

## Why GAO Did This Study

VA and DOD operate two of the nation's largest health care systems at estimated annual costs of about \$53 billion and \$49 billion, respectively, for fiscal year 2013, and have established collaboration sites to deliver care jointly with the aim of improving access, quality, and cost-effectiveness of care. In addition, collaborations could help reduce duplication and overlap between the two health care systems, potentially saving tax dollars and helping VA and DOD provide more efficient and effective services.

A committee report accompanying the Consolidated Appropriations Act, 2012, directed GAO to report on aspects of VA and DOD collaboration. This report examines the extent to which (1) VA and DOD assess effectiveness and efficiencies at collaboration sites; (2) barriers exist that affect collaboration; and (3) VA and DOD identify opportunities for collaboration. GAO conducted site visits to selected VA and DOD collaboration sites; reviewed VA and DOD documents such as sharing agreements; and interviewed VA and DOD officials.

## What GAO Recommends

GAO recommends several actions, including that VA and DOD: require collaboration sites to develop performance measures related to access, quality, and costs; address barriers hindering collaboration; and develop a process to more systematically identify new or expanded collaboration opportunities. VA and DOD generally concurred with GAO's recommendations and noted steps they are taking to address them.

View [GAO-12-992](#). For more information, contact Debra A. Draper at (202) 512-7114 or [draperd@gao.gov](mailto:draperd@gao.gov), or Brenda S. Farrell at (202) 512-3604 or [farrellb@gao.gov](mailto:farrellb@gao.gov).

## VA AND DOD HEALTH CARE

### Department-Level Actions Needed to Assess Collaboration Performance, Address Barriers, and Identify Opportunities

## What GAO Found

The Department of Veterans Affairs (VA) and Department of Defense (DOD) do not require that all collaboration sites—locations where the two departments share health care resources through hundreds of agreements and projects—develop and use performance measures to assess their effectiveness and efficiency. Officials cited several reasons for this, including not wanting to overburden sites with measures and monitoring requirements. Although VA and DOD require some limited performance information—such as the return on investment for pilot projects—without comprehensive performance measures, they lack information that could help decision makers assess collaboration sites' overall progress in meeting the departments' shared goals of improved health care access, quality, and costs; identify areas for improvement; and make informed decisions. Also, the departments cannot document the overall cost effectiveness of their collaboration efforts. In the absence of required measures for all sites, some have developed their own, but these fragmented efforts do not provide sufficient information about the overall results of collaborations.

The departments face a number of key barriers that hinder collaboration efforts. In particular, GAO identified incompatible policies and practices in four areas:

- **Information technology (IT) systems.** Because VA and DOD collect, store, and process health information in different IT systems, providing access to information needed to best treat patients has proved problematic.
- **Business and administrative processes.** Different billing practices, difficulties capturing patient workload information, and overlapping efforts in credentialing providers and computer security training reduce efficiency.
- **Access to military bases.** Balancing base security needs with veterans' needs to access medical facilities on base creates some difficulties.
- **Medical facility construction.** Misaligned construction planning processes hinder efforts to jointly plan facilities to serve both VA and DOD beneficiaries.

Although VA and DOD officials have taken some steps to address these areas, such as efforts to improve data sharing, without additional department-level actions, barriers will continue to hinder collaboration and lead to inefficiencies.

VA and DOD do not have a fully developed process for systematically identifying all opportunities for new or enhanced collaboration. Instead, the identification of those collaboration opportunities is largely left to local medical facility leadership. Although the departments have a process for jointly identifying a select number of sites with opportunities for new or expanded collaboration, that process does not address all opportunities for collaboration across both health care systems and there is no requirement that sites identified by that process move forward to implement collaboration. Without a fully developed process to systematically identify and select additional collaboration opportunities, the departments may miss opportunities to achieve their shared goals and reduce duplication of services, such as through additional sharing agreements.