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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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RELEASED

B-133044

JUL 19 1974

The Honorable Alan Cranston
Chairman, Subcommittee on
Health and Hospitals
Committee on Veterans' Affairs
United States Senate

Dear Mr. Chairman:

Your July 9, 1973, letter requested that we monitor a Veterans Administration (VA) demographic study of the area to be served by a VA hospital to be built in Loma Linda, California.

According to VA, you requested that three matters be included in the study:

- The hospital's probable catchment area.
- The veteran population in the catchment area.
- The required bed size of the hospital.

VA entered into an agreement with the University of California at Los Angeles (UCLA) to make the study. The study report was completed April 1, 1974. The study results were reported to you in a letter from VA dated May 8, 1974, together with a copy of the study report.

In examining the study, we retained Dr. Charles D. Flagle, Professor, Public Health Administration (Operations Research), The Johns Hopkins University, Baltimore.

In general, we agree with the methodology used to conduct the study. However, the study report (p. 27) discusses an alternative to estimating hospital use which may be preferable to the method used. It is not known whether use of the alternative would have resulted in UCLA's recommending a different size hospital. According to the VA official in charge of the study, the alternative was not used primarily because of time constraints. UCLA was requested to complete the study before award of the construction contract for the hospital. The contract was awarded on May 7, 1974.

The following additional factors regarding the hospital may interest you.

VA HOSPITAL BED NEEDS

Eligible veterans residing in the Loma Linda catchment area have access to one or more other existing VA hospitals in Southern California.

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For purposes of the study, those counties within VA's Regional Medical District 28, which are closer to the Loma Linda site than to other VA facilities, have been assigned to the Loma Linda catchment area. These include Inyo, San Bernardino, and Riverside Counties and a portion of eastern Los Angeles County in California and Clark County in Nevada. Five other VA hospitals in Long Beach, Los Angeles (Brentwood and Wadsworth), San Diego, and Sepulveda, California, are in medical district 28.

Since it is expected that veterans residing in the Loma Linda catchment area will be served mainly by that hospital, demand for care at the other VA hospitals in Southern California may be reduced. The study did not measure how the Loma Linda hospital may affect the existing VA hospitals in Southern California. Using the VA planning data, the study indicates that by 1980 the number of acute care beds currently planned for the Southern California area may exceed the study's predicted demand for care. This excess ranges from 1,570 to 2,470 beds, depending on the predicted use rates used.

BED SIZE

The study recommends a 500-bed hospital, the same size as now being constructed. But the breakdown of these beds differs somewhat from that in VA plans. The following shows the planned bed complement and the complement recommended by the study.

<u>Service</u>	<u>Beds in VA plans</u>	<u>Beds recommended in UCLA study</u>
Medicine	230	163
Surgery	150	172
Psychiatry	60	65
Nursing home care	<u>60</u>	<u>100</u>
Total	<u>500</u>	<u>500</u>

VA has not changed its plans to accommodate the bed complement as recommended in the study. The VA Administrator in his May 8, 1974, letter advised you that the design for the hospital will be sufficiently flexible to accommodate the bed-type distribution recommended by the study.

We did not examine the architectural plans for the hospital and therefore cannot comment on VA's claim that sufficient flexibility exists to accommodate the bed complement as recommended by UCLA. However, the

study stated that any needs for additional nursing home care beds could be met by shifting beds designed for acute care to nursing care.

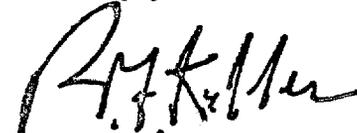
NURSING HOME CARE BEDS

The report (p. 18) also discusses a method which should more accurately estimate the nursing home care bed needs than the method actually used. The alternative, which would project nursing home care bed needs on the basis of the experience of the entire VA system, was not used principally because time constraints did not permit collecting the necessary data on a VA-wide basis. Since the initial construction and operating costs, on a per bed basis, for an acute care bed are considerably more than the costs for a nursing home care bed, it may be advisable for VA to undertake a study to more accurately estimate nursing home care bed needs for Loma Linda. Such a study should be initiated while construction is in the early stages so that any required changes in the number of nursing care beds can be made with the least disruption of construction.

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As your office requested, we did not obtain formal VA comments on this report. However, we discussed its contents with representatives of VA's Department of Medicine and Surgery. A copy is being sent to the Administrator of VA; however, we plan no further distribution unless you agree or publicly announce its contents.

Sincerely yours,


Deputy Comptroller General
of the United States