



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

October 31, 2003

The Honorable Henry A. Waxman
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Waxman:

Over the last decade VA has dramatically transformed the way it provides veterans' health care. We have moved from a hospital centered system emphasizing inpatient admissions to a patient-centered system emphasizing outpatient care. Statistics underscore the dramatic change. Hospital stays decreased 50 percent between 1989 and 1999, while the number of veterans using the VA system increased 31 percent from 2.6 million to nearly 3.4 million. VA serves approximately 4.5 million veterans today.

A study and editorial published in the October 23rd *New England Journal of Medicine* confirms that VA's quality remained high and survival rates did not change during that transformation. The researchers also found no increase in the use of non-VA hospitals, and they found a 37 percent reduction in emergency room visits. Details of the study are available at <http://www.va.gov/NEJM>.

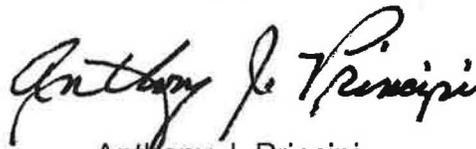
This research emphasizes the need for, and importance of, VA's national initiative called CARES (Capital Asset Realignment for Enhanced Services). VA now has more than 5,000 buildings, 162 hospitals whose average age is 50.4 years, millions of square feet of unused space, and more than a dozen hospitals that are projected to need 40 or fewer beds in the next couple decades – some are projected to need less than 10 beds. Additionally, we know there is a need to further increase outpatient care across the country, especially in the area of specialty care.

While veterans no longer receive most of their care in buildings designed and built to provide medicine as it was practiced after World War II or even World War I, money appropriated by Congress to provide care for veterans must still be used to maintain obsolete facilities that are no longer necessary, or even desirable, for modern health care. In short, while the practice of VA health care has moved out of hospitals, the VA health care system has not yet been able to do so. The Draft National CARES Plan outlines a \$4.6 billion dollar program to modernize VA's facilities to provide 21st century veterans with 21st century care.

Page 2.

In communities across the country CARES will provide more care, to more veterans, in more places where veterans need the services most. It's a process that began during the previous Administration and I chose to continue because of its importance to the future of health care for veterans. VA is a national leader in the modern, quality health care that I am sure you would agree America's veterans deserve. Now we must ensure that our national delivery system is up to the task of serving each and every veteran, today and tomorrow. To do that, we need your support. Or to be more accurate, our veterans and their families need your support.

Sincerely yours,

A handwritten signature in black ink that reads "Anthony J. Principi". The signature is written in a cursive style with a large, prominent initial "A".

Anthony J. Principi