

GAO Highlights

Highlights of [GAO-22-104770](#), a report to congressional committees

Why GAO Did This Study

DOD primarily provides medical care to servicemembers, their dependents, and retirees. In 2010, DOD became authorized to provide emergency care to civilians at MTFs. DOD is generally required to bill civilians for care provided at MTFs, but the cost of such care may create financial hardships for these civilian patients. When the debt becomes delinquent, DOD turns it over to Treasury for collection.

The National Defense Authorization Act for Fiscal Year 2021 contained a provision for GAO to assess DOD's efforts to bill and collect debts for civilian emergency care at MTFs, among other things. This report assesses the extent to which DOD (1) has identified benefits of providing emergency care to civilians, (2) oversees billing and debt collection for emergency care provided to civilians, and (3) uses and communicates options for financial relief to lessen the effect of the cost of care on civilian emergency patients.

GAO analyzed DOD and Treasury billing data for services provided from fiscal years 2016 through 2021; reviewed information related to benefits of providing care to civilians; and interviewed DOD and Treasury officials.

What GAO Recommends

GAO is recommending that DOD assess and monitor how providing civilian emergency care maintains medical readiness, issue guidance to update systems with complete collection information, track and monitor waiver requests, and communicate financial relief options. DOD did not provide comments on a draft of this report.

View [GAO-22-104770](#). For more information, contact Brenda S. Farrell at (202) 512-3604 or farrellb@gao.gov.

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DEFENSE HEALTH CARE

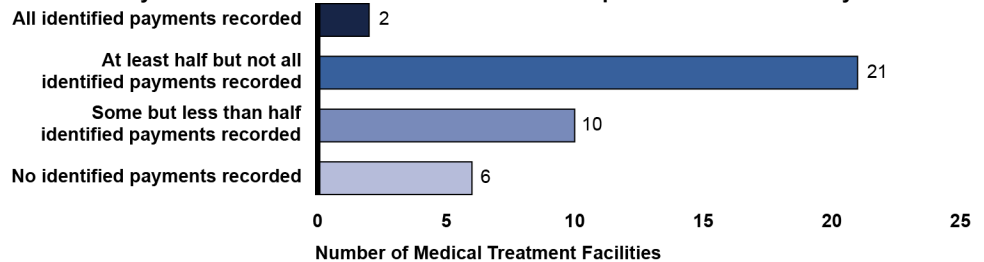
Actions Needed to Improve Billing and Collection of Debt for Civilian Emergency Care

What GAO Found

Department of Defense (DOD) documentation and officials have identified several benefits to providing care to civilian emergency patients at DOD medical treatment facilities (MTFs). For example, providing such care can promote the readiness of military health care providers because it increases the volume of patients they treat and allows them to treat a broader range of cases, including complex cases. However, DOD has not assessed and monitored the extent to which providing emergency medical care to civilians offers the relevant mix and volume of cases needed to maintain readiness. Doing so would better position DOD to determine if continuing or expanding this care maintains readiness.

DOD has limited oversight of billing and collection of debt for civilian emergency care patients. GAO found that MTFs do not always update DOD's billing system to reflect payments collected while debt was with the Department of the Treasury (see figure) because DOD has not issued guidance that clarifies the extent to which MTFs should do so. Without guidance to ensure accurate accounting of billing and collection efforts, DOD leaders risk being unable to account for potentially millions of dollars collected each year. DOD also risks making decisions about civilian care using incomplete information.

Extent to Which Medical Treatment Facilities Updated Department of Defense Billing System to Reflect Payments Collected While Debt Was with the Department of the Treasury



Source: GAO analysis of Department of Defense and Department of Treasury data. | [GAO-22-104770](#)

DOD does not consistently use or communicate options for financial relief for civilian emergency patients, according to GAO's analysis of DOD and Treasury data. Specifically, DOD

- rarely uses certain financial relief options—including waiving or settling medical debt for less than the full amount owed. For example, only the Navy confirmed approving waivers from fiscal years 2016 through 2021, and
- does not consistently inform civilian emergency patients about options to request financial relief, to include waivers or settling of medical debt.

By systematically tracking and monitoring the use of waivers, DOD may better understand the number of waiver requests it receives, the amount of debt it waives, and the circumstances under which it approves them to ensure timeliness and consistency. Additionally, by clearly communicating financial relief options, DOD could help civilian emergency patients better understand those options and pursue them in a timely manner.