

GAO Highlights

Highlights of [GAO-19-478](#), a report to congressional requesters

Why GAO Did This Study

VA continues to focus on the use of community care to address challenges with veterans' access to health care services at VA medical facilities. In fiscal year 2019, VA plans to consolidate the Veterans Choice Program and several other community care programs under a single new Veterans Community Care Program. GAO and others have previously reported on past challenges VA has faced regarding the reliability, transparency, and consistency of its budget estimates for health care.

GAO was asked to review VA's use of community care and efforts to develop budget estimates for this care. This report describes (1) trends in obligations for and utilization of VA's community care programs since fiscal year 2014, (2) how VA develops its community care budget estimate and any subsequent changes made to this estimate, and (3) how VA's actual obligations for community care compared with estimated obligations for fiscal years 2017 and 2018.

GAO reviewed actual obligation and utilization data for fiscal years 2014 through 2018, as well as estimated obligations for fiscal years 2019 through 2021. GAO also reviewed available VA documentation on the methods and data used to develop VA's community care budget estimate that informed the President's budget request for fiscal years 2017 through 2019. GAO also interviewed VA officials and contractors responsible for developing these estimates, and OMB staff responsible for the federal budget.

VA and OMB reviewed a draft of this report. VA's technical comments were incorporated as appropriate.

View [GAO-19-478](#). For more information, contact Sharon M. Silas at (202) 512-7114 or silass@gao.gov.

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VA HEALTH CARE

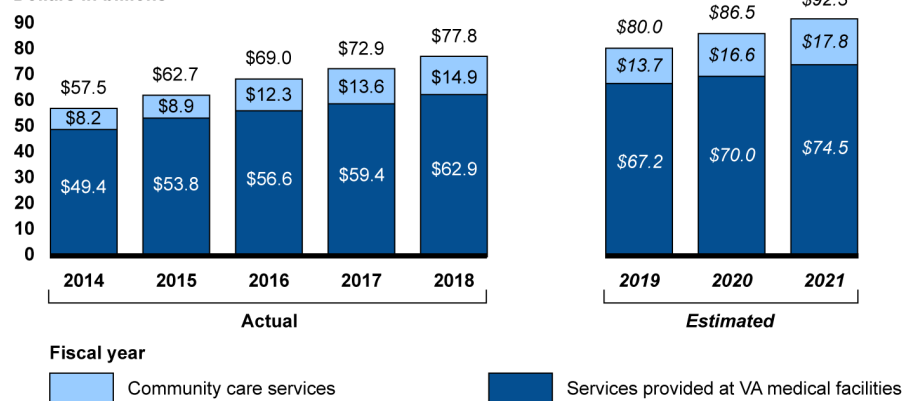
Estimating Resources Needed to Provide Community Care

What GAO Found

To help ensure that veterans are provided timely and accessible health care services, the Department of Veterans Affairs (VA) may purchase care from non-VA providers, known as community care. VA obligated \$14.9 billion for community care in fiscal year 2018, an increase of \$6.7 billion (about 82 percent) since fiscal year 2014. The number of veterans authorized to use community care increased from 1.3 million to 1.8 million during this period. By fiscal year 2021, VA estimated obligations to increase to \$17.8 billion, and officials estimate at least 1.8 million veterans will continue to use this care.

VA Health Care Obligations, Fiscal Years 2014 through 2021

Dollars in billions



Source: GAO analysis of Department of Veterans Affairs (VA) data. | GAO-19-478

Note: VA estimated obligations for fiscal year 2019 to reflect \$1.8 billion in anticipated savings as a result of a VA policy change regarding the timing of certain community care obligations.

VA uses a projection model to estimate the majority of resources needed to provide health care services. Beginning with the President's fiscal year 2018 budget request, VA updated its model to estimate the resources needed to purchase over 40 community care services accounting for over 75 percent of VA's community care budget estimate. These services include outpatient and inpatient care, among others. For the remainder of its community care budget estimate, which includes nursing care in state-operated homes, VA uses other methods based on historical utilization. VA's budget estimate is successively reviewed at VA and the Office of Management and Budget (OMB) to inform the President's budget request. VA identified several changes made during the review process to its budget estimate for fiscal years 2018 and 2019 to reflect more current information related to utilization and costs, among other factors.

VA's actual obligations for community care for fiscal years 2017 and 2018 were \$1.2 billion and \$2.2 billion higher, respectively, than originally estimated. According to VA officials, this occurred for several reasons, including policy changes and increased costs for the Veterans Choice Program. To support higher obligations, VA requested and received additional funding for the Veterans Choice Program outside the annual appropriations process and used other funding sources, such as unobligated amounts from prior fiscal years.