INFORMATION TECHNOLOGY

Management Improvements Are Essential to VA’s Second Effort to Replace Its Outpatient Scheduling System

What GAO Found

After spending an estimated $127 million over 9 years on its outpatient scheduling system project, VA has not implemented any of the planned system’s capabilities and is essentially starting over. Of the total amount, $62 million was expended for, among other things, project planning, management support, a development environment, and equipment. In addition, the department paid an estimated $65 million to the contractor selected to develop the replacement scheduling application. However, the application software had a large number of defects that VA and the contractor could not resolve. As a result, the department terminated the contract, determined that the system could not be deployed, and officially ended the Scheduling Replacement Project on September 30, 2009. VA began a new initiative that it refers to as HealtheVet Scheduling on October 1, 2009. As of April 2010, the department’s efforts on this new initiative had largely consisted of evaluating whether to buy or custom build a new scheduling application.

VA’s efforts to successfully complete the Scheduling Replacement Project were hindered by weaknesses in several key project management disciplines and a lack of effective oversight that, if not addressed, could undermine the department’s second effort to replace its scheduling system:

- VA did not adequately plan its acquisition of the scheduling application and did not obtain the benefits of competition.
- VA did not ensure requirements were complete and sufficiently detailed to guide development of the scheduling system.
- VA performed system tests concurrently, increasing the risk that the system would not perform as intended, and did not always follow its own guidance, leading to software passing through the testing process with unaddressed critical defects.
- VA’s project progress and status reports were not reliable, and included data that provided inconsistent views of project performance.
- VA did not effectively identify, mitigate, and communicate project risks due to, among other things, staff members’ reluctance to raise issues to the department’s leadership.
- VA’s various oversight boards had responsibility for overseeing the Scheduling Replacement Project; however, they did not take corrective actions despite the department becoming aware of significant issues.

The impact of the scheduling project on the HealtheVet initiative cannot yet be determined because VA has not developed a comprehensive plan for HealtheVet that, among other things, documents the dependencies among the projects that comprise the initiative. VA officials stated that the department plans to document the interdependencies, project milestones, and deliverables in an integrated master schedule as part of a project management plan that is expected to be completed by June 2010. In the absence of such a plan, the impact of the scheduling project’s failure on the HealtheVet program is uncertain.