



September 2017

# VA HEALTH CARE

## Opportunities Exist for Improving Implementation and Oversight of Enrollment Processes for Veterans

Accessible Version

# GAO Highlights

Highlights of [GAO-17-709](#), a report to congressional committees

## Why GAO Did This Study

Enrollment is generally the first step veterans take to access VA health care, thus timely and accurate processing of enrollment applications is critical to help ensure eligible veterans obtain needed care.

The Explanatory Statement accompanying the Consolidated Appropriations Act, 2016 included a provision for GAO to examine VA's oversight of patient access to care. This report examines (1) VHA's processes for enrolling veterans for health care benefits and (2) its related oversight. GAO reviewed federal laws, regulations, and VHA policies and procedures. GAO also interviewed officials from HEC and 6 of VHA's 170 VAMCs selected to provide variation in factors such as number of enrollment applications processed and geographic location; reviewed actions to resolve a randomly selected, nongeneralizable sample of pending enrollment applications from these 6 VAMCs; and interviewed HEC and VAMC officials on oversight of enrollment processes.

## What GAO Recommends

GAO recommends that VHA (1) define the responsibilities of VAMCs in resolving pending enrollment applications; (2) define oversight responsibilities to help ensure timely application processing and accurate enrollment determinations; (3) develop procedures for collecting reliable data system-wide to evaluate the timeliness of application processing; and (4) clarify its 5-day timeliness standard. VA concurred with all of GAO's recommendations and identified actions it is taking to implement them.

View [GAO-17-709](#). For more information, contact Debra A. Draper at (202) 512-7114 or [draperd@gao.gov](mailto:draperd@gao.gov).

September 2017

## VA HEALTH CARE

### Opportunities Exist for Improving Implementation and Oversight of Enrollment Processes for Veterans

## What GAO Found

The Department of Veterans Affairs' (VA) Veterans Health Administration's (VHA) implementation and oversight of enrollment processes need improvement to help ensure the timely enrollment of veterans for health care benefits.

**VHA frequently did not meet timeliness standards:** VHA studies conducted in 2016 revealed that enrollment staff frequently did not process veterans' enrollment applications within the timeliness standard of 5 business days. These issues were found both at VHA's Health Eligibility Center (HEC)—the central enrollment processing center—and at local VA medical centers (VAMC) that also process enrollment applications. In response to an audit recommendation, HEC officials said they have begun prioritizing workload to help meet the timeliness standard. Additionally, the overall time needed to process enrollment applications may increase when staff need to place applications in a pending status, as pending applications require additional information, such as military service information, for staff to make enrollment determinations. However, none of the six VAMCs GAO reviewed had a specific policy for how to resolve pending applications. GAO found that VAMC enrollment staff had not resolved more than half of the pending applications GAO reviewed at these six VAMCs, some of which had been pending for more than 3 months at the time of the review. Although HEC developed new procedures for its enrollment staff to use when resolving pending applications, these procedures were not communicated to VAMCs. Officials from the VAMCs GAO reviewed said that they had not received guidance on these procedures and were confused about whether they would continue to have a role in this process. In the absence of HEC communication with VAMCs, there may be inefficiencies in resolving pending applications. VHA, through HEC, is assessing efforts to improve the timeliness of enrollment application processing and the accuracy of enrollment determinations.

**VHA lacks a standardized oversight process and reliable data to monitor enrollment processes system-wide:** Although HEC officials said they are responsible for oversight of enrollment processes system-wide, VHA has neither sufficient policies that delineate this role nor procedures that document key oversight activities that should be conducted. For example, policies do not describe the oversight activities HEC should conduct to help ensure the accuracy of enrollment determinations system-wide. Further, VHA does not have reliable data for overseeing the timeliness of processing enrollment applications at VAMCs, which process 90 percent of the applications system-wide. Officials from the six VAMCs in GAO's review and HEC also had varying interpretations of how to measure the timeliness standard. For example, officials from four of the six VAMCs said the standard was met when enrollment staff entered an application into their local system, irrespective of whether an enrollment determination was made. In contrast, HEC officials said the measurement encompasses the time needed to make an enrollment determination, including any time the application was pending. Without reliable data that are consistently measured, VHA cannot accurately oversee the timeliness of application processing system-wide, or assess the extent to which VAMCs face challenges in implementing enrollment processes. To improve oversight, VHA, through HEC, recently implemented an effort to review the accuracy of some enrollment determinations.

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### **Abbreviations**

HEC	Health Eligibility Center
VA	Department of Veterans Affairs
VAMC	VA medical center
VHA	Veterans Health Administration
VISN	Veterans Integrated Service Network
VistA	Veterans Health Information Systems and Technology Architecture

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September 5, 2017

The Honorable Jerry Moran  
Chairman  
The Honorable Brian Schatz  
Ranking Member  
Subcommittee on Military Construction, Veterans' Affairs,  
and Related Agencies  
Committee on Appropriations  
United States Senate

The Honorable Charles Dent  
Chairman  
The Honorable Debbie Wasserman Schultz  
Ranking Member  
Subcommittee on Military Construction, Veterans Affairs,  
and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives

The Honorable Johnny H. Isakson  
United States Senate

The Veterans Health Administration (VHA), within the Department of Veterans Affairs (VA), operates one of the largest health care delivery systems in the nation. It provides health care to veterans through 170 medical centers and more than 1,000 outpatient facilities. To receive care, most veterans must be deemed eligible by VHA through an assessment of military service and financial need, and enrolled in the VHA health care system. Enrollment is generally the first step veterans take when accessing VHA care, thus timely and accurate processing of veterans' enrollment applications is critical to helping ensure that eligible veterans obtain needed health care.

Over the past decade, VHA has faced growing demand by veterans for its health care services—due, in part, to veterans returning from military operations in Afghanistan and Iraq and the needs of an aging veteran population—and that trend is expected to continue. The total number of veterans enrolled in VHA's health care system rose from 7.9 million in fiscal year 2006 to almost 9 million in fiscal year 2016.

We and others have expressed concerns about VA's inability to effectively provide and oversee timely access to health care, which, in some cases, reportedly has resulted in harm to veterans.<sup>1</sup> For example, in 2016, we reported that not all newly enrolled veterans received timely medical appointments.<sup>2</sup> In 2015, VA's Office of Inspector General reported that VHA had mismanaged aspects of its enrollment processes, and that, as of September 30, 2014, nearly 870,000 veterans' applications for enrollment were "pending;" that is, no enrollment determination had been reached for them.<sup>3</sup> Based on serious concerns about VA's management and oversight of its health care system, we concluded that VA health care was a high-risk area and, in 2015, added it to GAO's High-Risk List.<sup>4</sup> We expressed continued concerns about VA health care in our 2017 high-risk update.<sup>5</sup>

The Explanatory Statement accompanying the Consolidated Appropriations Act, 2016 included a provision for us to examine VA's

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<sup>1</sup>See, for example, GAO, *VA Health Care: Reliability of Reported Outpatient Medical Appointment Wait Times and Scheduling Oversight Need Improvement*, [GAO-13-130](#) (Washington, D.C.: Dec. 21, 2012); *VA Health Care: Management and Oversight of Consult Process Need Improvement to Help Ensure Veterans Receive Timely Outpatient Specialty Care*, [GAO-14-808](#) (Washington, D.C.: Sept. 30, 2014); and *VA Mental Health: Clearer Guidance on Access Policies and Wait-Time Data Needed*, [GAO-16-24](#) (Washington, D.C.: Oct. 28, 2015). See also Department of Veterans Affairs, Office of Inspector General, *Healthcare Inspection: Gastroenterology Consult Delays, William Jennings Bryan Dorn VA Medical Center, Columbia, South Carolina*, Report No. 12-04631-313 (Washington, D.C.: Sept. 6, 2013); and Department of Veterans Affairs, Office of Inspector General, *Veterans Health Administration, Review of Alleged Patient Deaths, Patient Wait Times, and Scheduling Practices at the Phoenix VA Health Care System*, Report No. 14-02603-267 (Washington, D.C.: Aug. 26, 2014).

<sup>2</sup>GAO, *VA Health Care: Actions Needed to Improve Newly Enrolled Veterans' Access to Primary Care*, [GAO-16-328](#) (Washington, D.C.: Mar. 18, 2016).

<sup>3</sup>Department of Veterans Affairs, Office of Inspector General, *Veterans Health Administration, Review of Alleged Mismanagement at the Health Eligibility Center*, Report No. 14-01792-510 (Washington, D.C.: Sept. 2, 2015).

<sup>4</sup>GAO, *High Risk Series: An Update*, [GAO-15-290](#), (Washington, D.C.: Feb. 11, 2015). GAO maintains a high-risk program to focus attention on government operations that it identifies as high risk due to their greater vulnerabilities to fraud, waste, abuse, and mismanagement or the need for transformation to address economy, efficiency, or effectiveness challenges.

<sup>5</sup>GAO, *High Risk Series: Progress on Many High-Risk Areas, While Substantial Efforts Needed on Others*, [GAO-17-317](#), (Washington, D.C.: Feb. 15, 2017).

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oversight of patient access to care.<sup>6</sup> This report examines the extent to which VHA

1. has implemented processes for enrolling veterans for health care benefits; and
2. oversees processes for enrolling veterans for health care benefits.

To examine the extent to which VHA has implemented processes for enrolling veterans for health care benefits, we reviewed relevant federal laws and regulations, and VHA policies and procedures. We interviewed officials from VHA's Member Services, including those from its Health Eligibility Center (HEC), about how they process veterans' enrollment applications, including determining eligibility, and from its Compliance and Internal Control Program Office.<sup>7</sup> Additionally, we reviewed local policies and procedures for processing enrollment applications, and interviewed officials responsible for processing enrollment applications at 6 of the 170 local VA medical centers (VAMC) across the United States. These VAMCs were (1) New Mexico VA Health Care System (Albuquerque, New Mexico); (2) Charles George VAMC (Asheville, North Carolina); (3) Battle Creek VAMC (Battle Creek, Michigan); (4) North Florida/South Georgia Veterans Health System (Gainesville and Lake City, Florida); (5) Providence VAMC (Providence, Rhode Island); and (6) San Francisco VA Health Care System (San Francisco, California). We selected the 6 VAMCs for variation in factors such as the number of enrollment applications processed in fiscal year 2015, number of enrollment applications in a pending status, facility complexity, geographic location, and involvement in VHA enrollment pilots.<sup>8</sup>

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<sup>6</sup>161 Cong. Rec. H10394 (daily ed. Dec. 17, 2015).

<sup>7</sup>VHA's HEC and Compliance and Internal Control Program Office are part of VHA's Member Services Office. HEC serves as the national service center for enrollment and eligibility activities for health care benefits. The Compliance and Internal Control Program Office conducts audits and internal reviews of VHA enrollment programs, among other things.

<sup>8</sup>The data on the number of enrollment applications in a pending status is reflected by VAMC as of August 3, 2016, which was the most recently available at the time of our review. VHA categorizes VAMCs according to facility complexity level, which is determined on the basis of the characteristics of the patient population, clinical services offered, educational and research missions, and administrative complexity. To identify ways to improve the enrollment process, VHA's HEC implemented two enrollment pilots at a total of nine VAMCs. Of the six VAMCs in our review, two participated in a pilot—one in the first pilot, another in the second pilot. The remaining four VAMCs in our review did not participate in either of the pilots.

Although in 2015 VA's Office of Inspector General identified limitations in using HEC data for assessing performance of enrollment processing, based on our discussions with HEC officials, we determined that HEC data on the number of enrollment applications processed and pending were sufficiently reliable for our use in selecting individual VAMCs for review to address our reporting objectives.<sup>9</sup> We also interviewed officials from 3 additional VAMCs participating in one of VHA's enrollment pilots to discuss any lessons learned or enhancements they identified based on their participation in the pilots. These VAMCs were (1) VA North Texas Health Care System (Dallas, Texas); (2) Captain James A. Lovell Federal Health Care Center (North Chicago, Illinois); and (3) South Texas Veterans Health Care System (San Antonio, Texas).

Further, for each of the six VAMCs included in our overall review of enrollment processing, we requested a list of veterans whose enrollment applications were placed in a pending status between October 1, 2016, and January 6, 2017, and remained pending as of January 6, 2017.<sup>10</sup> From these lists we selected 60 veterans—a random, nongeneralizable sample of 10 veterans from each of the six VAMCs. For each of the 60 applications, we sent VAMC officials a questionnaire to obtain information on any actions taken to resolve the pending status.<sup>11</sup> Based on the officials' responses to our questionnaires, and follow-up interviews in March and April 2017, we determined for each of the applications whether an enrollment determination was reached, and if so, the amount of time it took to resolve the pending status. We also identified reasons why any applications remained in a pending status.

To examine the extent to which VHA oversees enrollment processes, we reviewed relevant documents, including national VHA and available local VAMC enrollment policies and procedures from the VAMCs in our review. We also reviewed previously issued external and internal audits of enrollment processes conducted by VA's Office of Inspector General and

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<sup>9</sup>Department of Veterans Affairs, Report No. 14-01792-510.

<sup>10</sup>At the time of our review, the data on pending applications were most recently available as of January 6, 2017. To examine the actions VAMC officials may have taken to resolve the pending application, we obtained a list of applications that were pending 3 months prior, as of October 1, 2016.

<sup>11</sup>Based on our review of the 60 applications and discussions with VAMC officials, we found that for 4 of the applications, the veterans were already enrolled, and their applications should not have been in pending status. We excluded these 4 from our analysis, resulting in a total of 56 applications.

internal VHA auditors. Additionally, we interviewed officials from HEC, the six VAMCs in our review, and the six Veterans Integrated Service Networks (VISN) responsible for overseeing these VAMCs about their oversight efforts.<sup>12</sup> We identified and examined the key mechanisms, including reports and data, officials told us they use to monitor the status of enrollment applications, and whether applications are processed in accordance with VHA timeliness standards. We also asked officials whether, based on their oversight, they had identified deficiencies or made any changes to their enrollment processes.

We evaluated VHA's implementation of its enrollment processes, and its key mechanisms for overseeing its enrollment processes against federal internal control standards related to control activities, control environment, and information and communication.<sup>13</sup>

We conducted this performance audit from August 2016 through September 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Background

The Veterans' Health Care Eligibility Reform Act of 1996 required that VA establish an enrollment system to help manage its health care delivery system.<sup>14</sup> VHA's HEC is the business owner of the Enrollment System—the official system of record for verifying veterans' eligibility for health care benefits and maintaining enrollment information.

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<sup>12</sup>VISNs are regional networks of individual VAMCs or groups of VAMCs known as health care systems. VISNs oversee the day-to-day functions of VAMCs within their boundaries.

<sup>13</sup>See *GAO Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: Sept. 2014). Internal control is a process effected by an entity's oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved.

<sup>14</sup>Pub. L. No. 104-262, § 104, 110 Stat. 3177, 3182-83 (1996). See 38 U.S.C. § 1705.

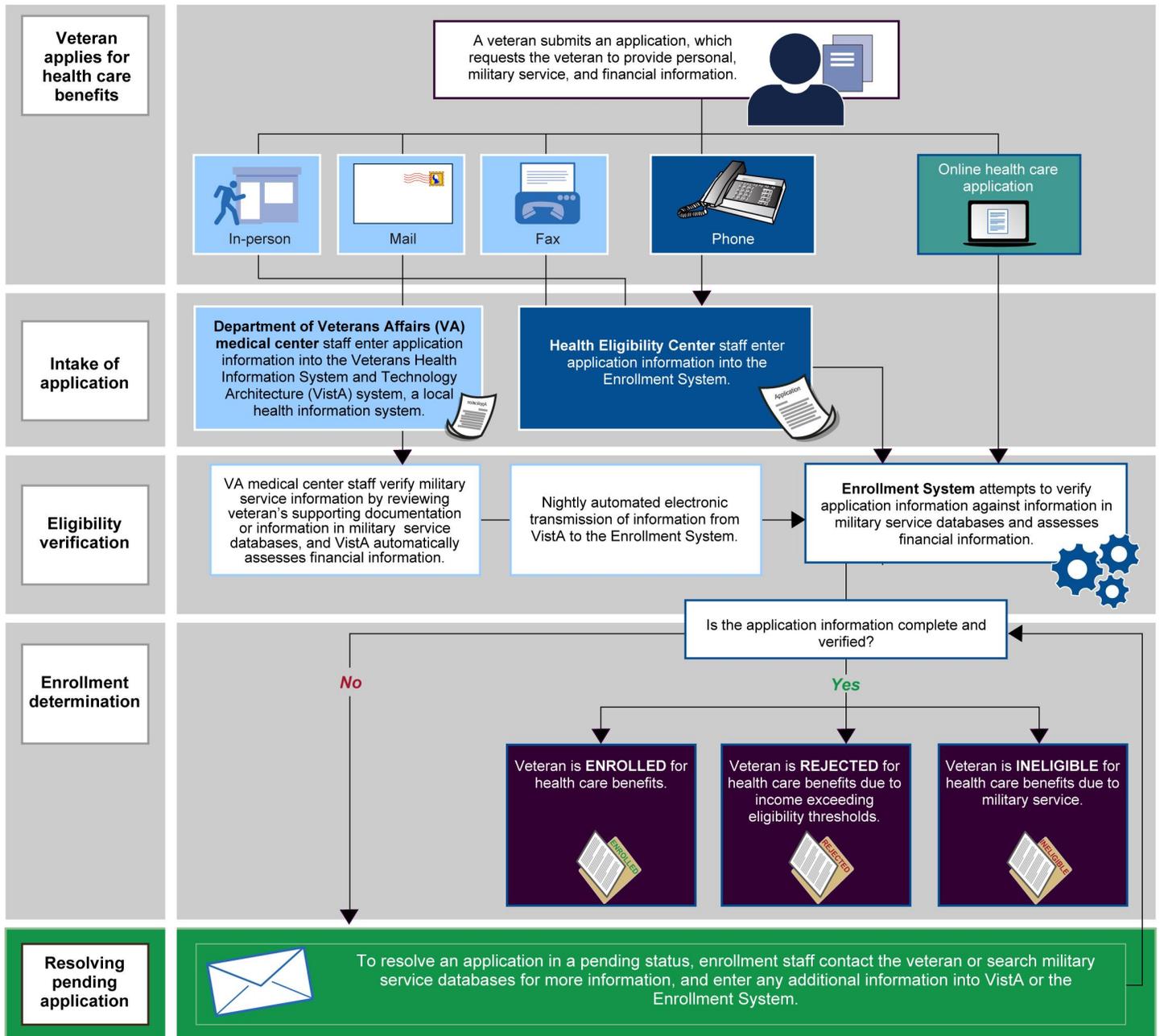
To enroll for health care benefits, veterans submit an application to either HEC or a VAMC. Application information includes demographic, military service, financial, and insurance information.<sup>15</sup> A veteran may apply online, by mail, by fax, by phone, or in person. Once a veteran submits an application, there are three key steps for processing the application: intake of application, verification of eligibility, and enrollment determination. There may be an additional processing step—resolving a pending application—if enrollment staff need additional information to determine eligibility. According to VHA policy, staff are required to process applications within 5 business days of receipt.<sup>16</sup> Figure 1 provides an overview of the enrollment process, as of June 2017.

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<sup>15</sup>Some veterans are not required to be enrolled in order to receive health care benefits. For example, veterans who were rated 50 percent or greater service-connected disability by VA's Veterans Benefits Administration are exempt from enrollment. Additionally, veterans can obtain emergency care without being enrolled.

<sup>16</sup>VHA Directive 2012-001, Time Requirements for Processing VA Forms 10-10EZ, Application for Health Benefits and 10-10EZR, Health Benefits Renewal Form (Jan. 9, 2012).

Figure 1: Key Steps for Veterans Health Administration's (VHA) Enrollment Processes, as of June 2017



Source: GAO analysis of VHA policies and procedures. | GAO-17-709

**Intake of application.** If a veteran applies in person, or faxes or mails an application to a VAMC, local enrollment staff enter the application

information into the VAMC's Veterans Health Information Systems and Technology Architecture (VistA) system.<sup>17</sup> If a veteran applies in person, by phone, or faxes or mails an application to HEC, HEC enrollment staff enter application information into the Enrollment System.<sup>18</sup> A veteran may also apply online, and the application information is directly transmitted into the Enrollment System.<sup>19</sup> Historically, VAMCs have received more than 90 percent of enrollment applications for processing.

**Verification of eligibility.** After the intake of an application, VAMC and HEC staff attempt to verify whether veterans meet eligibility requirements based on their military service and, if applicable, financial information.<sup>20</sup> VAMC staff attempt to verify military service by reviewing supporting documentation provided by veterans (e.g., military discharge or separation papers). If veterans do not provide any documentation of military service, staff will try to verify this information through military service databases. For application information that HEC staff have entered into the Enrollment System or for those applications that have been submitted online with information transmitted directly to the Enrollment System, the system assesses eligibility based on the information entered. Both VistA and the Enrollment System automatically assess whether a veteran's self-reported income meets VHA income thresholds for eligibility, as applicable.<sup>21</sup> VAMC staff are required to ensure that application information is accurately entered into VistA.<sup>22</sup>

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<sup>17</sup>VistA is the single, integrated health information system used throughout VHA in all of its health care settings. It contains patients' electronic health records. According to VHA officials, some VAMCs use the Enrollment System to enter enrollment application information.

<sup>18</sup>HEC processes all applications received by phone.

<sup>19</sup>Beginning in November 2016, HEC began processing online applications. Prior to this time, online applications were routed to VAMCs for processing.

<sup>20</sup>Veterans may be eligible if they meet minimum duty requirements and were separated under any condition other than dishonorable. The minimum duty requirement for most veterans who enlisted after September 7, 1980, or entered active duty after October 16, 1981, is 24 continuous months of service or the full period for which they were called to active duty. The minimum duty requirement does not apply to certain veterans, including those who were discharged for a disability incurred or aggravated in the line of duty. See 38 U.S.C. § 5303A(b)(3).

<sup>21</sup>Veterans without a service-connected disability and who do not have other special categories of eligibility (e.g., Purple Heart recipient) must submit income information when applying for health care benefits for VHA to assess whether their incomes are at or below VHA's eligibility thresholds.

<sup>22</sup>VHA Directive 1604 Data Entry Requirements for Administrative Data (April 22, 2016).

Application information that is entered into local VistA systems is transmitted nightly into the Enrollment System.

**Enrollment determination.** The Enrollment System makes all enrollment determinations, including those for applications processed at VAMCs.<sup>23</sup> Specifically, the Enrollment System determines whether veterans are enrolled, rejected, or ineligible for health care benefits.<sup>24</sup> Veterans who are enrolled or rejected are placed in a category based on type of eligibility—called a priority group—established to manage the provision of care.<sup>25</sup> For example, priority group 1 consists of veterans who are rated 50 percent or greater based on service-connected disabilities.<sup>26</sup> Priority group 5 consists of veterans who are eligible because their incomes are at or below VHA’s eligibility thresholds; and priority group 8g consists of non-service connected veterans whose incomes are above the thresholds, and thus are rejected for health care benefits. HEC sends a letter and a personalized handbook to each veteran once it has made an enrollment determination with the decision and a description of benefits, if applicable.

**Resolving pending applications.** If VAMC or HEC enrollment staff cannot verify veterans’ eligibility for making an enrollment determination, the application is categorized as pending. To resolve a pending application, VAMC or HEC staff are to contact the veteran to obtain the missing information (e.g., military service or financial information). VAMC and HEC staff share responsibility for resolving pending applications. For

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<sup>23</sup>If VAMC staff have all the required information and are able to verify eligibility, staff may give a tentative eligibility determination to veterans applying in person, which would allow them to schedule appointments.

<sup>24</sup>If veterans meet the minimum military service but do not have other qualifying factors, such as having been awarded the Purple Heart, and their income exceeds the minimum income threshold, the Enrollment System determines veterans to be rejected for health care benefits. If veterans’ incomes decrease, they may reapply. If veterans do not meet the minimum military service requirement, the Enrollment System determines veterans to be ineligible for health care benefits.

<sup>25</sup>38 C.F.R. § 17.36(b) establishes priority groups to determine which categories of veterans are eligible to be enrolled. Upon verification of information, veterans are placed into the highest priority group for which they are eligible. There are currently eight priority groups.

<sup>26</sup>When VA deems a veteran to have incurred a disability during active military service, it makes an assessment of the service-connected disability ranging from 0 to 100 percent (in increments of 10 percentage points). The percentage reflects the severity of the service-connected disability.

instance, HEC staff may send a pending application for VAMC staff to help process. VAMC staff may also contact HEC staff for assistance in collecting missing information because, for example, according to officials, HEC has greater access to military service databases.

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## VHA's Implementation of Enrollment Processes Has Hindered the Timely and Accurate Enrollment of Veterans, and VHA Is Assessing Efforts to Improve These Processes

VHA enrollment staff, both from HEC and VAMCs, frequently did not process enrollment applications in accordance with VHA's timeliness standards and made incorrect enrollment determinations. VHA, through HEC, is assessing efforts to improve its enrollment processes.

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### VHA Frequently Did Not Meet Timeliness Standards for Processing Enrollment Applications

Prior studies show that VHA enrollment staff, whether from HEC or VAMCs, frequently did not process enrollment applications within 5 business days in accordance with VHA timeliness standards. Specifically, a June 2016 VHA audit found that HEC staff did not process 143 of 253 applications reviewed (57 percent) within VHA's timeliness standard.<sup>27</sup> The audit found that this occurred, in part, because HEC enrollment staff were not prioritizing workload to focus on processing applications that were approaching the timeliness standard. In response to an audit recommendation, HEC officials said they have begun prioritizing workload to help meet the timeliness standard.

A VHA Chief Business Office analysis showed that VAMCs also did not consistently process online applications within 5 business days.<sup>28</sup> According to the analysis, only 35 percent of online applications were

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<sup>27</sup>Department of Veterans Affairs, Compliance and Internal Control Program Office, *Health Eligibility Center Health Benefits Enrollments Audit Final Report* (Topeka, Kansas: June 8, 2016).

<sup>28</sup>This analysis covered online applications processed by VAMCs from October 2011 through April 2016. Prior to November 2016, VAMCs were responsible for processing online applications.

processed by VAMCs within 5 business days in fiscal year 2012 and 65 percent through the first 7 months of fiscal year 2016. VAMC officials we contacted said because there is no mechanism for veterans to provide supporting military service records, such as discharge papers, with their online applications, VAMC staff need to obtain the information by querying available military service databases or following up with the veterans, which may cause delays in processing. Several VAMC officials said that HEC should implement automated controls that do not allow veterans to submit online applications without attaching supporting documents that include information needed for making enrollment determinations.

Additionally, the overall time needed to process enrollment applications may increase when staff need to place applications in a pending status. In its September 2015 report, VA's Office of Inspector General found that, as of September 2014, the Enrollment System contained nearly 870,000 pending applications, many of which had been pending for more than 5 years.<sup>29</sup> According to the report, 72 percent of those applications were pending because additional financial information was needed from veterans. In response to the report, in 2016, HEC and VAMCs undertook outreach efforts, such as attempting to contact all veterans with pending applications via phone and letters. According to HEC officials, as of May 2017, they were able to resolve about 30 percent of the applications (about 255,000 applications). This included enrolling approximately 88,000 veterans, as well as removing from pending status applications for which HEC officials said veterans were no longer living. HEC officials and VAMC staff in our review said they experienced problems resolving pending applications because they were generally several years old and lacked accurate contact information. HEC officials stated they would continue to work on resolving them, but if staff cannot obtain the information within 365 days, the applications' status will change from pending to closed at that time.<sup>30</sup>

Based on our discussions with enrollment staff, we found that none of the VAMCs in our review had a specific policy or procedure for how to resolve

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<sup>29</sup>Department of Veterans Affairs, Office of Inspector General, *Veterans Health Administration, Review of Alleged Mismanagement at the Health Eligibility Center*, Report No. 14-01792-510 (Washington, D.C.: Sept. 2, 2015).

<sup>30</sup>Under federal law, a veteran has 365 days from the date VA sends a notice of incomplete application to provide VA with the missing information; otherwise, no health benefit can be provided based on that application. See 38 U.S.C. § 5102(c).

pending applications. Officials indicated that they had not received any national procedure or guidance from VHA, nor had they developed local procedures. According to federal internal control standards, management should design control activities, such as policies and procedures, to achieve objectives and respond to risk. In the absence of a standard procedure for VAMCs to use to resolve pending applications, veterans are at risk for experiencing unnecessary delays while waiting for their applications to be processed.

For the six VAMCs in our review, we found that, as of March and April 2017, VAMC enrollment staff had not resolved 31 (55 percent) of the 56 pending applications included in our random, nongeneralizable sample of pending applications.<sup>31</sup> (See table 1.) Specifically we found that for 22 (71 percent) of the 31 unresolved applications there was no evidence that VAMC enrollment staff had attempted to contact the veterans to obtain missing military service or financial information, and that 18 of these 22 applications had been in a pending status for 3 months or longer at the time of our review. VAMC officials told us they were not aware that some of the unresolved were in a pending status prior to our review. For the remaining 9 applications, we found VAMC enrollment staff attempted to contact the veterans, but were unable to resolve the application, for example, due to the lack of response from the veteran or lack of valid contact information. These 9 applications had been in a pending status between 2 and 5 months at the time of our review.

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<sup>31</sup>Each of the six VAMCs in our review provided us with a locally generated Vista listing of applications in a pending status. We reviewed enrollment staff's actions to resolve 10 for each VAMC—a total of 60. However, based on our review and discussions with staff, we found that for 4 of the applications, the veterans were already enrolled, and thus their applications should not have been in pending status. We excluded these 4 applications from our analysis.

**Table 1: Resolution Status for a Sample of Pending Enrollment Applications from Six Selected VA Medical Centers (VAMC)**

VAMC	Total number of pending enrollment applications included in sample	Number of pending enrollment applications resolved (percentage of total)	Number of pending enrollment applications that remained pending (percentage of total)
A	8	4 (50)	4 (50)
B	10	4 (40)	6 (60)
C	10	6 (60)	4 (40)
D	9	7 (78)	2 (22)
E	10	4 (40)	6 (60)
F	9	0 (0)	9 (100)
<b>Total</b>	<b>56</b>	<b>25 (45)</b>	<b>31 (55)</b>

Source: Six VAMCs in our review. | GAO-17-709

Note: We reviewed staff’s actions to resolve a randomly selected, nongeneralizable sample of 10 pending enrollment applications—those that had not reached an enrollment determination—for each of the six VAMCs included in our review. These enrollment applications were placed in a pending status between October 1, 2016, and January 6, 2017, and remained pending as of January 6, 2017. However, based on our review and discussions with VAMC staff, we found that for 4 of the applications, the veterans were already enrolled, and their applications should not have been in pending status. We excluded these 4 from our analysis. For the remaining 56 applications, we determined the status of applications from VAMCs A through D in March 2017 and VAMCs E and F in April 2017.

For the 25 applications that enrollment staff resolved, we found that staff enrolled the veterans for 19, and for the other 6, staff determined the veterans were ineligible or rejected for enrollment. We also found the time it took staff to make an enrollment determination varied widely—ranging from 3 to 119 days. (See table 2.)

**Table 2: Enrollment Determinations for a Sample of Pending Applications from Six Selected VA Medical Centers (VAMC)**

VAMC	Total number of pending enrollment applications included in sample	Number of pending enrollment applications that were resolved	Number of applications in each enrollment determination status			Time to enrollment determination <sup>c</sup>	
			Enrolled	Ineligible <sup>a</sup>	Rejected <sup>b</sup>	Minimum days	Maximum days
A	8	4	3	1	0	28	96
B	10	4	2	1	1	31	103
C	10	6	6	0	0	36	119
D	9	7	5	2	0	3	84
E	10	4	3	0	1	14	104
F	9	0	0	0	0	N/A <sup>d</sup>	N/A <sup>d</sup>
Total	56	25	19	4	2	N/A	N/A

Source: Six VAMCs in our review. | GAO-17-709

Note: We reviewed staff’s actions to resolve a randomly selected, nongeneralizable sample of 10 pending enrollment applications—those that had not reached an enrollment determination—for each of the six VAMCs included in our review. These enrollment applications were placed in a pending status between October 1, 2016, and January 6, 2017, and remained pending as of January 6, 2017. However, based on our review and discussions with VAMC staff, we found that for 4 of the applications, the veterans were already enrolled, and their applications should not have been in pending status. We excluded these 4 from our analysis. For the remaining 56 applications, we determined the status of applications from VAMCs A through D in March 2017 and VAMCs E and F in April 2017.

<sup>a</sup>If veterans do not meet the minimum military service requirement, they are determined to be ineligible for health care benefits.

<sup>b</sup>If veterans meet the minimum military service, but do not have other qualifying factors such as being awarded the Purple Heart, and their income exceeds the minimum income threshold, they are determined to be rejected for health care benefits.

<sup>c</sup>Time to enrollment determination is measured from the date an application first became pending until the date an enrollment determination was reached. VAMC staff resolved these applications between January 6, 2017, and March 13, 2017.

<sup>d</sup>N/A = not applicable. The VAMC did not resolve any of these pending applications and thus did not make an enrollment determination for these applications. Therefore, time to enrollment determination is not applicable.

Officials from five of the six VAMCs told us that based on our review they recognized the need to improve their processes. For example, officials from two VAMCs indicated that they were going to develop a standard operating procedure for identifying pending applications, following up with veterans to obtain missing information, and documenting actions such as the dates that enrollment staff called veterans or mailed letters to resolve outstanding issues.

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## VHA Frequently Made Incorrect Enrollment Determinations

VHA's Compliance and Internal Control Program Office conducted two audits (in April and August 2016), which found that VHA enrollment staff, including those from HEC and VAMCs, frequently made incorrect enrollment determinations. In some cases, veterans were rejected for health care benefits when those veterans should have been enrolled, and in other cases veterans were enrolled when they were ineligible for benefits, according to these audits. Specifically, VHA's audits found the following:

**HEC had a 12 percent error rate.** The April 2016 audit found that HEC enrollment staff made incorrect determinations for 31 of 253 randomly selected applications.<sup>32</sup> The audit found that these errors included a combination of incorrect enrollment and rejection determinations, and the most frequent errors—in 15 of the 31 cases—related to enrollment staff enrolling or rejecting veterans for health care benefits without sufficient documentation, such as proof of military service. Audit findings indicated these applications should have been assigned a pending status.

**VAMCs had a 27 percent error rate.** The August 2016 audit found that VAMC enrollment staff made incorrect determinations for 101 of 381 randomly selected applications.<sup>33</sup> Similar to the audit of HEC, the audit of VAMCs found that errors included a combination of incorrect enrollment and rejection determinations. For example, the audit of VAMCs identified 15 applications for which enrollment staff incorrectly rejected the veterans for health care benefits. According to the audit, VAMC staff should have either enrolled the veterans because they had provided adequate documentation needed to verify their eligibility, or categorized the applications as pending until adequate documentation was obtained such as proof of military service needed to verify eligibility.

In addition to the two audits, VHA's Compliance and Internal Control Program Office conducted an informal review that found for a sample of

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<sup>32</sup>Department of Veterans Affairs, *Health Eligibility Center Health Benefits Enrollments Audit Final Report*.

<sup>33</sup>Department of Veterans Affairs, Compliance and Internal Control Program Office, *Facility Healthcare Application Enrollment Decisions Audit Report* (Topeka, Kansas: Sept. 2, 2016).

357 phone applications, enrollment staff made incorrect enrollment determinations for 87 (24 percent).<sup>34</sup> The most frequent errors again related to staff enrolling or rejecting veterans for health care benefits without sufficient documentation, such as proof of military service. In these instances, the applications should have been assigned a pending status, according to the review. Although documentation on the audits and the informal review did not provide information on specific causes of the errors, officials responsible for conducting the audits indicated that the incorrect enrollment determinations were the result of human error.

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## VHA Is Assessing Efforts to Improve Its Enrollment Processes

Through its HEC, VHA is assessing efforts to improve the timeliness of enrollment application processing and the accuracy of enrollment determinations. Specifically, HEC officials established the National Enrollment Improvement, an initiative which includes two efforts to centralize or standardize key aspects of enrollment processes.

One effort involves VAMCs' processing of applications using the Enrollment System rather than VistA. To examine potential options, HEC implemented two pilots in 2016:

- Pilot 1— implemented May through August 2016, required enrollment staff at three VAMCs to process all applications by entering information directly into the Enrollment System. VAMC enrollment staff participating in this pilot told us they encountered challenges, including not being able to log into the Enrollment System, and frequently had to revert to processing many applications in VistA. In total, the VAMCs processed 239 applications using the Enrollment System, which did not provide HEC sufficient data for determining the pilot's effectiveness, according to the officials responsible for implementing the pilot.
- Pilot 2—a case study implemented over 2 weeks in December 2016, required enrollment staff at six VAMCs to enter application information

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<sup>34</sup>This informal review covered phone applications received from July 5, 2016, through August 17, 2016. Prior to January 2017, enrollment staff in VHA's Health Resource Center—VHA's national call center that provides customer service and support to veterans, caregivers, and the general public—had responsibility for processing enrollment applications received over the phone. As of January 2017, HEC assumed this responsibility.

for veterans applying in person into an online application for direct transmittal to the Enrollment System. According to officials, a goal of the pilot was to test the automatic verification of military service information against databases to reduce human intervention in verifying eligibility, thereby improving the timeliness and accuracy of enrollment determinations. Similar to the first pilot, technology issues precluded effective processing. For example, automated verification was not consistently successful, and most applications processed (65 of 86) required manual intervention to reach an enrollment determination. In addition, officials said the online application did not always capture information needed to make an enrollment determination.

HEC officials told us they did not obtain sufficient information from the pilots to make a decision on which option would replace VAMCs use of VistA for processing applications. As such, HEC officials told us they are planning to conduct a third pilot to further test the option of having VAMCs enter application information directly into the Enrollment System. Officials said they do not have a definitive implementation plan or timeline for conducting this pilot.

A second effort under the National Enrollment Improvement involves standardizing the process of resolving pending applications. HEC developed procedures for HEC enrollment staff to use when resolving pending applications. Specifically, when a veteran's application is placed in a pending status, staff are to send the veteran a letter that includes information about why the application is pending; the information HEC needs to make an enrollment determination; and instructions for providing the information to HEC. Additionally, staff are instructed to make phone calls at pre-determined time intervals—8 days, 30 days, 90 days, 180 days, and 310 days after an application becomes pending—in an attempt to contact the veteran to obtain missing information. HEC enrollment staff are also required to document each phone call attempt and the results. If staff are able to obtain the information within 1 year of informing a veteran about an application's pending status, that information is documented, and staff make an enrollment determination. If, after 365 days, staff cannot obtain the information needed to make an enrollment determination, the application status would be changed from pending to closed in the Enrollment System.<sup>35</sup>

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<sup>35</sup>See 38 U.S.C. § 5102(c).

Although HEC has developed standardized procedures for the resolution of pending applications by HEC staff, it has not communicated these procedures to VAMC enrollment staff. Officials from the six VAMCs in our review indicated they were not aware of HEC's plans to standardize this process, nor had they been asked to provide input or feedback on some of the challenges they have experienced. Furthermore, VAMC officials told us that they had not received any guidance regarding the new procedures and were confused about whether they would continue to have a role in this process. HEC's new procedures do not specify whether VAMCs have a continued role in resolving pending applications and whether the procedures apply to VAMCs, although HEC officials told us that VAMCs would continue to be involved.

According to federal internal control standards for information and communication, management should internally communicate the necessary information to achieve the agency's objectives.<sup>36</sup> Communicating quality information down and across reporting lines enables personnel to perform key roles in achieving objectives, addressing risks, and supporting the internal control system. In the absence of HEC coordination and communication with VAMCs about its effort to standardize the process for resolving pending applications, including the role VAMCs will have, there may be duplication of efforts between HEC and VAMC enrollment staff, which could lead to inefficiencies.

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## VHA's Limited Oversight Impedes Its Ability to Ensure Timely and Accurate Enrollment of Veterans

VHA lacks a standardized process for system-wide oversight of enrollment processes to ensure applications are processed in a timely manner and enrollment determinations are accurate. Further, VHA, through HEC, lacks reliable data to oversee timely processing of applications across VAMCs. HEC has recently implemented an effort to review the accuracy of some enrollment determinations, specifically those for which veterans were found to be ineligible or rejected for health care benefits.

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<sup>36</sup>See [GAO-14-704G](#).

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## VHA Lacks a Standardized Process for System-Wide Oversight of Enrollment Processes

VHA has not sufficiently defined through policies or procedures a standardized oversight process that describes and delineates the roles and responsibilities of HEC and VISNs—the networks that manage and oversee VAMCs in their geographic area—in monitoring and evaluating the efficiency and effectiveness of enrollment processes. Although HEC officials said they are responsible for oversight of enrollment processes system-wide and VHA policy generally states that HEC is responsible for performing a second-level review of all enrollment determinations, policies and procedures do not document the key oversight activities that should be conducted, how often they should be done, or the data that should be assessed for ensuring timely and accurate enrollment processes system-wide.<sup>37</sup> Additionally, although HEC officials said VISNs should be overseeing VAMCs' enrollment processes within their networks, we found that VHA's policies do not describe these oversight role and responsibilities.

Officials from the six VISNs in our review reported different perspectives about their role in overseeing enrollment processes, and as a result, oversight activities were limited and varied across these VISNs. For example, officials from two of the VISNs in our review considered VISNs to have no role in the oversight of enrollment processes, and primarily provided information from HEC to the VAMCs within their networks. In contrast, an official from another VISN did consider VISNs to have an oversight responsibility, and that VISN is planning to develop a standard set of report requirements for VAMCs within the network to use so that the VISN would have consistent information to use for monitoring VAMCs' enrollment processes.

According to federal internal control standards for a control environment, an agency should establish an organizational structure and assign responsibility for achieving its objectives.<sup>38</sup> An oversight structure would help fulfill responsibilities set forth by applicable laws and regulations, and relevant government guidance. Without defining a standardized process for oversight, HEC—VHA's entity responsible for enrollment—may be

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<sup>37</sup>VHA Handbook 1601A.02, Eligibility Determination (April 3, 2015).

<sup>38</sup>See [GAO-14-704G](#).

unable to determine what oversight, if any, is being conducted system-wide and may not have key information about deficiencies in processing enrollment applications. Thus, HEC is limited in its ability to effectively develop systematic solutions and ensure enrollment processes are efficient and resulting in accurate enrollment determinations. HEC officials said they recognized the need to improve the oversight of enrollment processes, and a goal under the National Enrollment Improvement is for HEC to have 100 percent accountability and oversight of applications—those processed both at HEC and at the VAMCs.

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### VHA Lacks Complete and Reliable Data to Oversee the Timeliness of Processing Enrollment Applications System-Wide

VHA—through HEC—does not have complete and reliable data for overseeing the timeliness of processing enrollment applications system-wide. HEC has data about processing timeliness for the applications that it receives. HEC officials said it lacks similar data for those applications received by the VAMCs—which comprised about 90 percent of the applications received system-wide in fiscal year 2016. HEC officials said they are able to monitor processing timeliness for the applications they receive because enrollment staff log the dates of the applications received into a workload tool and track monthly the processing timeliness and application status, such as the percent of applications that remained pending.<sup>39</sup> In contrast, applications received by VAMCs are entered into local VistA systems that do not capture information on the date the application was received, which precludes accurate measurement of the timeliness of application processing. Although VistA captures the date enrollment staff entered the application information into the system, this date may not yield an accurate start date to measure timeliness of processing, specifically for applications received by mail or fax, because there is no assurance the information was entered when the application was received, according to HEC officials and VAMC staff. For example, officials from one VAMC in our review said if mailed or faxed applications are missing military service or financial information, staff do not enter the information into VistA until all the required information is obtained.

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<sup>39</sup>HEC has a workload tool that was initiated in 2009 to distribute the workload of paper applications received by mail or fax to staff for processing. HEC mailroom staff scan paper applications into the tool, which records the receipt date and distributes the scanned applications to staff.

Absent the information in VistA needed to track and monitor their performance in processing enrollment applications, three of the six VAMCs in our review developed Excel spreadsheets to collect this information. These spreadsheets tracked the dates when applications were received, as well as the enrollment determination made for each. However, such Excel spreadsheets were developed and maintained solely at the discretion of individual VAMCs in our review.

HEC and VAMCs in our review also have varying interpretations of how to measure whether VHA's 5 business day timeliness standard has been met. VHA policy states the starting point for measuring adherence with its timeliness standard is the date the application was submitted online by the veteran, time-stamped when received by VAMCs or HEC, or the date the veteran came in person to apply.<sup>40</sup> However, the policy does not define the end point for measuring the amount of time elapsed and does not specify whether the processing time includes the time applications are pending due to missing information. HEC officials told us the end point is the date of an enrollment determination, and measurement of timeliness should include any time the application was pending. Officials from four of the six VAMCs in our review, in contrast, said they considered the timeliness standard met when an application was entered into the system, irrespective of whether an enrollment determination was made or whether the application was pending.

According to federal internal control standards for information and communication, management should use quality information to achieve the entity's objectives.<sup>41</sup> Management obtains relevant data from relevant internal and external sources in a timely manner based on identified information requirements. Relevant data collected have a logical connection with identified information requirements, and management evaluates the sources of data for reliability. Without a central repository of reliable data about enrollment processes and a clearly defined measurement of the processing standard, VHA cannot reliably and consistently oversee processing timeliness of enrollment applications, assess the extent to which VAMCs face challenges in meeting the

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<sup>40</sup>VHA Directive 2012-001, Time Requirements for Processing VA Forms 10-10EZ, Application for Health Benefits and 10-10EZR, Health Benefits Renewal Form (Jan. 9, 2012)

<sup>41</sup>See [GAO-14-704G](#).

standard, and make appropriate decisions to improve processes system-wide.

HEC officials acknowledged their lack of adequate information to monitor timeliness of application processing system-wide and told us they plan to develop the capacity to collect this information. Under the National Enrollment Improvement, HEC officials identified several steps for collecting standardized and centralized data for conducting oversight, including (1) eliminating VAMCs use of VistA for processing enrollment applications and solely using the Enrollment System, which is able to capture application receipt dates, (2) developing standardized procedures for capturing in the Enrollment System the date a mailed application was received, and (3) developing a series of reporting metrics for assessing the timeliness of processing applications across different modes. However, HEC officials told us that they need VHA approval to implement these actions, and as of June 2017, they did not have a timeline for when these actions might be implemented to allow them to accurately track and report on processing timeliness across all modes and VAMCs.

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### VHA Has Efforts Underway and Planned to Oversee the Accuracy of All Enrollment Determinations

HEC has efforts underway and planned to oversee the accuracy of enrollment determinations made system-wide. First, VHA—through HEC—has recently implemented an effort to review the accuracy of enrollment determinations for which veterans were found to be ineligible or rejected for health care benefits. This effort, which began in March 2017, employs a dedicated team of HEC staff to centrally conduct these secondary reviews daily, according to HEC officials.<sup>42</sup> Prior to this date, VHA instructed VAMCs to conduct monthly secondary reviews of the accuracy of these enrollment determinations, and report the results of these reviews to HEC.<sup>43</sup> However, HEC officials said they conducted an internal review of a sample of applications that had undergone this

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<sup>42</sup>From December 2013 to November 2016, on average, about 3,900 veterans were found ineligible and about 10,600 veterans were rejected for health care benefits due to income each month, according to HEC data.

<sup>43</sup>Department of Veterans Affairs, Acting Deputy Under Secretary for Health for Operations and Management Memorandum, Request for VISN Follow-up Regarding Secondary Review of Priority Group 8e/8g Enrollment Assignment and Ineligible Decisions (Aug. 14, 2014).

secondary review, and found that 20 to 30 percent still were incorrectly determined to be ineligible or rejected. Although HEC officials said VAMCs should continue these secondary reviews, HEC will also conduct its own independent review of all ineligible or rejected enrollment determinations. HEC officials said they plan to use the results of the reviews for quality assurance and training purposes with HEC and VAMC enrollment staff. Additionally, HEC officials told us they plan to expand their reviews of the accuracy of enrollment determinations and are currently assessing how to conduct second level reviews effectively system-wide. Although VHA policy states that HEC is responsible for performing a second-level review of all enrollment determinations, HEC officials said they have not been fully adhering with this requirement because, primarily, they have been focused on resolving the backlog of pending applications.<sup>44</sup>

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## Conclusions

Timely and accurate processing of veterans' enrollment applications is critical to ensuring that eligible veterans obtain needed health care. Without efficient and effective enrollment processes, veterans may be delayed in obtaining needed services or incorrectly denied benefits. VHA's current enrollment processes are decentralized and fragmented, with enrollment processing spread across 170 individual VAMCs as well as VHA's HEC. The current processes are also prone to delays and errors, such as enrollment staff frequently not meeting the 5-day timeliness standard and making incorrect enrollment determinations when processing veterans' enrollment applications.

In particular, in some instances veterans may not have provided all the information HEC or VAMC staff need to process an enrollment application and the application becomes pending. VAMCs, however, do not have effective processes for obtaining information needed to resolve pending applications, which has resulted in veterans experiencing unnecessary delays waiting for enrollment determinations. Although HEC has developed new procedures for its staff to resolve pending applications, the procedures do not delineate whether VAMCs have a continued role in this process or whether they should be following these new procedures.

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<sup>44</sup>VHA Handbook 1601A.02.

A system-wide standard procedure that clarifies the roles and responsibilities of VAMC enrollment staff in resolving pending applications may help improve efficiency and help ensure that veterans receive a timely response when applying for health care benefits.

Additionally, limitations in VHA's oversight further impede its ability to ensure the timeliness of application processing and the accuracy of enrollment determinations system-wide. VHA has not sufficiently defined roles and responsibilities for HEC and VISNs for conducting oversight of enrollment processing. Without establishing and clearly communicating the entity responsible for oversight and the activities that should be routinely conducted, there are no assurances that oversight is being conducted system-wide and deficiencies are being addressed appropriately. Oversight is further challenged by the lack of reliable and consistent data needed to evaluate timeliness of processing enrollment applications, and a clearly defined policy to measure processing timeliness. Due to this lack of data needed for system-wide oversight, VHA may be unable to determine if all veterans who submit an application to VAMCs—which handle a majority of the applications system-wide—are receiving timely enrollment determinations. HEC has efforts planned to improve its oversight; implementing and assessing these efforts may help ensure the timeliness and accuracy of enrollment processes, and help VHA make appropriate system-wide process improvements.

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## Recommendations for Executive Action

We recommend that the Secretary of Veterans Affairs direct the Acting Under Secretary for Health to take the following four actions:

1. Develop and disseminate a system-wide standard operating procedure that clearly defines the roles and responsibilities of VAMCs in resolving pending enrollment applications.
2. Clearly define oversight roles and responsibilities for HEC, and for VISNs as appropriate, to help ensure timely processing of applications and accurate enrollment determinations.
3. Develop procedures for collecting consistent and reliable data system-wide to track and evaluate timeliness of enrollment processes, and institute an oversight mechanism to ensure VAMC and HEC enrollment staff are appropriately following the procedures.
4. Clarify its 5-day timeliness standard for processing enrollment applications, including whether it covers the total time needed to make

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an enrollment determination and the time applications are pending, and ensure the clarification is communicated system-wide.

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## Agency Comments

We provided VA with a draft of this report for its review and comment. VA provided written comments, which are reprinted in appendix I. In its written comments, VA concurred with all four of the report's recommendations, and identified actions it is taking to implement them. In addition, VA provided technical comments which we incorporated as appropriate.

We are sending copies of this report to the appropriate congressional committees, the Secretary of the Department of Veterans Affairs, the Acting Under Secretary for Health, and other interested parties. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-7114 or at [draperd@gao.gov](mailto:draperd@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix II.

Sincerely yours,



Debra A. Draper  
Director, Health Care

# Appendix I: Comments from the Department of Veterans Affairs



DEPARTMENT OF VETERANS AFFAIRS  
WASHINGTON DC 20420

August 11, 2017

Ms. Debra Draper  
Director, Health Care  
U.S. Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Dear Ms. Draper:

The Department of Veterans Affairs (VA) has reviewed the Government Accountability Office's (GAO) draft report "**VA HEALTH CARE: Opportunities Exist for Improving Implementation and Oversight of Enrollment Processes for Veterans**" (GAO 17-709).

The enclosure sets forth the actions to be taken to address the GAO draft report recommendations.

VA appreciates the opportunity to comment on your draft report.

Sincerely,

A handwritten signature in black ink that reads "Gina S. Farrissee".

Gina S. Farrissee  
Deputy Chief of Staff

Enclosure

Enclosure

Department of Veterans Affairs (VA) Comments to  
Government Accountability Office (GAO) Draft Report  
***“VA HEALTH CARE: Opportunities Exist for Improving Implementation and  
Oversight of Enrollment Processes for Veterans”***  
(GAO 17-709)

**Recommendation 1. Develop and disseminate a system-wide standard operating procedure that clearly defines the roles and responsibilities of VAMCs in resolving pending enrollment applications.**

**VA Comment:** Concur. This recommendation is related to VA GAO High Risk Area *Managing Risks and Improving VA Health Care*, GAO Area of Concern 1 – (ambiguous policies and inconsistent processes). Centralization of the authority to establish and maintain standard health care enrollment policies and procedures will decrease the risk of not meeting enrollment standards and improve the timeliness and accuracy of enrollment determinations.

With explicit authority delegated by the Acting Under Secretary for Health, VHA’s Member Services Health Eligibility Center, in conjunction with Member Services Business Policy, will establish and maintain health care enrollment procedures, standardizing enrollment activities across all VHA organizations with enrollment processing responsibilities (e.g., Health Eligibility Center, VA Medical Centers, and any auxiliary locations where health care enrollment applications are accepted). Target Completion Date: March 31, 2018.

**Recommendation 2. Clearly define oversight roles and responsibilities for HEC, and for VISNs as appropriate, to help ensure timely processing of applications and accurate enrollment determinations.**

**VA Comment:** Concur. This recommendation is related to VA GAO High Risk Area *Managing Risks and Improving VA Health Care*, GAO Area of Concern 1 – (ambiguous policies and inconsistent processes). Standardization of enrollment procedures will enable VHA Member Services Health Eligibility Center to gather meaningful data from across the organization that will be used to establish key performance metrics, monitor whether standards are being met, and take accountability actions as appropriate.

VHA Member Services Health Eligibility Center will identify, establish, and regularly monitor a standard set of key performance indicators to assess whether enrollment program accuracy and timeliness standards are being achieved. In addition to clarifying roles and responsibilities as part of the remediation plan for Recommendation 1, VHA Member Services will establish an enterprise-level board to regularly identify performance standards that are not being met, assess remediation options, determine an appropriate response, and address deficiencies in a timely manner. Target Completion Date: May 31, 2018.

Enclosure

Department of Veterans Affairs (VA) Comments to  
Government Accountability Office (GAO) Draft Report  
***“VA HEALTH CARE: Opportunities Exist for Improving Implementation and  
Oversight of Enrollment Processes for Veterans”***  
(GAO 17-709)

**Recommendation 3.** Develop procedures for collecting consistent and reliable data system-wide to track and evaluate timeliness of enrollment processes, and institute an oversight mechanism to ensure VAMC and HEC enrollment staff are appropriately following procedures.

**VA Comment:** Concur. This recommendation is related to VA GAO High Risk Area *Managing Risks and Improving VA Health Care*, GAO Area of Concern 1 – (ambiguous policies and inconsistent processes). Centralization of the authority to establish and maintain standard health care enrollment policies and procedures will enable VHA to gather meaningful, accurate data to track and evaluate the processing of applications for enrollment. With consistent, reliable data, VHA can identify and address problems and improve the timeliness and accuracy of enrollment determinations.

As part of the standardized policy and procedures developed as part of the remediation plan for Recommendation 1, VHA Member Services will define tracking mechanisms to accurately evaluate the timeliness of enrollment processes. Further, VHA Member Services will execute quarterly audits of Enrollment System data (VHA’s authoritative system of record for enrollment data) in VistA, and monitor the resolution of identified data inconsistencies as part of its remediation plan for Recommendation 2. Target Completion Date: June 30, 2018.

**Recommendation 4.** Clarify its 5-day timeliness standard for processing enrollment applications, including whether it covers the total time needed to make an enrollment determination and the time applications are pending, and ensure the clarification is communicated system-wide.

**VA Comment:** Concur. This recommendation is related to VA GAO High Risk Area *Managing Risks and Improving VA Health Care*, GAO Area of Concern 1 – (ambiguous policies and inconsistent processes). Clarification of timeliness standards will eliminate confusion and inconsistency, enabling VHA to collect consistent and comparable data, establish key performance indicators, and perform regular monitoring and oversight.

While developing the revised procedures outlined in Recommendation 1, VHA Member Services Health Eligibility Center will issue interim guidance to clarify the 5-day timeliness standard. This guidance will be signed by the Deputy Under Secretary for Operations and Management and delivered to all VHA facilities that process enrollment applications. Target Completion Date: August 31, 2017.

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# Appendix II: GAO Contact and Staff Acknowledgments

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## GAO Contact

Debra A. Draper, (202) 512-7114 or [draperd@gao.gov](mailto:draperd@gao.gov)

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## Staff Acknowledgments

In addition to the contact named above, Janina Austin, Assistant Director; David Lichtenfeld, Analyst-in-Charge; Joanna Wu Gerhardt; and Joy Kim made key contributions to this report. Also contributing were Jennie Apter, Muriel Brown, Jacquelyn Hamilton, and Richard Lipinski.

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# Appendix III: Accessible Data

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## Agency Comment Letter

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Accessible Text for Appendix I: Comments from the  
Department of Veterans Affairs

Page 1

DEPARTMENT OF VETERANS AFFAIRS

WASHINGTON DC 20420

August 11, 2017

Ms. Debra Draper

Director, Health Care

U.S. Government Accountability Office

441 G Street, NW

Washington, DC 20548

Dear Ms. Draper:

The Department of Veterans Affairs (VA) has reviewed the Government  
Accountability Office's (GAO) draft report "VA HEALTH CARE:  
Opportunities Exist for Improving Implementation and Oversight of  
Enrollment Processes for Veterans" (GAO 17-709).

The enclosure sets forth the actions to be taken to address the GAO draft  
report recommendations.

VA appreciates the opportunity to comment on your draft report.

Sincerely,

Gina S. Farrisee Deputy Chief of Staff

Enclosure

Page 2

Department of Veterans Affairs (VA) Comments to Government  
Accountability Office (GAO) Draft Report

“VA HEALTH CARE: Opportunities Exist for Improving Implementation  
and Oversight of Enrollment Processes for Veterans”

(GAO 17-709)

Technical Comments:

Page 9, footnote 20: Footnote states:

“...The minimum duty requirement may not apply to veterans who were  
discharged for a disability incurred in the line of duty.”

VA Recommended Edit: Recommend changing “may not apply” to “does  
not apply” and including a note that other exceptions may apply, as set  
forth in 38 United States Code (U.S.C.) § 5303A(b)(3).

Page 10, first paragraph, line 8: Sentence reads:

“...priority group Bg consists of non-service connected veterans whose  
incomes are above the thresholds, and thus are rejected for health care  
benefits.”

VA Recommended Edit: Revise sentence to read:

“priority group Bg consists of non-service connected veterans whose  
incomes are above the thresholds and thus, are not currently eligible for  
enrollment in VA health care.”

Page 12, first paragraph, line 11: Sentence reads:

“HEC officials stated they would continue to work on resolving them, but  
plan to consider the applications abandoned if staff cannot obtain the  
information within 365 days, and will change their status from pending to  
closed at this time.”

VA Comment: This discussion would benefit from a footnote to explain this approach is required by law. Once the Veterans Health Administration (VHA) sends notice to a Veteran that their application is incomplete, VA is unable, as a matter of law, to provide a benefit based on that application. 38 U.S.C. 5102(c). This point also applies to the discussion of the National Enrollment Improvement efforts on page 17, third paragraph, line 12.

Page 3

Department of Veterans Affairs (VA) Comments to Government Accountability Office (GAO) Draft Report

"VA HEALTH CARE: Opportunities Exist for Improving Implementation and Oversight of Enrollment Processes for Veterans"

(GAO 17-709)

Recommendation 1. Develop and disseminate a system-wide standard operating procedure that clearly defines the roles and responsibilities of VAMCs in resolving pending enrollment applications.

VA Comment: Concur. This recommendation is related to VA GAO High Risk Area Managing Risks and Improving VA Health Care, GAO Area of Concern 1 - (ambiguous policies and inconsistent processes). Centralization of the authority to establish and maintain standard health care enrollment policies and procedures will decrease the risk of not meeting enrollment standards and improve the timeliness and accuracy of enrollment determinations.

With explicit authority delegated by the Acting Under Secretary for Health, VHA's Member Services Health Eligibility Center, in conjunction with Member Services Business Policy, will establish and maintain health care enrollment procedures, standardizing enrollment activities across all VHA organizations with enrollment processing responsibilities (e.g., Health Eligibility Center, VA Medical Centers, and any auxiliary locations where health care enrollment applications are accepted). Target Completion Date: March 31, 2018.

Recommendation 2. Clearly define oversight roles and responsibilities for HEC, and for VISNs as appropriate, to help ensure timely processing of applications and accurate enrollment determinations.

VA Comment: Concur. This recommendation is related to VA GAO High Risk Area Managing Risks and Improving VA Health Care, GAO Area of Concern 1 - (ambiguous policies and inconsistent processes). Standardization of enrollment procedures will enable VHA Member Services Health Eligibility Center to gather meaningful data from across the organization that will be used to establish key performance metrics, monitor whether standards are being met, and take accountability actions as appropriate.

VHA Member Services Health Eligibility Center will identify, establish, and regularly monitor a standard set of key performance indicators to assess whether enrollment program accuracy and timeliness standards are being achieved. In addition to clarifying roles and responsibilities as part of the remediation plan for Recommendation 1, VHA Member Services will establish an enterprise-level board to regularly identify performance standards that are not being met, assess remediation options, determine an appropriate response, and address deficiencies in a timely manner. Target Completion Date: May 31, 2018.

#### Page 4

Department of Veterans Affairs (VA) Comments to Government Accountability Office (GAO) Draft Report

"VA HEALTH CARE: Opportunities Exist for Improving Implementation and Oversight of Enrollment Processes for Veterans"

(GAO 17-709)

Recommendation 3. Develop procedures for collecting consistent and reliable data system-wide to track and evaluate timeliness of enrollment processes, and institute an oversight mechanism to ensure VAMC and HEC enrollment staff are appropriately following procedures.

VA Comment: Concur. This recommendation is related to VA GAO High Risk Area Managing Risks and Improving VA Health Care, GAO Area of Concern 1 - (ambiguous policies and inconsistent processes). Centralization of the authority to establish and maintain standard health care enrollment policies and procedures will enable VHA to gather meaningful, accurate data to track and evaluate the processing of applications for enrollment. With consistent, reliable data, VHA can identify and address problems and improve the timeliness and accuracy of enrollment determinations.

As part of the standardized policy and procedures developed as part of the remediation plan for Recommendation 1, VHA Member Services will define tracking mechanisms to accurately evaluate the timeliness of enrollment processes. Further, VHA Member Services will execute quarterly audits of Enrollment System data (VHA's authoritative system of record for enrollment data) in VistA, and monitor the resolution of identified data inconsistencies as part of its remediation plan for Recommendation 2. Target Completion Date: June 30, 2018.

Recommendation 4. Clarify its 5-day timeliness standard for processing enrollment applications, including whether it covers the total time needed to make an enrollment determination and the time applications are pending, and ensure the clarification is communicated system-wide.

VA Comment: Concur. This recommendation is related to VA GAO High Risk Area Managing Risks and Improving VA Health Care, GAO Area of Concern 1 - (ambiguous policies and inconsistent processes). Clarification of timeliness standards will eliminate confusion and inconsistency, enabling VHA to collect consistent and comparable data, establish key performance indicators, and perform regular monitoring and oversight.

While developing the revised procedures outlined in Recommendation 1, VHA Member Services Health Eligibility Center will issue interim guidance to clarify the 5-day timeliness standard. This guidance will be signed by the Deputy Under Secretary for Operations and Management and delivered to all VHA facilities that process enrollment applications. Target Completion Date: August 31, 2017.

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