choice, and Accountability Act (VACAA) Graduate Medical Education (GME) Expansion Plan.

### **Status Update:**

VACAA allows for the Department of Veterans Affairs to add up to 1,500 new graduate medical positions to the existing resident pool over the next five years. The VA does not act alone in resident education, but in concert with academic affiliation partnerships.

There were over 405 requests for new positions in Round 1 of the VACAA GME Expansion Plan. 204.2 positions were ultimately awarded. As of July 1, 2015, 162.9 of these approved positions were actually filled (80% fill rate).

In Round 2, OAA allocated more time for planning and for facilities and their affiliates to work together to generate new ideas. Round 2 opened on June 15, 2015 and RFPs were sent broadly to the academic community and within VA. In addition, extensive outreach was conducted with key stakeholder groups to raise awareness about the RFP. Sites were given eight weeks to submit applications, double the time available for Round 1. The Round 2 RFP closed on August 15, 2015, and an additional week was allotted for VISN approvals and prioritization. If sites submitted incomplete applications, OAA contacted them and offered assistance.

Dr. Jesse noted that the number of positions requested in Round 2 was lower than Round 1. Only 180 positions were requested in Round 2, but the applications were of very high quality.

Dr. Jesse highlighted the importance of extending the VACAA GME expansion timeline beyond the five years authorized in statute. The length of time necessary to stand-up new residency programs, especially at new affiliation sites, requires a longer planning and implementation process than the current legislation allows. A legislative extension to ten years will allow OAA the time to focus on position growth and academic partnerships in the rural and underserved areas that the legislation targets.

### **Discussion:**

The need for new residency slots across the United States is steadily growing; VA is the only federal funder increasing GME at this point in time. There are several challenges to establishing and implementing new residency programs; clinical capacity, new models of training, housing for residents, teaching space and other infrastructure needs.

The Council discussed various Congressional bills which attempt to provide affiliates relief from Centers for Medicare & Medicaid services (CMS) caps and funding

constraints. Dr. Jesse explained that currently for affiliates the non-VA portion of VACAA residency positions counts towards their CMS cap. This is a significant impediment to expanded partnerships.

Dr. Cox reminded NAAC members that an already existing NAAC recommendation addresses the need for the new VACAA GME positions to be included in the regular (non-VACAA) VA budget going forward.

**Recommendation 1:**

Given the importance of clinical workforce expansion and redesign to the reform of VA's health care system, the Council recommends that VA provide all necessary resources for the VACAA GME program; this includes sustained stipend support for new GME positions and the faculty and clinical teaching infrastructure funding necessary to support new GME sites.

**III. Veterans Equitable Resource Allocation (VERA) Update**

Dr. Sanders provided an update on the Veterans Equitable Resource Allocation (VERA).

**Status Update:**

As a reminder, VERA is the way funding is calculated within the Veterans Health Administration for Veteran Integrated Service Networks (VISN) and medical centers.

Funding is based on patient workload and acuity. There are two indirect streams of funding within the VERA model for support of research and education. The research supplement is calculated based on medical center grants and the research enterprise. The education indirect supplement funds medical centers for the indirect costs of the educational mission of VA.

Historically, the education supplement was based solely on the number of physician resident positions at a medical center. In recent years, VA has greatly expanded its trainee cohort to include non-physician trainee positions (i.e., nursing and associated health). OAA is researching different funding models to ensure an equitable distribution of resources based on overall trainee growth. The goal is to encourage VA medical centers to continue educating non-physician trainees, by ensuring that the indirect education supplement takes into account both physician and non-physician trainees.

**Discussion:**

The Council supports a broader allocation formula, which recognizes the increasing importance of interprofessional education and collaborative care. The Council suggested that the Chair undertake a review of the proposal and its expected outcomes, and that this analysis be brought back to the Council for further discussion at its next meeting.

#### **IV. The Uniformed Services University of the Health Sciences (USUHS) Proposed MOU with VA and the U.S. Public Health Service (PHS):**

Dr. William Marks and Dr. Arthur Kellerman provided a history and overview of the proposed VA, USUHS, and PHS memorandum of understanding (MOU).

##### **Status update:**

Part of OAA's mission is to develop a robust pipeline of qualified clinical staff for VA. To better address the present and future physician shortage, USUHS, VA, and PHS are developing a collaborative pilot program.

The new program will identify 10 USUHS medical students each year to become PHS officers assigned to VA. Participants in this program would be commissioned into the PHS, attend USUHS, and agree to serve seven years with VA post-GME residency. These trainees' longitudinal exposure to VA presents a unique opportunity to create future physician leaders. As PHS commissioned officers, these physicians will be able to be deployed for national emergencies and, in turn, bring those skills and experiences back to the VA. VA will reimburse stipend costs during medical school and salary costs during their obligated period of service to VA. The result is 10 highly trained individuals per year who can be groomed for leadership assignments in VA.

##### **Discussion:**

The Council fully supports this innovative initiative and emphasizes the importance of similar leadership development programs.

##### **Recommendation 2:**

The development, recruitment and retention of innovative clinical leaders are central to the success of the VA's new health care system. Accordingly, the Council enthusiastically supports the proposed leadership development pilot program between USUHS, PHS and VA. In addition, in face of the present lack of a robust leadership pipeline in VA, the Council recommends that special attention be given to recruitment out of OAA's advanced training programs, including the Advanced Fellowships. Recruiters in VA's National Recruitment Office should be assigned to the Advanced Fellowship Programs to assure that talented individuals are recruited and retained in VA.

#### **V. Veterans Choice Program Update**

Drs. Baligh Yehia provided a history and status update on the Veterans Choice Program.

##### **Status update:**

The Veterans Access, Choice and Accountability Act passed in August of 2014. This act ensured those Veterans who were unable to get their healthcare needs met within VA were allowed the opportunity to receive external healthcare. A subsequent piece of legislation in 2015 charged VA to submit a consolidation plan for all community care programs. Currently there are approximately ten different authorities under which the

VA provides Veterans care outside the VA. Dr. Yehia is leading the team to consolidate all non-VA care programs.

The consolidation plan was submitted to Congress on October 30<sup>th</sup> and was centered around the idea of a new Veterans Choice Program (VCP). The design of the new VCP aligns with VA's vision for the future of healthcare delivery, which aims to provide Veterans the best care anywhere both inside and outside the VA. The VCP takes into consideration geographic distance, availability of service, wait times for care, and stakeholder feedback. Once the plan has been approved, Dr. Yehia's office will begin a three phase approach to implementation.

**Discussion:**

The Council encouraged Dr. Yehia to utilize NAAC member's resources and connections during planning and implementation to ensure there is balanced input from the community and from stakeholders across different groups within the health professions. In addition, several Council members emphasized the importance of integrating the educational mission of VA into this new model of care.

**Recommendation 3:**

The Council notes that the nation's academic health centers and health professional schools have been an integral and indispensable component of VA's health care system for 70 years, providing a significant fraction of VA's clinical workforce as well as ready access to expertise that would be unavailable in the absence of this innovative public-private partnership. Therefore, it is entirely logical that academic affiliates retain this role in VA's new health care system. Accordingly, the Council strongly endorses the inclusion of academic affiliates as members of VA's Core Network under the new Veterans Choice Program.

**Recommendation 4:**

The Council is concerned that the integration of VA's research and education missions into the new plan is presently ill-defined and under-developed. Modernization of VA's healthcare system will require thoughtful and conjoint planning between VA and its academic partners to assure that the education and research missions are thoroughly integrated into the new plan. With this in mind, the Council recommends that OAA leadership be included as integral members of the bodies responsible for developing and overseeing the transformation of the VA health care system. The Council further recommends that the expertise of the NAAC itself also be more effectively utilized in this redesign effort, potentially through the new Veterans Choice subcommittee.

**VI. Joint Ventures Update**

Dr. Sanders provided a history on VA's efforts to establish Joint Ventures with its academic affiliates. William Sexton, Jessica Farrow, Jessica Kaplan, Caitlin Cunningham and Christine Rai with the VA Offices of General Counsel (OGC) and Real Property Service (RPS) provided a general overview of the legal, regulatory and statutory requirements of joint ventures. They provided additional information related to construction, facilities management, and leasing.

Other guests included Mr. Thomas Pasakarnis, the former VISN 1 project manager for joint venture initiatives, and Mr. Doug Carmon, Special Assistant to the Secretary for Public and Private Partnerships. Dr. Michael Mayo-Smith, the VISN 1 Director a NAAC ex-officio member, participated via teleconference.

**Status Update:**

The NAAC has been following VISN 1's joint venture proposals for several years in hopes of meeting the future access needs of Veterans in more innovative, flexible, and creative ways.

Dr. Mayo-Smith provided an overview of the Worcester MA joint venture proposal. The main benefit is to enable VA to quickly acquire and use affiliate space to treat Veterans (and potentially their families). The benefit of long term leasing enables VA to avoid renovating aging clinical space or building new facilities.

**Discussion:**

While VA has the authority and multiple mechanisms by which to secure real property interests, each acquisition is individually determined. In most cases VA cannot 'co-own' property due to Department of Justice policy. The two mechanisms to secure real property are *fee simple acquisition* and *real property leasing*. GSA will only allow up to a twenty-year lease for any federal entity. All real property leasing must be publically competed. An additional mechanism to secure real property is a license agreement, which does not have to be competitively procured. In summary, current acquisition strategies are highly restrictive and ordinarily take years to implement. This inhibits flexible acquisition of space for Veteran care. Sole source leasing authority might be a useful additional mechanism if VA seeks and gains this additional authority legislatively.

Mr. Carmon requested that VISN 1 work with him to review their Joint Venture proposals and he will seek other alternative strategies for implementation.

**Recommendation 5:**

The new Veterans Choice Program will require extensive and time-consuming statutory, regulatory and operating policy reform. As such, the Council is concerned that much of the work involved has yet to be sufficiently described and that the centrality of operating policy reform in this effort may not be fully appreciated.

- a. The Council has previously endorsed new and creative "joint ventures" or "public-private partnerships" with the academic community in order to improve Veteran access to care and services. The Council notes with concern that recent proposals for new types of partnerships with the academic community have been met with resistance in VA because of perceived or real lack of statutory authority. Accordingly, the Council emphasizes that new statutory authority may be necessary to enable effective partnerships in the future.
- b. The Council also notes that having new statutory authority may be necessary but is not always sufficient by itself to change established policies. For example, ten years of effort have so far failed to improve VA's sole source contracting processes despite relevant and already existing statutory authority. The Council

again notes that the NAAC is ideally positioned to engage with the health care redesign effort and offer suggestions and feedback about regulatory and operating policy reforms.

**VII. Comments/Questions:**

Dr. Cox opened the floor for general questions/comments from the morning's presentations.

Dr. Sanders brought everyone's attention to Representative Beto O'Rourke's (D, TX) bill (HR 3879). This draft legislation gives VA broad acquisition authority, which would grant certain exemptions from competitive acquisition for land and space. The bill would further enhance VA's current Section 8153 affiliation authority. Rep. Mike Coffman (R, CO) is a co-sponsor who advocates for VA having the authority to partner with affiliates on land/space.

**VIII. The Future of VA Academic Affiliations – Memorandum No. 2 & the Next 70 Years.**

Dr. Jesse provided an overview of the foundational policy document from 1946 that governs affiliation relationships.

**Discussion:**

On January 30, 2016, OAA will celebrate the 70th anniversary of VA partnerships with academic affiliates. OAA will work to determine how this will be celebrated across the VA and with its partners. One suggestion is to have the Secretary's reaffirm VA's education mission through at a minimum, a press release.

**IX. Public Comment**

Dr. Cox opened the floor for public comments/questions. There were no comments or questions and the meeting was adjourned at 3:40pm eastern.

Day two of the NAAC Council was called to order at 9:00am eastern on December 9, 2015.

**X. VA Office of Government FACA Ethics Training**

Purnima Boominathan with the Office of General Council, Ethics Specialty Team, provided FACA ethics training for members of the Council.

**XI. Open Discussion and Review**

Dr. Cox requested that OAA staff show video clips from the OAA library. These clips might be beneficial material for the 70<sup>th</sup> anniversary celebration. The Council watched several media clips.

Dr. Jesse reviewed the fundamental issues from the day before, to include: CMS caps and their impact on GME expansion efforts, legislative issues, budgetary matters, and the VACAA GME expansion.

Dr John Prescott was introduced to the Council. He was unable to attend day one, but was glad he could join the group on day two.

Dr. Cox led the Council through a discussion on how the NAAC can ensure timelier submission of key recommendations to VA leadership, as well as ensuring that the Secretary and other key leadership review and understand the recommendations. Possible dates for the next NAAC meeting were discussed. Dr. Cox requested that members be available for phone conferences, which will assure timelier meetings and decision-making.

A joint NAAC-National Research Advisory Committee meeting will be scheduled in the coming year. When the Office of Research and Development hires a new Chief Officer, the Council would like to engage with the national research advisory committee (NRAC) given the synergy with OAA's mission. Dr. Sanders will notify the Council when a new director has been hired.

Dr. Cox summarized the major areas for recommendations, listed above. The NAAC members agreed with all recommendations.

## **XII. Public Comments and Adjournment**

Dr. Cox opened the floor for public comments or questions. There were no comments or questions. Dr. Cox adjourned the meeting at 11:47am eastern.