

## Measures: HIT business opportunities at VA

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If you represent a health IT firm doing business or planning to do business with the Department of Veterans Affairs, the following break-down of VA's fiscal year 2011 budget is designed to be a roadmap of where to consider focusing your resources. This analysis is based on VA's fiscal year 2011 congressional budget submission.

To be successful in this market, be prepared to develop a partnership with the VA, particularly with frontline department personnel who are looking for new approaches to producing greater healthcare convenience, quality and satisfaction for the nation's veterans.

### Medical IT systems (\$1.275 billion)

The largest component of the VA's FY 2011 medical IT systems budget – totaling a whopping \$928.8 million or 73 percent of this category – is for improving the delivery of quality healthcare by providing a secure, reliable health IT infrastructure for all VA medical facilities.

For day-to-day IT operations, the infrastructure category consists of life-cycle equipment maintenance and replacement, wireless networks, software licenses, servers, desktops, laptops, smart phones, printers, scanners, network support and field operations.

In the FY 2011 budget request, telemedicine and telehealth also saw a large increase of \$48 million in funding at the VA.

Technological innovations in the field of telemedicine and telehealth will make it possible to reach out and provide access to veterans outside of large healthcare institutions. In addition, funding for a "Tele-Health and Home Care Model" will put the department at the forefront of a new approach to coordinated patient-centered care facilitated through the use of telehealth and IT systems.

The balance of VA's FY 2011 budget request in the medical IT systems category -- \$346.6 million or 27 percent – is earmarked for HealtheVet (HeV), the department's next generation electronic health record project. The Medical 21st Century HealtheVet (HeV) initiative consists of several programs, including:

- **HealtheVet Core (\$131.5 million)** – HeV Core will enhance and supplement the current legacy systems (VistA) with more flexibility, improved security and infrastructure designed for data sharing among providers within and outside of the VA.

- **Laboratory (\$20 million)** – This project will provide the Veterans Health Administration (VHA) Pathology and Laboratory Medicine Service (P&LMS) with a Laboratory Information Management Systems (LIMS).
- **Pharmacy Reengineering (PRE) (\$14 million)** – The scope of the HeV PRE is to replace current pharmacy software modules with new technology via reengineering, new development and purchase of commercial programs.
- **Revenue Improvements and Systems Enhancements (RISE) (\$10 million)** – RISE established a veteran-centric revenue solution, addressing the congressional mandate for a comprehensive, enterprisewide, patient financial system.
- **Compensation and Pension Records Interchange (CAPRI) Reengineering (\$2.03 million)** – CAPRI is an initiative to improve services to veterans by providing automated tools to enhance the disability evaluation process.
- **MyHealtheVet (\$23.3 million)** – A nationwide initiative to provide veterans a Web portal through which they can view and manage their personal health records (PHRs) securely, as well as access health information, health assessments and electronic services online.
- **Registries (\$9.7 million)** The budget request for HeV registries is based on a realignment and consolidation of registries as a single budget element. The VA registries program supports population-specific data needs at the enterprise level and is used to coordinate care and track longitudinal treatment outcomes to facilitate research and develop best practices.

### Benefits and Memorials (\$380.8 million)

Thirty-eight percent or \$145.3 million of benefits and memorials budget request will support changes to VA's benefits claims process and ensure Veterans' claims decisions are timely, accurate, fair, and consistent through the use of an automated systems.

The Veterans Benefits Management System (VBMS), formerly known as Paperless Delivery of Veterans Benefits, is designed to transition from paper-based claims processing to a paperless environment. The VBMS technology solution will be deployed in a three-step implementation process.

The first major milestone of the VBMS project is a Virtual Regional Office (VRO) that will create a flexible, user-centric development process to solidify user and business requirements. Next, VBA will launch regional office pilots through Dec. 2011 to validate, refine and harden process and systems requirements. Finally, production environments will be established for full-scale rollout to all regional offices in FY 2012.

- **VBMS Benefits.** Benefits expected from the VBMS project include improved veteran access to VA services through enhanced Web-based information processing; better timeliness and consistency of veteran services delivery; improved claims adjudication; and improved control over the acquisition and movement of veterans' data throughout VBA and its stakeholders.
- **VBMS Interfaces.** The VBMS initiative will work with other VBA efforts, such as the Veterans Relationship Management (VRM) program, which will feature information exchange between veterans and VA, including online self-service capabilities. VBMS will also connect to the Veterans Services Network (VetsNet), VBA's suite of applications supporting compensation and pensions claims processing.

The FY 2011 budget includes \$31.7 million for benefits legacy VetsNet and \$52.3 million for benefits legacy.

Benefits IT support (\$105.2 million, or 27 percent of the category total) is for providing ongoing IT maintenance and support at the 57 VBA regional field offices, satellite stations and National Cemetery administrative offices. This includes hardware, software, telecommunications, call center technology, audio, video and application installations.

### **Corporate (\$527.2 million)**

The corporate investment category represents the alignment of future architectures and strategic planning for VA's "Corporate 21st Century Core" systems, including financial and human resource systems, information protection and IT administrative support systems. Top programs to watch in this category include:

- **Financial and Logistics Integrated Technology Enterprise (FLITE).** VA's office of information and technology requested \$120.2 million to streamline operations by standardizing best practices across VA and eliminating a number of long-standing financial weaknesses. FLITE will ultimately provide access to timely and accurate financial, logistics, budget, real property and related information on VA-wide operations as well as on specific programs and projects.
- **Enterprise Cyber Security.** For this critical investment area, \$84.9 million was budgeted for secure IT operations at VA's medical and benefit centers, 24 hours-a-day, 365 days year. This category also addresses policy, guidance, advice, general support and the tools and services necessary to protect the IT network.

Other key budget lines in the Corporate category include: Corporate IT support (\$196.9 million); PBX replacement (\$15.2 million); Enterprise Strategy, Policy, plans and programs (\$10.7 million) and electronic government (\$9.5 million).

### **Interagency (\$157.6 million)**

The inter-agency category represents programs where VA is working jointly with other federal departments and agencies. Among the major programs in this category are:

- Funding to support on-going collaborative work with Department of Defense and establishing an interagency joint Virtual Lifetime Electronic Record (VLER) project (\$52 million). The VLER will enable VA to begin collecting data about future veterans by instituting uniform VA-DoD registration at the start of military service.
- The VA Personal Identification Verification (PIV) program (\$13 million) to establish an enterprise standards-based authentication and authorization framework to support secure business transactions through the use of smart card technology and Public Key Infrastructure (PKI).
- The One Vet Initiative (\$64.9 million) supports information integration for seamless access and provision of benefits across the federal enterprise. The investments included in this initiative include contact management, identity and access management, and registration and eligibility programs. This initiative will also support the VLER program.

Sources: VA FY 2011 Congressional budget submission

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