Notes from the Editor-in-Chief

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For many years, I have admired at a distance the transformation taking place at the Veterans Health Administration (VHA), and only recently, seeing it up close, have I begun to truly understand how remarkably profound the change has been. The VHA's experiences have become a model around the world, illustrating how change is possible irrespective of country or context. The story has been written from many different angles. For example, some have examined the experience from a political perspective, tracing the experiences of the VHA under different political leadership in the United States and dwindling support both financially and sociologically for the publicly administered system. Even today there is considerable scrutiny by the federal government of any potential increases in expenditures by VHA (Mary Mosquera, Government Computer News, May 13, 2005).

It is also informative to examine the changes at VHA in terms of clinical decisions, effects on medical staff, technological developments, information systems and the patients' perceptions of the new patient-centred approaches.

Others have looked at the changes in terms of clinical decisions, effects on medical staff, technological developments and patients' perceptions of the new patient-centred approaches. No matter what the areas of interest – and in this issue of *HealthcarePapers* we can learn about several – it is clear that there are lessons to be learned about implementing change in complex organizations such as large-scale integrated health systems.

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– Cathy Fooks and Michael Decter

Before commenting on the excellent reviews of Perlin, Kolodner and Roswell's lead paper, it is informative to place the changes at the VHA in historical context. The VHA is a very large organization (by any measure) that goes beyond the strategic scope of even the largest healthcare delivery systems in the United States.

Although conceived after the Civil War, the VHA experienced a boom in growth after World War II when its mission to treat war veterans intensified. In the 1980s the organization had a reputation for typical large bureaucracies—lots of red tape, inefficiencies, duplication of services and difficulties in responding to changing needs. In the mid-1990s the federal government expressed concern about rising costs and excess capacity in the VHA, and there was less and less political support for continuing investment in veterans' health services. Managed care was becoming a major competitive force and the government was beginning to think of alternatives, such as more private sector provision of services. Kenneth W. Kizer spearheaded the implementation of a vision for an incredible turnaround: system-wide integration at the national level and responsiveness and adaptation to the needs of communities at the local level. At that point the population characteristics of veterans were changing: more and more veterans were over 85 years old, had chronic illnesses, and demanded higher-quality services. (There was also a decreasing number of veterans, but today they may be on the increase.)

As was noted by Rivers, Glover and Agho (2002), the VHA was facing critical strategic issues: How could the VHA increase its cost-effectiveness to counter the criticisms of inefficiency? Should it expand its population base to a broader range of individuals – to include, for example, the Medicaid population? With decreasing representation of veterans in the political process, how could it maintain a loud voice for their health needs? How should it ward off the competition from the private sector? And given its historical mission of education, should it now become a major supplier of human resources for primary healthcare and geriatric medicine.

The cornerstone of the Kizer's changes was the creation of the 22 Veterans Integrated Service Networks (VISNs) to provide the full range of care and greater emphasis on prevention and primary health services. As Kizer described his vision:

> VHA's new structure changes the basic operating unit of the organization from the previously independent and often competing large hospital medical centers to 22 integrated service networks. … vha's new operating structure is premised on the concept of funding care for populations rather than facilities, with a concomitant shift in focus from relying on relatively large medical centers to developing local and regional networks that is grounded in ambulatory care and universal primary care.
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> *(Kizer. 1997: 291)*

Evidence of the success of the changes was reported by Asch et al. (2004). "Patients enrolled in the VHA system were more likely than similar patients in the general population to receive preventive and chronic care recommended by established national guidelines. The researchers used quality indicators from Rand Corp. to evaluate inpatient and outpatient care for 26 conditions. The 348 indicators included measures such as aspirin for patients presenting with acute myocardial infarction, diet and exercise counseling for diabetes, and screening for colorectal cancer. Overall, VHA patients received 67% of the recommended care compared with 51% in the national sample; 72% of the indicated chronic care compared with 59% in the national sample; and 64% of the indicated preventive care compared with 44% in the national sample. The quality of care for acute conditions was similar across both study populations. The differences between the VHA and national sample were greatest in processes subject the VHA health system's performance measurement system."

One of the purposes of this issue of *HealthcarePapers* was to seek the opinions of Canadian experts in health services about the lessons that might be learned from the VHA experience, and their applicability in the Canadian context.

Matthew W. Morgan restricts his comments to the tools used at VHA to facilitate the change, although he readily admits that transformation could not have been possible without vision, leadership, talent and teamwork. As he comments, the VHA's clinical information system began 20 years ago with the implementation of VistA, a computer-based patient record. Although some of this technology may not be as current as newer solutions, it does appear to have stood the test of time in that it continues to be used successfully. Morgan concludes: "the clinical informatics world should take note of this success story … . Imagine what we could do if we all turned our attention to rolling out proven clinical information management tools to every clinician and patient, imagine the impact on healthcare – it would perhaps be the biggest step forward in the delivery of healthcare in a very long time."

Matthew Anderson also focuses his comments on the remarkable impact the electronic information system has had. He indicates that Canadians should take note of the VHA's outstanding approach to performance measurement. He highlights the VHA's four achievements: involving frontline stakeholders in developing performance measures; keeping the number of value domains to a small, manageable number; focusing on preventive and community care rather than acute hospitals; and setting ambitious targets for the changes. Anderson goes on to describe the key characteristics of the information technology at VHA. His conclusion is: "Their success is

too great for Canada not to pay attention."

Sheila Weatherill, as CEO of Capital Health and board member for Canadian Institute for Health Information, suggests that Canada's health system may be in the same position as VHA was in the mid-1990s—seeking to define itself with a skeptical public. She indicates that experts recognize the system must change but the challenge is figuring out how to do it. Weatherill discusses some of the ways physicians can and should be brought in to integrated health systems especially around primary healthcare. She concludes: "Canada and the US each have something the other wants. Canadians want accountability: Americans want universal coverage. … We have to 'fix' our health system in the context of the values that created it, just as the US does."

Cancer Care Ontario has benefited from direct communication with Ken Kizer in steering the approach that that organization takes in its transformation. As reported by Terrence Sullivan and his colleagues, CCO has embarked on ambitious changes to regionalize, and to implement new models of resource allocation, explicit measures of performance and a province-wide information strategy. CCO appears to have made considerable progress in defining measures for monitoring and evaluating the performance of cancer services in Ontario.

Bernardo Ramirez comments from an international perspective. It is clear that the VHA has a worldwide reputation, and has many lessons for other countries struggling to use healthcare resources wisely. Ramirez, who has experience working primarily with developing countries, points out that many of those lessons can be adapted to address some of the inefficiencies of public health systems – for example, the VHA's strategies for integration, patient-centred care, quality and values and performance management.

Moira Stewart, from her perspective in primary healthcare and family medicine, contrasts the VA and Canadian approach to three key issues – community orientation, patient-centredness and the role of information technology. In discussing the lessons for Canadians, she encourages investment in the community sector and urges us to combine the patient-centred coordination structures of the VA with the patient-centred processes of care as they have been defined by Canadians to create an even more powerful intervention.

Cathy Fooks and Michael Decter sum up the relevance of the VHA's transformation experience for Canada as follows:

1. Improving the quality of patient care is a compelling reason to change.
2. Improving the quality of patient care doesn't have to cost more money.

3. We need to identify and publish quality practice.
4. We need to focus measurement efforts on health outcomes.
5. "Primary-care reform" is not a well-understood phrase in Canada.

They conclude – and I concur – that "The VA story is an inspiring one. It points the way for potential renewal efforts in Canada. It also highlights how much work we have yet to do."

References

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