VA NURSING HOMES
Reporting More Complete Data on Workload and Expenditures Could Enhance Oversight

Why GAO Did This Study
In fiscal year 2012, about $4.9 billion of VA's $54 billion health care services budget was spent on nursing home care. To inform Congress of its budgeting priorities, VA prepares a budget justification, which is reviewed by OMB, that includes data on nursing home workload and expenditures in the three settings. VA also collects data on length of stay (long- and short-stay) and resident characteristics, including eligibility status, as VA is required to pay for mandatory veterans' nursing home care and may pay for discretionary care as resources permit. These data are important for Congress to understand how funding is allocated for long- and short-stay care and for residents in each setting.

GAO was asked to examine VA's nursing home program. Among other things, GAO examined (1) VA's nursing home workload in each setting, by length of stay and resident characteristics; and (2) VA's expenditures for nursing home care in each setting, by length of stay and resident characteristics. GAO analyzed VA nursing home workload and expenditure data, including fiscal year 2012, by setting, length of stay, and resident characteristics; and interviewed VA officials.

What GAO Recommends
To enhance congressional oversight of VA's nursing home program, GAO recommends that VA supplement data currently included in its budget justification with workload and expenditures by length of stay and resident characteristics. VA concurred with GAO's recommendation and stated it will provide these data upon release of its fiscal year 2015 budget.

What GAO Found
In fiscal year 2012, the Department of Veterans Affairs' (VA) nursing home workload—the average number of veterans receiving nursing home care per day—was 36,250 across all of the three nursing home settings in which VA provided or paid for veterans' nursing home care. The three settings include Community Living Centers (CLCs), which are VA-owned and operated; community nursing homes with which VA contracts to provide care for veterans; and state veterans' nursing homes, which are owned and operated by states. Over half (53 percent) of this workload was provided in state veterans' nursing homes, 28 percent in CLCs, and 19 percent in community nursing homes. Nearly 90 percent of total workload was long-stay (91 days or more for residents with chronic conditions), and at least 75 percent of care provided in each of VA's three settings was long-stay. In addition, 62 percent of VA's total workload was provided to discretionary veterans (those veterans without certain levels of service-connected disabilities).

In fiscal year 2012, VA spent $3.5 billion (71 percent) of its total nursing home expenditures on care provided in CLCs, 16 percent in state veterans' nursing homes and 13 percent in community nursing homes. Seventy-five percent of total spending was for long-stay care, and at least 70 percent of spending in each setting was for long-stay care. About half of total VA spending was for discretionary veterans.

GAO found that VA does not provide nursing home workload and expenditure data by length of stay and resident characteristics in its budget justification, although the Office of Management and Budget (OMB) encourages agencies to provide such information to the maximum extent possible to justify staffing and other requirements and improve congressional decision making. As a result, VA does not provide complete information, which could hinder Congress' budgeting and oversight of VA's nursing home staffing and resource requirements.