

GAO Highlights

Highlights of [GAO-15-654T](#), a testimony before the Subcommittee on Oversight and Investigations, Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

VA uses both the Non-VA Medical Care Program and clinical contracts to augment its delivery of care to veterans. GAO has previously highlighted weaknesses in the monitoring and oversight of both non-VA medical care and clinical contracts that remain unresolved.

This testimony is based on three GAO reports issued in 2013 and 2014 and addresses the extent to which VA monitors and oversees its (1) Non-VA Medical Care Program and (2) clinical contracts and contracted non-VA providers working in VA facilities. For all three reports, GAO reviewed relevant requirements and visited a total of 14 VA facilities. For its May 2013 report on the oversight and management of the Non-VA Medical Care Program, GAO reviewed non-VA medical care data from fiscal year 2008 through fiscal year 2012. For its October 2013 report on clinical contract monitoring and oversight, GAO administered a data collection instrument to CORs and reviewed 12 selected clinical contracts. For its March 2014 report on non-VA emergency medical care for veterans' non-service connected conditions, GAO reviewed 128 denied claims.

What GAO Recommends

GAO made 22 recommendations to VA in its prior three reports related to improving (1) data on wait times and cost-effectiveness of non-VA medical care; (2) VA's oversight and monitoring of claims processing; and (3) VA's monitoring of clinical contractors. VA agreed with these recommendations, and has taken action on some, but has yet to fully implement many of them.

View [GAO-15-654T](#). For more information, contact Randall B. Williamson at (202) 512-7114 or williamsonr@gao.gov.

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VA HEALTH CARE

Actions Needed to Improve Monitoring and Oversight of Non-VA and Contract Care

What GAO Found

GAO's recent work has found significant weaknesses in the Department of Veterans Affairs' (VA) monitoring and oversight of its Non-VA Medical Care Program. Through this program, care is provided to veterans by non-VA providers in non-VA facilities. As GAO reported in May 2013, VA did not collect data on wait times veterans face in obtaining care from non-VA providers. Having data on wait times for veterans referred to non-VA providers would help VA better determine if veterans are receiving comparable access to non-VA providers and VA-based providers. In addition, GAO found that VA was unable to analyze non-VA medical care data on all services and charges for an episode of care, which is the combined total of all care provided to a veteran during a single office visit or inpatient stay. As a result, VA cannot ensure that non-VA providers are billing VA appropriately for care or determine whether delivering care through non-VA providers is more cost-effective than augmenting its own capacity in areas of high utilization of non-VA medical care. Moreover, in March 2014 GAO reported that crucial limitations existed in VA's monitoring and oversight of non-VA medical care claims processing. Specifically, VA lacked automated processes for (1) determining whether claims met VA's criteria for payment and (2) notifying veterans when their claims were denied. Instead, these processes relied largely on the judgment and diligence of VA facility-based claims processing staff. For example, GAO found several non-VA medical care claims that were inappropriately denied because VA facility-based claims processing staff processed the claims under the wrong payment authority. Moreover, GAO found that VA's oversight was lacking in key aspects of the claims review process, a factor that allowed inappropriate denials and notification issues to persist.

GAO's recent work has also found significant limitations in VA's monitoring and oversight of clinical contracts and contractors—a method VA uses to bring non-VA providers into VA facilities. As GAO reported in October 2013, contracting officer's representatives' (COR) heavy workloads and inadequate training compromised VA's monitoring of contractor performance. CORs are responsible for monitoring the work of non-VA providers working in VA facilities under a contract once the contract is in place. CORs for 8 of the 12 contracts GAO reviewed in depth reported that the demands of their primary positions at the VA facility have at times prevented them from fully monitoring contract providers' performance. Six of these CORs stated that they could not complete certain elements of their COR responsibilities—such as adequately monitoring contract costs—due to limited time and resources. Robust VA oversight would better ensure that the contract providers deliver high quality care to veterans and fulfill the responsibilities of their contracts. In addition, CORs from the four VA facilities GAO visited noted weaknesses in VA's COR training and GAO's analysis confirmed these limitations. Specifically, GAO found this training focused on teaching CORs to develop contracts that purchase goods and not clinical services. The primary examples in this course included discussions of the contracting process for replacing carpet and making a large computer purchase. In addition, COR training included little information on how CORs should engage in post-award monitoring of clinical contractors.