United States Government Accountability Office

Report to Congressional Committees

August 2013

VETERANS' HEALTH CARE BUDGET

Improvements Made, but Additional Actions Needed to Address Problems Related to Estimates Supporting President's Request

GAO-13-715

August 2013

VETERANS' HEALTH CARE BUDGET

Improvements Made, but Additional Actions Needed to Address Problems Related to Estimates Supporting President's Request

GAO Highlights

Highlights of GAO-13-715, a report to congressional committees

Why GAO Did This Study

The Veterans Health Care Budget Reform and Transparency Act of 2009 requires GAO to report on the President's annual budget request to Congress for VA health care services. GAO's previous work has focused on issues related to the consistency, transparency, and reliability of information in VA's congressional budget justifications.

Building on GAO's past work and in light of the President's most recent request for VA health care, this report examines (1) changes in how VA used the EHCPM to develop VA's budget estimate supporting the President's budget request for fiscal year 2014 and changes in how VA reported information related to this estimate in its budget justification; (2) key changes to the President's fiscal year 2014 budget request compared to the advance appropriations request for the same year; and (3) the extent to which VA has addressed problems previously identified by GAO related to information in VA's congressional budget justifications. GAO reviewed the President's fiscal year 2014 budget request, VA's fiscal year 2014 budget justification, and VA data. GAO interviewed VA officials and staff from the Office of Management and Budget.

What GAO Recommends

GAO recommends that VA (1) use consistent terminology to label estimates for administrative personnel costs and (2) provide consistent and comprehensive information explaining the costs in each budget category for administrative costs. VA generally agreed with GAO's conclusions and concurred with GAO's recommendations.

View GAO-13-715. For more information, contact Randall Williamson at (202) 512-7114 or williamsonr@gao.gov.

What GAO Found

The Department of Veterans Affairs (VA) expanded the use of the Enrollee Health Care Projection Model (EHCPM) in developing the agency's health care budget estimate that supported the President's fiscal year 2014 budget request. VA expanded the use of the EHCPM by using, for the first time, the model's estimate for the amount of care provided—workload—to develop estimates of the resources needed for 14 long-term care services. However, VA continued to use the most current expenditure data rather than EHCPM estimates for projecting needed resources for these services due to concerns about the reliability of the EHCPM expenditure data. Using this new blended approach, VA used the EHCPM in whole or in part, to develop estimates for 74 health care services that accounted for more than 85 percent of VA's health care budget estimate. Additionally, VA used a new budget category label for its estimate of certain administrative personnel costs, "Administrative Personnel," and identified the types of positions this estimate included. However, VA did not consistently use the new label across its three health care appropriations accounts. Instead, VA used "Administration" and provided no information clarifying the costs included in the estimates. Further, VA did not disclose all the costs included under "Administrative Personnel," nor did VA identify the costs included in one other category containing administrative costs, "Administrative Contract Services." The lack of transparency regarding administrative costs and inconsistent labeling resulted in Congress and other users of VA's budget justification not having clear and complete information regarding the agency's estimates for such costs.

The President's fiscal year 2014 budget request for VA health care services was about $158 million more than the earlier, advance appropriations request for the same year. The estimate for initiatives increased by $1.021 billion and the estimate for ongoing health care services decreased by $519 million. The increase in the initiatives estimate was further offset by $482 million in estimated savings from new acquisition savings and other initiatives, which resulted in a net increase of $20 million. This increase, along with a decrease of $138 million in anticipated resources from collections and reimbursements, resulted in the net increase of $158 million in the President's fiscal year 2014 request.

VA has taken steps to address, in varying degrees, five of the six problems GAO previously identified related to information in VA's budget justification. Specifically, VA has taken steps to improve (1) the transparency of its estimates for initiatives in support of the advance appropriations request, (2) the consistency of the language used to label health care services across its three health care appropriations accounts, (3) the reliability of its estimates for certain facility-related activities, (4) the reliability of its estimate for facility maintenance and improvement, and (5) the reliability of its estimates for proposed savings. However, VA did not address (6) the transparency of its estimates for initiatives and ongoing health care services. While VA improved aspects of the information in its fiscal year 2014 budget justification, it is important that VA ensure that the six recommendations from GAO's prior work regarding such information are fully implemented. Until these recommendations are fully implemented, the problems GAO previously identified will continue to limit for Congress and others the usefulness of information related to the estimates that support the President's budget request for VA health care.

Contents

Figure

Abbreviations

DOD	Department of Defense
EHCPM	Enrollee Health Care Projection Model
NRM	non-recurring maintenance
OMB	Office of Management and Budget
VA	Department of Veterans Affairs

U.S. GOVERNMENT ACCOUNTABILITY OFFICE
441 G St. N.W.
Washington, DC 20548

August 8, 2013

Congressional Committees

The Department of Veterans Affairs (VA) operates one of the largest health care delivery systems in the nation, serving more than 6.3 million patients and spending nearly $54 billion in fiscal year 2012.[1] The amount of funding VA receives for its health care services is determined by Congress in the annual appropriations process, which also provides funds for a wide range of other national programs, such as those supporting defense, education, and transportation. In preparation for the appropriations process VA develops an estimate of the resources needed to provide its health care services for 2 fiscal years.[2] This budget estimate is one step in a complex, multistep budget formulation process, which culminates in an appropriations request for VA health care that updates the earlier, advance appropriations request for the upcoming fiscal year and an advance appropriations request for the next fiscal year in the President's annual budget request to Congress.

[1]VA provides a range of health care services for eligible veterans, including primary care, inpatient and outpatient surgery, prosthetics, mental health services, prescription drugs, and nursing home care. Eligibility is determined on the basis of service-connected disability, income, and other special statuses, such as former prisoners of war, and is used to determine priority for VA services. VA is required to provide a specified set of health care services, including hospital care, to eligible veterans. 38 U.S.C. §§ 1710(a)(1), (2), 1701(5), (6). VA is authorized to provide these health care services to other veterans not identified in these groups. 38 U.S.C. § 1710(a)(3). The population of veterans to whom VA is required to provide nursing home care is more limited than the population to whom VA is required to provide other health care services, although VA also makes nursing home care available to other veterans on a discretionary basis as resources permit. See 38 U.S.C. § 1710A. Requirements for VA health care services are effective in any fiscal year only to the extent and in the amount provided in advance in appropriations acts for such purposes. 38 U.S.C. § 1710(a)(4).

[2]In 2009, the Veterans Health Care Budget Reform and Transparency Act was enacted and provided that VA's annual appropriations for health care include advance appropriations that become available 1 fiscal year after the fiscal year for which the appropriations act was enacted. See Pub. L. No. 111-81, § 3, 123 Stat. 2137, 2137–38 (2009), codified at 38 U.S.C. § 117. The act provided for advance appropriations for VA's Medical Services, Medical Support and Compliance, and Medical Facilities appropriations accounts and directed VA to include with information it provides Congress in connection with the annual appropriations process detailed estimates of funds needed to provide its health care services for the fiscal year for which advance appropriations are to be provided.

The development of VA's health care budget estimate is inherently complex, as assumptions and imperfect information are used to project the likely quantity and cost of the health care services VA expects to provide. VA uses the Enrollee Health Care Projection Model (EHCPM) to develop most of the agency's estimate of the resources needed to meet the expected demand for VA's health care services.[3] VA uses other methods to estimate the remaining resources needed. VA begins to develop its health care estimate approximately 16 months before the President submits the budget request to Congress and VA's projections are made 3 to 4 years into the future using data from the most recently completed fiscal year.[4] As such, VA's budget estimate is prepared in the context of uncertainties about the future—not only about program needs, but also about future economic conditions, presidential policies, and congressional actions that may affect the funding needs in the year for which the request is made. Further, VA's budget estimate is revised during the 16-month budget formulation process in part to account for more current data as well as in response to successively higher level of reviews in VA and the Office of Management and Budget (OMB).[5] This occurs before the President's budget request is submitted to Congress.

In support of the President's request, VA prepares an annual budget justification for Congress. The budget justification provides Congress and other users with estimates and other information that support the policies and spending decisions represented in the President's budget request, including information on what VA plans to achieve with the resources requested. In particular, VA's budget justification includes detailed information on estimates of funding needed for ongoing health care services and health-care-related initiatives proposed by the Secretary of Veterans Affairs and the President. As such, VA's budget justification is used to provide Congress and other users with important information

[3]See GAO, *VA Health Care: VA Uses a Projection Model to Develop Most of Its Health Care Budget Estimate to Inform the President's Budget Request*, GAO-11-205 (Washington, D.C.: Jan. 31, 2011).

[4]For example, in 2012, VA used data from fiscal year 2011 to develop its health care budget estimate for the fiscal year 2014 request, including the advance appropriations request for fiscal year 2015.

[5]The Secretary of Veterans Affairs considers the health care budget estimate when assessing resource requirements among the competing interests within VA, and OMB considers overall resource needs and competing priorities of other agencies when deciding the level of funding to request for VA health care services.

about agency priorities, as well as the implications of the requested amounts for VA's provision of health care services to veterans.

Our prior work has highlighted some of the challenges VA has faced regarding the reliability, transparency, and consistency of its estimates and information supporting the President's budget request for VA health care. For example, in February 2012 we reported that VA's estimated savings from some operational improvements—used to support the President's budget request for fiscal year 2012 and advance appropriations request for fiscal year 2013—lacked analytical support or were flawed, which raised questions regarding the reliability of the estimated savings.[6] We made a recommendation that VA develop a sound methodology for estimating any new operational improvements, and VA concurred with our recommendation.

The Veterans Health Care Budget Reform and Transparency Act of 2009 required us to review the President's budget request to Congress for VA health care services for fiscal year 2014 appropriations and advance appropriations for fiscal year 2015.[7] This report examines: (1) changes in how VA used the EHCPM to develop VA's budget estimate supporting the President's budget request for fiscal year 2014 and reported information related to this estimate in its budget justification, (2) key changes in the President's fiscal year 2014 budget request compared to the advance appropriations request for the same year, and (3) the extent to which VA has addressed problems we have identified related to information included in the agency's congressional budget justification.

To examine changes in how VA used the EHCPM to develop its budget estimate in support of the President's fiscal year 2014 budget request and changes in how VA reported information related to this estimate in its budget justification, we reviewed VA documents that described the

[6]See GAO, *VA Health Care: Methodology for Estimating and Process for Tracking Savings Need Improvement*, GAO-12-305 (Washington, D.C.: Feb. 27, 2012). Proposed savings include savings from operational improvements and management initiatives that are included in VA's budget justifications. For other reports on VA's health care budget, see the Related GAO Products page at the end of this report.

[7]The Veterans Health Care Budget Reform and Transparency Act of 2009 required us to review the President's annual budget request for VA health care. The act required us to report on our review within 120 days after the President's budget requests were submitted in 2011, 2012, and 2013. Pub. L. No. 111-81, § 3, 123 Stat. 2137, 2137–38 (2009), codified at 38 U.S.C. § 117.

estimate projected by the EHCPM and estimates developed for services using other methodologies for fiscal years 2012, 2013, and 2014. We also interviewed VA officials to discuss how the methods, types of data, and assumptions were used to develop VA's health care budget estimate. We also reviewed the President's budget request for VA health care services for fiscal years 2012, 2013, and 2014, including VA's congressional budget justification supporting the President's request for these years.

To examine key changes between the President's fiscal year 2014 budget request and last year's advance appropriations request for fiscal year 2014, we reviewed and analyzed each request as well as VA documents and data related to the estimates that support them. We interviewed VA officials and OMB staff to discuss the key reasons for any differences between the estimates used to support the two requests. Finally, we reviewed the budget justification supporting the President's fiscal year 2014 request in the context of whether it provided Congress relevant information that could have a significant impact on VA achieving its objectives, including what VA plans to achieve with the resources requested.[8] Specifically, we evaluated whether VA informed Congress in its budget justification about key changes that occurred between the President's fiscal year 2014 budget request and the earlier, advance appropriations request for that same year.

To examine the extent to which VA addressed issues we previously identified regarding information in VA's congressional budget justification, we reviewed VA's budget justification that supports the President's fiscal year 2014 budget request. We also reviewed VA documents and data that described and supported the amounts VA estimated for initiatives, non-recurring maintenance (NRM), non-NRM facility-related activities, and proposed savings. We interviewed VA officials and OMB staff to discuss the methods VA used to develop these estimates. In addition, we assessed the amounts estimated for initiatives, NRM, non-NRM activities, and proposed savings in VA's budget justification in the context of federal standards for internal control for information and communication.[9]

[8]The federal standards for internal control for information and communication, in part, refer to an agency's ability to provide relevant information to stakeholders. See GAO, *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington, D.C.: November 1999).

[9]See GAO/AIMD-00-21.3.1.

Specifically, we evaluated whether VA provided Congress reliable information for making decisions based on VA's fiscal year 2014 and 2015 estimates for these activities.

To assess the reliability of VA's estimates, we obtained documents supporting these data and verified the consistency of the information in these documents. We confirmed that the estimates were reflected in the President's fiscal year 2014 budget request for VA health care services and VA's related budget justification. We also relied on our prior work to compare data and check for internal consistency and discussed these data with VA officials. We found the data reliable for the purposes of comparing the fiscal year 2014 President's budget request with the earlier, advance appropriations request for that year and for examining whether the issues we previously identified for NRM and operational improvements continued in the estimates that support the President's fiscal year 2014 year budget request.

We conducted this performance audit from February 2013 through August 2013 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.

Background

VA provides health care services to various veteran populations—including an aging veteran population and a growing number of younger veterans returning from the military operations in Afghanistan and Iraq. VA operates approximately 150 hospitals, 130 nursing homes, 850 outpatient clinics, as well as other facilities to provide care to veterans. In general, veterans must enroll in VA health care to receive VA's medical benefits package—a set of services that includes a full range of hospital and outpatient services, prescription drugs, and long-term care services

provided in veterans' own homes and in other locations in the community.[10]

VA's health care budget estimate includes both the total cost of providing VA health care services as well as estimates of anticipated funding from several sources. These sources include new appropriations, which refer to the appropriations to be provided for the upcoming fiscal year, and with respect to advance appropriations, the next fiscal year. For example, VA estimated it needed $54.6 billion in new appropriations for fiscal year 2014 and $55.6 billion in advance appropriations for fiscal year 2015. In addition to new appropriations, sources of funding include resources expected to be available from unobligated balances and collections and reimbursements that VA anticipates it will receive in the fiscal year.[11] VA's collections include third-party payments from veterans' private health care insurance for the treatment of nonservice-connected conditions and veterans' copayments for outpatient medications. VA's reimbursements include amounts VA receives for services provided under service agreements with the Department of Defense (DOD).

In its budget justification, VA includes estimates related to the following:

- **Ongoing health care services**, which include acute care, rehabilitative care, mental health, long-term care, and other health care programs.[12]

[10]VA provides adult day care, respite care, and other noninstitutional long-term care services as part of the medical benefits package it provides to all enrolled veterans. See 38 U.S.C. §§ 1701(6)(E), 1710B; 38 C.F.R. § 17.38. VA also provides some services that are not part of its medical benefits package, such as long-term care provided in nursing homes.

[11]In addition to new appropriations that VA may receive from Congress as a result of the annual appropriations process, funding may also be available from unobligated balances of multiyear appropriations, which remain available for a fixed period of time in excess of 1 fiscal year. For example, VA's fiscal year 2013 appropriations provided that about $1.95 billion be available for 2 fiscal years. These funds may be carried over from fiscal year 2013 to fiscal year 2014 if they are not obligated by the end of fiscal year 2013. See Pub. L. No. 113-6, div. E, tit. II, § 226(b), 127 Stat. 198, 407 (2013).

[12]Based on fiscal year 2012 data, the largest of VA's other services was the Civilian Health and Medical Program of the Department of Veterans Affairs, which provides health care coverage for the dependents and survivors of veterans who are, or were at the time of death, permanently and totally disabled from a service-connected disability, or who died in the line of duty or from a service-connected condition. See 38 U.S.C. § 1781.

- **Initiatives**, which are proposals by the Secretary of VA, the President, or Congress to provide, expand, or create new health care services. Some of the proposed initiatives can be implemented within VA's existing authority, while other initiatives would require a change in law.[13]

- **Proposed savings**, which are changes in the way VA manages its health care system to lower costs, such as changes to its purchasing and contracting strategies.

- **Collections and reimbursements**, which are resources VA expects to collect from health insurers of veterans who receive VA care for nonservice-connected conditions and other sources, such as veterans' copayments, and resources VA expects to receive as reimbursement of services provided to other government agencies or private or nonprofit entities.

Each year, Congress provides funding for VA health care through three appropriations accounts:

- **Medical Services**, which funds health care services provided to eligible veterans and beneficiaries in VA's medical centers, outpatient clinic facilities, contract hospitals, state homes, and outpatient programs on a fee basis.

- **Medical Support and Compliance**, which funds the management and administration of VA's health care system—including financial management, human resources, and logistics.

- **Medical Facilities**, which funds the operation and maintenance of the VA health care system's capital infrastructure, such as costs associated with NRM, utilities, facility repair, laundry services, and groundskeeping.

Advance appropriations for fiscal year 2014 for the three accounts were made in the following proportions: Medical Services at 80 percent, Medical Support and Compliance at 11 percent, and Medical Facilities at 9 percent.

[13]Initiatives include estimates reported under "Congressional Actions," "Initiatives," and "Legislative Proposals" in VA's fiscal year 2014 budget justification.

In our prior work reviewing the President's budget requests for VA health care services, we have reported on a variety of problems related to the reliability, transparency, and consistency of VA's estimates and information included in its congressional budget justifications. In June 2012 we reported that in its fiscal year 2013 budget justification VA was not transparent about the agency's fiscal year 2013 estimates for initiatives and ongoing health care services as well as VA's estimate for initiatives in support of the fiscal year 2014 advance appropriations request.[14] We also raised concerns regarding the reliability of VA's fiscal year 2013 estimate for NRM, which did not address the long-standing pattern in which VA's NRM spending has exceeded the agency's estimates.[15] VA concurred with a recommendation we made to improve the transparency of its estimates for initiatives and ongoing health care services, but did not concur with a recommendation related to the transparency of the agency's initiative estimate in support of the advance appropriations request. VA also concurred with a third recommendation we made to improve the reliability of the agency's NRM estimates. In September 2012 we also found that VA did not label health care services consistently in its budget justifications so that it was clear what services were being referred to across appropriations accounts.[16] VA agreed with our recommendation to improve the consistency of the labels used for health care services. Most recently, in February 2013 we raised concerns about the reliability of VA's estimates for non-NRM facility-related

[14]See GAO, *Veterans' Health Care Budget: Transparency and Reliability of Some Estimates Supporting President's Request Could Be Improved*, GAO-12-689 (Washington, D.C.: June 11, 2012).

[15]NRM funds are used for expansion, renovation, and infrastructure improvements of VA health care facilities that cost more than $25,000. Examples include upgrades to safety, security, and fire alarms; interior or exterior renovations; improving accessibility for patients with disabilities; improvements to the heating, ventilation, and air conditioning; and projects to improve the roads or grounds.

[16]See GAO, *Veterans' Health Care Budget: Better Labeling of Services and More Detailed Information Could Improve the Congressional Budget Justification*, GAO-12-908 (Washington, D.C.: Sept. 18, 2012).

activities.[17] We made a recommendation to improve the reliability of these estimates, and VA concurred with our recommendation.

VA Expanded the Use of the EHCPM to Develop Its Health Care Budget Estimate and Changed How It Reported Information on Certain Administrative Costs

VA Expanded the Use of the EHCPM by Using a Blend of EHCPM Estimates of Care Provided and Current Spending Data for Most Long-Term Care Services

VA expanded the use of the EHCPM by using estimates of the amount of care provided—which is known as workload—from the EHCPM to estimate resources needed for 14 long-term care services for fiscal years 2014 and 2015.[18] VA included the 14 long-term care services in the EHCPM, but the agency did not use the estimates of needed resources developed for fiscal years 2014 and 2015 because, according to VA officials, the EHCPM expenditure estimates were determined to be too high to produce reliable estimates of needed resources in light of current expenditure data. As an alternative, the estimates for fiscal years 2014 and 2015 were based on the most current expenditure data available, as VA has done in prior years, and workload estimates from the EHCPM.[19]

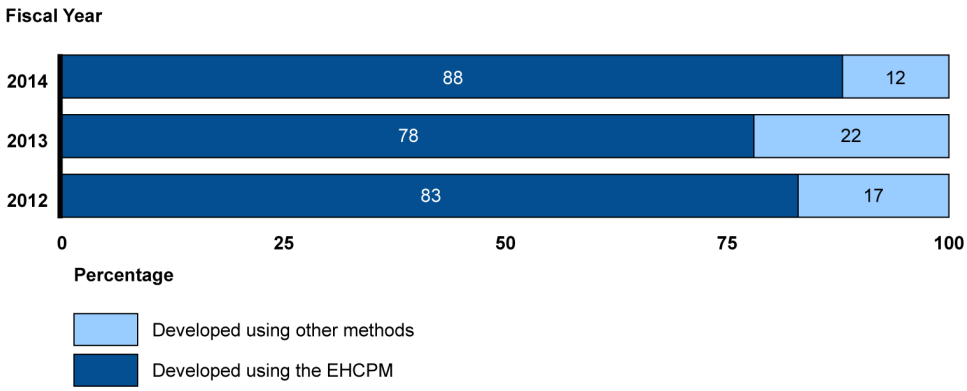
[17]See GAO, *Veterans' Health Care: Improvements Needed to Ensure That Budget Estimates Are Reliable and That Spending for Facility Maintenance Is Consistent with Priorities*, GAO-13-220 (Washington, D.C.: Feb. 22, 2013). Non-NRM facility-related activities are activities other than NRM funded from the Medical Facilities account, such as utilities and janitorial services.

[18]These long-term care services included institutional services provided at VA community living centers and community nursing homes and noninstitutional services, such as home-based primary care and home hospice care.

[19]In prior years, according to VA officials, workload estimates for long-term care services were developed by the Geriatrics and Extended Care program office by trending actual workload from recent years.

As a result of this blended approach, VA used the EHCPM, in part or in whole, to develop estimates for 74 health care services that accounted for more than 85 percent of VA's budget estimate supporting the President's fiscal year 2014 budget request for VA health care. This represents an increase compared to last year when VA used the EHCPM to estimate needed resources for 59 health care services, or approximately 78 percent of the agency's fiscal year 2013 budget estimate. (See fig. 1.)

Figure 1: Percentage of VA's Health Care Budget Estimate Developed Using the Enrollee Health Care Projection Model (EHCPM) and Other Methods, Fiscal Years 2012 through 2014



Source: GAO analysis of VA data.

Notes: The 88 percent for fiscal year 2014 includes the 14 long-term care services for which VA used the EHCPM workload estimate but used costs from outside the model rather than EHCPM expenditure estimates.

While the EHCPM accounted for a larger proportion of VA's health care budget that supports the President's budget request, revisions were made to the estimates developed by the EHCPM and other methods. As we have previously reported, these revisions resulted from the iterative and multilevel review process in VA and OMB and reflect the policy decisions and more current information, among other things.

VA Was Inconsistent in Reporting Certain Administrative Costs among Its Three Appropriations Accounts

Another change in VA's fiscal year 2014 budget justification was how VA reported its estimate for certain administrative costs. In prior budget justifications, VA has reported its estimates for administrative personnel costs under "Administration" and estimates for administrative contracts under "Administrative Contract Services." VA reported estimates for these administrative costs in each of the three appropriations accounts as well as for "Medical Care," which reported the total costs for "Administration"

and “Administrative Contract Services” across all three accounts. In its fiscal year 2014 budget justification, VA used a new budget category label—“Administrative Personnel”—when reporting estimated costs related to administrative personnel. VA also identified some of the costs reported under the new label by providing examples of the types of positions the agency considers administrative personnel, such as filing clerks, receptionists, police staff, chaplains, and other staff that are necessary for the effective operations of VA medical facilities.

However, VA did not consistently use the new “Administrative Personnel” label in its fiscal year 2014 budget justification. VA used the new label when reporting its Medical Care estimate for administrative personnel costs, but not when reporting the agency’s estimates for each of the three appropriations accounts. Instead, VA used the label “Administration,” even though the estimates reported under this label—$2.0 billion for Medical Services, $3.5 billion for Medical Support and Compliance, and $366 million for Medical Facilities—represented the same personnel costs in the estimate of $5.9 billion reported for “Administrative Personnel.” (See table 1.) VA officials explained that the use of “Administrative Personnel” was incorrect and that the “Administration” label will be used in future budget justifications. The inconsistency for reporting estimates for these costs may imply that VA used different labels to report estimates for different administrative costs. As such, the costs reported under these labels are unclear to Congress and other users of VA’s budget justification.

Table 1: Comparison of Labels Used in VA's Congressional Budget Justification for Administrative Personnel Costs, Fiscal Years 2013 and 2014 (Dollars in Millions)

Excerpt from VA's fiscal year 2013 congressional budget justification

Medical Care		Health Care Appropriations Accounts					
		Medical Services		Medical Support and Compliance		Medical Facilities	
Description	Fiscal year 2013 estimate	Description	Fiscal year 2013 estimate	Description	Fiscal year 2013 estimate	Description	Fiscal year 2013 estimate
Administration	$5,506	Administration	$1,856	Administration	$3,169	Administration	$481

Excerpt from VA's fiscal year 2014 congressional budget justification

Medical Care		Health Care Appropriations Accounts					
		Medical Services		Medical Support and Compliance		Medical Facilities	
Description	Fiscal year 2014 estimate	Description	Fiscal year 2014 estimate	Description	Fiscal year 2014 estimate	Description	Fiscal year 2014 estimate
Administrative personnel[a]	$5,873	Administration	$2,026	Administration	$3,481	Administration	$366

Source: GAO presentation of VA data from its fiscal year congressional budget justification.

[a]VA included a table note for Administrative Personnel identifying examples of the types of positions the agency considers administrative personnel—"The Administrative Personnel category includes filing clerks, HR specialists, finance, billing and collection staff, secretaries and receptionists, telephone operators, general managers, police staff, chaplains and other staff that are necessary for the effective operations of VA medical facilities."

In addition to inconsistent labeling, VA also was not consistent in its reporting of information on the types of personnel positions included in the agency's estimates for administrative personnel costs reported. VA provided information on the types of personnel positions included in the total estimate for administrative personnel costs under the budget category label "Administrative Personnel," but did not provide similar information for the estimates for each appropriations account labeled under "Administration." By not providing information on the types of positions included in these estimates, VA was not transparent about how the information that was provided applied to the estimates of administrative personnel costs in each of the appropriations accounts. For example, it is unclear to what extent police staff and chaplains will be funded across the three appropriations accounts.

Further, VA did not provide complete information on the costs included in its estimates for "Administrative Personnel" and "Administrative Contract Services." Regarding its estimate for "Administrative Personnel" VA did not disclose that this estimate reflected other costs in addition to those

costs associated with administrative personnel. According to VA officials, these other costs include those associated with administrative training programs and summer employment programs and are relatively small compared to the total estimate for "Administrative Personnel." Regarding its estimates for "Administrative Contract Services" VA provided no information in its budget justification on the types of costs—which include contracts for maintenance of information technology and videoconferencing systems, management and professional services, laundry and dry-cleaning services, and janitorial services—reflected in the estimates. By not providing complete information on the costs included in its estimates for "Administrative Personnel" and "Administrative Contract Services," VA was not transparent about all the costs reflected in these estimates. The lack of transparency regarding the costs included in its estimate of $5.9 billion for administrative personnel and its estimate of $2.3 billion for administrative contracts is inconsistent with the House Appropriations Committee's recent request that more information on administrative costs be included in VA's congressional budget justification and results in incomplete information for congressional deliberation.[20]

Increase in the Request Compared to the Earlier, Advance Appropriations Request Reflected Changes VA Made to Supporting Estimates

The President's fiscal year 2014 budget request for VA health care services was $54.6 billion, about $158 million more than the earlier, advance appropriations request for the same year. This increase came as a result of changes made to the estimate supporting the fiscal year 2014 request compared to the estimate for the advance appropriations request. Specifically, the President's fiscal year 2014 request reflected an estimate of funding needed for initiatives that increased by $1.021 billion and an estimate for ongoing health care services that decreased by $519 million. This increase in the initiatives estimate was further offset by an estimate of $482 million in proposed savings from operational improvements and management initiatives, which resulted in a net increase in expected total obligations of $20 million. A decrease of $138 million in anticipated resources from collections and reimbursements with the increase in expected total obligations resulted in the net increase in the President's request of $158 million. (See table 2.)

[20]See H.R. Rep No. 112-491, at 47 (2012) and H.R. Rep. No. 113-90, at 48 (2013).

Table 2: Comparison of the Estimates Supporting the President's Advance Appropriations Request and the President's Budget Request, Fiscal Year 2014

Dollars in millions

Description	President's fiscal year 2014 advance appropriations request	President's fiscal year 2014 budget request	Effect of the difference in estimates on President's fiscal year 2014 budget request
Initiatives[a]	$2,050	$3,071	$1,021
Ongoing health care services[b]	$55,879	$55,360	($519)
Proposed savings[c]	$0	($482)	($482)
Total obligations[d]	**$57,929**	**$57,949**	**$20**
Collections and reimbursements[e]	($3,467)	($3,329)	$138
Total requested appropriations	**$54,462**	**$54,620**	**$158**

Source: GAO analysis of VA's congressional budget justification for fiscal year 2014 and VA's congressional budget justification for fiscal year 2013—which supported the President's advance appropriations request for fiscal year 2014.

[a]Initiatives are proposals by the Secretary of VA, the President, or Congress to provide, expand, or create new health care services. Some of the proposed initiatives can be implemented within VA's existing authority, while other initiatives would require a change in law. Initiatives include estimates reported under "Congressional Action," "Initiatives," and "Legislative Proposals" in VA's fiscal year 2014 budget justifications.

[b]Ongoing health care services include VA's total estimated spending for health care services such as acute care, rehabilitative care, and mental health, as well as its total estimated spending for long-term care, and other health care programs. It also includes other amounts that are incorporated into VA's estimate for its health care services, such as past savings VA realized from operational improvements and a $15 million transfer from VA to the Department of Defense (DOD)-VA Health Care Sharing Incentive Fund. The DOD-VA Health Care Sharing Incentive Fund was created to encourage development of sharing initiatives at the facility, intra-regional, and nationwide levels. The Secretary of Veterans Affairs and Secretary of Defense are each required to contribute a minimum of $15 million, annually, from the funds appropriated to VA and DOD, respectively. See 38 U.S.C. § 8111(d).

[c]Proposed savings include savings from new acquisition savings and other initiatives that would reduce total obligations. As proposed savings reduce total obligations, an increase in proposed savings between the advance appropriation and budget request estimate has the effect of decreasing VA's expected obligations.

[d]Total obligations refers to the amount of funding VA expected to be obligated to provide health care services.

[e]Collections and reimbursements include amounts VA expects to collect for certain costs of providing health care services from third parties, such as private health insurers, and veterans' copayments. These amounts reduce the total amount VA requests in appropriations. As such, a reduction in the amount VA estimates for collections and reimbursements increases its total requested appropriations.

The following summarizes the changes in VA's estimates resulting in the net change of $158 million:

- **Increase in the estimated funding needed for initiatives.** According to VA officials, as a result of the reduced estimate for ongoing health care services and the estimated savings from management initiatives and operational improvements, VA increased the estimate of funding needed for its initiatives to end homelessness

among veterans, create new models of patient-centered care, and improve veteran mental health, among others. This estimate reflected funding needed for initiatives for which funding was not requested in the fiscal year 2014 advance appropriations request.

- **Decrease in the estimate for ongoing health care services.** VA used updated assumptions and data in the EHCPM, which lowered its estimate for ongoing health care services.[21] For example, VA updated its assumption for civilian employees' pay in fiscal years 2013 and 2014 to account for the pay freeze which reduced the projected base salary of VA employees for these fiscal years and into the future. VA also used updated data from the most recently completed fiscal year to help ensure that its estimates better reflect current experience.[22]

- **Increase in estimates of proposed savings from new acquisition savings and other initiatives.** VA identified $482 million in estimated savings as a result of new initiatives, such as capping travel for VA employees at 2013 budgeted levels, and other operational improvements.[23] These savings further reduced expected total obligations compared to the earlier advance appropriations request for fiscal year 2014.[24]

- **Reduction in estimate for collections and reimbursements.** The reduction in collections and reimbursements primarily reflected a decrease in the amount VA anticipated receiving from reimbursements, which include fees for services provided under

[21]As previously discussed, VA used workload estimates from the EHCPM and 2012 actual data to determine its estimates of resources needed for long-term care services. Therefore, the decrease in estimated spending on long-term care services may also be attributed, in part, to the 2012 actual data.

[22]VA's fiscal year 2014 advance appropriations request used 2010 data, while the 2014 budget request used 2011 data.

[23]According to officials, VA has established "Employee Travel Targets" and is monitoring execution to ensure the targeted reduction is achieved in fiscal year 2013. These targets will serve as the cap for spending on employee travel in fiscal year 2014.

[24]Proposed savings reduce VA's expected total obligations. Likewise, an increase in the estimates of proposed savings between the advance appropriations request and budget request has the effect of decreasing VA's total obligations estimate.

service agreements with DOD.[25] According to VA officials, the change to VA's estimates for reimbursements was based on the use of more current data and the fact that VA no longer assumes it will be able to achieve reimbursement "recoveries" from prior fiscal years.[26]

Steps Taken to Improve the Transparency, Consistency, and Reliability of Information and Estimates in VA's Budget Justification

VA took steps to address, in varying degrees, five of the six problems we previously identified related to the reliability, transparency, and consistency of information in VA's congressional budget justification. (See table 3.)

[25]VA reduced its estimated reimbursements by $151 million for fiscal year 2014 from the estimate reflected in the advance appropriations request for that year. However, $13 million of this decrease was offset by an estimated increase in collections in fiscal year 2014 compared to the estimate reflected in the advance appropriations request.

[26]VA did not achieve estimated prior year recoveries of unobligated balances of "no year" funds in fiscal year 2012 and, according to VA officials, does not anticipate being able to do so in future years.

Table 3: Problems GAO Previously Identified Related to Estimates Supporting the President's Budget Requests, Related GAO Recommendations, and Steps Taken to Address

Problem previously identified	Related recommendation / VA concurrence with recommendation	Steps taken to address recommendation
Transparency for VA's estimates for initiatives in support of the advance appropriations request[a]	State in future budget justifications whether the estimates for initiatives in support of the advance appropriations request reflect all the funding that may be required if all initiatives are to be continued. VA did not concur with this recommendation.	VA included a statement in its fiscal year 2014 budget justification that indicated the estimate for initiatives did not reflect all the funding that may be required if the initiatives are to be continued.
Consistency of language used to label health care services[b]	Label health care services consistently so it is clear what services, such as mental health, are being referred to across appropriations accounts. VA concurred with this recommendation.	VA used to consistent labels for mental health and other services throughout its fiscal year 2014 budget justification.
Reliability of estimates for non-NRM facility-related activities[c]	Determine why recent justifications have overestimated spending for non-NRM activities and incorporate the results to improve future budget estimates for such activities. VA concurred with this recommendation.	VA updated assumptions used to predict growth for non-NRM facility-related activities to better reflect recent spending for such activities.
Reliability of estimates for non-recurring maintenance (NRM)[a]	Reflect in future budget justifications estimates of annual resource needs for NRM that fully account for resources that VA medical facilities have consistently spent for this purpose. VA concurred with this recommendation.	According to VA officials, the agency revised its method for estimating NRM and reduced its overall estimate for the Medical Facilities account, which includes NRM. Doing so could potentially decrease the availability of additional resources for VA medical facilities to spend on NRM beyond VA's fiscal year 2014 estimate. Additional spending for NRM in the past has come from other available funds from the Medical Facilities account, so a decrease in VA's overall estimate for the account could potentially reduce availability of additional resources for NRM in fiscal years 2014 and 2015, according to VA officials.
Reliability of estimates for proposed savings[d]	Develop a sound methodology for estimating saving from new operational improvements. VA concurred with this recommendation.	The information reviewed on VA's methodology for proposed savings for fiscal year 2014 indicated some steps have been taken to address some of our prior concerns regarding the reliability of the proposed savings estimate.
Transparency of estimates for initiatives and ongoing health care services[a]	State in future budget justifications whether the estimates for initiatives include funding for ongoing health care services. VA concurred with this recommendation.	None. VA did not disclose in its fiscal year 2014 budget justification that VA's estimate for initiatives included funding for certain ongoing health care services.

Source: GAO analysis of VA data.

[a]GAO, *Veterans' Health Care Budget: Transparency and Reliability of Some Estimates Supporting President's Request Could Be Improved*, GAO-12-689 (Washington, D.C.: June 11, 2012).

[b]GAO, *Veterans' Health Care Budget: Better Labeling of Services and More Detailed Information Could Improve the Congressional Budget Justification*, GAO-12-908 (Washington, D.C.: Sept. 18, 2012).

[c]GAO, *Veterans' Health Care: Improvements Needed to Ensure That Budget Estimates Are Reliable and That Spending for Facility Maintenance Is Consistent with Priorities*, GAO-13-220 (Washington, D.C.: Feb. 22, 2013).

[d]GAO, *VA Health Care: Methodology for Estimating and Process for Tracking Savings Need Improvement*, GAO-12-305 (Washington, D.C.: Feb. 27, 2012).

Specifically, VA took steps to address five of our six prior recommendations to improve estimates and information supporting the President's fiscal year 2014 budget request:

- **Transparency for VA's estimates for initiatives in support of the advance appropriations request.** VA improved the transparency of its estimate for initiatives in support of the advance appropriations request by including a statement in the agency's budget justification that indicated the estimate for initiatives did not reflect all the funding that may be required if the initiatives are to be continued. In June 2012, we reported that VA did not make it clear that part of the increase in its fiscal year 2013 initiatives estimate occurred because VA's earlier estimate in support of the advance appropriations request did not include funding for all the initiatives the agency intended to continue.[27] We recommended that VA improve the transparency of its estimate for initiatives in support of the advance appropriations request by stating whether these estimates reflect all the funding that may be required if all initiatives are to be continued. Even though the agency did not concur with our recommendation, VA in its fiscal year 2014 budget justification stated that the final estimate for initiatives would be determined during the fiscal year 2015 budget process when updated data on initiatives were available. By clearly stating that its estimates for initiatives in support of the advance appropriations request will be addressed in the subsequent year's budget process, VA provided new information relevant to understanding the estimates.

- **Consistency of language used to label health care services.** VA improved the consistency of the language used to label health care services throughout its budget justification. In a September 2012 report, we found that VA used inconsistent labels when referring to the same health care services at different places in its fiscal year 2013

[27]See GAO-12-689.

budget justification.[28] For example, VA referred to mental health services as "psychiatric care" in the detailed presentation of the Medical Support and Compliance and Medical Facilities accounts and referred to the same services as "mental health" in the detailed presentation for the Medical Services account. We recommended that VA label health care services consistently so it would be clear which services were being referred to across appropriations accounts. VA concurred with our recommendation. In its fiscal year 2014 budget justification, VA used the same label for mental health, inpatient, and other services across all three appropriations accounts, which it had not previously done. In doing so, VA improved both the clarity and usefulness of the information included in its budget justification.

- **Reliability of estimates for non-NRM facility-related activities.** VA improved the reliability of its estimates for non-NRM facility-related activities. In a February 2013 report, we found that lower than estimated spending for non-NRM facility-related activities, such as utilities and janitorial services, allowed VA to spend significantly more on NRM than it originally estimated in recent years. We recommended that VA determine why it has overestimated spending for non-NRM and use the results to improve future, non-NRM budget estimates. VA concurred with this recommendation. According to VA officials, the agency updated assumptions it used to predict growth for non-NRM facility-related activities in order to better reflect VA's experience during the last 3 to 5 fiscal years. For example, in prior years, VA has estimated spending between $700 and $900 million on "Administrative Contract Services," which was at least $360 million more than VA's actual spending for this category. VA's fiscal year 2014 estimate of $395 million for "Administrative Contract Services" appears to be a more reliable estimate of spending based on recent experience. By improving the reliability of information presented in its congressional budget justification regarding non-NRM facility-related activities, as we previously recommended, VA improved the usefulness of such information.[29]

- **Reliability of estimates for NRM.** According to VA officials, the agency also has taken steps to improve the reliability of its fiscal year 2014 NRM estimate. In June 2012, we reported that VA's NRM

[28]See GAO-12-908.

[29]See GAO-13-220.

spending has historically exceeded NRM estimates because these estimates have not consistently accounted for additional NRM spending by VA medical facilities.[30] According to officials, VA's estimate for NRM was based on a policy decision. We recommended that VA improve the reliability of its estimates for NRM by accounting for resources that VA medical facilities have consistently spent for this purpose. VA concurred with our recommendation. According to VA officials, the agency revised its method for estimating NRM and reduced its overall estimate of spending for the Medical Facilities account, which includes NRM. Specifically, VA officials indicated that the agency revised its method for estimating NRM to better account for expected spending. The resulting NRM estimate, combined with the previously discussed reduction in its non-NRM estimate, resulted in a decrease in estimated spending for VA's Medical Facilities account. In prior years, additional NRM spending was the result of VA medical facilities using funds from the Medical Facilities account on NRM that were originally expected to be spent on other activities—such as utilities, grounds maintenance, and janitorial services. Reductions in the overall amount available from the Medical Facilities account would reduce the amount available for additional spending for NRM, so a decrease in VA's overall estimate for its Medical Facilities account could potentially reduce the availability of additional resources for NRM beyond its fiscal year 2014 estimate.

- **Reliability of estimates for proposed savings.** VA has taken steps to address some, but not all, of our prior concerns regarding the reliability of its estimates for proposed savings, which included savings from operational improvements and management initiatives. In a February 2012 report, we determined that some of the estimates for operational improvements included in VA's fiscal year 2012 budget justification may not have been reliable estimates of future savings. We concluded that without a sound methodology VA ran the risk of falling short of its estimated savings, which may ultimately require VA to make difficult trade-offs to provide health care services with the available resources.[31] We recommended that VA develop a sound methodology for estimating proposed savings from its operational improvements. VA concurred with the recommendation and officials

[30]In fiscal years 2011 and 2012, VA spent about $2.0 billion and $1.5 billion respectively on NRM—significantly exceeding its estimated spending for these years.

[31]See GAO-12-305.

told us during our prior review that the agency was working to address deficiencies in its methodology for estimating these savings. The information that we reviewed on VA's methodology for estimating proposed savings for fiscal year 2014 to date confirmed that VA has taken some steps to address our prior concerns. For example, VA provided a basis for the assumptions used to calculate some of its proposed savings from acquisitions and employee travel. However, the information did not indicate that VA had fully implemented our recommendation for all operational improvements and management initiatives included in the estimates for proposed savings.

In regard to the sixth problem we identified, VA did not address a lack of transparency we previously found regarding its estimates for initiatives and ongoing health care services. In June 2012, we reported that VA did not disclose that it used a new reporting approach that combined both funding for initiatives and funding for certain ongoing health care services in its initiatives estimate.[32] We recommended that VA improve the transparency of its estimates for initiatives and ongoing health care services by stating whether the estimates for initiatives included funding for ongoing health care services. VA concurred with our recommendation. According to officials, VA used the same reporting approach for initiatives in its fiscal year 2014 budget justification as the agency used in its fiscal year 2013 budget justification. However, we found no statement in the budget justification indicating this or more specifically whether the estimates for initiatives included funding for ongoing health care services. By not stating in its budget justification whether the estimates for initiatives included funding for ongoing health care services, VA was not transparent about the total amount of funding the agency may need in fiscal year 2014 for ongoing health care services that would require funding regardless of whether funding for certain initiatives continued.

Conclusions

In its congressional budget justification, VA provides Congress and other users with information on the agency's health care budget estimate and other information that supports the policies and spending decisions represented in the President's budget request. In response to our prior work, VA has taken steps to improve the consistency, reliability, and transparency of its estimates and information supporting the President's

[32]See GAO-12-689.

budget request for VA health care. In particular, VA has taken steps to improve (1) the transparency of its estimates for initiatives in support of the advance appropriations request, (2) the consistency of its language used to label health care services, (3) the reliability of the estimates for other facility-related activities funded through the Medical Facilities account, (4) the reliability of its estimates for NRM, and (5) the reliability of proposed savings from operational improvements and management initiatives. However, VA did not indicate whether the estimates it reports for initiatives included funding needed for ongoing health care services, as we previously recommended. While VA has addressed to varying degrees the problems we previously identified, it is important that VA ensure that the recommendations from our prior work regarding the information and estimates in VA's budget justification are fully implemented. Until these recommendations are fully implemented, the problems we previously identified will continue to limit the usefulness of related information to Congress and other users of VA's budget justification.

In addition, our work shows that VA made key changes to its budget methodology—namely, VA used the EHCPM, in part, to develop estimates for most long-term care services. VA also changed how the agency reported its estimates for administrative costs, although VA did not do so consistently and comprehensively throughout its fiscal year 2014 budget justification. VA introduced a new budget category label "Administrative Personnel" for reporting its total estimate for administrative personnel costs, but used the old "Administration" label when reporting estimates for the same costs in each of VA's three health care appropriations accounts. Additionally, VA defined some of the costs included in the "Administrative Personnel" label, but did not do so for "Administration" or "Administrative Contract Services" in its budget justification. This lack of transparency as well as the inconsistent labeling of administrative personnel costs results in unclear and incomplete information that limits its usefulness to Congress and other users of VA's budget justification.

Recommendations for Executive Action

To improve the clarity and transparency of information in VA's congressional budget justifications that support the President's budget request for VA health care, we recommend the Secretary of Veterans Affairs take the following two actions:

- use consistent terminology to label estimates of administrative personnel costs and

- provide consistent and comprehensive information explaining the costs included in each budget category for administrative costs.

Agency Comments

We provided a draft of this report to VA and OMB for comment. In its written comments—reproduced in appendix I—VA generally agreed with our conclusions and concurred with our recommendations. In concurring with our first recommendation regarding terminology to label estimates of administrative personnel costs, VA stated that it will incorporate consistent terminology to label estimates for administrative and personnel costs in the fiscal year 2015 President's budget request. In concurring with our second recommendation regarding information explaining the costs included in administrative costs, VA stated that it will provide consistent and comprehensive information explaining the costs included in each budget category for administrative costs in the fiscal year 2015 President's budget request. OMB had no comments.

We are sending copies of this report to the Secretary of Veterans Affairs and the Director of the Office of Management and Budget, and appropriate congressional committees. In addition, the report will be available at no charge on the GAO website http://www.gao.gov.

If you or your staff have any questions about this report, please contact Randall B. Williamson at (202) 512-7114 or williamsonr@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs are on the last page of this report. GAO staff who made major contributions to this report are listed in appendix II.

Randall B. Williamson
Director, Health Care

List of Committees

The Honorable Patty Murray
Chairman
The Honorable Jeff Sessions
Ranking Member
Committee on the Budget
United States Senate

The Honorable Bernie Sanders
Chairman
The Honorable Richard Burr
Ranking Member
Committee on Veterans' Affairs
United States Senate

The Honorable Tim Johnson
Chairman
The Honorable Mark Kirk
Ranking Member
Subcommittee on Military Construction,
Veterans' Affairs, and Related Agencies
Committee on Appropriations
United States Senate

The Honorable Paul Ryan
Chairman
The Honorable Chris Van Hollen
Ranking Member
Committee on the Budget
House of Representatives

The Honorable Jeff Miller
Chairman
The Honorable Michael Michaud
Ranking Member
Committee on Veterans' Affairs
House of Representatives

The Honorable John Culberson
Chairman
The Honorable Sanford Bishop, Jr.
Ranking Member
Subcommittee on Military Construction,
Veterans' Affairs and Related Agencies
Committee on Appropriations
House of Representatives

Appendix I: Comments from the Department of Veterans Affairs

DEPARTMENT OF VETERANS AFFAIRS
Washington, DC 20420

July 24, 2013

Mr. Randall Williamson
Director, Health Care
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Williamson:

The Department of Veterans Affairs (VA) has reviewed the Government Accountability Office's (GAO) draft report, ***"VETERANS' HEALTH CARE BUDGET: Improvements Made, but Additional Actions Needed to Address Problems Related to Estimates Supporting President's Request"*** (GAO-13-715). VA generally agrees with GAO's conclusions and concurs with GAO's two recommendations to the Department.

The enclosure specifically addresses GAO's two recommendations and provides an action plan for each. VA appreciates the opportunity to comment on your draft report.

Sincerely,

Jose D. Riojas
Interim Chief of Staff

Enclosure

Enclosure

Department of Veterans Affairs (VA) Response to
Government Accountability Office (GAO) Draft Report
"VETERANS' HEALTH CARE BUDGET: Improvements Made, but Additional Actions Needed to Address Problems Related to Estimates Supporting President's Request"
(GAO-13-715)

GAO Recommendation: To improve the clarity and transparency of information in VA's congressional budget justifications that support the President's budget request for VA health care, GAO recommends the Secretary of Veterans Affairs take the following two actions:

- **use consistent terminology to label estimates of administrative personnel costs.**

VA Response: Concur. The Department of Veterans Affairs (VA) will incorporate consistent terminology to label estimates of administrative and personnel costs in the fiscal year (FY) 2015 President's Budget submission, scheduled to be released February 2014. Target completion date: February 3, 2014.

- **provide consistent and comprehensive information explaining the costs included in each budget category for administrative costs.**

VA Response: Concur. VA will provide consistent and comprehensive information explaining the costs included in each budget category for administrative costs in the FY 2015 President's Budget submission, scheduled to be released February 2014. Target completion date: February 3, 2014.

Appendix II: GAO Contact and Staff Acknowledgments

GAO Contact

Randall B. Williamson, Director, Health Care, (202) 512-7114, williamsonr@gao.gov

Staff Acknowledgments

In addition to the contact named above, James C. Musselwhite and Melissa Wolf, Assistant Directors; Kye Briesath, Krister Friday, Aaron Holling, Felicia Lopez, Lisa Motley, and Brienne Tierney made key contributions to this report.

Related GAO Products

Veterans' Health Care: Improvements Needed to Ensure That Budget Estimates Are Reliable and That Spending for Facility Maintenance Is Consistent with Priorities. GAO-13-220. Washington, D.C.: February 22, 2013.

Veterans' Health Care Budget: Better Labeling of Services and More Detailed Information Could Improve the Congressional Budget Justification. GAO-12-908. Washington, D.C.: September 18, 2012.

Veterans' Health Care Budget: Transparency and Reliability of Some Estimates Supporting President's Request Could Be Improved. GAO-12-689. Washington, D.C.: June 11, 2012.

VA Health Care: Estimates of Available Budget Resources Compared with Actual Amounts. GAO-12-383R. Washington, D.C.: March 30, 2012.

VA Health Care: Methodology for Estimating and Process for Tracking Savings Need Improvement. GAO-12-305. Washington, D.C.: February 27, 2012.

Veterans Affairs: Issues Related to Real Property Realignment and Future Health Care Costs. GAO-11-877T. Washington, D.C.: July 27, 2011.

Veterans' Health Care Budget Estimate: Changes Were Made in Developing the President's Budget Request for Fiscal Years 2012 and 2013. GAO-11-622. Washington, D.C.: June 14, 2011.

Veterans' Health Care: VA Uses a Projection Model to Develop Most of Its Health Care Budget Estimate to Inform the President's Budget Request. GAO-11-205. Washington, D.C.: January 31, 2011.

VA Health Care: Spending for and Provision of Prosthetic Items. GAO-10-935. Washington, D.C.: September 30, 2010.

VA Health Care: Reporting of Spending and Workload for Mental Health Services Could Be Improved. GAO-10-570. Washington, D.C.: May 28, 2010.

Continuing Resolutions: Uncertainty Limited Management Options and Increased Workload in Selected Agencies. GAO-09-879. Washington, D.C.: September 24, 2009.

VA Health Care: Challenges in Budget Formulation and Issues Surrounding the Proposal for Advance Appropriations. GAO-09-664T. Washington, D.C.: April 29, 2009.

VA Health Care: Challenges in Budget Formulation and Execution. GAO-09-459T. Washington, D.C.: March 12, 2009.

VA Health Care: Long-Term Care Strategic Planning and Budgeting Need Improvement. GAO-09-145. Washington, D.C.: January 23, 2009.