

# GAO Highlights

Highlights of [GAO-13-632](#), a report to congressional requesters

## Why GAO Did This Study

VHA's Beneficiary Travel Program is designed to encourage eligible veterans to seek medical care by reducing travel costs to medical appointments. Veterans are eligible to receive reimbursement for some travel expenses, such as mileage, through the program that is administered by VA medical centers. In February 2013, the VA Office of Inspector General identified issues with inadequate management and oversight. VHA has identified the program as susceptible to significant improper payments and has estimated \$71 million in improper payments for fiscal year 2012.

GAO was asked to examine VHA's Beneficiary Travel Program. In this report, GAO examined recent efforts VHA has developed or implemented to improve the program. GAO reviewed documents and interviewed VHA officials about these efforts; and determined whether VHA applied the appropriate internal controls. GAO also reviewed documents and interviewed officials from six VA medical centers, which vary on the basis of fiscal year 2012 mileage reimbursement spending, geographic location, and other factors.

## What GAO Recommends

GAO recommends that VA identify and apply internal controls in its efforts to improve management and oversight of the Beneficiary Travel Program, including ensuring compliance with the Dashboard, evaluating performance indicators for the Beneficiary Travel Analytics Tool, and providing effective communication tools to medical centers for EFT. VA generally agreed with GAO's conclusions and concurred with the recommendation.

View [GAO-13-632](#). For more information, contact Debra A. Draper at (202) 512-7114 or [draperd@gao.gov](mailto:draperd@gao.gov).

July 2013

## VA HEALTH CARE

### Additional Steps Needed to Strengthen Beneficiary Travel Program Management and Oversight

## What GAO Found

The Department of Veterans Affairs' (VA) Veterans Health Administration (VHA) has developed efforts to improve the Beneficiary Travel Program, but lack of internal controls may impede their effectiveness. Specifically, VHA has developed multiple efforts to improve the management and oversight of its process for reimbursing veterans' travel expenses for medical appointments, as well as the timeliness and accuracy of payments, including the following:

- **Dashboard.** Web-based software that determines a veteran's eligibility for travel reimbursement, the amount of any deductibles, and the number of miles from the veteran's residence to the closest VA medical facility. The software is designed to enable VA medical center staff to quickly and consistently calculate veterans' mileage reimbursement.
- **Beneficiary Travel Analytics Tool.** Tool that provides each medical center with reports identifying questionable veteran reimbursement patterns, such as frequently changing addresses on reimbursement claims, which may be done to inappropriately increase travel reimbursement amounts. The reports are intended to help medical centers define and implement facility-level internal controls to reduce improper payments.
- **Electronic Funds Transfer (EFT).** Process to transfer travel reimbursement funds electronically into veterans' bank accounts. This effort implements a Department of the Treasury requirement for federal agencies to convert cash payments to electronic funds payments, and aims to improve efficiency, increase oversight, and reduce the amount of cash on hand.

These efforts are expected to increase the consistency of how the program is administered by medical centers. However, GAO found that internal controls were lacking for some of the efforts, including the following:

- **Monitoring Compliance.** VHA has not developed a plan to ensure medical centers' compliance with the efforts or existing policies. For example, although medical centers are required to use the Dashboard, VHA officials told us they do not have a plan in place to ensure that each medical center is using this new software.
- **Evaluating Performance Indicators.** VHA has not developed a plan for evaluating VHA-wide performance indicators for at least one of its efforts, the Beneficiary Travel Analytics Tool.
- **Providing Effective Communication.** VHA did not provide a communication plan for sharing information on EFT with medical centers and veterans in a timely manner.

Without necessary internal controls in place, VHA cannot ensure that its new efforts will meet its goals, such as improved management and oversight, or that the Beneficiary Travel Program, which has seen spending more than double in the past 5 years—approaching \$1 billion annually—is operating effectively.