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**Federal Health Care
Delivery Issue Area**

Active Assignments

Foreword

This report was prepared primarily to inform Congressional members and key staff of ongoing assignments in the General Accounting Office's Federal Health Care Delivery issue area. This report contains assignments that were ongoing as of July 6, 1995, and presents a brief background statement and a list of key questions to be answered on each assignment. The report will be issued quarterly.

This report was compiled from information available in GAO's internal management information systems. Because the information was downloaded from computerized data bases intended for internal use, some information may appear in abbreviated form.

If you have questions or would like additional information about assignments listed, please contact David Baine, Director, on (202) 512-7101; or Carlotta Joyner, Associate Director, on (202) 512-7002.

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Federal Health Care Delivery

QUALITY OF HEALTH CARE

TITLE: VA PROCESS FOR EVALUATING PHYSICIANS PERFORMANCE (101437)

BACKGROUND : In 1989 GAO issued a report on VA's efforts to assure that its physicians are qualified to perform assigned duties. On May 12, 1993, the Chairman, Senate Committee on Veterans Affairs asked us to followup on this effort. The Committee believes that VA may not be taking sufficient action to deal with physicians with performance problems.

KEY QUESTIONS : (1) Does VA identify physicians who are providing substandard medical care? (2) Does VA use a medical peer review process to review the performance of physicians? (3) To what extent do VA's due process requirements impede disciplinary action on poorly performing physicians?

TITLE: EVALUATION OF VA MEDICAL CENTERS' HOME HEALTH CARE (101454)

BACKGROUND : VA has 77 medical centers that provide hospital-based home care (HBHC) to veterans with chronic conditions. Veterans who have similar conditions but are not served by one of these medical centers receive care from community providers funded by Medicare and VA. In FY 1994 VA provided HBHC services to 11,000 veterans and paid community providers to serve 13,000 veterans.

KEY QUESTIONS : (1) What home health care services are provided under the HBHC program? (2) How does VA assure that veterans receive quality HBHC services? (3) How do the services provided in the HBHC and fee for service programs differ? (4) Should the HBHC program be expanded throughout the VA system?

TITLE: QUALITY OF CARE: FACTORS INFLUENCING CONSUMERS' DECISIONS (101456)

BACKGROUND : Performance indicators about the quality of care provided in health plans (report cards) have been developed in response to the interests and demands of large corporate purchasers concerned about obtaining value for their dollars. Many policymakers believe that performance indicators should be made public for others to use.

KEY QUESTIONS : In regard to corporate and other business purchasers of varying sizes and the general consumer: (1) What information is used to make health plan purchasing decisions? (2) What information is wanted? (3) How are available published report cards being used?

QUALITY OF HEALTH CARE

TITLE: MEDICARE: ALTERNATIVE REGULATORY STRATEGIES TO ENSURE THAT BENEFICIARIES RECEIVE QUALITY HEALTH CARE IN MANAGED CARE ORGANIZATIONS (101468)

BACKGROUND : Congress is considering authorizing Medicare beneficiaries the opportunity to enroll in a wide variety of managed care organizations (MCO) in addition to HMOs. However, they are concerned about HCFA's ability to monitor the quality of care provided in these entities because HCFA's current approach for monitoring HMO quality of care is seriously deficient.

KEY QUESTIONS : (1) What steps does HCFA take currently to ensure quality of care in HMOs? (2) What are the pros and cons of various strategies that HCFA might use to ensure quality in various other MCO settings? (3) What is the consensus of experts on essential attributes of any strategy used to ensure quality within any MCO setting?

TITLE: REVIEW OF THE COST AND QUALITY OF VA NURSING HOME CARE (101471)

BACKGROUND : In FY 1994, VA spent approximately \$1 billion caring for about 32,000 veterans in hospital-based nursing home care units (NHCU) and \$500 million caring for about 44,000 veterans in community nursing homes (CNH) and state homes. It is not clear how many veterans need the more expensive NHCU services, which 128 of VA's 159 hospitals offer.

KEY QUESTIONS : (1) What criteria are used to determine whether a veteran is placed in an NHCU, CNH, or state nursing home? (2) What would be the effect on veterans' care and VA costs if CNHs and state homes were used more extensively? (3) Should VA consider revising the mix of settings in which it provides nursing home care and, if so, what factors should it consider in doing so?

TITLE: EVALUATION OF VA'S MALPRACTICE EXPERIENCE (101472)

BACKGROUND : In fiscal year 1994 malpractice claims paid on behalf of VA practitioners totaled about \$53.8 million. Malpractice claims are an indicator of the quality of care furnished to eligible veterans. In order to obtain a better understanding of this issue, the requester asked us to review and evaluate VA's malpractice experience.

KEY QUESTIONS : (1) Since 1990, how many malpractice claims have been made against VA and how many have been settled? (2) How does the volume of VA malpractice claims compare to that of non-VA health care entities? (3) Does VA have malpractice claims data available in a centralized office and is such data used in its risk management process? (4) How does VA manage malpractice claims?

Federal Health Care Delivery

QUALITY OF HEALTH CARE

TITLE: AUTONOMOUS STATURE OF HEALTH CARE DISCIPLINES UNDER VARIOUS FEDERAL HEALTH CARE INITIATIVES (101473)

BACKGROUND : Health care workers must meet specific standards to participate in federal programs such as Medicare. Licensure at the state level is acceptable for physicians to participate in the Medicare program. But certification beyond state requirements is required for some non-physician health care disciplines such as psychologists. The requester wants to know why.

KEY QUESTIONS : (1) What requirements must be met before selected non-physician health care specialists can participate in federal programs? (2) To what extent are non-physician health care specialists reimbursed under federal programs?

TITLE: MEDICARE: HCFA EXCEPTIONS REIMBURSEMENTS MAY BE PAYING FOR QUESTIONABLE QUALITY OF CARE (101476)

BACKGROUND : An increasing number of skilled nursing facilities (SNFs) are getting exceptions for higher Medicare reimbursements, reporting that they provide more complex services than traditional SNF care. When it evaluates the request, HCFA does not consider whether these facilities are capable of providing more complex levels of care.

KEY QUESTIONS : (1) Do patients in SNFs that are granted exceptions need more complex care than traditional SNFs provide? (2) Are these SNFs able to provide the required complex care, and do they provide it? (3) Is HCFA gathering sufficient data on exceptions to ensure quality? (4) What additional standards might HCFA require to ensure that these SNFs provide quality care?

VA & DOD EFFICIENCY AND EFFECTIVENESS

TITLE: DOD MANAGED CARE CONTRACTING PROCESS (101450)

BACKGROUND : DOD recently awarded the first contract as part of its plan to implement a nationwide-managed health care program for military beneficiaries. The contract awarded was protested, and GAO sustained the protest because of technical deficiencies in DOD's evaluation of the offerors' proposals. Congress is concerned about DOD's capability to conduct complex health care procurements.

KEY QUESTIONS : (1) Has DOD corrected the problems that caused the bid protest to be sustained? (2) Does the the contract award process have other problems that need to be corrected to prevent problems with future managed health care procurements?

Federal Health Care Delivery

VA & DOD EFFICIENCY AND EFFECTIVENESS

TITLE: REVIEW OF DOD ACTIVITIES TO MAINTAIN ACCESS AND QUALITY HEALTH CARE TO U.S. MILITARY PERSONNEL AND DEPENDENTS IN EUROPE (101451)

BACKGROUND : U.S. military forces in Europe are being drastically reduced. This downsizing has resulted in the closure of many military hospitals and greater reliance on host nation medical care. The Subcommittee has received hundreds of complaints from military dependents and retirees in Europe, mostly related to access to and quality of care.

KEY QUESTIONS : (1) What health care delivery problems have resulted from the downsizing of military forces in Europe? (2) Are DOD's proposed corrective actions sufficient? (3) What is the status of these corrective actions? (4) Are there other potential solutions?

TITLE: COSTS AND EFFECTIVENESS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES (USUHS) (101462)

BACKGROUND : Since authorized in 1972, proposals have been made to close the Uniformed Services University of the Health Sciences (USUHS)--FY93 budget about \$94M. In 1976, GAO reported that educating physicians at USUHS was five times as costly as DOD's scholarship program. GAO was directed to re-examine costs and other issues related to obtaining DOD physicians.

KEY QUESTIONS : (1) Are USUHS-trained physicians more costly to DOD than other physicians? (2) Do USUHS-trained physicians remain in the military longer than other physicians? (3) Is the quality of USUHS' medical education comparable to that of other sources? (4) Is USUHS best suited to meet any special military needs? (5) Has USUHS responded to 1990 IG recommendations?

TITLE: VA'S RESOURCE PLANNING AND MANAGEMENT SYSTEM FOR MEDICAL CENTERS (101465)

BACKGROUND : For years, VA used historical funding levels as the basis for allocating its medical care appropriation--currently at \$17 billion--to its 159 medical centers. To even out problems with the wide variations in funding levels, VA implemented in 1994 a new resource allocation system called the Resource Planning and Management (RPM) System which links funding with workload.

KEY QUESTIONS : (1) To what extent does VA's resource allocation process distribute funds equitably, i.e. so that veterans receive consistent access to a minimum standard of care? (2) What barriers prevent VA from more equitably distributing its resources? (3) How can procedural changes be made to help assure that the RPM more equitably distributes resources?

Federal Health Care Delivery

VA & DOD EFFICIENCY AND EFFECTIVENESS

TITLE: ANALYSIS OF PROBLEMS AND RECOMMENDATIONS CONCERNING VA APPEALS PROCESS (105735)

BACKGROUND : It now takes the Board of Veterans' Appeals over 800 days to process an appeal. Additionally, the Board is now sending (remanding) half of the appeals back to VA regional offices, directing the regions to obtain more information and reconsider the claim. VA has conducted several internal studies of appeals processing.

KEY QUESTIONS : (1) What problems have VA studies identified, and what recommendations for improvement have been made? (2) What is VA doing to address these problems and implement the recommendations? (3) What are VA's reasons for not implementing some recommendations?

TITLE: REVIEW OF VA'S VOCATIONAL REHABILITATION PROGRAM (105740)

BACKGROUND : VA's voc rehab program provides assistance (e.g., education) to disabled veterans with employment handicaps. VA provides other less costly educational assistance (GI Bill). Over half the veterans receiving benefits under voc rehab program have disabilities not considered serious and are receiving educational benefits that may be provided by a less costly VA program.

KEY QUESTIONS : (1) What criteria does VA use to determine eligibility for vocational rehabilitation? (2) How do VA's criteria compare with those of other vocational rehabilitation programs (e.g., in the public or private sector)? (3) How do the services the veterans receive from VA's vocational rehabilitation program differ from other VA programs to prepare them for employment?

TITLE: REVIEW OF VA'S EFFORTS TO ADDRESS THE NEEDS OF ITS HISPANIC VETERANS (105741)

BACKGROUND : Congress is concerned that racial and ethnic barriers are preventing Hispanic veterans from fully utilizing VA benefits. However, they lack sufficient information to determine if VA is addressing frequently cited barriers, such as language and cultural insensitivity.

KEY QUESTIONS : (1) What data does VA collect to evaluate its delivery of services to Hispanic vets? (2) What actions has VA taken to respond to Hispanic vets' cultural and language needs and how do these compare with the efforts of other federal agencies--IRS, SSA, DOL(vets and JTPA), and PHS? (3) Does VA coordinate with these federal agencies to provide services to Hispanic vets?

Federal Health Care Delivery

VA & DOD EFFICIENCY AND EFFECTIVENESS

TITLE: AVAILABILITY OF VA HEALTH CARE IN COMMUNITY-BASED SETTINGS (406077)

BACKGROUND : Under health reform, VA will have to compete with private plans for veteran enrollees. Private health care providers consider convenient access to care to be a key competitive factor. Recently, VA testified that it needs to improve veterans' access to its facilities to compete effectively.

KEY QUESTIONS : (1) How does the accessibility of VA's medical facilities compare to that of the private sector? (2) What are VA's options to improve access to its health care facilities? (3) What are the benefits and risks of these options?

TITLE: ADEQUACY OF VA'S PLANNING FOR THE REUSE OF THE ORLANDO NAVAL HOSPITAL (406086)

BACKGROUND : In April 1994, VA acquired the rights to the Orlando Naval Hospital which it plans to convert into a nursing home in 1995. VA also received funds (FY 95) to design a new hospital for the Orlando area. Rep. McCollum questioned whether VA's plans are prudent and economical.

KEY QUESTIONS : (1) Did VA appropriately estimate veterans' unmet demand for hospital and nursing home beds? (2) Did VA appropriately estimate the costs of available options for meeting unmet demand? (3) What is the most prudent and economical use of VA's existing resources?

TITLE: SURVEY OF VA'S IDENTIFICATION AND SALE OF EXCESS MEDICAL SERVICES (406094)

BACKGROUND : VA is authorized to sell excess medical care to nonveterans under contracts with DOD, other fed. agencies, and health care facilities. Veterans groups and others expressed concern about the growth of nonveterans' use of VA facilities while others have suggested that selling services could generate income to help improve care for veterans while reducing VA costs.

KEY QUESTIONS : 1. Who are the nonveterans served by VA and what services do they receive? 2. Who pays for these services? 3. How does providing these services affect veterans? 4. Is VA maximizing the sale of excess capacity?

Federal Health Care Delivery

VA & DOD EFFICIENCY AND EFFECTIVENESS

TITLE: SURVEY OF MEDICAL CARE PROVIDED TO EMPLOYEES BY VA MEDICAL CENTERS (406097)

BACKGROUND : VA operates 157 medical centers which served about 2.3 million veterans in fiscal year 1994. These centers also provided health care services to over 200,000 of their employees. Visits to outpatient clinics by employees accounted for about 5 percent of the 22 million outpatient visits.

KEY QUESTIONS : 1. Who are the employees served by VA, what services do they receive, and how much of the cost is recovered? 2. Is VA complying with its policies concerning medical services for employees? 3. How does providing these services affect veterans? 4. How do VA's services to employees compare with those of private health care providers?

TITLE: REVIEW OF VA RECOVERY OF MEDICAL CARE COSTS FROM THIRD-PARTY INSURERS (406101)

BACKGROUND : VA collects over \$500 million a year from third-party insurers for medical care provided to insured veterans. VA annually establishes rates to bill insurers for medical, surgical, outpatient, and other types of care; VA has one national rate for each type of care. VA suggests, however, that it fails to collect about 20 percent of the amounts it bills insurers.

KEY QUESTIONS : (1) Why is VA not collecting a larger portion of the amounts it bills insurers? (2) Do VA's billing rates adequately reflect the quantity and costs of care provided to veterans? (3) How could VA's third-party billing and collection be improved?

TITLE: REVIEW OF VA'S METHODOLOGY FOR ESTABLISHING OUTPATIENT CLINICS (406103)

BACKGROUND : VA operates a hospital-based health care system, which often requires veterans to travel long distances. The VA is attempting to improve access to outpatient care by encouraging its hospitals to establish access to private sector outpatient clinics. VA has proposed establishing 15 such arrangements.

KEY QUESTIONS : (1) What are the VA's policies and criteria for establishing outpatient clinics? (2) How will VA finance the proposed clinics? (3) What impact will the clinics have on the number of veterans seeking care in VA medical facilities? (4) What is the potential benefit to veterans?

Federal Health Care Delivery

VA & DOD RESTRUCTURING

TITLE: REVIEW OF VA'S READJUSTMENT COUNSELING SERVICE (101474)

BACKGROUND : In 1979, Congress established a temporary readjustment counseling program for Vietnam era veterans. The program is now permanent with an annual budget of \$62 million and consists of 202 readjustment counseling centers (termed vet centers). These centers are independent of the normal VA chain of command, control their own resources, and evaluate their own work.

KEY QUESTIONS : (1) How adequate is VA's methodology to determine if vet center services are appropriate and effective? (2) How adequate is VA's workload measurement system? (3) How extensive are the services provided to those who are not Vietnam veterans? (4) What are the key reasons for and against independent vet centers?

TITLE: RELATIONSHIP BETWEEN DISTANCE TO VA MEDICAL CENTERS AND USE OF VA SERVICES (406088)

BACKGROUND : VA operates a national health care system. Despite its many facilities, only 8% of veterans use VA. One factor affecting this use rate is the distance veterans must travel to receive care. In a 1987 survey, distance from a VA facility was one of the top five reasons veterans stated to explain why they did not use VA. This is one of a series of jobs for this requester.

KEY QUESTIONS : (1) How far do current users of VA services live from VA facilities? (2) Do veterans who do not use VA services live farther away from VA than users? (3) Are the utilization patterns different for inpatient and outpatient care? (4) Are utilization patterns different for selected categories of veterans? Do these veterans travel greater distances for VA services than others?

TITLE: VA HEALTH CARE ISSUES (406098)

BACKGROUND : VA's health care system faces many challenges in a rapidly changing health care marketplace. For example, the aging and declining veteran population and the growth in HMO enrollment, are likely to decrease future use of VA acute care services. VA has a series of planned and ongoing efforts intended to make it more competitive with private sector facilities and health plans.

KEY QUESTIONS : (1) What problems face the VA health care system? (2) What management initiatives does VA plan to address these problems? (3) Has VA acted to implement GAO recommendations? (4) What major policy issues remain to be addressed?

Federal Health Care Delivery

OTHER ISSUE AREA WORK

TITLE: VALIDATION OF VA'S DISABILITY RATING SCHEDULE (105739)

BACKGROUND : VA's disability rating schedule is used to determine compensation benefits to veterans with service-connected disabilities, which totaled \$14 billion in 1994. Despite earlier VA studies showing widespread errors in the schedule resulting in net overpayments of 10 percent, the schedule has not been updated in 50 years.

KEY QUESTIONS : Determine (1) the extent to which VA's rating schedule over- or undercompensates veterans for average earnings impairment caused by their disabilities, (2) the impact correcting the schedule would have on the budget and on veterans' incomes, and (3) the impact of eliminating or reducing benefits to those with minor disabilities.

TITLE: VA CONSTRUCTION DELAYS FISCAL YEAR 1994 (406095)

BACKGROUND : GAO is required by the VA appropriation act to report on major construction delays at VA because of concerns that VA might intentionally refrain from using the funds it was appropriated, thereby constituting an impoundment of budget authority.

KEY QUESTIONS : Has VA reported all projects on which required contracts have not been awarded? What are the reasons for delays in awarding contracts? Are there impoundment implications under the Impoundment Control Act of 1974?

TITLE: ASSESSMENT OF VA'S ESTIMATES OF IMPACTS OF CONGRESSIONAL BUDGET MARKS (406107)



