

**MISSISSIPPI**

Morning Session  
120 Minutes

*Joe  
BARRETT*

NEW ORLEANS, LA REGIONAL HEARING  
SCHEDULE OF WITNESSES

			<u>State of Mississippi</u>
8:35 AM – 8:45 AM	10 Minutes		Lt. Governor Amy Tuck
			<u>Mississippi Gulf Coast Bases</u>
8:45 AM – 8:55 AM	10 Minutes		U.S. Rep. Gene Taylor
			<u>Keesler Air Force Base, Biloxi, MS</u>
8:55 AM – 9:25 AM	30 Minutes		Lt. Gen. Clark Griffith (USAF Ret.), spokesman for Keesler Military Team and Biloxi Bay Chamber of Commerce
9:25 AM – 9:27 AM	2 Minutes		(Change communities)
			<u>Naval Station Pascagoula</u>
9:27 AM – 9:52 AM	25 Minutes		Jim Brooks, retired deputy program director of the LPD 17 Program for Northrop Grumman Ship Systems, community spokesman
9:52 AM – 9:54 AM	2 Minutes		(Change communities)
			<u>Naval Human Resource Center, Stennis Space Center, Hancock County, MS</u>
9:54 AM – 10:08AM	14 Minutes		Chuck Benvenuti, CPA, community spokesman and John Harral, attorney and spokesman for Partners for Stennis
10:08 AM – 10:10 AM	2 Minutes		(Change communities)
			<u>186<sup>th</sup> Air National Guard Air Refueling Wing, Meridian, MS</u>
10:10 AM – 10:20 AM	10 Minutes		U.S. Rep. Chip Pickering
10:20 AM – 10:35 AM	15 Minutes		Lt. Col. Langford Knight (ANG Ret.), spokesman for Meridian Military Team

# MISSISSIPPI SWORN PRESENTERS AND WITNESSES

## ELECTED OFFICIALS

### PRESENTERS

- Lt. Gov. Amy Tuck, Mississippi.
- U.S. Representative Gene Taylor.
- U.S. Representative Chip Pickering.

## KEESLER AIR FORCE BASE MEDICAL CENTER

### PRESENTER

- Lt. Gen. Clark Griffith (USAF Ret.), spokesman for Keesler Military Team and Biloxi Bay Chamber of Commerce; former commander of Keesler AFB.

## NAVAL STATION PASCAGOULA

### PRESENTER

- James P. Brooks, businessman in Gautier, MS. Formerly, Deputy Program Manager of the LPD 17 Program, Director of Strategic Planning and Advanced Programs, and Director of Business Development, Northrop Grumman Ship Systems.

### WITNESSES

- Den Knecht, Chairman of the Naval Station Pascagoula Committee and retired Vice President of Northrop Grumman Ship Systems.
- Jerry St. Pe', Chairman of the Jackson County Economic Development Foundation, and retired President of Ingalls Shipbuilding and CEO of Litton Ship Systems.
- Manly Barton, President of Jackson County Board of Supervisors.
- Matthew Avara, Mayor, City of Pascagoula.
- Tim Broussard, Member, Jackson County Board of Supervisors.
- John McKay, Member, Jackson County Board of Supervisors.
- Jay Foley, Rear Admiral, USN (Ret.), Vice President, Northrop Grumman Ship Systems.
- James McIngvale, Director of Public Relations & Advertising, Northrop Grumman Ship Systems.
- Mark McAndrews, Director, Port of Pascagoula.

- George Freeland, Executive Director, Jackson County Economic Development Foundation.
- Kay Kell, City Manager, City of Pascagoula.

## NAVAL HUMAN RESOURCE CENTER, STENNIS SPACE CENTER

### PRESENTERS

- John Harral, attorney and spokesman for Partners for Stennis.
- Chuck Benvenuti, CPA, spokesman for community.

## 186<sup>TH</sup> AIR NATIONAL GUARD AIR REFUELING WING, KEY FIELD

### PRESENTER

- Lt. Col. Langford Knight (ANG Ret.).

### WITNESSES

- Lamar McDonald, Chairman of the Meridian Military Team and local businessman.
- Major General Harold Cross, Mississippi Adjutant General.
- Lt. Gov. Amy Tuck.
- City of Meridian Mayor John Robert Smith.
- Major Craig Ziemba, Mississippi Air National Guard.
- Cdr. John Carrier (USN Ret.), Lockheed Martin simulator instructor, NAS Meridian.
- Captain Milton Smith (USN Ret.).
- Col. Kris Gianakos (USAF Ret.), Lockheed Martin simulator instructor, NAS Meridian.
- Cdr. Albert St. Claire (USN Ret.), Lockheed Martin simulator instructor, NAS Meridian.
- LCD Jack Douglas (USN Ret.), Lockheed Martin simulator instructor, NAS Meridian.
- LCD Robert Wideman (USN Ret.), Lockheed Martin simulator instructor, NAS Meridian.
- CWO Tom McGuire (USN Ret.), Rolls Royce site manager, NAS Meridian.
- Captain Jason Brookins, Mississippi Air National Guard.



**LT. GOVERNOR AMY TUCK AND  
GOV. HALEY BARBOUR REMARKS  
TO THE BASE CLOSURE AND REALIGNMENT COMMISSION  
NEW ORLEANS REGIONAL HEARING**

July 22, 2005

Good morning Commissioners. General Hill, General Turner, and Secretary Coyle, I am Amy Tuck, Lieutenant Governor of the State of Mississippi. Gov. Haley Barbour had planned to attend, but regrets that the postponement of this hearing, made it impossible. At his request, I respectfully offer these remarks on behalf of myself and the Governor.

It is also my honor this morning to represent our two United States Senators, Thad Cochran and Trent Lott. They also regret they cannot be present today. However, Representatives Gene Taylor and Chip Pickering are present and will testify. I would also like to acknowledge the presence of the man known in the Halls of Congress as Mr. Veteran – former Representative G.V. “Sonny” Montgomery.

Chairman (to be named), in your briefing books is a joint statement from Senators Cochran and Lott. I respectfully request their statement be included in the record of today’s hearing.

Let me begin by thanking each of you for the extraordinary and distinguished service you and your fellow Commissioners are providing by serving on this important Commission. Thanks also to Admiral Harold Gehman for visiting Keesler Air Force Base and Naval Station Pascagoula.

The Commission received seven recommendations from Secretary Rumsfeld concerning closures and realignments in Mississippi. Mississippi does not contest three of these.

- o The closure of the Army Reserve Center in Vicksburg is not contested.
- o The realignment of the Naval Technical Training program at Naval Air Station Meridian is not contested.
- o The closure of the Army Ammunition Plant at Stennis Space Center is not contested. However, we do request that you review and comment on

\* the projected costs for mitigation of the existing environmental and safety concerns at the Ammunition Plant. With input from NASA, our preliminary review suggests these costs will be substantially higher than the Pentagon projected.

In regard to the other four recommendations, Mississippi requests that you give close scrutiny to each one. I will discuss these briefly. The communities will address them thoroughly.

### **The NAVAL HUMAN RESOURCE SERVICE CENTER AT STENNIS SPACE CENTER IN HANCOCK COUNTY**

We agree that the Northeast and Southeast Naval Human Resource Service Centers should be combined. However, the community will show you that service quality, cost, and security data indicate the new combined center should be at the top-rated Naval Human Resource Service Center, which is our center in Mississippi.

Just recently, Mississippi competed against 10 other states to locate a similar centralized service center for NASA. The winning site, based on cost and performance, was Stennis Space Center. When you compare the critical factors regarding the proposed Naval Human Resource Service Center consolidation, we feel confident you, also, will select Stennis Space Center.

On behalf of the Governor and the community, I invite you or a member of your staff to visit this top-rated facility as part of your decision making process.

### **The 186<sup>TH</sup> AIR NATIONAL GUARD AIR REFUELING WING, KEY FIELD, MERIDIAN, MS.**

Former President Bush likes to tell the story of flying to Meridian and seeing the name G. V. "Sonny" Montgomery from over the horizon...his name on the 186<sup>th</sup> hangar is huge. What's really huge, however, is the role the 186<sup>th</sup> has played in supporting our missions in Kosovo, Afghanistan, and Iraq. Highly rated, highly competent, highly efficient, and highly necessary for mission readiness in the Gulf, the 186<sup>th</sup> should not be realigned or "enclaved," but maintained as a vital component of our Air National Guard.

Mississippi Adjutant General, Major Gen. Harold Cross is here today to answer questions you may have when Meridian makes its presentation. But, let me say that neither he nor Gov. Barbour was consulted about the proposed realignment of the 186<sup>th</sup>, nor do they believe the Homeland Security consequences of this proposal were seriously considered. Gov. Barbour has informed Secretary Rumsfeld that he does not approve or provide his consent to this realignment. A copy of his letter is in your briefing book behind these remarks.

Again, on behalf of the Governor and the community, I invite you or a member of your staff to visit this outstanding facility in order to see first hand its efficient and modern design, to consider the lack of cost savings in this recommendation, and to understand its critical mission.

### **NAVAL STATION PASCAGOULA**

It is hard for our military and congressional leaders in Mississippi to imagine no active duty U.S. Navy ships homeported in the Gulf of Mexico. National defense as well as Homeland Security surely must require at least one strategically located homeport in the Gulf. If the Commission ultimately agrees with this strategic necessity, then we are confident you will also agree that military value and cost factors dictate Naval Station Pascagoula should be that Gulf homeport.

When the U.S.S. Cole was hauled to Northrop Grumman's shipyard in Pascagoula for repair, a major issue was where to offload live missiles and other weaponry. The proximity of unencroached Naval Station Pascagoula – across the channel from the shipyard – with weapons handling capability, maximized efficiency and safety. This proximity to one of our major shipyards has strategic value not properly recognized in the Pentagon's recommendation.

### **KEESLER AIR FORCE BASE MEDICAL CENTER**

The recommendation to eliminate inpatient care at the Keesler Air Force Base and convert its Medical Center to a clinic is a bad idea. The community's presentation will show you this is bad for the active duty warfighters and their families. But the Governor and I want you to know it will also be terrible for Mississippi – much more so than the Pentagon's BRAC report reveals. Mississippi has difficulty attracting and retaining physicians, particularly in high demand specialties. The Graduate Medical Education program at Keesler brings physicians with those

specialties to the Gulf Coast to provide needed care for our increasing numbers of active duty military, military dependents, and retirees. The Pentagon misleadingly implied in its recommendation that the Graduate Medical Education program would remain and, therefore, did not consider the significant impact its closure will have on medical care for our warfighters, their families, and the community – substantial deviations from Base Closure Criteria 1 and 6.

When Hurricane Ivan threatened last year, over 100 Alzheimer patients had to be relocated. Keesler Medical Center took over half and married each one with a resident to take care of them. Washington is closing our VA hospital in Gulfport and says it can do so because Keesler Medical Center can help pick up the tertiary and specialty care load. The military retiree community on the Coast is growing because it has access to top quality care at Keesler Medical Center. Each of these situations depended or depends upon inpatient care coupled with the specialties provided at Keesler through the Graduate Medical Education program. Unfortunately, the mission of “medical care” was under-rated in the military valuation of Keesler Medical Center.

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So, Gov. Barbour and I ask you to scrutinize this recommendation with great care, and focus on the medical care mission and its importance to our warfighters, their families, and our community.

## SUMMARY

In conclusion, we understand that closing and realigning bases is a thankless but terribly important job. President Bush placed his confidence in you to conduct this process thoroughly and fairly, and so do we. Thank you once again for your service, your dedication, and your willingness to listen to these patriots here today as they sincerely raise questions about the recommendations before you.

STATE OF MISSISSIPPI  
OFFICE OF THE GOVERNOR

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HALEY BARBOUR  
GOVERNOR

July 7, 2005

Donald H. Rumsfeld  
Secretary of Defense  
1000 Defense Pentagon  
Washington, DC 20301-1000

Dear Mr. Secretary,

Neither I nor my Adjutant General were consulted about the proposed realignment of the 186 Air National Guard Air Refueling Wing at Key field, Meridian, MS in the Base Closure and Realignment process. Respectfully, I ask that it be withdrawn.

Sincerely,



Haley Barbour

HRB/ams

CC: Anthony J. Principi  
Senator Thad Cochran  
Senator Trent Lott  
Representative Chip Pickering



# United States Senate

WASHINGTON, DC 20510

July 8, 2005

The Honorable Harold W. Gehman, Jr.  
BRAC Commission  
2521 South Clark Street  
Suite 600  
Arlington, Virginia 22202-3909

Dear Admiral Gehman:

We would like to thank the Commissioners who are conducting this Regional Hearing to address recommendations impacting State of Mississippi military installations. We appreciate the sacrifices resulting from your service to the country as a member of the BRAC Commission.

Under the Defense Base Closure and Realignment Act, you have an extremely important role in the BRAC process. An independent BRAC Commission serves as the principal means of guaranteeing the fairness and accuracy of the base closure process. You have a unique role in ensuring that the BRAC process works in a transparent and impartial manner, that the input of affected states and communities is carefully considered, and that these recommendations receive the rigorous scrutiny they deserve.

Today you will hear from federal, state, and community representatives about four recommendations made by the Department of Defense. Just as we are united in our support for the nation's military, we are also united in our concerns about these recommendations. We believe that these recommendations resulted from a failure to consider certain relevant factors and to apply properly the BRAC selection criteria.

First, we are disturbed by the recommendation that would drastically reduce the mission of the medical center at Keesler Air Force Base. We note that Keesler Medical Center is the only military medical center in the nation that would be downgraded by the BRAC 2005 recommendations other than those being consolidated into a similar local institution. We respectfully suggest that the Medical Joint Cross Service Group failed to consider the diverse missions and roles performed in an outstanding manner by Keesler Medical Center.

Keesler Medical Center provides valuable medical services for active duty troops and dependents at numerous installations throughout the Gulf Coast region and a four state area. Keesler trains desperately needed military doctors, dentists, nurses, and medical technicians, many of whom are deployed around the world. By taking away its ability to provide inpatient care, the BRAC recommendation would devastate Keesler's ability to perform these missions. This loss of medical services would hurt the broader mission of Keesler Air Force Base, one of the nation's premier technical education and training bases. Finally, the loss of quality military

medical care will impact not only active duty troops and their families but also one of the nation's largest concentrations of military veterans and retirees.

Second, we are very concerned about the national security implications of closing Naval Station Pascagoula. We believe that the BRAC recommendations leave a huge gap in our military capabilities in the Gulf of Mexico. Naval Station Pascagoula is the ideal location to maintain a strategic presence in an area that is critical to our homeland defense and our economic security. The naval station has outstanding infrastructure in a secure setting with easy access to Gulf waters. It is co-located with the United States Coast Guard, resulting in operational jointness and efficiencies from shared overhead costs.

Keeping Naval Station Pascagoula would not only maintain a strategic presence in the Gulf of Mexico but also serve important future military roles. Naval Station Pascagoula contains only one of two LSS, a FORCENET node that provides situational awareness in the Gulf of Mexico, Central and South America. This system supports requirements of multiple agencies including the U.S. Coast Guard. It would be an ideal future homeport for Littoral Combat Ship squadrons. The installation also has over one hundred additional acres available for future synergistic mission growth. Maintaining this asset would cost very little yet preserve outstanding current and future military capabilities.

Third, we sincerely believe that the recommendation to consolidate the Navy Human Resources Center for the Southeast and move it to a new location at Naval Support Activity Philadelphia is based upon faulty assumptions and inaccurate information. Apparently the recommendation was formulated without awareness of the fact that the Center has rent-free use of a building on the secure grounds of the Stennis Space Center. In addition, both the Northeast and Southeast Navy Human Resource Centers could be consolidated at Stennis for several millions of dollars less than the cost of the recommended scenario. This approach would also result in consolidation at the site that has both higher military value and beneficial synergies resulting from nearby Navy and NASA facilities.

Finally, we would like to address issues raised by the proposed realignment that would transfer nine KC-135R tankers away from the 186<sup>th</sup> Air Refueling Wing at Key Field Air Guard Station. We know that the Commission is considering a number of issues related to the Air National Guard recommendations. Regardless of your decisions on these larger issues, we respectfully request that you study this particular recommendation very carefully.

Key Field Air Guard Station has outstanding infrastructure built specifically for the tanker mission to Air Force standards. The two-bay maintenance hangar is the only one of its kind in the National Guard. The full motion, full visual flight simulator is one of only four in the Air National Guard/Reserves. The cost to relocate this simulator is estimated at over 3 million dollars, but was not included in the COBRA analysis of savings. The simulator alone offsets the entire 20-year projection of savings. In addition, the movement of these KC-135R aircraft away from Mississippi will result in a lack of sufficient tanker assets in the region, hurting operational and training readiness and increasing fuel and operational costs.

We thank both you and your staff for the careful consideration of the community presentations being made at this Regional Hearing. We have worked closely with these community groups, and we are confident that you will find their presentations to be informative and thought-provoking. We hope that their work will aid you as you approach the difficult choices required of the BRAC Commission.

This statement is accurate and complete to the best of our knowledge and belief,

  
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Senator Thad Cochran

  
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Senator Trent Lott



**Statement of Hon. Gene Taylor  
Presented to the  
BRAC Commission Regional Hearing  
New Orleans, LA  
July 22, 2005**

Good morning General Newton and General Turner:

I represent the South Mississippi, which is home to several military installations—three of which are adversely affected by the BRAC recommendations of the Department of Defense (DOD). As most of you are aware, I strenuously opposed authorization for the 2005 round of BRAC because in past rounds projected savings were not realized and several bases were closed that the services and DOD later regretted closing. NAS Cecil Field is a perfect example of this. After reviewing the recommendations in this round, I see that my continued opposition to BRAC is equally well-founded.

As commissioners, you have a unique opportunity to take a hard look at the DOD's analysis and recommendations. I urge you to question everything. Take nothing for granted. With proper scrutiny, I am certain that you will reach the same conclusions that we, in South Mississippi, have. I am hopeful that you will then take action to correct the gross mistakes made by the DOD in its recommendations. The evidence that my fellow Mississippians and I will present will demonstrate that the DOD's recommendations contained egregious flaws, substantial deviations from the BRAC criteria, and in some instances went well beyond the scope of authority provided under the BRAC statute.

The proposal to eliminate inpatient care at Keesler Medical Center is one of the most outrageous items on the entire BRAC list. DOD made an inexcusable error in calculating

Keesler's military value. An incorrect figure in a spreadsheet resulted in Keesler receiving zero points for the condition of the facility when it should have received 11.25 points out of a possible maximum score of 12.5. After we pointed this out, the Secretary of the Medical Joint Cross Service Group admitted the error verbally, but we are still waiting for the written response. The DOD's shoddy work caused Keesler Medical Center to rank 44 places lower in health care services than its correct place. That poor ranking had been cited as the main justification for closing the Keesler hospital. So, essentially, DOD has proposed to close the Keesler hospital, cripple its graduate medical education programs, and force military personnel, their families, and retirees off-base where there is a severe shortage of physicians, all because someone in the Pentagon apparently hit the wrong key on his computer.

Keesler should be the model for the military health care system. The medical center fulfills every major requirement of military health care. It provides outstanding medical care for active duty personnel, helping to ensure their readiness. It provides comprehensive care to military families, contributing to the quality of life that is so important to recruitment and retention. The medical center has exemplary medical education programs that trains surgeons, specialists and other medical personnel for military missions. Keesler fulfills the military's promise of medical care to thousands of retirees, and those retirees provide the complex case mix that is needed to hone the clinical and surgical skills that military specialists need in their mission to support warfighters.

Keesler Medical Center has benefited from excellent leaders who have carefully established a patient mix that perfectly matches the graduate medical education and medical readiness missions of the 81<sup>st</sup> Medical Group. The elimination of inpatient services would destroy the graduate medical education programs and would decimate the medical care of more than 56,000 military personnel, family members and retirees. There is no civilian medical capacity to absorb so many new patients. In fact, South Mississippi has a severe shortage of primary care and specialty care physicians. The Biloxi-Gulfport metropolitan area has only 72 percent of the US average of specialists per population and only 64 percent of the US average of family and general practice physicians per population.<sup>1</sup> The VA medical facility has no excess capacity or personnel to treat the thousands of retirees who would be thrown out of Keesler. In fact, the VA CARES Commission proposed a reorganization that is heavily dependent on the promise of expanding the existing cooperative arrangements with Keesler.<sup>2</sup> The Medical Joint Cross-Service Group made no attempt to communicate with the VA, with any local hospital or with local physicians about inpatient capacity, about the availability of surgery and specialty care, or about hosting Keesler's graduate medical education.<sup>3</sup>

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The proposal of the Medical Joint Cross-Service Group to eliminate inpatient services is the product of a seriously flawed process using incorrect and misleading data. It is clear that the Air Force is using the BRAC process to close hospitals and eliminate graduate medical education well beyond the authority of the BRAC statute. Back in June of 2004, the Air Force Surgeon General tried to get the Medical Joint Cross-Service Group to approve Transformational Options

<sup>1</sup> Congressional Research Service, *Health Care Resources in the Biloxi-Gulfport-Pascagoula Metropolitan Area*, June 20, 2005.

<sup>2</sup> CARES Commission Report to the Secretary of Veterans Affairs, February 2004, p. 5-239.

<sup>3</sup> Col. Mark A. Hamilton, USAF, *Memorandum for BRAC Clearinghouse*, June 27, 2005

that included a goal to "Close all hospitals/retain clinics/outsource GME." The representatives from the other services correctly objected that the proposals exceeded their authority under BRAC law.<sup>4</sup> After the questionable military value formula placed many military hospitals at risk for closure or realignment, the other services had several facilities removed from the list for concerns about civilian capacity, medical education, or maintaining control of trainees, all factors that are present in Keesler's case.<sup>5</sup> The Air Force representatives, in contrast, showed little concern for the effects that hospital closures would have on medical care, medical education, or the training environment. The Air Force obviously hopes to dump its medical responsibilities onto TRICARE, the VA, Medicare, and the local community without regard for the consequences.

Any reasonable rating based primarily on the quality of the medical treatment and the medical education programs would award very high marks to Keesler, but the military value formula used by the Medical Joint Cross-Service Group is horribly flawed. It gives little credit to the graduate medical education programs, which are an essential part of any accurate accounting of the true military value of Keesler Medical Center. Their formula gives no credit at all for the treatment of retirees who are 65 and older, despite the fact that treating those retirees is essential to provide the complex cases for training surgeons and clinicians. Their formula gives very little weight to the actual medical care being performed at Keesler.<sup>6</sup> Their flawed process tries to compare comprehensive medical centers like Keesler that receive complex cases from other hospitals with the costs at much smaller hospitals that transfer all their serious cases elsewhere. The savings estimates are way off the mark because DOD used absurdly low assumptions about

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<sup>4</sup> Minutes of the July 6, 2004 Meeting of the MJCSG Principals.

<sup>5</sup> Minutes of the January 4, 2005 Meeting of the MJCSG Principals.

<sup>6</sup> Office of Rep. Gene Taylor, Analysis of Keesler COBRA Report.

what TRICARE would pay civilian hospitals for the complex case mix that would be tossed out of Keesler.<sup>7</sup> Then, they compounded that mistake by assuming that treatment of retirees would cost the same amount per patient as treatment of active-duty personnel and their families, despite overwhelming evidence to the contrary.

We are a nation at war. The Pentagon has had to increase bonuses and other incentives to try to recruit surgeons and other medical professionals into the military.<sup>8 9</sup> Yet the DOD is proposing to decimate the kind of program that is proven to be valuable in the recruitment and retention of military doctors. Almost every study of military medical care has documented the desire of military physicians to perform the full range of procedures within their specialties. A GAO report on implementation of the Medicare Subvention Demonstration project found that "treating seniors helps indirectly with the readiness mission and ... treating the more complex cases indirectly aids the retention and recruitment of doctors."<sup>10</sup> Another GAO report determined that "the services view (Graduate Medical Education) as the primary pipeline for developing and maintaining the required mix of medical provider skills to meet wartime and peacetime care needs. They also view GME as important to successful recruitment and retention."<sup>11</sup> The need to match a diverse mix of patients with the medical education and training requirements of military medical personnel is a substantial factor in medical readiness, but was completely ignored by the Medical Joint Cross-Service Group.

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<sup>7</sup> Col. Mark A. Hamilton, USAF, *Memorandum for OSD BRAC Clearinghouse, June 14, 2005.*

<sup>8</sup> Atul Gawande, M.D., *Casualties of War-Military Care for the Wounded from Iraq and Afghanistan*, *New England Journal of Medicine*, Dec. 9, 2004. pp. 2471-2475

<sup>9</sup> Michael Moran, *Military looking for a few good medics...and surgeons, and RNs, and radiologists, too*, MSNBC, June 10, 2005.

<sup>10</sup> *Medicare Subvention Demonstration: DOD Start-up Overcame Obstacles, Yields Lessons, and Raises Issues*, GAO/GGD/HEHS-99-161, p. 18.

<sup>11</sup> *Defense Health Care: Collaboration and Criteria Needed for Sizing Graduate Medical Education*, GAO/HEHS-98-121, p. 4.

I am especially bothered by the manner in which the Keesler facility was presented to the full Medical Joint Cross-Service Group on January 4, 2005. The background information presented by the Air Force staff contained major misstatements of fact. Keesler is described as having 154 beds when it actually has 95 staffed beds. Worse, the VA is described as having 552 beds with an average daily census of 394. These figures give the impression of excess capacity at Keesler and enormous inpatient capacity at the VA facility. In fact, this is how the Department of Veterans Affairs described its facilities in Biloxi and Gulfport:

The Biloxi VAMC is a 48-bed acute medical and surgical inpatient unit including intensive care. Biloxi VAMC provides health care for 124 nursing home and intermediate care beds, 171 domiciliary beds, and outpatient mental health. ...The Gulfport VAMC serves as an inpatient psychiatric care unit with 144 operating beds. ...The Gulfport VAMC has a 56-bed nursing home and dementia unit.<sup>12</sup>

→ ★ The VA has 48 acute care beds, not 552 as suggested by the Air Force staff presentation to the Medical Joint Cross-Service Group deciding Keesler's fate. The other beds are psychiatric beds, nursing home beds, and domiciliary beds. I believe that the Air Force representatives knew or should have known that they were including nursing home beds and domiciliary beds in the VA capacity that they implied would be available for active duty personnel, families, and retirees. The Air Force and the Medical Joint Cross-Service Group also should have known that the VA plans to close the aging Gulfport facility, but that plan is contingent on expanding collaborative arrangements with Keesler and new construction at the Biloxi VA campus.

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<sup>12</sup> CARES Commission Site Visit Report, Biloxi and Gulfport, Mississippi, July 2, 2003.

Although I disagree with the VA's decision to close the Gulfport facility, I do appreciate that the CARES Commission under then-Secretary Principi made site visits to the VA facilities and to Keesler, held open hearings, and made the reorganization proposal contingent on assurances that the patients would be treated at Keesler or a new VA facility. The DOD recommendation's total disregard for the obligations to active-duty personnel, their families, and retirees stands out as especially callous in comparison. I implore the commission to disapprove the recommendation to close the hospital at Keesler.

The decision to close Naval Station Pascagoula is another example of significant deviation from the BRAC criteria related to military value. You know and I know that the BRAC recommendations are completely biased in favor of the mega-bases. NS Pascagoula isn't Norfolk or Mayport. Rather, it is precisely what the Navy's strategic homeports were intended to be—strategically-located in relation to the Navy's area of operations, dispersed from large fleet-concentration areas, and lean, efficient, and cost-effective to operate. The mega-base bias was evident in our examination of data calls and minutes of the DOD's Navy Analysis Group. This body considered only two scenarios regarding NS Pascagoula—neither of which considered retaining the facility. This very limited approach prevented a proper evaluation of the military value of permanently stationing Navy surface assets at a port in the Gulf of Mexico.

Let me be clear, if the DOD's BRAC recommendation remains unchanged, there will be no Navy homeport in the Gulf of Mexico. Abandoning the Gulf of Mexico will create a huge gap in US national security and homeland defense capability. This is a decision of tremendous strategic importance, and should only be debated by the Congress and the President. It certainly

should not be decided as part of a bureaucratic process intended to reshape DOD infrastructure. How important is the Gulf of Mexico? Sixty-three percent of the U.S. commercial shipping trade transits through the Gulf of Mexico. The Gulf is home to 14 of the top 25 U.S. ports and represents 35 percent of the nation's tidal coastline. The Gulf is populated with thousands of critical infrastructure sites, including oil and gas production platforms and refining facilities, vital sea lanes, and important elements of the US' defense industrial capability. Knowing all this, what is the military value of the last pier at the last homeport in the Gulf of Mexico compared to one more pier at a mega-base on the Atlantic?

The DOD's BRAC recommendation also fails to address the emerging requirements of the homeland defense mission through the closure of the Navy's Gulf Coast homeports. According to the Strategy for Homeland Defense and Civil Support released late last month, it is now DOD policy to have an active and layered defense capable of defending the maritime approaches to the U.S. and possessing maritime interception capabilities necessary to maintain freedom of action and protect the nation at a safe distance.<sup>13</sup> It is unimaginable that the DOD could accomplish this critical mission with no naval homeport in the Gulf of Mexico. In fulfillment of its homeland defense mission, the DOD must work together with the Coast Guard to strengthen the security in our ports and littorals and expand maritime defense capabilities further seaward.<sup>14</sup> It is painfully obvious that the BRAC analysis did not consider the DOD's role in homeland defense when NS Pascagoula was considered for closure. NS Pascagoula is centrally located in the Gulf and possesses the ideal capabilities to accomplish the core DOD requirements of homeland defense and jointness.

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<sup>13</sup> Department of Defense, *Strategy for Homeland Defense and Civil Support*, June 2005, pp. 24-25.

<sup>14</sup> Department of Defense, *Strategy for Homeland Defense and Civil Support*, June 2005, p. 25.

We must also not forget that the Gulf of Mexico is a major gateway to Latin America and the Caribbean. By retaining NS Pascagoula, the nation would continue to have a permanent naval presence near the area of operations that is capable of responding in hours, not days, to threats in this hemisphere of escalating importance. The stability and prosperity of the SOUTHCOM AOR are threatened by transnational terrorism, narcoterrorism, illicit trafficking, forgery and money laundering, kidnapping, urban gangs, radical movements, natural disasters and mass migration.<sup>15</sup>

Another challenge to U.S. interests in this region is the emerging influence of extra-hemispheric actors, particularly China. In testimony provided before the House Armed Services Committee on March 9, 2005, General Bantz J. Craddock, Commander of U.S. Southern Command, described the increasing presence of the People's Republic of China (PRC) in the region as, "an emerging dynamic that must not be ignored." In 2004, national level defense officials from PRC made 20 visits to Latin America and Caribbean nations, while Ministers and Chiefs of Defense from nine countries in our AOR visited the PRC.<sup>16</sup> In short, a permanent U.S. Naval presence is required in the Gulf of Mexico because "virtual presence is actual absence." NS Pascagoula is the lowest cost option from which to project and maintain that presence.

One of the strange ironies of this BRAC is that while some installations are being recommended for closure because they are too old and maintenance intensive, the DOD is

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<sup>15</sup> House Armed Services Committee, Posture Statement of Gen. Bantz J. Craddock, US Army, Commander, US Southern Command. March 9, 2005. P.4.

<sup>16</sup> House Armed Services Committee, Statement of Gen. Bantz J. Craddock, US Army, Commander of US Southern Command. March 9, 2005. P.7.

recommending closing NS Pascagoula—one of the nation's newest military facilities. It has many buildings newer than three years of age, including a recently completed \$25.4 million 160-unit DOD funded family housing area for which no credit was awarded by the DOD's BRAC analysis. NS Pascagoula was built with a significant investment from the local community and state. In fact, the State of Mississippi donated the land on which the facility sits and paid \$24 million to build the causeway to it. The citizens of Jackson County also financed the costs of running utilities to Singing River Island where NS Pascagoula is located. NS Pascagoula also has a significant amount of undeveloped acres capable of expansion to meet the DOD recognized increasing requirements regarding maritime homeland defense or for future Navy platforms like the Littoral Combat Ship. NS Pascagoula is a value for the Navy today, and in the future.

The installation has full weapons handling, transport and bunker capabilities, and a double-decker (ZULU) pier with full ship services dockside and on-site maintenance capabilities. These on-site capabilities are augmented by NS Pascagoula's close proximity to mature defense industrial base activities which support Navy shipbuilding and the manufacturing of UAVs. Pascagoula is home to Northrop Grumman's Ingalls Shipyard and several first and second-tier suppliers which provide great utility to the Navy. These industrial neighbors provide NS Pascagoula with capabilities such as heavy-lift dry docks, heavy-lift cranes, and repair parts without the Navy having to foot the bill for them. Why pay for these capabilities full-time when they are only required on a part-time basis?

My final point on NS Pascagoula is a critical one--closing this facility will not save money. In response to my inquiry about purported cost savings from this closure, the Navy

responded the COBRA report on NS Pascagoula showed that all of the "recurring net savings" estimated from this recommendation are a result of military and civilian personnel costs and the "Sustainment, Recapitalization, and Base Operations and Support (BOS) net savings" is almost completely offset by the annual recurring cost of per diem for pre-commissioning units that use the facility.<sup>17</sup> One of the DOD's primary justifications for having another round of BRAC was to reduce excess capacity in military infrastructure and to direct the savings to other defense priorities. As you may be aware, a report recently released by the Government Accountability Office (GAO) on the DOD's BRAC process and recommendations (GAO-05-785) raises similar concerns. According to the report, "Much of the projected net annual recurring savings (47 percent) is associated with eliminating jobs currently held by military personnel. However, rather than reducing end-strength levels, DOD indicates the positions are expected to be reassigned to other areas..."

In summary, NS Pascagoula is the Navy homeport in the Gulf of Mexico, it is a value to the taxpayer, and closing it saves no money. I strongly urge you to overturn this decision.

Lastly, I would like to address the DOD recommendation to relocate the Navy Human Resource Service Center Southeast (HRSC-SE) from Stennis Space Center to the Naval Support Activity, Pennsylvania. This decision also is rife with flaws that easily meet the standard of a substantial deviation from the BRAC criteria.

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<sup>17</sup> Ms. Anne Rathnell Davis, Special Assistant to the Secretary of the Navy for Base Realignment and Closure, June 23, 2005. p. 1-2.

HRSC-SE is located within a secure federal installation the Stennis Space Center. This activity is in a building that was originally built by the U.S. Army to support the production of 155mm artillery rounds (Mississippi Army Ammunition Plant). This site was completely renovated in 1999 to accommodate HRSC-SE. Despite being in a new facility in a safe and ideal location for expansion, the DOD made an error in assessing the cost and military value of HRSC-SE. In its July 2005 report on the BRAC processes and recommendations, the GAO found that the Navy did not consider whether existing leases at Stennis met force protection standards. This led the Navy to apply \$2 million in cost avoidance, when in fact Stennis Space Center is as secure as any military installation.<sup>18</sup> The Navy did not consider to consolidate the human resources activity at Stennis, which has nearly rent free-lease with NASA on a level 1 Force Protection Federal Facility.

I think that it is also worthwhile to provide a brief description of how unique the Stennis Space Center is. Although a NASA facility, Stennis exemplifies jointness and synergy. The HRSC-SE is co-located with several joint service tenants at Stennis including three other major Naval activities including the Naval Meteorology and Oceanography Command and Commander, the Naval Oceanographic Office, and the Naval Research Laboratory. Additionally, there are two significant Special Operations Command activities at Stennis—the Special Boat Team 22 and Naval Small Craft Instruction and Technical Training School. Actually, Stennis has more military civilian employees and uniformed personnel than NASA has employees at this installation.

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<sup>18</sup> GAO/05-785 *Military Bases: Analysis of DOD's 2005 Selection Process and Recommendations for Base Closures and Realignment*, p. 159.

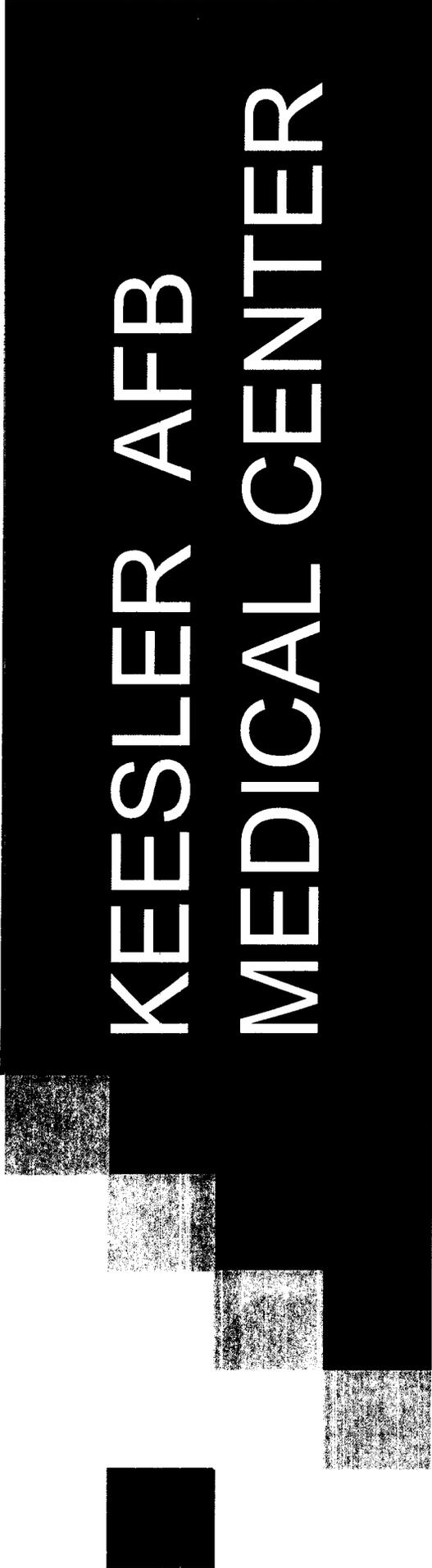
I urge you to look carefully at the information my fellow Mississippians and I are providing you today, and I implore you to remove the realignment of inpatient care at Keesler AFB, the closing of NS Pascagoula, and the relocation of the Navy Human Resource Center at Stennis Space Center from the DOD BRAC recommendation lists. These Mississippi recommendations do not save the taxpayers the money claimed. Rather, they weaken our national security, ignore the emerging mission of homeland defense, and deviate significantly from the BRAC criteria and statute. Again, I want to thank you for allowing me to testify before you today.







# **Community Presentation**



**KEESLER AFB  
MEDICAL CENTER**

**Regional Hearing  
New Orleans, LA  
22 July 2005**

1 Commissioner Coyle, General Hill and General Turner—

2

3 **(Title Slide)** -We appreciate the opportunity to present  
4 additional information to you concerning the realignment of the  
5 Keesler AFB Medical Center.

6

7 **(Slide)**-As you know, the BRAC recommendation is...” to  
8 disestablish the inpatient mission at the 81<sup>st</sup> Medical Group;  
9 converting the Medical Center to a clinic with an ambulatory  
10 surgery center.” This statement comes directly from page Med-  
11 12 of the Medical Joint Cross Service Group (MJCSG) Report.  
12 We underlined the term “Medical Center” to highlight the fact  
13 that Keesler is the only medical center to be realigned. The  
14 other eight are either hospitals or clinics. As a medical center,  
15 Keesler is much larger and has a more diversified and  
16 multifaceted mission which includes a large graduate medical

1 education program. A quick review of Keesler AFB and  
2 specifically the Keesler Medical Center will provide all of us  
3 with a common baseline knowledge of what Keesler provides  
4 our military forces.

5  
6 **(Slide)**-Keesler AFB is the home of the 81<sup>st</sup> training wing, one  
7 of the largest technical training wings in the Air Force. Their  
8 primary mission is technical training of over 44,000 students per  
9 year.

10  
11 **(Slide)**- The Keesler Medical Center is the second largest  
12 hospital in the Air Force. It provides medical care for the 81<sup>st</sup>  
13 Wing, its students, and all branches of our military services  
14 throughout our region. It is a major contributor to our nations  
15 medical readiness team. It also has the most diverse medical  
16 staff in the Gulf Coast Region.

1

2 **(SLIDE)** - This staff is the backbone of the superb medical  
3 access and care provided for our military members, their  
4 families, veterans, and retirees in a four-state gulf coast area.  
5 The circles show major installations/agencies/ bases that Keesler  
6 provides medical care. The small dots indicate other eligible  
7 populations that also receive care (veterans, retirees, etc).

8

9 **(Slide)**- Here is what goes on at the Keesler Medical Center on  
10 an average day. These are daily averages in 2004 and reflect the  
11 high tempo, diversity, and complexity of the Keesler mission.  
12 Many of these procedures are the toughest medical challenges  
13 (for example, 128 open-heart surgeries were performed in KMC  
14 last year.

15

1 **(Slide)** - Keesler also has an outstanding Graduate Medical  
2 Education program. It is recognized across the country as one of  
3 the best. It maintains full accreditation by AMA and the  
4 graduates have set records in passing board certification  
5 throughout the last 10-years. (Internal Medicine 97%; surgery  
6 100%; OB/GYN 100%; and Pediatric 94%). You can see from  
7 the numbers shown here the medical value of their programs.  
8 The excellence of this program is documented at TAB 1 of your  
9 book.

10 **(Slide)**- As stated earlier, the Keesler Medical Center is an  
11 important component of operational readiness. The Keesler  
12 Deployment teams support our war fighters with frontline  
13 medical care. 1068 medical specialist have deployed from  
14 Keesler in the last 5 years for a combined total of 95,581  
15 deployment days. Secondly, the Keesler Medical Center is the  
16 focal point for major medical access and care for the entire Gulf

1 Coast area. It is the hospital where the Army, Navy, Marines,  
2 Air Force, Coast Guard, National Guard and Reserves refer their  
3 most severe medical problems. (See Commander's letters at  
4 TAB 2 in your book.) This is certainly true for the 44,000+  
5 students in the 81<sup>st</sup> TRW. Over 70% of these students are just  
6 out of basic training. They do not have permanent base  
7 assignments nor have they established off-base medical care  
8 programs. The Keesler Medical staff provides all of their care.  
9 During the BRAC decision process, two training base hospitals  
10 were removed from the realignment list due to service concerns  
11 for medical care of their students. The same rationale was not  
12 applied to Keesler.

13 **(Slide)** – How, then, could the BRAC report recommend closing  
14 such a vital part of the DoD military medical system? We asked  
15 that question to Lt. General George P. Taylor, Jr., the Chairman  
16 of the Medical Joint Cross Service Group who developed the

1 recommendation. He replied that they used FY2002 numbers  
2 submitted by each base to determine the military value of each  
3 medical facility. These numbers were fed into their computer  
4 model and scored according to the weighting used in the model.  
5 The results were reviewed for anomalies such as remote  
6 location, lack of local medical facilities, etc. They did not talk  
7 to local commanders, local communities, local hospitals, the  
8 Veteran's Administration or Homeland Security Agency. The  
9 key, therefore, seemed to be the score Keesler received for  
10 military value. We looked at the formula in great detail.  
11 **(Slide)** – The health care services military value weighting  
12 factors are shown here. We highlighted two key areas that  
13 affected the Keesler Military Value Score. The age and ✖  
14 condition of the facility accounts for 25% of the formula. Total  
15 care, inpatient & outpatient is only 20%. After this review, it is

1 readily apparent that this military value formula was not  
2 developed to rate a comprehensive medical center, like Keesler.  
3 **(Slide)** – Therefore we strongly believe the military value  
4 analysis done to develop this recommendation is flawed. The  
5 logic behind the formula is backward. When asked what I mean  
6 by this, I relate this fact that applies in combat and peace time.  
7 If somebody is about to put their hands into your stomach or  
8 your chest cavity or your head are you going to ask what is the  
9 age and condition of the hospital where you work. Absolutely  
10 not. What you really want to know is how many of these  
11 procedures has this physician done and how recently. You  
12 should put more emphasis on healthcare than on age/condition  
13 of building. It only has marginal value in determining the quality  
14 and efficiency of the medical care provided. It does not  
15 adequately consider the value of Graduate Medical Education on  
16 patient care. It does not adequately consider the value of

1 treating the retiree and veteran population to train and retain  
2 clinical skills. We also find that the math is wrong! ✖

3 Calculations show "0" points for Keesler facility condition.

4 This should be 11.25!! This change moves Keesler up to 50.65

5 in Military Value. The only two small hospitals (Air Force  
6 Academy and Navy Great Lakes) are being realigned that have } ✖

7 higher military value. They both have very low ADPL of 6 and

8 13 where Keesler has an ADPL of 60. Additionally, there are 7

9 facilities with lower military value scores that are not realigned. ✖

10 All have much lower ADPL than Keesler.

11 **(Slide)-** The second flaw in the MJCSG report is masked, but is

12 very real. It destroys Keesler's GME Program! As stated

13 earlier, all they put in writing is to discontinue impatient care.

14 However, it was clear to the MJCSG that the loss of the GME

15 program was inevitable. You can't run a GME program without

16 patients. So why didn't they state this up front?

1 **(SLIDE)** - We looked closely at this action since Under-  
2 Secretary Mike Wynne had reviewed imperatives that would  
3 insure the military value analysis made good sense. Let's take a  
4 second or two to read what Sec. Wynne said. These imperatives  
5 were replaced with loosely worded principles that allowed for  
6 wide interpretation by the groups. However, in a separate memo  
7 dated 28 Sept. 04, Sec. Wynne stated the "ideas expressed there  
8 in and appropriate considerations in the decision making  
9 process.

10 **(Slide)** – Since the medical group knew taking the patients away  
11 would shut down the Keesler Graduate Medical Education  
12 program, why didn't they do the proper analysis to ascertain the  
13 effects? They certainly should have determined where it will  
14 go, what are the costs, how does it effect readiness/accreditation  
15 and how does it effect the community. No such analysis was  
16 done. We consider this a major deviation from BRAC rules!

1 **(Slide)** - The MJCSG apparently believed that closing the  
2 Keesler GME would not be a problem since it could be absorbed  
3 locally. However, they knew it would be very hard to relocate  
4 the GME downtown in the timeframe required. If that didn't  
5 happen, General Taylor said he as the AF/SG, would have to  
6 move it later to other GME locations. This was not studied in  
7 the Medical Group's deliberation's and none of the local  
8 hospitals were consulted. We have written statements from the  
9 CEOs of these hospitals saying that they do not have the  
10 capacity or resources to take over the Keesler GME programs.  
11 (see tab 5)

12 **(Slide)**-Here is what the MJCSG recommendation really does .  
13 It stops inpatient care. No patients, no graduate medical  
14 program. It also has to affect outpatient care. Bottom line: It  
15 affects readiness by drastically reducing medical care for our  
16 military warriors!

1

2 (TRANSITION) The MJCSG report stated the local community  
3 could absorb of the Keesler caseload.

4

5 (Slide)-In fact, the BRAC report includes the following  
6 statement on page Med-14 ...“Community Infrastructure  
7 Assessment: A review of community attributes indicates no  
8 issues regarding the ability of the infrastructure of community to  
9 support missions, forces and personnel. Civilian inpatient  
10 capacity exists in the area to provide services to the eligible  
11 population. There are no known community infrastructure  
12 impediments to implementation of all recommendations  
13 affecting the installations in this recommendation.” Again, these  
14 assessments were derived from using National Medical  
15 Association figures with no input from the actual facilities  
16 themselves.

1

2 (SLIDE) - We visited each hospital and found several  
3 differences in what the national figures outlined. For example,  
4 there is distinct a difference in licensed beds vs. staffed beds.

5 The Biloxi Regional Hospital has 153 licensed beds, with a  
6 55.8% occupancy rate, and an average day census of 85.32  
7 patients. Therefore, their "staffed" bed capacity is closer to 90  
8 beds (of which 85 are full) versus the 153 that they licensed to  
9 have. The same is true across all hospitals in the area. A chart  
10 at TAB 3 outlines each hospital's response.

11 Additionally, the various specialties offered at Keesler do not  
12 exist within the required 40 mile area. Comparisons of those not  
13 available are shown at TAB 4 in your book. Last, but not least,  
14 there is a very negative view by the local hospitals to sign up in  
15 the TRICARE System (four of eleven are in the system).

16 Currently, only 20% of the providers necessary to administer

1 medical care to military members, their families, veterans, and  
2 retirees are in the TRICARE System and are located within the  
3 required 40 mile area. This is true today and will be much  
4 worse when you add the Keesler caseload to their requirement.  
5 The majority of the physicians dislike TRICARE since the fees  
6 paid are lower than other insurance companies. This is  
7 exacerbated by the fact that current law calls for an additional  
8 cut back of fees by 26% over the next six years.

9  
10 **(Slide)** Bottom line, this BRAC recommendation forces  
11 military members, their families, veterans, and retirees into a  
12 civilian medical network that does not have the capability to  
13 take it, that does not have the specialized care that they received  
14 on base, and an environment where hospitals and providers  
15 dislike TRICARE since the fees are lower than other insurance  
16 companies. And, no local hospital wants to accept the Keesler

1 GME program. This is all documented by the CEO's replies to  
2 our inquiries are at TAB 5 of your book. Now a look at savings.

3  
4 **(Slide)**- The recurring savings for removing the inpatient  
5 service from Keesler is reported to be \$30M annually.

6  
7 **(Slide)** - We already know that this figure is \$10M less since we  
8 found that the MJCSG used \$4,314.25 paid cost per admission)  
9 versus the nation-wide cost per admission of \$6,790.00. If  
10 anything, Keesler with its high complex medical case loads  
11 (heart, neo-natal, etc.) should be higher than the national  
12 average. The MJCSG's response to our inquiry is at TAB 6 in  
13 your book. They essentially said the annual savings would be  
14 reduced by \$10M. Secondly, the GAO recently reported that  
15 BRAC savings are questionable. They took personnel savings  
16 with no cut in end strength. We also believe that there are

1 significant additional charges that will be levied by Humana as  
2 they must expand their TRICARE operations to accommodate  
3 our military members going downtown for care. While no  
4 figure could be ascertained from Humana, we know they  
5 submitted a considerable bill (\$4.5 Billion) in the mid-90s for a  
6 similar contract adjustment. One thing is for certain, it will not  
7 be free!

8  
9 **(Slide)**-In summary, we believe we have clearly shown that the  
10 BRAC recommendation is wrong, how they arrived at the  
11 recommendation is wrong, and the results will clearly be wrong.

12  
13 **(Slide)**-The recommendation is wrong since it doesn't just  
14 eliminate inpatient services at the second largest medical center  
15 in the Air Force; it also eliminates the second largest medical  
16 education program in the Air Force. Some will say this can be

1 absorbed within other medical facilities. There is no data that  
2 supports this anywhere in the MJCSG minutes or process. This  
3 loss of medical care affects the active duty military members  
4 and their families the most. This results in decreased readiness  
5 and jointness across the Gulf Coast Region.

*Binion  
Barnes  
M. Williams  
Judgment*

6  
7 **(Slide)**-How the recommendation was derived is also wrong.  
8 Old data (FY2002) was fed into a computer model that was  
9 biased to age/condition of buildings instead of military  
10 personnel healthcare. There were significant Math errors that  
11 should take Keesler out of any consideration for realignment.  
12 There was no interaction with local commanders, local  
13 community leaders, local healthcare agencies, or other  
14 government agencies like the VA and Homeland Security  
15 Agency.

1 (Slide)-Clearly, the results are wrong in that it doesn't have  
2 recurring savings of \$30M a year they first reported. They have  
3 reduced that figure by \$10M per year on just one flaw we  
4 discovered in their computation. The GAO is questioning their  
5 personnel cost savings. We also know there will be significant  
6 increases in TRICARE costs that will offset any remaining  
7 savings.

8 The job loss is also grossly understated. The 352 job loss are  
9 only for elimination of inpatient services. We were told through  
10 a Congressional inquiry that the loss of the inpatient services,  
11 GME and effects on the outpatient services will be more like  
12 1,200 loss rather than 352 (TAB 7 in book). (\* *NEED THIS*  
13 *DATA*) No analysis was done to evaluate such a loss to the  
14 military forces served by Keesler.

15 (Slide)- In addition, our face-to-face meetings with local  
16 health-care teams also point out that the local medical

1 establishments are stretched thin due to a shortage of physicians.  
2 A 2004 study by AmeriMed Consulting highlights existing  
3 physician shortages in this area. (The executive summary of this  
4 study is found at TAB 8 in your book.) The Biloxi-Pascagoula –  
5 Gulfport area is already behind in physicians according to the  
6 congressional research service. The community has only 72%  
7 of the US average of specialty care physicians per population.  
8 The Community has only 64% of the US average of family and  
9 general practice physicians per population and the Community  
10 has only 75% of the US average of dentists per population.  
11 This, coupled with the difference we show between licensed  
12 beds and staffed beds says that the capacity for the local  
13 community to pick up the Keesler caseload is severely limited.  
14 Add to these shortages, the reluctance of the hospitals and  
15 providers to take TRICARE results in a significant decrease for

*Dist practice  
Fns: Cam  
So far  
big decrease*

1 medical access/medical care for our military members, their  
2 families, veterans, and retirees.

3  
4 **(Slide)**-Other effects on the community such as loss of  
5 emergency services during disasters, loss of medical personnel  
6 recruitment for the Coast, loss of retirees to the Coast, and loss  
7 of synergies with the VA and downtown facilities are all  
8 included at TAB 9 in your book. None of these realities were  
9 considered by the MJCSG.

10 **(SLIDE)** After each mission, our military warriors review their  
11 objectives of the mission and determine if they hit or missed  
12 their target. A debrief of the Medical Joint Cross-Service Group  
13 recommendation to realign the Keesler Medical Center is very  
14 revealing. On the 1<sup>st</sup> and 2<sup>nd</sup> page of their report, the “targets” of  
15 their group are clearly recorded. We will score them using their  
16 own objectives / targets.

1 1. Support the warfighter and their families (in garrison, and  
2 deployed). (NO!) Decreases medical access & care!

3 2. Maximizing military value while reduce infrastructure  
4 footprint, while maintaining adequate surge capability.

5 (NO!) Emphasizes buildings, not health care!

6 3. Maintaining or improving access to care for all  
7 beneficiaries, including retirees, using a combination of the  
8 Direct Care and TRICARE systems. (NO!) Does the  
9 opposite – decreases access!

10 4. Enhancing Jointness, taking full advantages of the  
11 commonality in the Services various functions. (NO!)  
12 Eliminates existing Jointness!

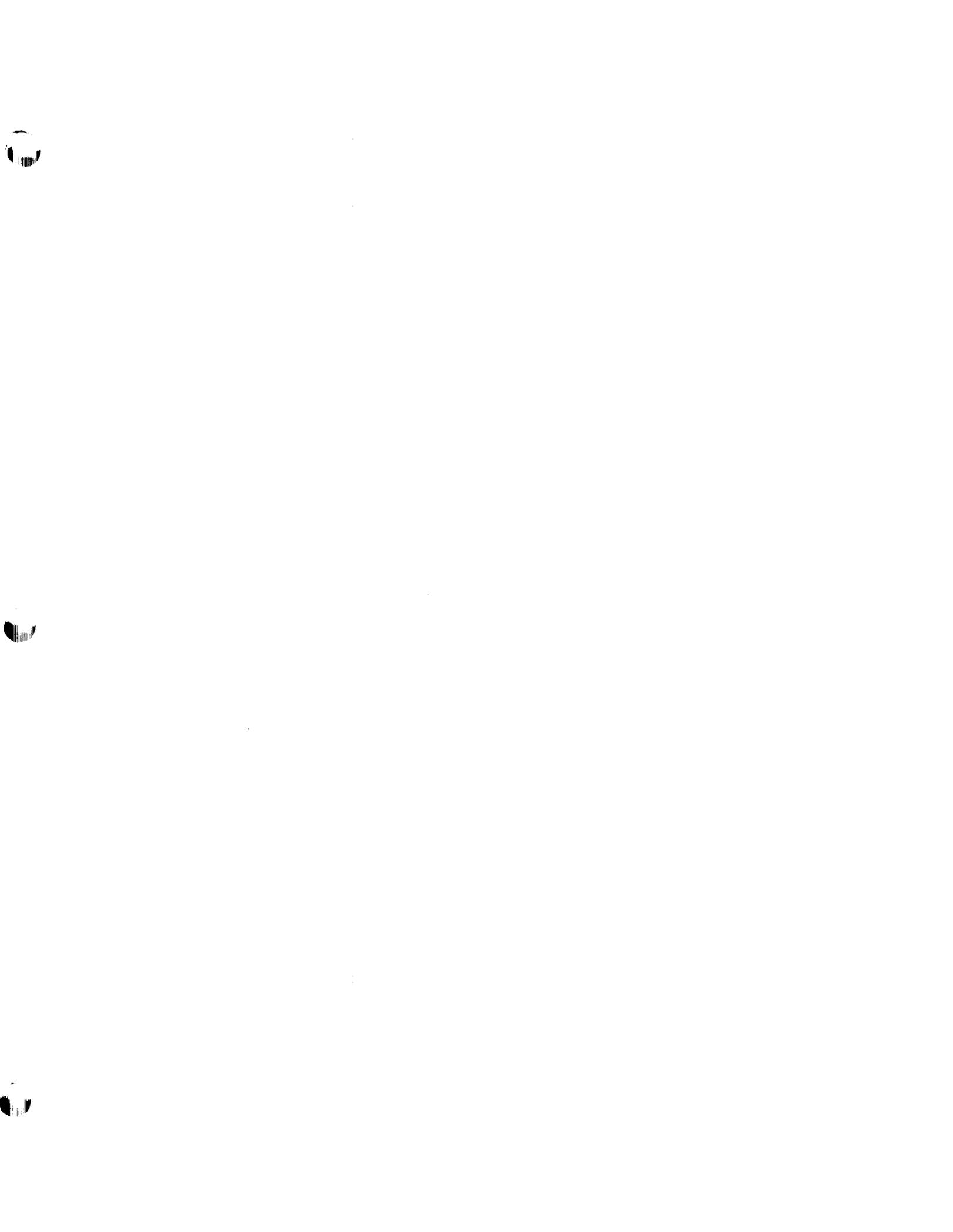
13 5. Identifying and maximizing synergies gained from  
14 collaboration or consolidation opportunities. (NO!)  
15 Disregards existing synergies with VA and downtown  
16 medical facilities.

1 6. Examining out-sourcing opportunities that allow DoD to  
2 better leverage the large U.S. healthcare investments. (NO!)

3 Doesn't give credit for existing out-sourcing!  
4

5 In every case, they missed their own stated objectives or targets  
6 because realigning the Keesler Medical Center is not the right  
7 thing to do.  
8

9 **(Slide)**-We know you will look closely at all these facts that  
10 were gained through actual discussions with the people/facilities  
11 involved. In our opinion, there is no comparison to what the  
12 MJCSG's "one-size-fits all" computer model shows and what is  
13 reality. Therefore, we ask that you support our warriors, their  
14 families, veterans, and retirees and remove Keesler Medical  
15 Center from the realignment list!  
16



# Keesler Medical Center

- The BRAC 2005 Recommendation:  
*Realign Keesler Air Force Base, MS, by disestablishing the inpatient mission at the 81st Medical Group; converting the medical center to a clinic with an ambulatory surgery center.*
- It is the only medical center that would be downgraded in BRAC 2005 without consolidation into a similar local institution [e.g., Walter Reed AMC to NNMC Bethesda, Wilford Hall (Lackland) to Brooke (Fort Sam Houston)]

# 81<sup>st</sup> Training Wing Keesler AFB, MS

## ■ Permanent Party

□ Officer	715
□ Enlisted	3,058
□ Civilian	1,463

## ■ Students

- Annual – Average 44,000+
- Average Daily Student Load – Average 5,000+

## ■ Annual Budget/Economic Impact

- \$126M / \$1.885B

# Keesler Medical Center

- 2,200 on staff + 134 Volunteers
  - 1,586 are on deployment teams
- 95 Inpatient beds
- 75 Specialties/Subspecialties that include:
  - 17 Medical Specialties
  - 17 Surgical Specialties
  - 4 Mental Health Specialties
  - 5 OB/GYN Specialties
  - 8 Pediatric Specialties
  - 7 Dentistry Specialties



# Keesler's Daily Activities

## ■ 2004 Averages

□ Outpatient Visits	1,225
□ Occupied Inpatient Beds	51
□ Births	2
□ Radiology Procedures	372
□ Laboratory Procedures	2,390
□ Prescriptions	3,951
□ ER Visits	80
□ Surgeries	19
□ Ambulatory Procedures	20

# Keesler Medical Center

- Graduate Medical Education (GME)

	# In training
■ General Surgery	24
■ Internal Medicine	24
■ Pediatrics	23
■ OB/GYN	11
■ Nurse Anesthetists	6
■ Dentistry	12
■ Medical Technicians	335

- Patients seen per year – 105,000

- Operations performed – 5,000

- Anesthesia cases per year – 3,000

- Residents in Internal Medicine, Surgery, Anesthesia also rotate to Biloxi VA Hospital

# Readiness Issues

- Keesler Medical Center is an important component of operational readiness
  - Has 1,586 personnel tasked to deployment teams (1068 have deployed in the last 5 years)
- Keesler Medical Center has a leading role in readiness of troops throughout region
  - Frequently deployed “Seabees” of CBC Gulfport
  - Active duty and their families of all regional bases
  - Guard and Reserve depends on Keesler
  - Troops mobilized through Camp Shelby
- Keesler Medical Center has crucial role in 81<sup>st</sup> TRW Education and Training Mission
  - 70% of students are right out of Basic.
  - 2 Bases (Ft. Jackson/Navy Beaufort were dropped from realignment due to service concerns for students – Why not Keesler?

# How Did Keesler Make the List?

- Lt. General George P. Taylor, Jr. – Chairman of Medical Joint Cross-Service Group replied...
  - Used FY2002 numbers from bases
  - Fed into computer model to determine Military Value
  - Results were reviewed for anomalies like remote location, no local facilities available, etc.
  - Did not talk to local commanders, communities, local hospitals, Veteran Administration, or Homeland Security Agency.

# Review of Military Value Weighting Factors

- The Health Care Services Military Value Formula, 100 points possible

Active Duty Eligibles	16.20	
Active Duty Family Eligibles	1.35	
Other Eligibles	1.35	
Other non-AD Enrolled in Prime	2.70	
AD Family Members Enrolled in Prime	5.40	
Civilian/VA hospitals	1.80	
Civilian/VA beds per population	7.20	
Civilian primary care providers per population	5.40	
Civilian specialty providers per population	2.25	
Civilian dentists per population	1.35	
Facility Condition Index	12.50	} 25.0%
Weighted Age	12.50	
On-Site FDA blood testing	4.00	
Proximity on warehouse storage	2.00	
Contingency beds	4.00	
Inpatient cost per RWP	2.80	} 20.0%
Inpatient total RWP	3.60	
Outpatient costs per RVU	4.00	
Dental costs per DWV	1.20	
Outpatient total RVU	4.80	
Dental total DWV	1.20	
Pharmacy total scripts	1.20	
Total weighted radiology procedures	0.92	
Total weighted lab procedures	0.28	

# Military Value Analysis Is Flawed

- Logic behind the Military Value Formula is backward.
  - Emphasizes age/condition of buildings rather than healthcare
  - Marginal credit for quality and quantity of healthcare
  - No credit for Graduate Medical Education Program
  - Marginal value of treating retiree population to train and retain skills
- Math is Wrong!
  - Calculations show 0 points for Keesler facility condition – this should be 11.25!
  - Moves Keesler up to 50.65 Military Value
    - Only two small hospitals (Air Force Academy and Navy Great Lakes) are being realigned that have higher military value. They both have very low ADPL of 6 and 13 – Keesler has ADPL of 60.
    - There are 7 facilities with lower Military value scores that maintained their inpatient services – All have much lower ADPL than Keesler

# A Second Flaw – Destroys Keesler’s GME Program

- The Keesler recommendation would destroy Keesler’s major military GME program
- Although the BRAC recommendation itself fails to mention the inevitable loss of GME, the minutes and charts of the Medical JCSG reflect:
  - the loss of Keesler residency slots
  - How they could be “absorbed” elsewhere
- Why not state this upfront rather than mask it by removing the patients

# A Second Flaw – Destroys Keesler's GME Program

- Secretary Wynne Memo – JUL 2, 2004

- *“The military departments and JCSG will not recommend to the Secretary any closure or realignment recommendation that eliminates the capability to conduct graduate medical/dental education (GME/GDE) and clinical training for uniformed medics”*

- Although this imperative was not included in the final principals, the groups were told to consider these to:

- *“ensures that the military value analysis does not produce results that would adversely affect essential military capabilities”*

- Secretary Wynne Memo – SEPT 28, 2004

- *“While the imperatives should not be mandatory constraints on the BRAC analytical process, the ideas expressed there in are appropriate considerations in the decision making process.”*

# A Second Flaw – Destroys Keesler’s GME Program

- The MJCSG did not do a comparative analysis to ascertain the effects of shutting down the Keesler GME.
  - Where will it go?
  - What are the costs?
  - What effects on Keesler Active Duty, dependents, veterans, and retirees?
  - What effects on Accreditation?
  - What effects on the Readiness teams?
  - What effects on Community?

# A Second Flaw – Destroys Keesler's GME Program

- Since the recommendation came out, USAF is now suggesting by 2007 “the community” could take over GME programs that took many years and much funding to establish and to accredit
- This option was never studied in the Medical JCSG deliberations and no local hospitals were consulted
- The option is a nonstarter
  - We have consulted with every area hospital
  - We have written statements that they do not have the capacity and resources to take over Keesler's GME Programs

# What the MJCSG Recommendation Really Does

- Stops Inpatient Care
- No patients – no Graduate Medical Education Program
- Ultimately affects Outpatient care due to loss of specialties
- Bottomline:
  - Healthcare for active duty, their dependents, veterans, and retirees will be drastically reduced in a 4-state area that Keesler now serves. This is a readiness issue!

# A Third Flaw – Community Infrastructure Assessment

- MJCSG says “NO issues”
  - Based on National Medical Association figures with no input from facilities themselves.
- We visited all hospitals in local area that are in the TRICARE system and found significant problems

# A Third Flaw – Community Infrastructure Assessment

- Our personal visits to each hospital revealed:
  - Distinct difference in licensed beds-vs-staffed beds
  - Many specialties / sub-specialties that would be lost at Keesler do not exist within 40 mile radius.
  - Local hospitals / providers are not excited about joining Tricare System
    - Less than 50% of hospitals have joined
    - Only 20% of necessary providers are within 40 miles
    - Fees from Tricare are low
    - Current law will further decrease TRICARE fees by 26% over the next 6 years

# Bottomline to Community Assessment

- BRAC Recommendation forces our military members, their families, veterans, and retirees into a civilian medical network that...
  - Does not have the capacity to take it
  - Does not have the specialties that are currently provided on base
  - Dislikes TRICARE for low fees and bleak future
  - Do not want to move Keesler's GME Program into their hospital

# Another Flaw – Savings!

- “Projected recurring savings for Keesler alone is \$30 million per year.”

-- Lt. Gen George P. Taylor, Jr.  
Chairman, MJCSG

# Another Flaw – Savings

- Still reviewing this, BUT we do know this:
  - Wrong \$ figure for inpatient cost per admission was used. (\$4,314.25 -vs- \$6,790.00)
    - MJCSG admitted this error and stated in a Congressional response that it will reduce the savings by \$10 million per year.
  - GAO reports personnel savings is wrong – no end-strength change
  - There will be a considerable increase in Tricare costs due to increased caseload
    - Just because another agency picks up the cost, it is not a savings to taxpayers.
    - Additional cost by Humana in Mid-90's resulting from a similar increase was \$4.5 Billion.

# Summary

- MJCSG recommendation is Wrong!
- MJCSG methodology is Wrong!
- MJCSG results are Wrong!

# Summary

- MJCSG recommendation is Wrong!
  - Eliminates inpatient and GME (no data supports loss of GME)
  - Drastically reduces medical access / care for 4-state area.
  - Affects active duty personnel the most
    - Over 94,000 active duty patients seen last year from all branches of service
    - Dependents, veterans, and retirees also lose
  - Detrimental to readiness and jointness to all regional bases

# Summary

- MJCSG methodology is Wrong!
  - Uses computer model that is biased toward buildings rather than military health care.
  - Significant Math errors
  - No interaction with local commanders, local community healthcare officials, other government agencies

# Summary

- MJCSG results are Wrong!
  - Doesn't save \$30 Million per year
    - Already reduced by \$10 Million
    - Personnel savings questionable – no end-strength change
  - Doesn't factor in additional cost of TRICARE
  - Jobs loss (362) is clearly low
    - Losing GME will increase that to ???????

# Summary (Continued)

- Local medical community is already stretched thin due to shortage of physicians
- AmeriMed study (2004) highlights shortages
- Community has 72% of the US average of specialty care physicians per population\*
- Community has 64% of the US average of family & general practice physicians per population\*
- Community has 75% of the US average of dentists per population\*

Once again, the unavailability of community health resources has serious consequences for the active duty warfighter and dependents

\*Source: Congressional Research Service using data from the Area Resource File compiled by the Health Resources and Services Administration of HHS.

# Summary (Continued)

- Other community Effects:
  - Loss of emergency service due to disasters
  - Loss of medical personnel for Coast
  - Loss of retirees for Coast
  - Loss of synergies with VA & local hospitals
    - Cares commission decisions must be relooked

# Medical Joint Cross-Service Group

## BRAC 2005 Debriefing

### Realign Keesler Medical Center

- Does it?:
  - Support the Warfighter and their families (in Garrison and Deployed) **Decreases Medical Access & Care!** **NO!**
  - Maximizing Military Value while reducing footprint, while maintaining surge capability **NO!**
  - **Emphasizes buildings; Not Healthcare!**
  - Maintaining or improving access to care for all including retirees, using combinations of the Direct Care and TRICARE **Does the Opposite – Decreases Access!** **NO!**
  - Enhancing Jointness **Eliminates Existing Jointness!** **NO!**
  - Maximize synergies gained by co-location/consolidation **Disregards VA Initiatives!** **NO!**
  - Examine out-sourcing to better leverage health care system investments **NO!**
- **Doesn't give credit for Existing Out-Sourcing!**

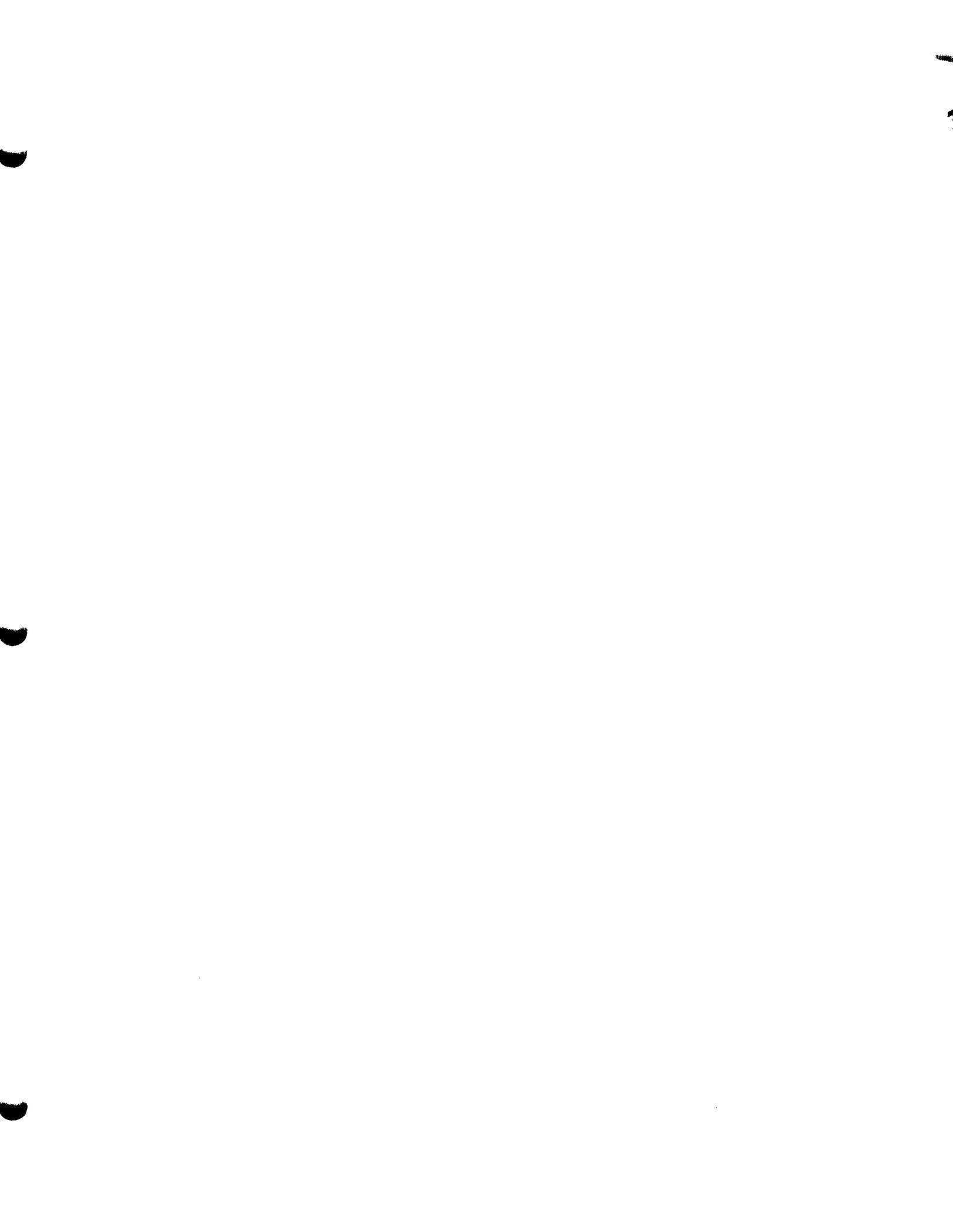
# What is the right thing to do?

- Support our war fighters, their families, our veterans, and retirees.
- Remove the Keesler Medical Center from the Realignment List!



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DEPARTMENT OF THE AIR FORCE  
AIR EDUCATION AND TRAINING COMMAND

JUL 18 2005

MEMORANDUM FOR SAF/LLI

FROM: 81 TRW/CV  
720 Chappie James Ave Rm 204  
Keesler AFB MS 39534-2604

SUBJECT: Congressional Inquiry – Keesler AFB Medical Center, BRAC

This memo is in response to four questions from Senator Trent Lott's office. They are all regarding the impact of the BRAC recommendation to realign the Keesler Medical Center.

**1. Describe the Keesler Medical Center's Graduate Medical Education (GME) Program. Specifically, how many students, specialties, professors, and graduates are produced each year? Also, what is the quality of the program? What do the inspectors and other accreditation agencies say about the Keesler program?**

- There are 10 GME programs offered at Keesler Medical Center:
  - General Dentistry (1 year program) 14 Residents (combined for Dental program)
  - General Practice Residency (Dental) (2 year program)
  - Endodontics (2 year program)
  - Internal Medicine (3 year program) --24 students
  - Obstetrics and Gynecology (4 year program) -- 11 students
  - Nurse Anesthetists (CRNA) (18 month program) -- 5 students
  - Pediatrics (3 year program) -- 23 students
  - General Surgery (5 year program) -- 24 students
  - General Thoracic Fellowship (VA) (1 year program) -- 1 student
  - Orthopedic Physician Assistant (1 year program) -- 1 student
- There are currently 79 physicians (students) assigned obtaining their specialty training (GME)
- There are approximately 85 professors (in most cases a 1 to 1 student to instructor ratio)
- There are approximately 69 graduates per year
- The Keesler GME program is a fully accredited educational program. Keesler GME has been rated excellent (no marginal or poor write-ups) and successfully passed all surveys.

**2. How many personnel would be lost if the GME program was lost due to the BRAC decision to shut down inpatient services at Keesler? Also, what specialties would be lost and are these available in the 40 mi radius that TRICARE uses?**

The BRAC recommendation that Keesler Medical Center becomes an "ambulatory care center" with outpatient surgery capability assumes 212 medical professional (provider) staff positions (according to the Consolidated Omnibus Budget Reconciliation Act (COBRA) file dated May 20, 2005) will be eliminated at Keesler Medical Center, as typical Air Force ambulatory care centers do not require inpatient-specific services and most specialty services.





**DEPARTMENT OF THE ARMY**  
**Mobilization Center Shelby**  
**1001 Lee Avenue**  
**Camp Shelby, Mississippi 39407-5500**

July 7, 2005

Lt. Gen. Clark Griffith (U.S.A.F. Ret.)  
2342 Beau Chene Drive  
Biloxi, MS 39532

Dear General Griffith:

I am COL Stan Stricklen, Commander of Mobilization Center Shelby in Hattiesburg, Mississippi. I know you are familiar with our installation through your involvement in military affairs since your retirement.

I am writing you in support of the inpatient facility at Keesler Air Force Base Medical Center. Prior to Camp Shelby's designation as a mobilization station last year, Keesler provided critical care and inpatient services for Soldiers injured or sick while conducting training at Camp Shelby. In fact, during the summer months, Camp Shelby provided a Soldier who served as medical liaison between the Mississippi National Guard and Keesler to facilitate the processing. Critical care and surgeries are now performed through agreements with local providers in Hattiesburg.

However, Camp Shelby maintains a full-time workforce in support of the tenant operations and services who are not mobilized on Title 10. There are also active duty Army Reserve Soldiers stationed at Camp Shelby. These Soldiers and their families rely on Keesler for their ongoing medical treatment and appointments, emergency care and surgery. They travel to Keesler from their homes on the coast or in the Hattiesburg area. Their only alternative for care at an *active duty installation* is the VA Medical Center in Jackson, Mississippi.

Our Soldiers know that Keesler is ranked among the top medical facilities in the Air Force and in the military. They appreciate the state-of-the-art facility and the excellent care they receive. Last April a young lieutenant and his wife who live on the coast had a healthy baby boy delivered at Keesler. The complicating factors were that his wife has a severe heart problem, and the lives of her and her baby were at risk. The mother's team of physicians monitored her health and the baby's condition once the heart problem was diagnosed. The neo-natal facility at Keesler was readily available should the baby experience distress. This Soldier's command allowed him to delay his deployment to Iraq until the baby was born and both the baby and mother were deemed healthy. The families on all sides praised the care the mother and son received at Keesler. This is just one case that I am aware of that exemplifies the care and support given National Guard and Army Reserve Soldiers at Keesler.

Lt. Gen. Clark Griffith (U.S.A.F. Ret.)

July 7, 2005

Page Two

In closing, please let me know what I can do to support the efforts to keep the inpatient services at Keesler Medical Center. I can only speak for Camp Shelby and not for the other National Guard and Army Reserve Soldiers and families located in South Mississippi.

Respectfully yours,

Stanley M. Stricklen  
Colonel, Infantry  
Commanding



MILITARY DEPARTMENT, STATE OF MISSISSIPPI  
ANG COMBAT READINESS TRAINING CENTER - GULFPORT  
GULFPORT, MISSISSIPPI

5 July 2005

Colonel Benjamin J. Spraggins  
Commander  
4715 Hewes Avenue, Building 1  
Gulfport, MS 39507-4324

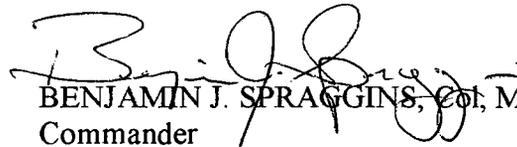
Lieutenant General Clark Griffith (USAF Retired)  
2342 Beau Chane Drive  
Biloxi, MS 39532

Dear Gen Griffith

The Keesler Medical Center is a very important facility for personnel assigned for training and permanent party at the Trent Lott National Guard Training Complex. This complex hosts over 1600 Guard and Reserves personnel of which over 100 are on active duty. The Combat Readiness Training Center at Gulfport, Mississippi is host to over 16,000 military personnel all on active duty, each year for training.

Keesler Medical Center is the primary care facility for all of the above active duty personnel and their families. The loss of the in-patient facility would greatly impact the care each of the member and families receive.

The personnel trained at Gulfport are usually on active duty for only one to two weeks and trying to get a civilian medical center to accommodate them would be extremely difficult.

  
BENJAMIN J. SPRAGGINS, Col, MS ANG  
Commander



**DEPARTMENT OF THE NAVY**  
SPECIAL BOAT TEAM TWENTY-TWO  
2603 LOWER GAINESVILLE ROAD  
STENNIS SPACE CENTER, MS 39529-7099

IN REPLY REFER TO:

6000  
Ser N10/156  
1 6 JUN 2005

Mr. Charles Benvenuti, CPA  
P.O. Box 2639  
Bay St. Louis, MS 39521

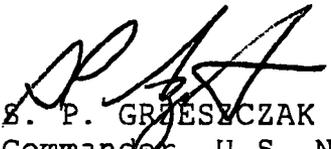
Dear Mr. Benvenuti,

SUBJECT: NAVY USE OF KEESLER MEDICAL FACILITIES

The active duty members at Special Boat Team TWENTY-TWO have been and will continue to use the Medical Center at Keesler Air Force Base for any secondary medical care that cannot be provided by the medical staff at this command.

The Medical Center at Keesler Air Force Base will also be used for any prescription medications that are not available in the Medical Department at Special Boat Team TWENTY-TWO.

Sincerely,

  
S. P. GRZESZCZAK  
Commander, U.S. Navy  
Commanding Officer

Copy To:  
SBT-22 Medical Department



DEPARTMENTS OF THE ARMY AND AIR FORCE  
JOINT FORCE HEADQUARTERS, MISSISSIPPI NATIONAL GUARD  
THE ADJUTANT GENERAL'S OFFICE  
POST OFFICE BOX 5027  
JACKSON, MS 39296-5027

July 15, 2005

Lieutenant General Clark Griffith (USAF Ret)  
2342 Beau Chene Drive  
Biloxi, Mississippi 39532

Dear General Griffith:

I am writing to you in support of the inpatient facility at Keesler Air Force Base (AFB) Medical Center.

As I'm sure you are aware, Camp Shelby, Mississippi, serves as a Mobilization Station in support of the Global War on Terrorism. Since being designated as a mobilization center, over 17,000 Soldiers have processed through Camp Shelby in preparation for war. In addition, a full-time workforce, in Title 10 or Title 32 status, support unit operations and services. Soldiers who are stationed at Camp Shelby rely on Keesler AFB Medical Center for ongoing medical treatment. Their only alternative for care is the use of civilian medical facilities in the local area, which in some cases is cost prohibitive.

Approximately 100 National Guard and Reserve personnel from the Trent Lott National Guard Training Complex in Gulfport, Mississippi, also utilize the medical facilities at Keesler. In addition, this training center hosts over 16,000 active duty military personnel annually, who also have access to the Keesler Medical Center.

Mississippi National Guard Soldiers statewide utilize the medical facility at Keesler, and depend upon specialty medical services they offer to ensure they, and their families, are provided the best medical care possible. If these services were not available, their medical care could be negatively impacted.

It is imperative that Mississippi National Guard Soldiers are able to utilize inpatient services offered by the Medical Center at Keesler AFB.

Sincerely,

A handwritten signature in black ink that reads "Harold A. Cross".

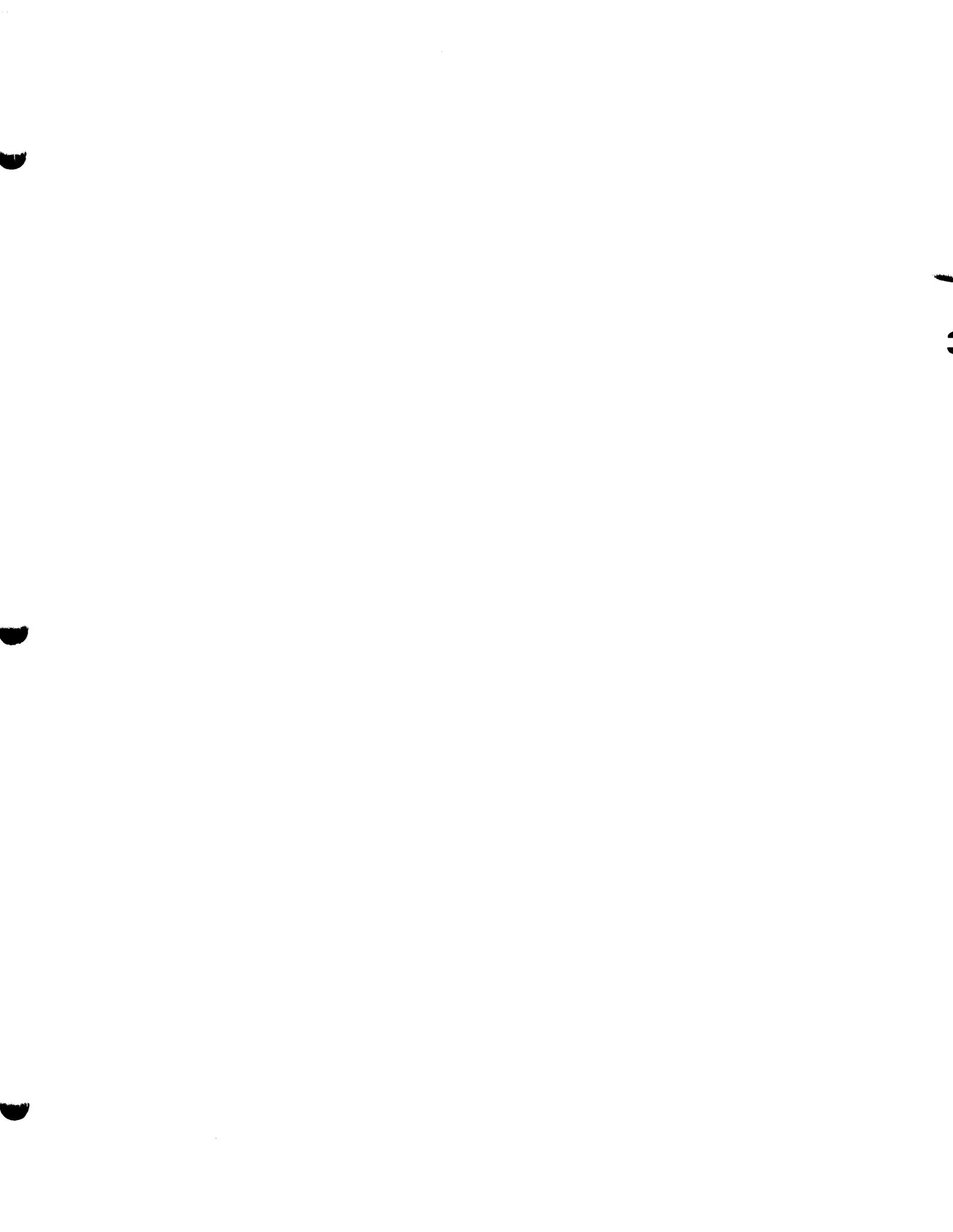
Harold A. Cross  
Major General, Mississippi National Guard  
The Adjutant General of Mississippi

## **Naval Construction Battalion Center, Gulfport, MS**

Source: Mark Ashley, Operations Officer, CBC Gulfport

Naval Construction Battalion Center, Gulfport, MS. has approximately 4000 active duty military members assigned. These military members often require medical care beyond the capabilities of the small outpatient clinic on board NCBC. In these situations, service members are referred to the Medical Center at Keesler AFB for further diagnosis and treatment. NCBC also has approximately 1100 military family members that use the Keesler medical facility when treatment is not available onboard NCBC.

In addition to the active duty military and their dependents, we have approximately 600 Naval Reserve personnel that will occasionally require routine and or specialty care at the Keesler facility. As a Naval Mobilization Personnel Site, NCBC Gulfport also provides mobilization support to an additional 2000 military personnel each year. These individuals may require extended medical treatment at some point during their mobilization period.





# MEMO

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TO: Lieutenant General Clark Griffith, USAF (Ret)

FROM:  Timothy W. Mitchell  
Chief Executive Officer

DATE: June 14, 2005

SUBJECT: **BRAC Recommendation - Keesler Air Force Base**

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It was a pleasure meeting with you, Mayor Holloway, and the representatives from Gulf Coast Medical Center. All of us at Biloxi Regional Medical Center share your concerns for the impact that the proposed BRAC recommendations could have on our City and the entire Mississippi Gulf Coast.

Biloxi Regional Medical Center has worked closely with Keesler Medical Center for many years. During our history, BRMC has worked with, or recruited, more than 40 physicians who have worked at Keesler. We also cooperate with Keesler on numerous disaster preparedness drills and our two hospitals worked together to receive patients during Hurricane Ivan.

As stated in the report, BRMC is licensed for 153 beds and can operate at that capacity. We could help absorb some of the impact of Keesler Medical Center's closing; however, we currently do not have Medical School affiliations and have only recently began to look at the overall impact that losing their Residency Programs would have on our facility.

We appreciate the opportunity to work with you and please do not hesitate to contact me if I can be of any further assistance.



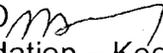
# Gulf Coast Medical Center

Tenet HealthSystem

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## MEMORANDUM

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**DATE:** June 10, 2005  
**TO:** Lieutenant General Clark Griffith, USAF (Ret)  
**FROM:** Micheal Terry, CEO   
**RE:** BRAC Recommendation – Keesler Air Force Base

---

I appreciated the opportunity to meet with you and the Mayor recently to discuss the latest BRAC announcement. As you know, the magnitude of what's proposed for Keesler Medical Center will have a profound impact on the Mississippi Gulf Coast.

The purpose of this letter is to memorialize some points that were discussed. First, the BRAC's findings indicated that Gulf Coast Medical Center had 144 acute care beds versus a stated percentage of occupancy. It should be clarified that 144 is our licensed bed capacity only. Due to past renovations and scarce personnel in many technical areas, we are set up and staffed at a significantly lower number of beds. So our ability to fully absorb the inpatient workload currently being done at Keesler is diminished.

Next is the issue of the Graduate Medical Education program. Gulf Coast Medical Center is a community hospital with no medical school affiliation for physician training. We have no plans now nor in the future for such training. Therefore, we would not be able to offer any support locally for that recommended transition.

Throughout the years we have successfully recruited physicians from the Keesler Medical Community. This has been an asset to the Gulf Coast Community and a source to assist us in meeting the needs of the Gulf Coast Community. It will be a detriment to lose this resource for a rapidly growing population.

We appreciate the opportunity to discuss and comment on the BRAC's recommendations and stand ready to help further as you see fit.



**FAX TRANSMITTAL**

DATE: July 1, 2005

TO: Verdell L. Hawkins

FAX NUMBER: 865.5876

LOCATION: \_\_\_\_\_

FROM: Chris Anderson, Chief Executive Officer

DEPARTMENT: Executive Offices

PHONE: 228-497-7907

FAX NUMBER: 228-497-7927

NUMBER OF PAGES (INCLUDING COVER): 5

COMMENTS:

Attached is a copy of my letter to General Griffith for your review and input.

CONFIDENTIALITY NOTICE: THIS TRANSMISSION IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY OF WHICH IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE NOTIFIED THAT ANY DISCLOSURE, DISTRIBUTION OR COPYING OF THIS INFORMATION IS PROHIBITED. IF YOU HAVE RECEIVED THE TRANSMISSION IN ERROR, PLEASE CONTACT US IMMEDIATELY BY TELEPHONE AT (228)497-7908.THANK YOU.



# SINGING RIVER HOSPITAL SYSTEM

OCEAN SPRINGS HOSPITAL | SINGING RIVER HOSPITAL

June 28, 2005

Lt. General Clark Griffith, USAF, Retired  
Director, 9g Enterprises, LLC  
2342 Beauchene Drive  
Biloxi, MS 39532-3134

Dear General Griffith:

I enjoyed visiting with you on Monday to discuss the future of Keesler Medical Center. I agree that Keesler Medical Center is a vital part of the Gulf Coast Community and provides excellent patient care through its physicians and staff. Our community continues to be positively impacted by the individuals associated with Keesler Medical Center on a daily basis.

I also recognize the value of the Graduate Medical Education programs offered at Keesler. No other such programs are offered in South Mississippi and it would be hard to imagine any other healthcare provider offering this service should Keesler be forced to discontinue its GME services as a result of a closure of the inpatient facility. Certainly Ocean Springs Hospital nor Singing River Hospital would consider offering such a resource intensive program.

With regard to your questions concerning our physician staffing, I offer two attachments in response. Attachment A lists physician specialties that are represented on staff at Keesler and are not provided at Ocean Springs Hospital nor Singing River Hospital. Attachment B lists any of our staff physicians that we know joined our staff after having served at Keesler.

As I shared earlier, Singing River Hospital System does participate in the Tricare Program. I do not have an accurate count of how many of our staff physicians participate with Tricare but I would estimate that number to be low. Tricare can probably supply that information if requested.

I hope that the information I have shared is helpful in your ongoing evaluation of the positive impact of Keesler Medical Center in our community. If I can be of further assistance, please do not hesitate to call.

Sincerely,



Chris Anderson  
Chief Executive Officer

CA:je

Attachments

Cc: Mr. Dwight Rimes, Administrator, OSH (w/attachments)  
Mr. Verdell L. Hawkins, Economic Development, Mississippi Power (w/attachments)

**ATTACHMENT A**

**PHYSICIAN SPECIALTIES NOT OFFERED BY OSH/SRH**

**Pediatrics**

Adolescent Medicine  
Allergy (Pediatric)  
Clinical Genetics  
Clinical Genetics & Clinical Cytogenetics  
Endocrinology  
Gastroenterology  
Hematology-Oncology  
Infectious Diseases  
Neonatology  
Psychiatry (Child)

**Internal Medicine**

Dermatology, Mohs Surgery

**Obstetrics-Gynecology**

Reproductive Endocrinology & Infertility  
Maternal Fetal Medicine  
Molecular Genetics  
Gynecologic Oncology  
Gynecologic Pathology  
Urogynecology and Pelvic Reconstructive Surgery

**Flight Medicine**

Aerospace Medicine  
Occupational Medicine

**Pathology**

Cytopathology  
Dermatopathology  
Transfusion Medicine/Bloodbanking

**ATTACHMENT B****PHYSICIANS ON ACTIVE STAFF WHO WERE ACTIVE DUTY AT KEESLER AFB  
BEFORE JOINING THE OCEAN SPRINGS HOSPITAL/SINGING RIVER HOSPITAL  
MEDICAL STAFFS:**

1. Tricia Aultman, M.D.
2. Alexander Blevens, M.D.
3. G. David Fain, M.D.
4. Randall Fellman, M.D.
5. Charles M. Holman, M.D.
6. Stephen T. McDavid, D.O.
7. C. Mark McRaney, M.D.
8. Michael S. Renicks, M.D.
9. Ronald Rosenquist, M.D.
10. William Troutman, M.D.
11. Gregory Wawryszczuk, M.D.
12. Raymond Weiss, M.D.
13. Charles J. Wilson, M.D.

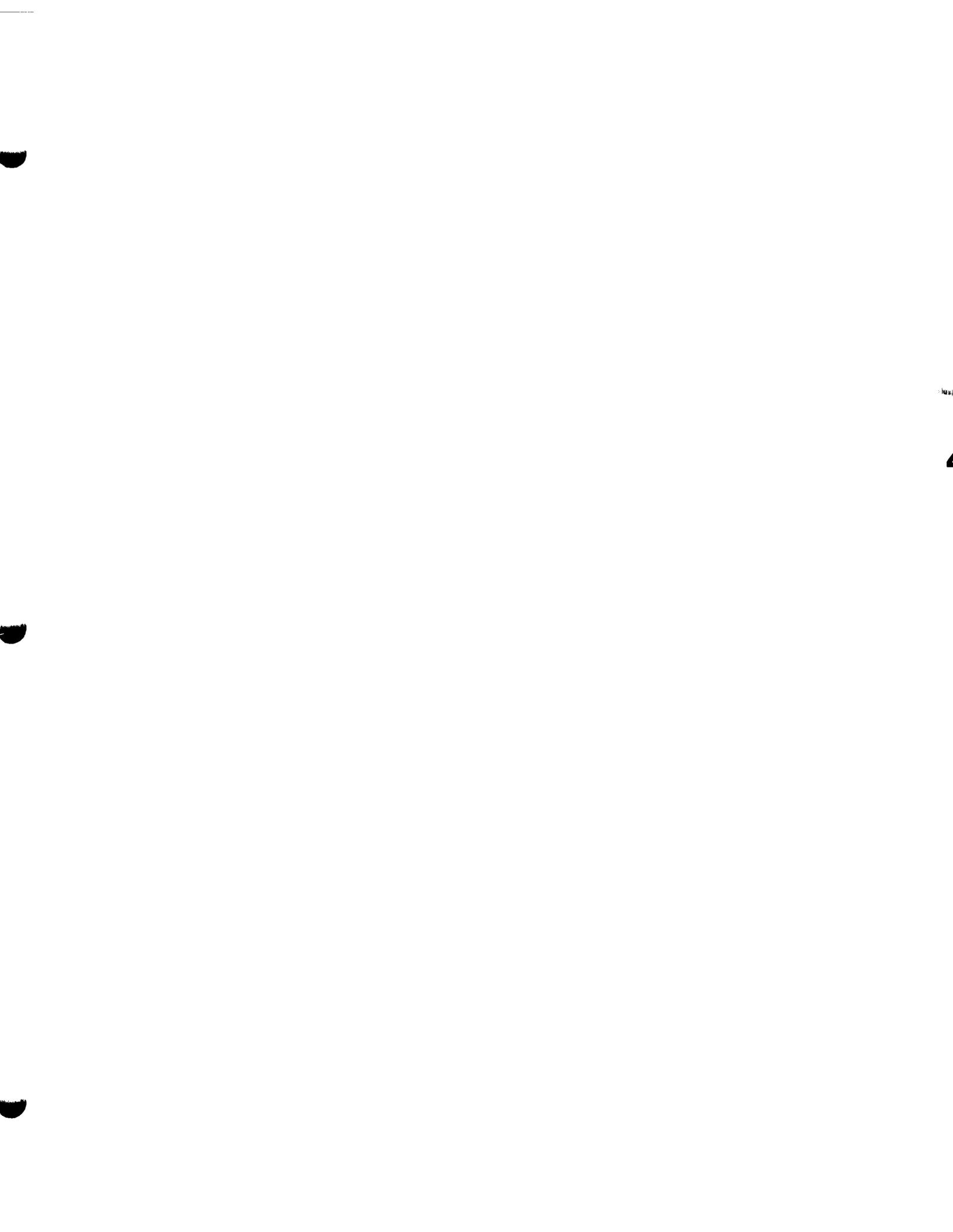
Total number of physicians on Active Staff at OSH: **130**

Total number of physicians on Active Staff at SRH: **149**

**OCEAN SPRINGS HOSPITAL  
ATTACHMENT B – page 2**

**PHYSICIANS ON STAFF THAT ARE ACTIVE DUTY AT KEESLER AFB:**

1. Mark Campbell, M.D. – Cardiology. Provides call coverage for Dr. Magiros.
2. Mark Colligan, M.D. – Cardiology. Provides call coverage for Dr. Magiros.
3. Samuel Hakim, M.D. – Urology. Provides call coverage for Drs. Lyell/Upshaw.
4. Bonnie Hannah, M.D. – Internal Medicine. Provides call coverage for Drs. Alexander and Aultman and SRH Inpatient Services.
5. William Hannah, M.D. – Internal Medicine. Provides call coverage for SRH Inpatient Services.
6. Randall Hofbauer, M.D. – Emergency Medicine. Has 1-yr left at KAFB.
7. Steve Kindsvater, M.D. – Cardiology. Provides call coverage for Dr. Kandola.
8. Joel Phares, M.D. – Cardiology. Provides call coverage for Dr. Magiros.
9. Timothy Witham, M.D. – Neurosurgery. Provides call coverage for Drs. McCloskey and Kesterson.

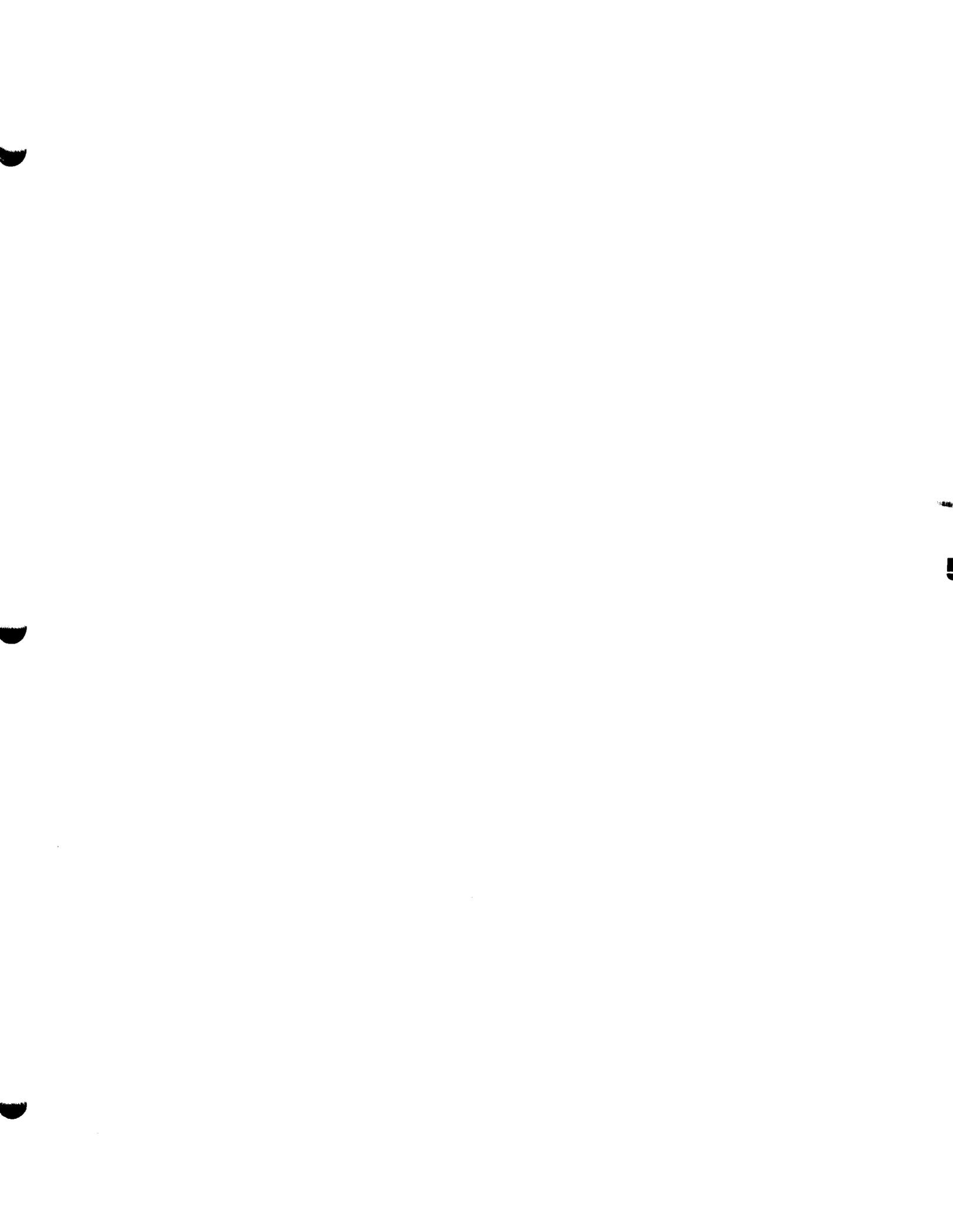


**Bed Utilization Statistics for Acute Care Hospitals (GHSA 7)**

**31-May-2005**

Information compiled per Sam Dawkins, Director, Policy and Planning, MSDH

				2002				2003				2004			
	Accepts TRICARE	COUNTY	City	Licensed Beds	ALOS	OR	ADC	Licensed Beds	ALOS	OR	ADC	Licensed Beds	ALOS	OR	ADC
24		George	LUCEDALE	53	3.26	40.4%	21.41	53	3.34	39.0%	20.68	53	3.57	49.51%	26.24
30		Hancock	BAY ST LOUIS	104	4.48	53.7%	55.80	104	4.72	53.4%	55.49	104	4.41	51.47%	53.53
10	Yes	Harrison	BILOXI	153	5.02	54.4%	83.18	153	5.03	55.8%	85.32	153	4.50	52.01%	79.58
23		Harrison	GULFPORT	130	4.88	41.6%	54.09	130	5.41	46.1%	59.95	130	5.01	45.33%	58.93
28	Yes	Harrison	BILOXI	144	4.83	30.0%	43.22	144	4.85	30.1%	43.38	144	4.44	27.68%	39.86
47		Harrison	GULFPORT	303	5.36	65.8%	199.38	303	5.11	66.4%	201.05	303	5.08	67.47%	204.42
63	Yes	Jackson	OCEAN SPRINGS	136	4.74	63.89% **	79.22	136	4.67	67.1%	91.29	136	4.68	68.75%	93.50
85	Yes	Jackson	PASCAGOULA	374	5.19	37.0%	138.51	385	5.55	35.7%	137.49	385	5.26	33.16%	127.68
91		Stone	WIGGINS	25	3.17	8.4%	2.11	25	3.69	7.7%	1.94	25	3.62	7.55%	1.89
<b>TOTAL w/in 40 Miles of Keisler AFB</b>				<b>1,422</b>			<b>677</b>	<b>1,433</b>			<b>697</b>	<b>1,433</b>			<b>686</b>
				** Based on 124 beds.											
40		Pearl River	PICAYUNE	95	3.64	23.6%	22.41	95	3.54	26.1%	24.78	95	3.09	22.32%	21.20
66		Pearl River	POPLARVILLE	24	3.89	16.4%	3.95	24	5.34	18.7%	4.48	24	3.31	11.17%	2.68
ALOS - Average Length of Stay															
OR - Occupancy Rate															
ADC - Average Daily Census															



SPECIALTIES LISTED BY GULF COAST HOSPITALS ACCEPTING TRI-CARE

	Number of Specialties	85	61	45	52	
Source: Biloxi Regional Medical Center, Gulf Coast Medical, Singing River Hospital System.						

<b>Keesler Medical Center Specialties</b>	
<b><u>Pediatrics</u></b>	<b><u>Emergency Medicine</u></b>
General	Emergency Medicine
Adolescent Medicine	<b><u>Family Practice</u></b>
Allergy	Family Practice
Cardiology	<b><u>Flight Medicine</u></b>
Clinical Genetics	Aerospace Medicine
Clinical Cytogenetics	Occupational Medicine
Developmental/Behavioral	<b><u>Life Skills</u></b>
Endocrinology	Psychiatry
Gastroenterology	Child Psychiatry
Hematology-Oncology	<b><u>Radiology</u></b>
Infectious Diseases	General
Neonatology	Chest/Cardiac
Neurology	Neuroradiology
<b><u>Internal Medicine</u></b>	Nuclear Medicine
General	Radiation-Oncology
Allergy	<b><u>Pathology</u></b>
Cardiology	General
Dermatology, General	Cytopathology
Dermatology, Mohs Surgery	Dermatopathology
Endocrinology	Transfusion
Gastroenterology	Medicine/Bloodbanking
Hematology-Oncology	<b><u>Dental</u></b>
Infectious Diseases	General
Intensive Care	Dental Materials
Nephrology	Endodontics
Neurology	Hospital Dentistry
Pulmonology	Maxillo-facial Prosthodontics
Rheumatology	Oral Pathology
<b><u>Surgery</u></b>	Oral Surgery
General	Orthodontics
Cardiothoracic	Pedodontics
Colorectal	Periodontics
Laparoscopic	Prosthodontics
Neurosurgery	<b><u>Other</u></b>
Ophthalmology	Chiropractic
Optometry	Clinical Pharmacy
Orthopedics, General	Clinical Psychology
Orthopedics, Hand	Occupational Therapy
Orthopedics, Pediatric	Optometry
Otolaryngology	Physical Therapy
Plastics	Podiatry
Trauma/Critical Care	Public Health
Urology	
Vascular	
<b><u>Obstetrics-Gynecology</u></b>	
General	
Reproductive Endocrinology and Infertility	
Maternal Fetal Medicine	
Molecular Genetics	
Gynecologic Oncology	
Gynecologic Pathology	
Urogynecology and Pelvic	
Reconstructive Surgery	

BASE REALIGNMENT AND CLOSING 2005  
Summary of Meeting with Biloxi Regional Medical Center Staff  
June 27, 2005

Meeting Attendees

Leslie Johnson, Executive Asst. to the Director of Medical Staff Services  
Timothy W. Mitchell, Chief Executive Officer  
Brenda Whitwell, Chief Operating Officer  
Verdell Hawkins, Mississippi Power

Summary of Collected Information

SPECIALTY SERVICES

Of the 75 specialty services presently available at Keesler, 25 are not presently available at Biloxi Regional. They include the following:

Adolescent Medicine  
Clinical Genetics  
Clinical Cytogenetics  
Developmental/Behavioral  
Neonatology  
Dermatology, Mohs Surgery  
Reproductive Endocrinology and Infertility  
Maternal Fetal Medicine  
Molecular Genetics  
Gynecologic Oncology  
Gynecologic Pathology  
Urogynecology and Pelvic  
Child Psychiatry  
Dental Materials  
Endodontics  
Hospital Dentistry  
Maxillo-facial Prosthodontics  
Oral Pathology  
Oral Surgery  
Orthodontics  
Pedodontics  
Periodontics  
Prosthodontics  
Chiropractic

When asked if the hospital would be willing to provide these services if Keesler was closed, the attendees responded that the hospital would have no problem providing these services but that difficulty would likely arise with finding physicians to cover all of the specialties. The attendees did state that physicians interested in moving to Biloxi Regional from Keesler would be welcomed.

## STAFF AND FACILITY

Biloxi Regional Staff was confident that they would be able to secure adequate nurses and other healthcare professionals to serve additional patients due to a closing of Keesler. There would be a concern with an ability to secure a sufficient number of physicians however.

Biloxi Regional Staff was also concerned about how a closing of Keesler would affect them over time. Presently a number of physicians who work at Keesler also perform duties at Biloxi Regional. It has also been the experience of the staff that a number of physicians who have trained at Keesler retire from military service to assume roles at the hospital. Over the years, approximately 42 Keesler trained physicians have become staffers at Biloxi Regional. A closing of Keesler would lend to serious concerns about the ability to secure a sufficient number of physicians.

The facility itself could adequately handle additional patients. There are presently 153 licensed beds that on average are 50% to 58% occupied.

## TRI-CARE

This facility does accept Tri-Care. When asked about reservations about the system as expressed in articles and elsewhere, staffers stated that there have been no reservations expressed by doctors or administration at their facility.

## GRADUATE MEDICAL EDUCATION

Biloxi Regional Staff stated that the hospital would not be able to assume these responsibilities due to requirements placed upon the GME program. The staff stated that there is a requirement under these guidelines that a certain number of patients be served for each of the specialty areas included in the GME program. They expressed that Keesler presently sends its physicians to other hospitals in the area in order to meet these requirements and that they could not possibly assume this responsibility.

Biloxi Regional Staff did state that they would be willing to assist the GME program without assuming management of it however.

BASE REALIGNMENT AND CLOSING 2005  
Summary of Meeting with Gulf Coast Medical Staff  
June 29, 2005

Meeting Attendees

Thomas E. Fewell (Tom), Chief Operating Officer  
Verdell Hawkins, Mississippi Power

Summary of Collected Information

SPECIALTY SERVICES

Of the 75 specialty services presently available at Keesler, 41 are not presently available at Gulf Coast Medical. They include the following:

Clinical Genetics  
Clinical Cytogenetics  
Endocrinology  
Gastroenterology  
Hematology-Oncology  
Infectious Diseases  
Neonatology  
Dermatology, Mohs Surgery  
Cardiothoracic  
Colorectal  
Laparoscopic  
Orthopedics, Hand  
Orthopedics, Pediatric  
Trauma/Critical Care  
Vascular Surgery  
Reproductive Endocrinology and Infertility  
Maternal Fetal Medicine  
Molecular Genetics  
Gynecologic Oncology  
Gynecologic Pathology  
Urogynecology and Pelvic  
Reconstructive Surgery  
Aerospace Medicine  
Occupational Medicine  
Chest/Cardiac  
Neuroradiology  
Radiation Oncology  
Cytopathology  
Dermatopathology  
Transfusion  
Medicine/Bloodbanking  
General Dental  
Dental Materials  
Endodontics  
Hospital Dentistry  
Maxillo-facial Prosthodontics  
Oral Pathology  
Orthodontics  
Pediatric Dentistry

Periodontics  
Prosthodontics

When asked if Gulf Coast Medical would be willing to provide these services if Keesler was closed, Tom Fewell responded that it would be difficult to recruit physicians to cover the specialty areas. He added that physicians working in these specialty areas would not likely last long within the private sector because they would not be able to maintain sufficient case loads for such specific areas.

#### STAFF AND FACILITY

When asked about the hospital's capacity to handle additional patients in the event of a Keesler closing, Tom Fewell responded that the hospital could likely handle some additional patients with minimal cost impacts. Gulf Coast Medical presently has about 189 licensed beds. Although 45 of these beds are reserved for the psychiatric hospital and 20 have been remodeled for purposes other than in-patient care, there are still a significant number of unoccupied beds. The 189 licensed beds are on average 60% to 70% occupied.

Tom Fewell did express concerns about being able to treat patients from Keesler if the additional patient load was significant. His concerns then would be recruitment of nurses, doctors, and other healthcare professionals in an environment where every other hospital is also doing so. He would also be concerned with up front costs for purchasing new equipment and/or beds.

#### TRI-CARE

The facility does accept Tri-Care and presently has no plans to discontinue accepting this form of payment.

#### GRADUATE MEDICAL EDUCATION

Tom Fewell stated that Gulf Coast Medical would not be interested in administering this program for the following reasons:

- There is no capacity for the program
  - Residents need a clinic, classrooms, and housing space that they could not provide
- The program is not financially profitable
- Having students on staff increases liability
- Regulation related to the program

#### OTHER

Keesler has certain programs such as the neonatal ICU that are beneficial to the general public. For the neonatal program, there are outlined circumstances whereby emergency patients can be admitted at Keesler. If these patients were required to travel to other locales in the future or be airlifted, there chances of survival might not be as high.

 SINGING RIVER HOSPITAL SYSTEM  
OCEAN SPRINGS HOSPITAL | SINGING RIVER HOSPITAL

June 28, 2005

Lt. General Clark Griffith, USAF, Retired  
Director, 9g Enterprises, LLC  
2342 Beauchene Drive  
Biloxi, MS 39532-3134

Dear General Griffith:

I enjoyed visiting with you on Monday to discuss the future of Keesler Medical Center. I agree that Keesler Medical Center is a vital part of the Gulf Coast Community and provides excellent patient care through its physicians and staff. Our community continues to be positively impacted by the individuals associated with Keesler Medical Center on a daily basis.

I also recognize the value of the Graduate Medical Education programs offered at Keesler. No other such programs are offered in South Mississippi and it would be hard to imagine any other healthcare provider offering this service should Keesler be forced to discontinue its GME services as a result of a closure of the inpatient facility. Certainly Ocean Springs Hospital nor Singing River Hospital would consider offering such a resource intensive program.

With regard to your questions concerning our physician staffing, I offer two attachments in response. Attachment A lists physician specialties that are represented on staff at Keesler and are not provided at Ocean Springs Hospital nor Singing River Hospital. Attachment B lists any of our staff physicians that we know joined our staff after having served at Keesler.

As I shared earlier, Singing River Hospital System does participate in the Tricare Program. I do not have an accurate count of how many of our staff physicians participate with Tricare but I would estimate that number to be low. Tricare can probably supply that information if requested.

I hope that the information I have shared is helpful in your ongoing evaluation of the positive impact of Keesler Medical Center in our community. If I can be of further assistance, please do not hesitate to call.

Sincerely,



Chris Anderson  
Chief Executive Officer

CA:je

Attachments

Cc: Mr. Dwight Rimes, Administrator, OSH (w/attachments)  
Mr. Verdell L. Hawkins, Economic Development, Mississippi Power (w/attachments)

## ATTACHMENT A

### PHYSICIAN SPECIALTIES NOT OFFERED BY OSH/SRH

#### **Pediatrics**

Adolescent Medicine  
Allergy (Pediatric)  
Clinical Genetics  
Clinical Genetics & Clinical Cytogenetics  
Endocrinology  
Gastroenterology  
Hematology-Oncology  
Infectious Diseases  
Neonatology  
Psychiatry (Child)

#### **Internal Medicine**

Dermatology, Mohs Surgery

#### **Obstetrics-Gynecology**

Reproductive Endocrinology & Infertility  
Maternal Fetal Medicine  
Molecular Genetics  
Gynecologic Oncology  
Gynecologic Pathology  
Urogynecology and Pelvic Reconstructive Surgery

#### **Flight Medicine**

Aerospace Medicine  
Occupational Medicine

#### **Pathology**

Cytopathology  
Dermatopathology  
Transfusion Medicine/Bloodbanking

## ATTACHMENT B

### PHYSICIANS ON ACTIVE STAFF WHO WERE ACTIVE DUTY AT KEESLER AFB BEFORE JOINING THE OCEAN SPRINGS HOSPITAL/SINGING RIVER HOSPITAL MEDICAL STAFFS:

1. Tricia Aultman, M.D.
2. Alexander Blevens, M.D.
3. G. David Fain, M.D.
4. Randall Fellman, M.D.
5. Charles M. Holman, M.D.
6. Stephen T. McDavid, D.O.
7. C. Mark McRaney, M.D.
8. Michael S. Renicks, M.D.
9. Ronald Rosenquist, M.D.
10. William Troutman, M.D.
11. Gregory Wawryszczuk, M.D.
12. Raymond Weiss, M.D.
13. Charles J. Wilson, M.D.

Total number of physicians on Active Staff at OSH: **130**

Total number of physicians on Active Staff at SRH: **149**

**OCEAN SPRINGS HOSPITAL  
ATTACHMENT B – page 2**

**PHYSICIANS ON STAFF THAT ARE ACTIVE DUTY AT KEESLER AFB:**

1. Mark Campbell, M.D. – Cardiology. Provides call coverage for Dr. Magiros.
2. Mark Colligan, M.D. – Cardiology. Provides call coverage for Dr. Magiros.
3. Samuel Hakim, M.D. – Urology. Provides call coverage for Drs. Lyell/Upshaw.
4. Bonnie Hannah, M.D. – Internal Medicine. Provides call coverage for Drs. Alexander and Aultman and SRH Inpatient Services.
5. William Hannah, M.D. – Internal Medicine. Provides call coverage for SRH Inpatient Services.
6. Randall Hofbauer, M.D. – Emergency Medicine. Has 1-yr left at KAFB.
7. Steve Kindsvater, M.D. – Cardiology. Provides call coverage for Dr. Kandola.
8. Joel Phares, M.D. – Cardiology. Provides call coverage for Dr. Magiros.
9. Timothy Witham, M.D. – Neurosurgery. Provides call coverage for Drs. McCloskey and Kesterson.





DEPARTMENT OF THE AIR FORCE  
HEADQUARTERS UNITED STATES AIR FORCE  
WASHINGTON, DC

June 14, 2005

MEMORANDUM FOR OSD BRAC CLEARINGHOUSE

FROM: AF/SGE  
1420 Air Force Pentagon  
Washington, DC 20330-1420

SUBJECT: OSD BRAC Clearinghouse Tasker # 0299/ Rep. Taylor Request for Source of Data

Attached is the Medical Joint Cross Service Group response to the referenced query.

If you have any questions, please contact me at (703) 692-6990 or  
mark.hamilton@pentagon.af.mil.

A handwritten signature in cursive script that reads "Mark A. Hamilton".

MARK A. HAMILTON, COL, USAF, BSC  
Secretary  
Medical Joint Cross Service Group

Attachments:  
1. Response to Query

**Query:**

Cindy,

The Medical Joint Cross-Service Group recommended disestablishing hospital inpatient services at nine military hospitals.

In the COBRA Report of estimated costs and savings of the recommendation, the estimates of the increased costs to TRICARE are based on something called the "inpatient admission cost factor." The COBRA model assumes that TRICARE will pay \$4,314.25 per inpatient admission for the military personnel, family members, and retirees who are forced out of the Keesler hospital. That is a much lower estimate per admission than the other eight hospitals in the recommendation, and well below the \$6,000 per admission average in the TRICARE *Chartbook of Statistics* for Fiscal Year 2003. The estimated cost per inpatient admission that is used to estimate active military and family admissions is also used to estimate the cost of admissions of retirees under 65 and the TRICARE share of admissions of retirees 65 and older.

Please help me find the source of the \$4,314.25 estimate per admission in civilian hospitals near Keesler. Did this figure come from TMA? What is the source and the sample from which it was determined? Is it based on current TRICARE claims data? If so, is this data on the active duty and family population or does it include the retiree populations? Is this data for the Keesler catchment area or for the Gulfport-Biloxi MSA or for some other geographic entity?

Thank you for your assistance. This information is very important to any analysis of the DOD recommendation since the inpatient admission cost factor is the basis for the estimate of the recurring costs of the proposed action.

Brian Martin

Office of Rep. Gene Taylor

202-225-5772

**Response to Query:**

The MJCSG used the average of the FY02-FY03 paid cost per admission recorded in the TRICARE claims database to estimate the costs of providing inpatient care in the Keesler local community. This is the source of the \$4314.25 cost used for the Keesler analysis. This figure includes all beneficiaries and is adjusted for TRICARE FOR LIFE beneficiaries where the DoD is a second payer to MEDICARE.

The nation-wide average per admission cost for the AF Medical Service for the FY02-FY04 time period was determined to be \$6790 from the same TRICARE Claims databases.

Applying this cost to the data for the Keesler recommendation reduces the annual savings by \$10 million from \$30M to \$20M.

**Dabbs, Brian D.**

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**From:** Martin, Brian [Brian.Martin@mail.house.gov]

**Sent:** Friday, July 15, 2005 1:51 PM

**To:** Dabbs, Brian D.; grif5657@bellsouth.net

**Subject:** FCI error summary

The Medical Joint Cross-Service Group created a formula that is intended to measure and compare the military value of installations that provide health care. An estimation of the physical condition of the buildings accounts for 12.5% of the military value formula. The facility condition index is determined by comparing the amount of construction needed for improvements with the total replacement value of the entire facility.

The Air Force data estimated that the total Plant Replacement Value of the Keesler Medical Center buildings is \$218 million, and reported \$29 million in construction project needs. Put another way, Keesler's construction needs are only 13.5% of the replacement value of the facility. That ratio should have earned 11.25 points of the 12.5 possible in the facility condition score. Because of an incorrect entry or miscalculation in the Medical Joint Cross-Service Group data, Keesler's score was erroneously reported as 0.0. In order to get no points in the facility condition score, a medical facility's construction needs would have to be more than 90% of the facility's replacement value.

Source: Brian Martin, Congress Gene Taylor's staff



7



DEPARTMENT OF THE AIR FORCE  
AIR EDUCATION AND TRAINING COMMAND

JUL 18 2005

MEMORANDUM FOR SAF/LLI

FROM: 81 TRW/CV  
720 Chappie James Ave Rm 204  
Keesler AFB MS 39534-2604

SUBJECT: Congressional Inquiry – Keesler AFB Medical Center, BRAC

This memo is in response to four questions from Senator Trent Lott's office. They are all regarding the impact of the BRAC recommendation to realign the Keesler Medical Center.

**1. Describe the Keesler Medical Center's Graduate Medical Education (GME) Program. Specifically, how many students, specialties, professors, and graduates are produced each year? Also, what is the quality of the program? What do the inspectors and other accreditation agencies say about the Keesler program?**

- There are 10 GME programs offered at Keesler Medical Center:
  - General Dentistry (1 year program) 14 Residents (combined for Dental program)
  - General Practice Residency (Dental) (2 year program)
  - Endodontics (2 year program)
  - Internal Medicine (3 year program) --24 students
  - Obstetrics and Gynecology (4 year program) -- 11 students
  - Nurse Anesthetists (CRNA) (18 month program) -- 5 students
  - Pediatrics (3 year program) -- 23 students
  - General Surgery (5 year program) -- 24 students
  - General Thoracic Fellowship (VA) (1 year program) -- 1 student
  - Orthopedic Physician Assistant (1 year program) -- 1 student
- There are currently 79 physicians (students) assigned obtaining their specialty training (GME)
- There are approximately 85 professors (in most cases a 1 to 1 student to instructor ratio)
- There are approximately 69 graduates per year
- The Keesler GME program is a fully accredited educational program. Keesler GME has been rated excellent (no marginal or poor write-ups) and successfully passed all surveys.

\*— **2. How many personnel would be lost if the GME program was lost due to the BRAC decision to shut down inpatient services at Keesler? Also, what specialties would be lost and are these available in the 40 mi radius that TRICARE uses?**

The BRAC recommendation that Keesler Medical Center becomes an “ambulatory care center” with outpatient surgery capability assumes 212 medical professional (provider) staff positions (according to the Consolidated Omnibus Budget Reconciliation Act (COBRA) file dated May 20, 2005) will be eliminated at Keesler Medical Center, as typical Air Force ambulatory care centers do not require inpatient-specific services and most specialty services.

Inpatient-specific and GME-related medical staff positions which would be eliminated include:

- *All positions in the Graduate Medical Education Office and the residency program director offices*
- *Intensive Care Medicine*
- *Trauma/Critical Care*
- *Emergency Medicine (unless reconfigured as "Urgent Care Service")*
- *Nutritional Medicine*

Specialty services which are commonly not present in Air Force ambulatory facilities and thus would be eliminated include:

**Pediatrics**

*Adolescent Medicine*  
*Allergy*  
*Cardiology*  
*Clinical Genetics*  
*Clinical Genetics and Clinical Cytogenetics*  
*Developmental/Behavioral*  
*Endocrinology*  
*Gastroenterology*  
*Hematology-Oncology*  
*Infectious Diseases*  
*Neonatology*  
*Neurology*

**Internal Medicine**

*Allergy*  
*Cardiology*  
*Dermatology, General*  
*Dermatology, Mohs Surgery*  
*Endocrinology*  
*Hematology-Oncology*  
*Infectious Diseases*  
*Nephrology*  
*Neurology*  
*Pulmonology*  
*Rheumatology*

**Surgery**

*Cardiothoracic*  
*Colorectal*  
*Laparoscopic*  
*Neurosurgery*  
*Orthopedics, Hand*  
*Orthopedics, Pediatrics*  
*Plastics*

*Urology*

*Vascular*

**Obstetrics-Gynecology**

*Obstetrics*  
*Reproductive Endocrinology and Infertility*  
*Maternal Fetal Medicine*  
*Molecular Genetics*  
*Gynecologic Oncology*  
*Gynecologic Pathology*  
*Urogynecology and Pelvic Reconstructive Surgery*

**Radiology**

*Chest/Cardiac*  
*Neuroradiology*  
*Nuclear Medicine*  
*Radiation-Oncology*

**Pathology**

*General*  
*Cytopathology*  
*Dermatopathology*  
*Transfusion Medicine/Bloodbanking*

Surgical services which can operate from an ambulatory facility providing limited "high volume" procedures include:

- *General Surgery*
- *Gynecology*
- *Orthopedics*
- *ENT*
- *Ophthalmology*

Medical services suited for operation in an ambulatory setting in which limited "high-volume" procedures can be offered include:

- *General Internal Medicine and Pediatrics, Family Medicine, Flight/Occupational Medicine*
- *General Allergy Services*
- *Gastroenterology*
- *Women's Health*
- *Immunizations*
- *Optometry*
- *Health and Wellness Services*

Some surgical specialty services can continue with primarily ambulatory surgery center support, as long as referral hospitalization can be arranged through a civilian facility if required, and inpatient practice opportunities are available for skills maintenance of Keesler Medical Center providers. And, some medical specialties can offer high-volume consultative capability and limited procedure work, as long as support is present from a local inpatient facility and, again, cross-privileging and credentialing are available. However, such referral arrangements may depend on the receiving hospital's capacity and willingness to accept these patients (with TRICARE reimbursement), the willingness of the medical staff of the receiving hospital to credential and privilege Keesler providers to provide on-going care and the willingness of individual civilian physicians to provide cross-coverage (problematic due to the limited beneficiary population which Keesler providers may see).

The following medical/surgical specialties are available presently at Keesler Medical Center, but are lacking in the Gulfport-Biloxi civilian community. These services, as noted above, can be expected to close if Keesler Medical Center becomes an ambulatory care center typical of the others in the Air Force.

**Pediatrics**

*Adolescent Medicine*  
*Clinical Genetics*  
*Developmental/Behavioral*  
*Endocrinology*  
*Gastroenterology*  
*Hematology-Oncology*

*Infectious Diseases*

*Neurology*

**Internal Medicine**

*Dermatology, Mohs Surgery*  
*Infectious Diseases is present on the coast but does not care for HIV patients*

**Surgery**

*Colorectal  
Laparoscopic  
Orthopedics, Hand  
Orthopedics, Pediatric  
Trauma/Critical Care*

*Maternal Fetal Medicine*

*Molecular Genetics  
Gynecologic Oncology  
Gynecologic Pathology  
Urogynecology and Pelvic Reconstructive  
Surgery*

**Obstetrics-Gynecology**

*Reproductive Endocrinology and Infertility*

**Dental**

*Hospital Dentistry*

**Note:**

The only dental services that would definitely be affected would be Hospital Dentistry. The 2 residents in the 1-year General Practice Residency would have to do their hospital training at the VA Hospital. This is only about 20% of their training and we already have our residents do some of the training at the VA. This would just have to be expanded. We do not see this as a major problem as some of our dental providers are already credentialed at the Biloxi VA.

Oral Pathology could be affected but would most likely stay the same. There will still be a requirement for pathologists for outpatient surgery. The number of pathologists assigned would most likely decrease, but dental pathology requirements would stay the same.

**Listing of hospitals, including VA medical centers, within 40 miles of your facility:**

Biloxi Regional Medical Center  
Singing River Hospital System  
VA Medical Center Biloxi  
VA Medical Center Gulfport  
Gulf Coast Medical Center  
Singing River Hospital  
Garden Park Medical Center  
Gulf Oaks Hospital  
Gulfport Medical Center  
Hancock Medical Center  
Gulfport Memorial

Keesler Medical Center would maintain limited bedded capability to support "same-day" surgical operations (that is, to support post-operative care lasting less than 24 hours); however, without longer-term admitting capability, even outpatient surgery case selection would be limited to procedures on primarily young, healthy beneficiaries with few (if any) co-morbidities (pre-existent medical conditions which place patients at higher surgical risk and need for direct inpatient support, such as advanced diabetes, hypertension, heart disease, or obesity; note that these conditions are prevalent in the retiree population serviced by Keesler Medical Center). Based on other Air Force ambulatory surgery centers and the Keesler population base, between

15 - 20 "23-hour observation" beds would be required. All other active beds designed for longer-term care would be eliminated.

Other bedded facilities with full-service 24-hour Emergency Departments (for Keesler Medical Center referral stabilization and disposition) in the immediate Gulfport-Biloxi area (with numbers of beds, from the latest American Hospital Association reference guide) include:

**BILOXI REGIONAL MEDICAL CENTER (150 Reynoir Street, Biloxi) - 153 beds**

**VETERAN'S ADMINISTRATION GULF COAST VETERAN'S HEALTHCARE SYSTEM/MEDICAL CENTER (400 Veteran's Avenue, Biloxi) – Currently only provides 10 psychiatric service beds to active-duty members only (Gulfport campus only) – Biloxi VA has 66 acute beds in main facility**

**GULF OAKS HOSPITAL/GULF COAST MEDICAL CENTER (180 DeBuys Road, Biloxi) – 189 beds**

**GARDEN PARK MEDICAL CENTER (15200 Community Road, Gulfport) – 130 beds**

**MEMORIAL HOSPITAL (4500 13<sup>th</sup> Street, Gulfport) – 445 beds**

**OCEAN SPRINGS HOSPITAL (3109 Bienville Blvd, Ocean Springs) – included in "Singing River" Hospital System**

**SINGING RIVER HOSPITAL (2809 Denny Boulevard, Pascagoula – 20 miles east) – 388 beds**

**HANCOCK MEDICAL CENTER (149 Drinkwater Blvd, Bay St. Louis – 30 miles west) – 104 beds**

Note that several of these hospitals, notably the large Biloxi Regional Medical Center (which is the nearest civilian hospital to Keesler Air Force Base), are not a part of the TRICARE network, and thus may charge (15-35%) higher prices for services to TRICARE beneficiaries than TRICARE network hospitals. Also note that not all services presently available at Keesler Medical Center are available at the smaller community hospitals in the area, and many services are available at Keesler Medical Center alone.

- Emergency care would be diverted if the hospital becomes a clinic and ambulatory surgical center to the following locations:

Gulf Coast Medical Center - 3.3 miles  
Singing River Hospital System - 10 miles  
VA Medical Center Gulfport - 9.2 miles  
Gulf Coast Medical Center - 5.4 miles  
Singing River Hospital - 27.5 miles  
Biloxi Regional Medical Center - 2.8 miles  
Biloxi VA Medical Center - 1 mile

\* **3. What will be the increased costs to our military members, their dependents, and retirees that Keesler currently serves if both the inpatient care and GME program is closed at Keesler?**

There is no inpatient cost for AD members or their Prime enrolled dependents; Prime enrolled retirees and their dependents will pay an \$11 subsistence fee per inpatient day. Patients have the option of choosing balanced billing, which involves paying the balance of the bill resulting from seeing a non-network provider should they choose to do so to avoid a longer driving distance to see a network provider.

**See attached matrices for specific cost sharing percentages based upon TRICARE enrollment status: Attachment 1 is for Active Duty Dependents, Attachment 2 is for Retirees and dependents under 65, and Attachment 3 is for TRICARE for Life beneficiaries**

**What will be the price adjustments that HUMANA will have to make to the current contract when this additional case load is added to TRICARE?**

This cannot be determined at the MTF level. HUMANA has contracted with TRICARE Regional Office-South (TRO-South) in San Antonio, TX, to provide an adequate network of facilities and providers based upon the complete regional requirements. This answer would need to come from either TRO-South or TRICARE Management Activity (TMA) in Washington DC, as they are the POCs for the regional contact with HUMANA. Keesler Medical Center has never been a part of the regional contract negotiation process and is not privied to any of that financial data.

**Again, are the specialties and medical facilities available in the current TRICARE system to handle this case load?**

Please see the response to Question 2.

**What will be the additional costs that will result from having to expand the TRICARE system?**

Keesler Medical Center is not in a position to answer this question.

**4. How many Keesler Medical personnel have been deployed in the last 5 years? What are the specialties? Where were they deployed, and what does the after action reports say of their performance.**

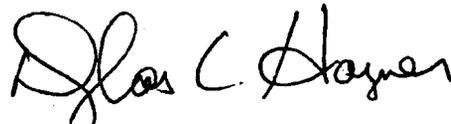
Keesler Medical Center has deployed 1,068 medical personnel over the past 5 years, from July 19, 2000 - July 9, 2005 for a combined total of 95,581 deployment days.

Every medical specialty within Keesler Medical Center has been tasked for some form of deployment. All personnel must be cleared for deployment readiness and stand ready to fill Primary or Alternate mobility slots (see attachment 4).

Keesler Medical personnel have deployed to various regions around the world. They have completed or are currently performing duties in CENTCOM, PACOM, EUCOM, and SOUTHCOM regions. Deployment taskings have ranged from 13 days to 365 days in duration. Keesler Medical Center Readiness staff just recently started surveying post-deployers from AEF's 3 and 4.

After Action Reports (AARs) are now accomplished electronically and filed in theater. Our Keesler medical personnel have been repeatedly lauded for superior performance while serving at various deployed location.

Especially noteworthy were the five Keesler medical personnel awarded the Bronze Star Medal for duty performance while supporting Operation ENDURING FREEDOM and IRAQI FREEDOM contingencies. The Bronze Star is the nation's fourth highest combat decoration. It is awarded to U.S. service members who distinguish themselves by heroic, meritorious achievement or service, not involving aerial flight participation, while engaging in military operations against any armed adversary.



DOUGLAS C. HAYNER, Colonel, USAF  
Vice Commander  
81st Training Wing

**Attachments:**

1. TRICARE Health Plan Comparison (Active Duty)
2. TRICARE Health Plan Comparison (Retirees, Families & Survivors)
3. TRICARE for Life Health Plan Comparison
4. Deployed Specialties

cc:

AETC/CCX  
Senator Lott

1

2

3

4  
5



June 3, 2005

Brigadier General (Ret.) Clark Griffin  
2342 Beau Chene Drive  
Biloxi, MS 39532

Dear General Griffin:

I have enclosed some information regarding deficits in physician availabilities for Memorial Hospital's service area. AmeriMed Consulting was engaged to survey/review the service area and concluded their work in early 2004. Their analysis not only highlights existing physician shortages, but mid-term potential shortages.

I am hopeful you will find this information useful. If you have any questions, feel free to call me at 865-3071.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary G. Marchand", is written over a horizontal line.

Gary G. Marchand  
President and Chief Executive Officer

GGM:alj

Enclosure

C: Myrtis L. Franke

## **Executive Summary**

---

AmeriMed Consulting was engaged by Memorial Hospital at Gulfport to assist in the development of a Medical Staff Development Plan based on the healthcare needs of its medical service area. This report includes both an analysis of Memorial Hospital at Gulfport's service area and specific recommendations regarding appropriate staffing levels in a variety of medical specialties. The plan may serve as a guide for strategic staff planning for Memorial Hospital at Gulfport and may contribute to its effort to document community need for physicians, as is required by Federal physician recruiting regulations.

AmeriMed Consulting employs a physician needs assessment methodology that is based on a qualitative standard. The qualitative standard was established by the Internal Revenue Service (IRS) in a variety of General Counsel Memorandums, and was reinforced by its private letter ruling with Hermann Hospital and by its Final Revenue Ruling on Physician Recruitment (Revenue Rule 97-21). These and other rulings have better defined the position of the Internal Revenue Service and the Department of Health and Human Services relative to physician recruitment and community needs assessment. The qualitative standard presupposes a "continuum of need" in which the level of need for physician services in a community determines the level of incentives that may be offered to recruit physicians.

Community need is based on the total number of physicians providing medical services to an area, not only those physicians on staff at a hospital where the hospital may be considering physician recruitment. In accordance with IRS rulings, the qualitative standard does not factor the economic or financial benefits to the hospital of any recruitment of physicians in addressing the continuum of need.

AmeriMed Consulting therefore seeks to provide an analysis that will meet the IRS's definition of community need so Memorial Hospital at Gulfport will be compliant with IRS regulations, as well as the Department of Health and Human Services and Stark Law regulations, which also focus on community need as a determining factor in assessing the appropriateness of physician recruitment incentives.

Our approach to evaluating physician need is based on the following factors:

- Defining the demographic profile and payor mix of the client's service area.
- Researching unique service area factors that might influence the demand for healthcare services within the area.
- Identifying the total number of physicians by specialty in the defined service area.
- Developing a profile of the current Medical Staff.
- Utilizing 6 established physician needs assessment models to identify potential physician surpluses or deficits in each medical specialty.

- Examining results of the Medical Staff Survey and Physician Focus Interviews to determine the perceived recruitment needs of Memorial Hospital at Gulfport's existing staff physicians and to identify medical community concerns.
- Examining results of the Community Survey to determine public perception of medical services.
- Evaluating results of the above efforts in the context of our medical staffing and consulting experience.

The overall purpose of the analysis is to provide a context in which Memorial Hospital at Gulfport may evaluate the community's medical staffing needs and address those needs within the context of current federal laws, rules and regulations. Since each medical service area is unique, we strive to understand the subtleties of each service area in an effort to recommend the best course of action for our clients. However, we highly encourage our clients to supplement this analysis with their experience and specific market knowledge when implementing any strategic plan.

It is important to remember that within the rapidly changing health care environment, Memorial Hospital at Gulfport administration and trustees must remain flexible as to the sequence of additions to the Medical Staff. Changes within the physician community or expansion of hospital services may alter the recruitment recommendations herein. Specialties not reviewed in this plan may require the hospital to review the need for such specialties.

Memorial Hospital at Gulfport (MHG) is located in Gulfport, Mississippi and serves parts of George, Hancock, Harrison, Jackson, Pearl River and Stone counties. MHG has a secondary service market and a tertiary service market in addition to the defined primary market and has a total of 29 zip codes. The primary, secondary and tertiary service areas have unique demographic make ups and are profiled in detail in Section 3 (*Patient Market Profile*) of this report.

The primary service area experienced a population increase, growing from 166,383 people in 1990 to 193,326 people in 2003 (16.2%). An increase of 3.0%, or just over 5,800 residents, is projected between 2003 and 2008.

The median age of the total population within the service area is 34.1 years, which is younger than the national average of 35.6. The largest ethnic category in the primary service area is Caucasian (70.3%) followed by Blacks (22%). Asians represent 2.9% of the primary service area's population. The remaining population is comprised of various ethnic groups.

Household income/economic factors can have a significant impact on the general health of a service area. Lower household income may reflect lower primary care utilization and higher critical care utilization. Various studies and articles also suggest greater reliance on hospital emergency rooms for non-emergency diagnosis and treatment in low-income areas. Median household income in MHG's primary service area in 2003 was \$41,516, which was lower than the national median (\$47,177), but higher than the median for the state of Mississippi (\$34,729).

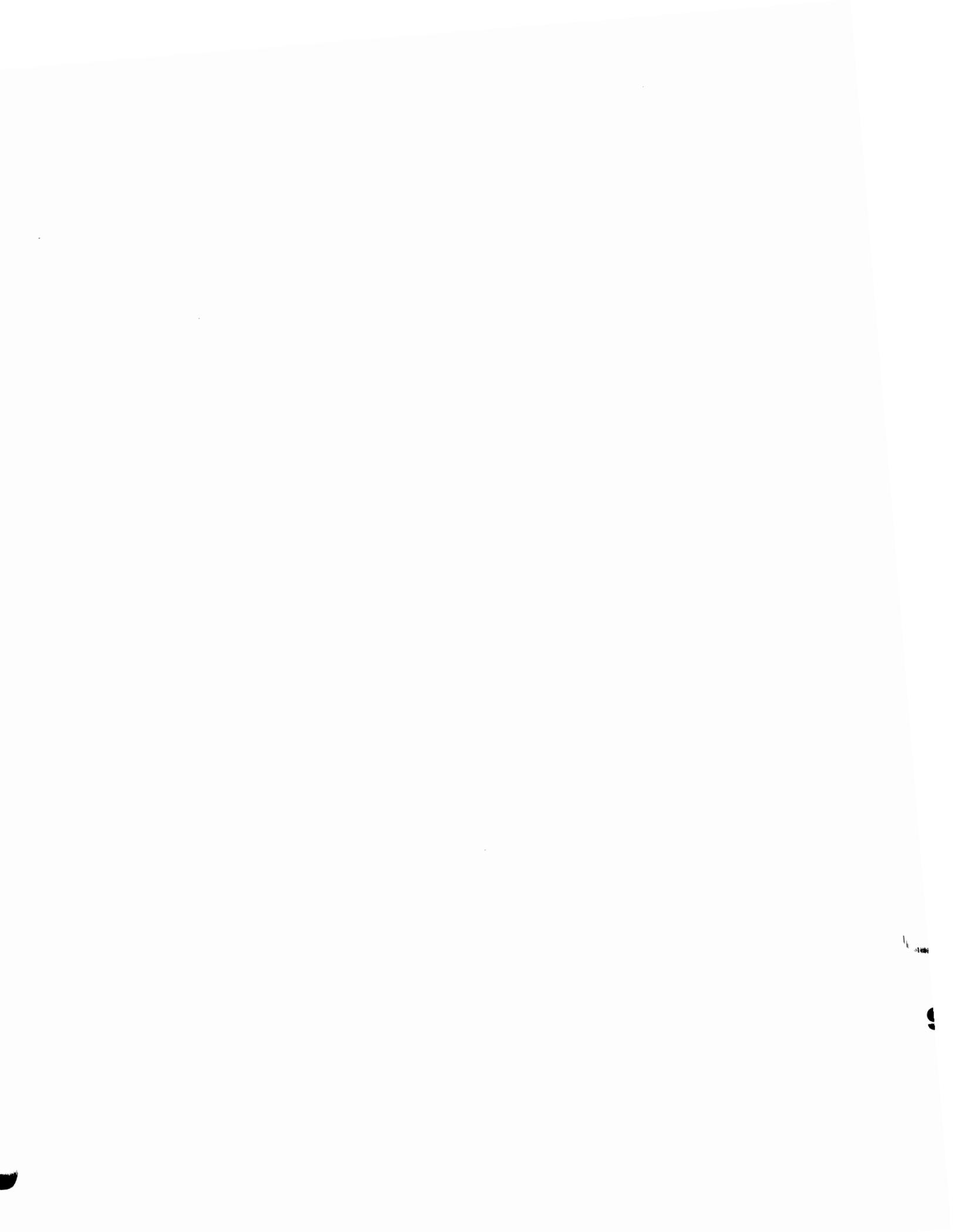
AmeriMed Consulting concludes the MHG service area has some household income-related factors that would drive an additional need for physician services within portions of the community. Over 11,500 households (15.8%) within the service area earn less than \$15,000 per year. A lack of available resources to the indigent may increase volumes in the emergency

**Summary of Physician Needs  
Memorial Hospital at Gulfport**

	Current Communitywide Need for Physician FTEs (A)	MHG Succession Planning (FTEs) (B)	Total FTEs to Evaluate for Potential Recruitment (C)
	<b>A + B = C</b>		
Family Practice	2.0	2.8	4.8
Internal Medicine	4.0	0.8	4.8
Pediatrics	2.0	2.0	4.0
<b>Total Primary Care Specialties</b>	<b>8.0</b>	<b>5.6</b>	<b>13.6</b>
Anesthesiology	-	<i>up to 1.0</i>	<i>up to 1.0</i>
Emergency Medicine	2.0	<i>up to 4.0</i>	<i>up to 6.0</i>
Hospitalists	2.0	-	2.0
Pathology	2.0	<i>up to 2.0</i>	<i>up to 4.0</i>
Radiology	2.0	<i>up to 4.0</i>	<i>up to 6.0</i>
<b>Total Hospital Based Specialties</b>	<b>8.0</b>	<b><i>up to 11.0</i></b>	<b><i>up to 19.0</i></b>
Allergy/Immunology	-	-	-
Cardiology	1.0	2.0	3.0
Dermatology	2.0	-	2.0
Endocrinology	1.0	0.9	1.9
Gastroenterology	-	1.6	1.6
Hematology/Oncology	1.0	1.0	2.0
Infectious Disease	1.0	-	1.0
Neonatology/Perinatology	-	-	-
Nephrology	-	1.0	1.0
Neurology	2.0	0.4	2.4
Obstetrics/Gynecology	2.0	0.8	2.8
Pain Management	1.0	-	1.0

**Summary of Physician Needs  
Memorial Hospital at Gulfport**

	Current Communitywide Need for Physician FTEs (A)	MHG Succession Planning (FTEs) (B)	Total FTEs to Evaluate for Potential Recruitment (C)
	<b>A + B = C</b>		
Pediatric Cardiology	1.0	1.0	2.0
Pediatric Endocrinology	1.0	-	1.0
Pediatric Hematology/Oncology	1.0	-	1.0
Physical Medicine & Rehabilitation	1.0	1.0	2.0
Psychiatry	3.0	4.0	7.0
Pulmonology/Critical Care	2.0	-	2.0
Radiation Oncology	-	-	-
Rheumatology	1.0	-	1.0
<b>Total Medical Specialties</b>	<b>21.0</b>	<b>13.7</b>	<b>34.7</b>
Cardiac/Thoracic Surgery	1.0	0.7	1.7
General Surgery	3.0	3.0	6.0
Neurosurgery	-	1.0	1.0
Ophthalmology	-	1.0	1.0
Oral/Maxillofacial Surgery	1.0	-	1.0
Orthopedic Surgery	4.0	0.8	4.8
Otolaryngology	1.0	-	1.0
Plastic Surgery	-	-	-
Urology	1.0	4.8	5.8
Vascular Surgery	-	-	-
<b>Total Surgical Specialties</b>	<b>11.0</b>	<b>11.3</b>	<b>22.3</b>
<b>Total All Physicians</b>	<b>48.0</b>	<b>up to 41.6</b>	<b>up to 89.6</b>



## OTHER COMMUNITY EFFECTS

### LOSS OF EMERGENCY SERVICE – DISASTERS/WEATHER

- Keesler Medical Center has significant responsibilities in disaster preparedness and response.
  - Homeland Security Relationships
    - In a place decontamination capability with trained personnel.
  - Civilian Partnerships
    - Key participant in National Disaster Medical System (NDMS)
    - Lifesaver 2004... Largest Multi-State, Multi-Agency, Multi-Service disaster response exercise since 9/11
  - December 2002 Small pox vaccinations of thousands
  - DoD Blood Donor Center
  - Portable Ultrasound Diagnosis in field.
- They also provide invaluable emergency capabilities during weather related disasters (hurricanes, etc.)

Source: KAFB Medical Center Briefing



# Lifesaver 2004

U.S. AIR FORCE



*Integrity - Service - Excellence*



# *Lifesaver 2004*

**U.S. AIR FORCE**



*Integrity - Service - Excellence*

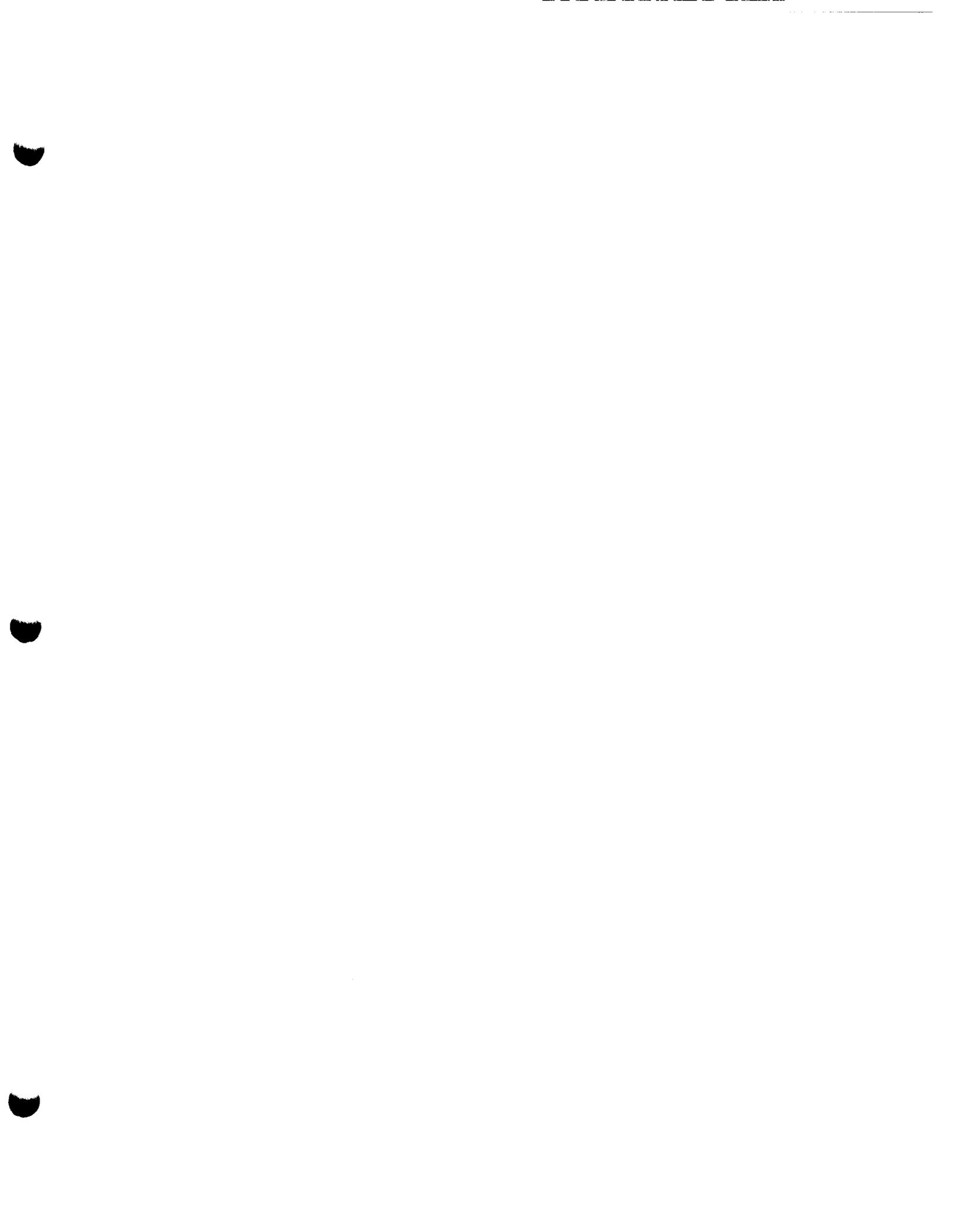


# *Lifesaver 2004*

**U.S. AIR FORCE**



*Integrity - Service - Excellence*



## **OTHER COMMUNITY EFFECTS**

### **LOSS OF MEDICAL PERSONNEL FOR COAST**

- Keesler is a primary source of medical personnel for the Gulf Coast.
  - Physicians completing military obligations / retired medical personnel.
  - Also included nurses and all medical technicians.
- Recruiting in Mississippi very hard.
  - Reputation as poor state.
  - Education system problem.
  - Tort system not favorable.
- However, personnel assigned to Keesler see the “Real” Mississippi Gulf Coast factors of:
  - Outstanding recreational area
  - Top-Notch schools (new facilities with highest state academic ratings)
- Many in local hospitals have been or associated with Keesler

Source: CEO Letters / Email lists.

**Subj: Keesler Related Physicians**  
**Date: 6/3/2005 2:47:47 P.M. Central Standard Time**  
**From: Leslie.Johnson@brmc.hma-corp.com**  
**To: Rbris12345@aol.com**

**BILOXI REGIONAL MEDICAL CENTER**  
**PAST/PRESENT PHYSICIANS ON MEDICAL STAFF**  
**ASSOCIATED WITH KEESLER AIR FORCE BASE**

The following Keesler Air Force Base physicians have held medical staff privileges at Biloxi Regional Medical Center (previously known as Howard Memorial Hospital):

George Adcock, M.D. Otolaryngology  
 Paul Blair, M.D. Otolaryngology  
 Alex Blevens, M.D. Orthopaedic Surgery  
 Richard Buckley, M.D. Neurosurgery  
 Mark Campbell, M.D. Cardiology  
 Mark Colligan, M.D. Cardiology  
 James Corder, M.D. Anesthesiology  
 Alan Cogle, M.D. Pediatric Cardiology  
 James Clarkson, M.D. Medical Oncology  
 S.H. Dees, M.D. Plastic Surgery  
 Eric Finley, M.D. Dermatology  
 Richard Gorman, D.O. Neurology  
 Charles Holman, M.D. Urology  
 Michael Hensley, D.O. Pediatric Hematology/Oncology  
 Heather North, M.D. Rheumatology  
 David McAfee, M.D. Anesthesiology  
 Harrell Pace, M.D. Otolaryngology  
 Joel Phares, M.D. Cardiology  
 Russell McDowell, M.D. Emergency Medicine & Adolescent Medicine  
 Bruce McGehee, M.D. Emergency Medicine  
 Gary Mueller, M.D. Endocrinology  
 Diana Ragula, M.D. Radiology  
 Andrew Ragula, M.D. Emergency Medicine  
 Gary Rodberg, M.D. Pulmonary Medicine  
 David Rosenfeld, M.D. Anesthesiology  
 Ronald Rosenquist, D.O. Emergency Medicine  
 Eric Torp, M.D. Dermatology  
 William Troutman, M.D. Pediatric Cardiology  
 Steven Miller, M.D. Pediatric Neurology  
 Raymond Weiss, M.D. Otolaryngology  
 Robert Williams, M.D. Behavior & Developmental Pediatrics

**PART-TIME EMERGENCY ROOM PHYSICIANS**

Ronnie Ali, D.O. Emergency Medicine  
 Senthil Algarsamy, M.D. Emergency Medicine  
 Andrew Anfanger, M.D. Emergency Medicine  
 William Beazley, M.D. Emergency Medicine  
 Russell Betcher, M.D. Emergency Medicine  
 Gregory Bachhuber, M.D. Emergency Medicine  
 Kenneth Brewington, M.D. Emergency Medicine  
 Stephen Chouteau, M.D. Emergency Medicine  
 James Creasey, M.D. Emergency Medicine  
 Mark Foppe, M.D. Emergency Medicine

## **SUMMARY OF INFORMATION ON SPECIALTY SERVICES FOR TRI-CARE AS ADMINISTERED BY HUMANA MILITARY HEALTHCARE SERVICES**

### **Overview of Data**

- Obtained from [www.humana-military.com](http://www.humana-military.com) week of June 27 – July 1st
- Info related to Tri-Care South which covers AL, AR, GA, FL, LA, MS, OK, SC, TN, & TX
- Contains info on specialty service providers who accept Tri-Care, as administered by Humana, within both a 40 mile and 60 mile traveling distance from zip code 39534 (Location of Keesler AFB)

### **Summary**

There are thirty-four (34) specialty services provided at Keesler that are not listed as available services through Humana HealthCare System. They include the following:

Adolescent Medicine  
Cardiology  
Clinical Genetics  
Clinical Cytogenetics  
Developmental/Behavioral Pediatrics  
Cardiology  
Dermatology, Mohs Surgery  
Intensive Care  
Laparoscopic Surgery  
Orthopedic, Hand Surgery  
Orthopedic, Pediatric Surgery  
Otolaryngology Surgery  
Maternal Fetal Medicine  
Molecular Genetics  
Urogynecology and Pelvic  
Reconstructive Surgery  
Occupational Medicine  
Chest/Cardiac Radiology  
Cytopathology  
Dermatopathology  
Transfusion  
Medicine/Bloodbanking  
General Dental  
Dental Materials  
Endodontics  
Hospital Dentistry  
Maxillo-facial Prosthodontics  
Oral Pathology  
Orthodontics  
Pedodontics  
Periodontics

Prosthodontics  
 Clinical Pharmacy  
 Public Health

Of Tri-Care South Services that are provided through Humana, there are forty six (46) specialty services where there are no service providers within a forty (40) mile traveling distance of Keesler Air Force Base. Twenty-two (22) of these services however are presently provided at Keesler Hospital. This list of services includes the following (those available at Keesler are denoted with an asterisk\*):

Aerospace Medicine \*  
 Anesthesiology  
 Audiologist  
 Chiropractor, Licensed \*  
 Emergency Medicine \*  
 General Surgery \*  
 General Therapy  
 Geriatrics  
 Hematology \*  
 Hematology/Oncology \*  
 Individual Certified Prothetist  
 Infectious Disease \*  
 Manipulative Therapy (Osteopaths)  
 Midwife  
 Miscellaneous  
 Mixed Specialty Clinic  
 Neonatology \*  
 Nuclear Medicine \*  
 Nurses (Rn)  
 Obstetric Surgery \*  
 Occupational Therapy \*  
 Oncology \*  
 Ophthalmology, Otolaryngology, Laryngology & Rhinology  
 Opticians  
 Oral Surgery (Dentist) \*  
 Otolaryngology, Laryngology & Rhinology  
 Pathology \*  
 Physical Medicine & Rehabilitation  
 Physical Therapist \*  
 Physician's Assistant  
 Preventive Medicine  
 Proctology  
 Child Psychiatry \*  
 Radiation Oncology \*  
 Radiation Therapy  
 Radiology \*

Sleep Disorders  
 Speech Pathologist/Speech Therapist  
 Surgery, Cardiovascular  
 Surgery, Colon/Rectal \*  
 Surgery, Vascular \*  
 Surgical Oncology  
 Thoracic Surgery  
 Urgent Care Center \*  
 Urology \*  
 Workplace Issues

Of Tri-Care South Services that are provided through Humana, there are twenty-seven (27) specialty services where there are no service providers within a sixty (60) mile traveling distance of Keesler Air Force Base. Twelve (12) of these specialty services however are presently provided at Keesler Hospital. This list of services includes the following specialty areas (those available at Keesler are denoted with an asterisk\*):

Aerospace Medicine \*  
 Audiologist  
 Chiropractor, Licensed \*  
 General Therapy  
 Individual Certified Prothetist  
 Manipulative Therapy (Osteopaths)  
 Midwife  
 Miscellaneous  
 Mixed Specialty Clinic  
 Nuclear Medicine \*  
 Nurses (Rn)  
 Obstetric Surgery \*  
 Occupational Therapy \*  
 Ophthalmology, Ontology, Laryngology & Rhino  
 Opticians  
 Oral Surgery (Dentist) \*  
 Pathology \*  
 Physical Therapist \*  
 Physician's Assistant  
 Preventive Medicine  
 Proctology  
 Child Psychiatry \*  
 Radiology \*  
 Surgery, Colon/Rectal \*  
 Surgical Oncology  
 Urgent Care Center \*  
 Workplace Issues

The following chart represents figures for all specialty services provided through Humana's Tri-Care South program. Services available at Keesler Hospital are denoted with an asterisk\*:

	<b>Specialty Service Area</b>	<b>Number of Providers Within 40 Miles of KAFB</b>	<b>Number of Providers Within 60 Miles of KAFB</b>
1	Primary Care Manager	22	90
2	Aerospace Medicine*	0	0
3	Allergy*	1	4
4	Anesthesiology	0	1
5	Audiologist	0	0
6	Cardiovascular Disease	14	62
7	Certified Registered Nurse Anesthetist	2	2
8	Chiropractor, Licensed*	0	0
9	Dermatology*	2	6
10	Emergency Medicine*	0	2
11	Endocrinologists*	4	7
12	Family Practice*	13	41
13	Gastroenterology*	48	62
14	General Practice*	7	10
15	General Surgery*	0	19
16	General Therapy	0	0
17	Geriatrics	0	2
18	Hand Surgery*	5	7
19	Hematology*	0	5
20	Hematology/Oncology*	0	7
21	Individual Certified Prosthetist	0	0
22	Infectious Disease*	0	4
23	Internal Medicine*	9	69
24	Manipulative Therapy (Osteopaths)	0	0
25	Marriage and Family Therapists	11	16
26	Mental Health Counselor	7	19
27	Midwife	0	0
28	Miscellaneous	0	0
29	Mixed Specialty Clinic	0	0
30	Neonatology*	0	3
31	Nephrology*	11	18
32	Neurological Surgery*	2	4
33	Neurology*	8	22

34	Nuclear Medicine*	0	0
35	Nurse Practitioner	8	19
36	Nurses (Rn)	0	0
37	OB/GYN*	9	24
38	Obstetric Surgery	0	0
39	Occupational Therapy*	0	0
40	Oncology	0	16
41	Ophthalmology*	20	35
42	Ophthalmology, Otology, Laryngology & Rhino	0	0
43	Opticians	0	0
44	Optometrist*	8	18
45	Oral Surgery (Dentist)*	0	0
46	Orthopedic Surgery*	45	56
47	Otology, Laryngology & Rhinology	0	1
48	Pathology*	0	0
49	Pediatrics*	7	28
50	Physical Medicine and Rehabilitation	0	2
51	Physical Therapist*	0	0
52	Physician's Assistant	0	0
53	Plastic Surgery*	1	2
54	Podiatry*	10	15
55	Preventive Medicine	0	0
56	Proctology	0	0
57	Psychiatric Nurse	1	2
58	Psychiatry*	17	24
59	Psychiatry, Child	0	0
60	Psychologists*	30	49
61	Pulmonary Disease	6	11
62	Radiation Oncology*	0	1
63	Radiation Therapy	0	1
64	Radiology*	0	0
65	Rheumatology*	1	4
66	Sleep Disorders	0	1
67	Social Work	44	67
68	Speech Pathologist Speech Therapist	0	1
69	Surgery, Cardiovascular	0	6
70	Surgery, Colon/Rectal*	0	0
71	Surgery, Vascular*	0	2
72	Surgical Oncology	0	0
73	Thoracic Surgery	0	5
74	Urgent Care Center*	0	0

75	Urology*	0	2
76	Workplace Issues	0	0

Chart of Only Humana Tri-Care Services that are presently available at Keesler

	Specialty Service Area	Number of Providers Within 40 Miles of KAFB	Number of Providers Within 60 Miles of KAFB
1	Aerospace Medicine*	0	0
2	Allergy*	1	4
3	Chiropractor, Licensed*	0	0
4	Dermatology*	2	6
5	Emergency Medicine*	0	2
6	Endocrinologists*	4	7
7	Family Practice*	13	41
8	Gastroenterology*	48	62
9	General Practice*	7	10
10	General Surgery*	0	19
11	Hand Surgery*	5	7
12	Hematology*	0	5
13	Hematology/Oncology*	0	7
14	Infectious Disease*	0	4
15	Internal Medicine*	9	69
16	Neonatology*	0	3
17	Nephrology*	11	18
18	Neurological Surgery*	2	4
19	Neurology*	8	22
20	Nuclear Medicine*	0	0
21	OB/GYN*	9	24
22	Occupational Therapy*	0	0
23	Ophthalmology*	20	35
24	Optometrist*	8	18
25	Oral Surgery (Dentist)*	0	0
26	Orthopedic Surgery*	45	56
27	Pathology*	0	0
28	Pediatrics*	7	28
29	Physical Therapist*	0	0
30	Plastic Surgery*	1	2
31	Podiatry*	10	15
32	Psychiatry*	17	24
33	Radiation Oncology*	0	1
34	Radiology*	0	0
35	Rheumatology*	1	4
36	Surgery, Colon/Rectal*	0	0
37	Surgery, Vascular*	0	2
38	Urgent Care Center*	0	0

39	Urology*	0	2
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Overview of Charted Information

- 76 specialty programs administered by Humana presently accept Tri-Care
- Of the 76 programs, 38 are presently available at Keesler Hospital (Also, note from page one that Keesler provides 34 additional specialties not included in Humana's list of 76)
- 46 of 76 specialty programs are not within 40 miles of KAFB
- 27 of 76 specialty programs are not within 60 miles of KAFB
- Based upon the number of Humana services not available near KAFB, military personnel in this area presently must travel long distances to receive a number of services. If services at Keesler are discontinued or severely decreased, military personnel in the area may have little to no healthcare coverage in close proximity.

Stats Regarding Programs Presently at Keesler

- 19 of 39 programs are not provided elsewhere within 40 miles
- 10 of 39 programs are not provided elsewhere within 60 miles of KAFB
- 26 of 39 programs outside of Keesler but within 40 miles are supported by 5 or less specialists
- 22 of 39 programs outside of Keesler but within 60 miles are supported by 5 or less specialists



## OTHER COMMUNITY EFFECTS

### LOSS OF RETIREES FOR THE GULF COAST

- A top consideration for all retiree eligible people is...
  - Where can I get proper medical care -- AARP
- This is particularly true for military retirees since they have been “promised” healthcare for them and their families for their military service.
- Over the years, this “Promise” has eroded significantly as the United States has downsized its military, and subsequently, its military medical corps.
- Therefore, many decide to retire where there is a Medical Center with a Graduate Medical Education Program. Here, they will continue to receive “on base” care since a Medical Center needs a larger, more diverse, and frankly, a more challenging caseload to maintain accreditation standards.
- Keesler Air Force Base Medical Center is the model for all of these facts.

Therefore,

- Loss of the inpatient care, which shuts down the GME program will have a devastating affect to drawing military retirees to the Coast.
- Read what a major businessman has to say about this loss (see attached letter).



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July 1, 2005

The Honorable A.J. Holloway  
Mayor  
City of Biloxi  
Post Office Box 429  
Biloxi, MS 39533

Dear Mayor Holloway:

I am writing this letter to express my strong concern about the elimination of the in-patient hospital mission at Keesler Medical Center, as recommended in the Base Realignment & Closure (BRAC) Commission's recent report.

As you know, when we conceived this 4,600 acre master planned community, the project location was chosen due to proximity to Keesler Air Force Base, which is within 15 minute drive of the Tradition property.

We felt so strongly about the project and potential impact that we pledged an investment of \$50 million by 2010 to the State of Mississippi and Harrison County. This requirement and that 50% of project be marketed to retirees were committed to because we had assets like Keesler Medical Center that would attract significant numbers of military retirees.

In every marketing presentation – whether to a joint venture partner or prospective buyer - Keesler Medical Center's prominence as the 2<sup>nd</sup> largest medical facility in U.S. Air Force, the hospital's presence on base, and doctors in over 100 specialties were all seen as significant selling points. We have a database of over 800 prospects, over 70% of them retirees who cited the proximity to quality medical facilities as a top reason for their interest in Tradition.

We are not alone in marketing the benefits of Keesler Medical Center. The Mississippi Gulf Coast Retiree Partnership has received over 14,000 inquiries since 2000 from prospective retirees and has documented the relocation of over 1,000 new retiree households during that same time period – many of them military veterans.

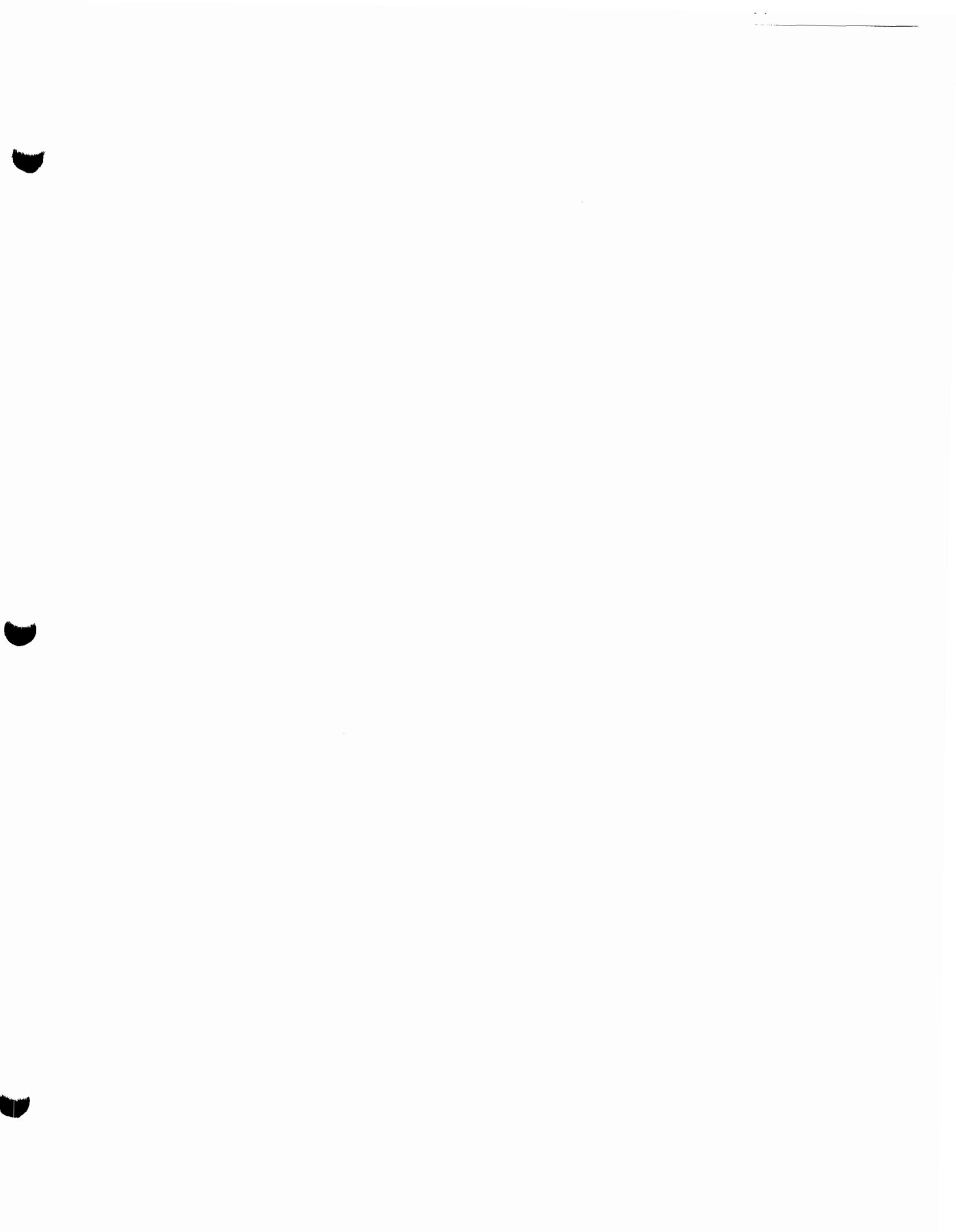
The change to a strictly outpatient mission would not only compromise the medical benefits to thousands of military retirees who have moved to South Mississippi and the Gulf South region, but it would be a detriment to the growth of the Tradition master planned community and new tax revenue to Harrison County and the State of Mississippi.

We strongly encourage the Commission, the Congress, and President Bush to reconsider this recommendation and keep Keesler Medical Center's full mission in tact.

Sincerely,



Joseph C. Canizaro  
President/CEO  
Tradition Properties, Inc.



## **OTHER COMMUNITY EFFECTS**

### **LOSS OF SYNERGIES WITH VA AND LOCAL HOSPITALS**

- Keesler Air Force Base and the Veterans Administration have been working closely in an attempt to consolidate Veterans Administration facilities and take advantage of synergies of these key medical facilities.
- The Cares commission site visit report outlines this collaboration.
  - See CARES commission report attached.
- This collaboration was repeated in June 2005 by Lt. General Clark Griffith at the Cares Commission hearing in Biloxi, MS.
  - The talking paper used at this hearing is attached.
- General Taylor's reply to this concern – "The Veterans Administration will have to re-look their decisions.

**CARES COMMISSION  
SITE VISIT REPORT**

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**VISN 16's VA Gulf Coast Veterans Health Care System  
Biloxi and Gulfport, Mississippi**

**Date of Visit: July 2, 2003**

**Site(s) Visited:**

Biloxi VA Medical Center, Mississippi  
Gulfport VA Medical Center, Mississippi  
Keesler Air Force Base, Biloxi, Mississippi

**CARES Commissioners/Staff in Attendance:**

Commission Vice Chairman R. John Vogel  
Commissioner Joseph Binard  
Commission Staff Team Leader Kathy Collier

**Overview of Visit to Biloxi and Gulfport VA Medical Centers (VAMCs) and Keesler Air Force Base:**

The Biloxi and Gulfport VAMCs are the only two medical centers along the Mississippi, Alabama and panhandle Florida Gulf Coast. The Biloxi and Gulfport VAMCs are eight miles apart and have been consolidated for greater than 30 years.

The Biloxi VAMC employs approximately 1,088 employees and is a 48 bed acute medical and surgical inpatient unit including intensive care. Biloxi VAMC provides health care for 124-nursing home and intermediate care beds, 171 domiciliary beds, and outpatient mental health. Located on the Biloxi campus is a VA National Cemetery. All of the buildings on the Biloxi campus are utilized either for administrative services or health care delivery. There is ample vacant land to accommodate expansion through new construction. A corporate office for the Gulf Coast Health Care System is located at Biloxi (as well as a second, smaller corporate office located in Pensacola, Florida.)

The Gulfport VAMC employs approximately 430 employees. This facility serves as an inpatient psychiatric care unit with 144 operating beds (with a 30% average daily census.) Through collaborative agreement with the Keesler Air Force Base in Biloxi, this inpatient unit also houses active duty military personal with acute mental health needs, although some patients are there for an extended period of time. On July 2, one Air Force member had a 75-day stay. At the time of our visit, approximately eight of the psychiatric inpatients were active duty military personnel. The Gulfport VAMC has a 56-bed nursing home and dementia unit, and the primary outpatient mental health care facility. The Gulfport VAMC also has a very large laundry facility, which provides laundry services for VAMCs in New Orleans, Louisiana and Gulf Coast regions.

The Gulfport facility was built in 1917 to commemorate the 100th anniversary of Mississippi's statehood. Initially this facility was by the Navy as a training facility until

1919, when it became a public health facility. In 1922, VA acquired the facility for \$125,000. All of the buildings except those constructed in recent years are on the historic registry. In Gulfport many of these historic buildings are vacant or used only for storage.

The Biloxi and Gulfport VAMCs appear to be well organized with appropriate staffing to provide patient care. The facilities have consolidated administrative services. Due to recent renovations, the Biloxi VAMC is well equipped to provide health care services. Additional renovations are planned to maximize health care delivery. Renovations that included administrative offices were also planned in such a way as to be converted to medical wards in the event that is needed.

Keesler Air Force Base is only a few miles from Gulfport VAMC and abuts the Biloxi VAMC. Keesler's primary goal through collaboration with VA is to support VA infrastructure by meeting veterans' acute hospitalization, surgery and rehabilitation needs and in return Keesler Medical Center's graduate and medical education training programs expand. Keesler would also like to engage in joint clinical research with VA as well as joint psychiatric services. Keesler's model involves the Department of Defense (DOD), in this case the Air Force, taking care of inpatient services while VA takes care of outpatient services. Access to the military base is considered by the Air Force leadership to be a technical obstacle and one that can be overcome. Additionally, as it relates to access to the military base, the Air Force, the Director of the VA Gulf Coast Veterans Health Care System (VAGCVHCS), and state and local government officials are discussing the possibility of constructing a connector road between the Biloxi VAMC and Keesler Air Force Base.

Two primary issues must be considered relating to the collaborative model with Keesler Air Force Base. First, according to Brigadier General David Young, Keesler's short runway makes it vulnerable to closure under DOD's Base Realignment and Closure initiative, which will not be known until approximately 2005. An enhanced relationship with VA may make retaining Keesler Air Force Base more viable. Second, the veterans receiving inpatient care in military facilities must abide by DOD rules. Of particular note is the rule of no smoking in DOD facilities.

**Summary of Meeting with VISN Leadership:**

**Names and Titles of Attendees:**

Mr. Lynn Ryan, Acting Deputy Network Director, VISN 16

Ms. Julie Catellier, Director, VAGCVHCS

Gregg Parker, MD, Chief of Staff, VAGCVHCS

Ms. Chris Jones, Associate Director, VAGCVHCS

Mr. Andy Welch, Associate Director for Outpatient Clinic Management,  
VAGCVHCS

Ms. Evelyn Wingard, PhD, RN, Associate Chief of Staff for Nursing, VAGCVHCS

Ms. Cindy Jwainat, VISN 16 Business Manager

Mr. Mario Rossilli, VISN 16, Public Affairs Officer

Ms. Tina Cassell, Administrative Assistant to the Director, VAGCVHCS

**Meeting and Tour of Facilities:**

Ms. Julie Catellier lead the informal meeting giving an overview of the VAGCVHCS, which includes sites visited as well as major other locations in Mobile, Alabama, Pensacola, Florida, and Panama City, Florida. Following this meeting, visiting Commissioners and Commission Staff were escorted on a walking tour of the Biloxi VAMC. A driving tour of the Gulfport VAMC followed. Also, Commissioners and Commission Staff met Brigadier General David Young, Medical Officer from Keesler Air Force Base. As mentioned earlier, General Young provided a brief overview of the sharing opportunities under discussion with the VAGCVHCS and directed everyone on a driving tour of the base.

**What did we learn?**

The VAGCVHCS has two VAMCs in the Biloxi and Gulfport. The Alabama and panhandle Florida gulf coasts are primarily served through 100% VA-staffed community outpatient clinics (CBOCs). The greatest need in VISN 16 is present in the panhandle of Florida, partially due to the growing aged veteran population and the fact there is no medical center in that area. At this time, inpatient care to veterans from Florida and southern Alabama are provided in Biloxi and Gulfport, unless community-based services can be arranged. This requires some veterans to drive up to eight hours (average) to receive VA health care.

Throughout the VAGCVHCS, there are tremendous opportunities to partner with the DOD. Generally, DOD medical response is good with adequate medical resources available unless these resources are deployed in support of military defense efforts. Thirteen VA/DOD sharing agreements are in place between VAGCVHCS and six military facilities and more are in the planning stages. Agreements include selling, buying and sharing of staff, space, and clinical and non-clinical resources. Among the VA/DOD sharing arrangements:

- Gulfport VAMC provides inpatient psychiatric health care to Keesler's active duty military personnel with non-adjustment/stress-type mental health illnesses.
  - NOTE: The Gulfport VAMC presently has 32 high intensity (acute) beds, 32 general intermediate psychiatry beds (chronic), 29 geropsychiatry beds (more long term beds), and a 54 bed Dementia Unit under the Extended Care Service.
- Shared inpatient and specialty care with Keesler Air Force Base with Keesler providing cardiovascular surgery, VA providing critical care nurses, and both sharing radiation oncology physician.
  - NOTE: Keesler Air Force Base Hospital has 90 operating beds and the capacity for 200-300, if needed. At the time of our visit, 75 beds were occupied.
- Joint ambulatory care center in Pensacola, Florida on Corry Station.
  - NOTE: The Naval Hospital in Pensacola has 60 beds with a 42 percent occupancy rate and an average daily census of 25. In addition to overnight stays, this facility has a large volume of same day surgery and other procedures that occupy these beds.

- Expanded primary care services at Tyndall Air Force Base, Florida.
- Shared use of urology physician assistant at Pensacola Navy Hospital.
  - NOTE: In April 2003, the Congress passed Veterans' Health Care Facilities Capital Improvement Act, H.R. 1720, which authorized the Secretary of VA to carry out construction projects for the purpose of improving, renovating, establishing, and updating patient care facilities at VAMCs. It was mentioned that under this authority, up to \$45 million was authorized for a joint VA/DOD clinic in Pensacola.

Under the CARES market planning process, VISN 16 has proposed a new medical center in the Pensacola, Florida area. However, several pre-CARES strategies have been implemented in the Mobile, Alabama and Florida panhandle to respond to the rapid growth in demand in those areas. Coupled with the VA/DOD sharing arrangements under development, these pre-CARES strategies include:

- New CBOC in Panama City, Florida in June 1998, with expansion in April 2002
- Relocated and expanded the Mobile, Alabama CBOC in March 2001, with a second expansion to begin in July 2003
- Because Pensacola, Florida is the fastest growing area in the VAGCVHCS, Pensacola North Clinic in September 2002, and plans include expanding primary care
- Establishment of VA CBOC on Eglin Air Force Base, Florida
- Additional expansion of primary care at Tyndall Air Force Base

**Significant Issues to consider:**

The DOD plays a dominant role in the VAGCVHCS's ability to meet health care demand. First there is the issue of potential closure of Keesler Air Force Base under DOD's Base Realignment and Closure initiative in as early as 2005. If Keesler Air Force Base is closed, VA could utilize that hospital complex to satisfy much of VA's present and future needs. Second, other military facilities in this market area have the capacity to accommodate VA workload.

The CARES market plan calls for closure of the Gulfport VAMC in 2009. The biggest question with this potential closure is where to place the inpatient psychiatric patients, the Alzheimer's unit, as well as the administrative support staff presently located in the operating buildings at that facility. Again, DOD plays a heavy role in this decision. Absent an agreement with Keesler Air Force Base, patients could be moved from Gulfport to the Biloxi campus but only if new construction is approved. This new construction, as we learned, may be in the form of new administrative offices because as mention earlier, administrative office renovations in recent years at the Biloxi campus may be reverted to medical wards with minor alterations.

Both the Biloxi and Gulfport VAMCs have many buildings on the Mississippi historic register. However, the CARES market plan for Gulfport includes long-term enhanced

use lease agreements that would preserve these buildings but provide for appropriate re-use of the grounds. (NOTE: There is strong opposition to closure of Gulfport from Congressman Gene Taylor, primarily due to an economic development opportunity for a retirement community in the Gulfport area that promotes federal health care availability.)

#### **Summary of Stakeholder Meeting(s)**

Ms. Catellier provided welcoming remarks to all stakeholders and introduced the Commissioners and Commission Staff. Ms. Catellier gave an overview of the purpose of the meetings and asked each attendee to introduce him/herself. Stakeholders present represented veteran service organizations, state and county veteran service organizations, State Directors of Veterans Affairs, Congressional staff, and DOD representatives from TriCare.

Vice Chairman Vogel thanked everyone for taking time to be at the meeting. Vice Chairman Vogel gave a brief background description of the CARES experience. He gave an overview of the Commission, its role and responsibilities as chartered by Secretary Principi, the role of the stakeholders meetings, and the purpose of the Commission's future hearings.

Commissioner (Dr.) Binard provided a brief discussion of the need to focus on the "enhanced services" part of CARES. Commissioner Binard also emphasized the importance of the stakeholders input not only in terms of what is, but what the stakeholders perceive the needs of veterans to be.

#### **Topics of Discussion:**

As a group, the stakeholders felt they were well versed in the issues surrounding CARES and how the market plans may impact their constituents. They were keenly interested in the next steps of CARES particularly the Commission's role in those next steps.

The group's discussions fell into the following general categories:

- **Interrelationships/Joint ventures with DOD:** There was generally universal support for VA/DOD sharing in VISN 16. They felt the VA leadership is taking advantage of the current connectivity with DOD and the future plans sound promising. There was, however, expressed concern over the potential closure of Keesler Air Force and the lost opportunity for inpatient surgery. Stakeholders also expressed some concern regarding the ability of DOD to absorb the growing workload capacity. A small number of stakeholders expressed some concern regarding the ability to obtain specialty care from the DOD. For example, in the case of neurosurgeons in the Gulf Coast area, there were five neurosurgeons in the area. Now, there are only two on the Air Force's staff because the malpractice crisis caused the other three to leave the area.
- **Access to Inpatient and Outpatient Care:** Many stakeholders, particularly Florida's Congressman Jeff Miller's staff member, shared their concerns regarding the lack of inpatient health care services in the Florida panhandle and southern Alabama. Driving times are on the average from six to eight hours to the nearest VAMC. It was stated that the outpatient resources are inadequate for the

Florida panhandle especially in light of migration of veterans to the south, advances in health care, and the fact that the CBOCs in that area were build to handle a much smaller workload. Congressman Miller's staff member expressed on behalf of the Congressman support for the Secretary and the CARES process.

- **Optimization of Resources/Potential closure of Gulfport VAMC:** Stakeholders understood the logic of closing the Gulfport VAMC but were deeply concerned over status of the inpatients at that facility should it close. There is heavy reliance on the ability to establish a sharing arrangement with Keesler but the uncertainty of Keesler's future added to their concerns.
- **Concerns for the Families:** Stakeholders asked the Commissioners to consider the families of veterans before asking veterans to up-root in order to receive care, especially if the veteran requires nursing home care. Stakeholders expressed an interest in alternative VA nursing home care with the use of home-based nursing/assisted living caregivers and more state veterans homes. There is a state nursing home in Panama City, Florida, which will start admitting veterans in August 2003. Another state nursing home is being added to the Florida panhandle. There are three state nursing homes in Mississippi. In the Biloxi/Gulfport area, there is an Armed Services Retirement Home providing assisted living to veterans and military retirees.
- **Communications/Stakeholder Involvement:** Stakeholders were positive about local VA management and most felt they have been included in the CARES process thus far. They look forward to being included in the formal hearing process on August 26, 2003.

**Exit Briefing with VISN/VAGCVHCS Leadership:**

The following key issues were highlighted:

- Closure of Gulfport by 2009:
  - Provides an opportunity for VA to divest of the property under long-term enhanced use lease agreements.
  - Heavily contingent on future of Keesler Air Force Base under the DOD's Base Realignment and Closure initiative. Expected decision to be made by 2005.
  - Contingent on VA funding to construct new buildings at Biloxi. These new buildings will support administrative services personnel and the buildings now housing these personnel would be converted to medical wards.
  - Congressional opposition by Mississippi Congressman Gene Taylor.
- Large, vocal veteran population in the Florida panhandle
- Network Director, Dr. Robert Lynch, has committed to no loss of services to veterans and their families and no loss of employment for VA staff

Commissioners Vogel and Binard and Commission Staff Member Collier expressed gratitude for the hospitality extended them during this learning experience. Additionally, Commissioners and Staff expressed special thanks and appreciation to all the behind the scenes staff who helped make this visit a valuable experience.

**Outstanding Items/Questions/Follow-up:**

As a result of the stakeholder meeting, Florida's Congresswoman Jeff Miller's staff member requested information regarding how much of VA's national budget is appropriated for long-term care services.

**Attachments:**

1. H.R. 1720, Veterans health Care Facilities Capital Improve Act, dated April 10, 2003
2. PowerPoint Presentation Director, VAGCVHCS, dated Jul 6 2, 2003

**Approved by: R. John Vogel, Vice Chairman and Commissioner (Dr.) Joseph Binard  
July 14, 2003**

**Prepared by: Kathy Collier, CARES Commission Staff Team Leader  
July 14, 2003**

## TALKING PAPER

ON

### CARES COMMISSION RECOMMENDATION ACTIONS FOR

#### GULFPORT/BILOXI VA MEDICAL CENTERS

- Situation
  - Keesler
    - Keesler Medical Center requires patients to support graduate medical/dental/nursing/medical technical (enlisted) training
    - Nine programs at Keesler: Medicine (3-year), Surgery (5-year), Pediatrics (3-year), OB/Gyn (4-year), Thoracic surgery fellowship with VA (1-year), General Practice of Dentistry (2-year), Advanced General practice of Dentistry (1-year), Endodontics (2-year), Certified Registered Nurse Anesthesia Residency (18-month); over 300 enlisted "Phase II" graduates per year.
    - Bearing Point study commissioned in 2002/2003 provided data to Air Staff which may have contributed to Keesler's GME programs remaining open: Travis MDG Center's medicine, pediatrics, and OB/Gyn programs closing '05.
    - Collaboration with Biloxi VA a factor is decision to keep Keesler's GME programs open.
  - Gulfport VA
    - Huge infrastructure/maintenance costs; only inpatient service is psychiatry
    - Most other services referred to Gulfport Memorial, Keesler, Biloxi VA, New Orleans VA.
    - Many sharing agreements between Keesler, Biloxi VA, and Gulfport VA (inpatient psychiatry for active duty)
    - Federal law permits commercial use of VA property to generate income for use to care for veterans
  - Biloxi VA
    - 1.5 miles from Keesler; lands connect
    - some infrastructure requires updating
    - some GME programs under LA and AL medical school sponsorship
  - Studies
    - Bearing Point study 2003 by AF
    - Mitertek study 2003 by VA
    - Testimony to CARES Commission 2003 led to vision for future efforts, collaboration
  - Vision
    - Huge fixed maintenance/infrastructure costs of Gulfport/Biloxi VA sites makes both less efficient at providing services
    - Permit commercial use of real property at Gulfport; use income generated to enhance services to veterans
      - Veterans benefit: provide primary care needs at Gulfport by VA clinic
      - Veterans benefit: create world-class specialty services (both inpatient and

- outpatient) at Biloxi VA
- Veterans/DoD benefit: enhance further existing excellent collaboration between Biloxi VA and Keesler to expand services
- State of MS benefits: enhance opportunities for both undergraduate (medical student) and graduate medical education (residents) as well as nursing and medical technician education
- Community benefits: economic growth; highly trained and experienced healthcare professionals tend to stay where they've trained: civilian hospitals of Gulfport, Biloxi, Ocean Springs, Pascagoula staff rosters filled with separated/retired AF and VA professionals.
- Summary: CARES Commission recommendations on target
  - Every dollar generated by use of Gulfport VA land will have a "four times" multiplier effect.
    - Enhanced scope of services to veterans.
    - Better primary care at Gulfport
    - Expanded specialty care at Biloxi/Keesler
    - Less need for out-of-state referral
    - Funds not wasted on outdated unused infrastructure
  - Benefit to DoD
    - Enhanced scope and volume of services/specialties available at Biloxi/Keesler
    - GME (specialty residents) programs benefit by range of clinical problems and volume.
    - Warfighters have best trained professionals available for deployment
    - Potential for more collaboration with U. Miss. Teaching/Research/Resident rotations
  - Benefit to State of MS
    - Enhanced ability to grow clinical opportunities for medical school students, thereby increasing opportunities for increased number of medical school graduates for MS.
  - Benefit to Gulfcoast communities
    - Highly trained, experienced professionals living in communities; tend to stay local after leaving service
    - Expansion of specialties available locally