Why GAO Did This Report

In its 2001 performance and accountability report on the Department of Veterans Affairs (VA), GAO identified management challenges related to health care quality, access, resource management, and disability claims processing. In addition to these and other continuing challenges, VA must now prepare for biological and chemical acts of terrorism. The information in this report aims to sustain congressional attention and a departmental focus on continuing to make progress in addressing these challenges and ultimately overcoming them. This report is part of a special series of reports on governmentwide and agency-specific issues.

What Remains to Be Done

GAO believes that VA should

- ensure veterans have timely access to needed health care,
- aggressively pursue opportunities to more efficiently use its health care resources,
- establish medical emergency preparedness centers and carry out other activities to prepare for potential terrorist attacks,
- seek solutions to update its disability criteria and continue efforts to improve timeliness and quality of disability claims decisions, and
- successfully execute its information technology strategy to achieve its vision of providing seamless service to veterans and their families.

What GAO Found

VA has taken a number of actions to address its management challenges. VA has greatly increased veterans’ access to health care by opening hundreds of outpatient clinics. While VA has made some progress in improving disability claims processing, GAO has added modernizing federal disability programs to its high-risk list because of fundamental problems with outmoded criteria and the need to address challenges in claims processing. Additional actions are needed for VA to successfully overcome other challenges as well.

- **Ensuring access to quality health care.** Although VA has opened hundreds of outpatient clinics, waiting times are still a significant problem. To help address this, VA has taken several actions including the introduction of an automated system to schedule appointments. VA must also better position itself to meet the changing needs of an aging veteran population by improving nursing home inspections and increasing access to noninstitutional long-term care services.

- **Managing resources and workload to enhance health care delivery.** VA has begun to make more efficient use of its health care resources to serve its growing patient base. However, to meet the growing demand for care, VA must carry out its plan to realign its capital assets and acquire support services more efficiently. At the same time, VA needs to improve its process for allocating resources to its 21 health care networks to ensure more equitable funding. VA must also seek additional efficiencies with the Department of Defense, including more joint purchasing of drugs and medical supplies.

- **Preparing for biological and chemical acts of terrorism.** Following the attacks of September 11, 2001, VA determined that it needed to stockpile pharmaceuticals and improve its decontamination and security capabilities. VA also has new responsibilities to establish four medical emergency preparedness centers.

- **Improving veterans’ disability program.** VA acted to improve its timeliness and quality of claims processing, but is far from achieving its goals. Of greater concern are VA’s outmoded criteria for determining disability and its capacity to handle the increasing number and complexity of claims. VA will need to seek solutions to providing meaningful and timely support to veterans with disabilities.

- **Developing sound departmentwide management strategies to build a high-performing organization.** Since 1997, VA has spent about $1 billion annually on its information technology. VA has established executive support and is making strides in developing an integrated departmentwide enterprise architecture. To safeguard financial, health care, and benefits payment information and produce reliable performance and workload data, VA must sustain this commitment.