

# GAO Highlights

Highlights of [GAO-16-272T](#), a testimony before the Subcommittee on Regulatory Affairs and Federal Management, Committee on Homeland Security and Governmental Affairs, U.S. Senate

## Why GAO Did This Study

GAO's mission is to support Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people. GAO provides nonpartisan, objective, and reliable information to Congress, executive branch agencies, and the public. To help Congress and the government, GAO recommends solutions across the broad spectrum of federal responsibilities to foster efficiency and effectiveness in federal programs and address high risks, management issues, and other challenges.

GAO's work supports a broad range of interests throughout Congress. In fiscal year 2015, GAO received requests for work from 97 percent of the standing committees of Congress and 66 percent of their subcommittees.

Since fiscal year 2003, GAO's work has resulted in over ½ trillion dollars in financial benefits and about 17,000 program and operational benefits that helped to improve public services and promote sound management throughout government. Executive branch cooperation and congressional oversight have been, and will continue to be, critical in helping realize the benefits of GAO's recommendations.

This statement discusses (1) the status of GAO's recommendations, including key outcomes and open issues and (2) mechanisms for focusing attention on implementing GAO's open recommendations. It is based on GAO's prior work spanning the federal government, including high-risk areas and ways to address fragmentation, overlap, and duplication.

View [GAO-16-272T](#). For more information, contact Heather Krause at (202) 512-6806 or [krauseh@gao.gov](mailto:krauseh@gao.gov).

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## GOVERNMENT EFFICIENCY AND EFFECTIVENESS

### Implementing GAO Recommendations Can Achieve Financial Benefits and Strengthen Government Performance

#### What GAO Found

GAO's work routinely generates recommendations for improving the efficiency and effectiveness of government programs, resulting in measurable improvements. Since fiscal year 2010, GAO's work has resulted in over \$330 billion in financial benefits and over 8,000 program and operational benefits. In fiscal year 2015 alone, GAO's work yielded \$74.7 billion in financial accomplishments—a return of about \$134 for every dollar invested in GAO. Other wide-ranging benefits include helping to avoid sequestration and identifying legislative solutions to federal performance and management issues. GAO has made an average of 1,800 recommendations a year with an average of about 80 percent implemented between fiscal years 2010 and 2015.

As of November 12, 2015, about 4,800 of GAO's recommendations to executive branch agencies and the Office of Management and Budget remain open across the federal government. If implemented, they could result in significant benefits, such as increased savings, better services to the public, and improved federal programs. A couple of examples to illustrate this potential follow:

- **Department of Defense (DOD) Weapon Systems Acquisition:** On GAO's High Risk List since 1990, GAO's work has identified several opportunities for DOD to maximize its use of taxpayer dollars by improving its acquisition process. For example, given DOD's plans to increase F-35 funding by billions of dollars over the next 5 years, GAO recommended that DOD conduct a comprehensive affordability analysis of the program's procurement plan. DOD maintains that it accomplishes this through its annual budget process; however, without a more thorough and complete analysis, DOD may not fully understand the affordability implications of increasing funding at the planned rates.
- **Medicare Program Payment Policy:** On GAO's High Risk List since 1990 due in part to its complexity and susceptibility to mismanagement, GAO has made many recommendations to improve Medicare, including improving the accuracy of the adjustment made for differences in diagnostic coding practices between Medicare Advantage (MA) and Medicare Fee-For-Service. For example, the Centers for Medicare & Medicaid (CMS) could better account for additional beneficiary characteristics, such as residential location, and use more current and refined data in determining MA payments. GAO made this recommendation because of shortcomings in CMS's adjustment, which resulted in excess payments to MA plans totaling an estimated \$3.2 billion to \$5.1 billion over a 3-year period from 2010 through 2012.

GAO continuously engages with executive branch agencies to ensure recommendations are implemented. For example, GAO regularly follows up with agencies on its recommendations and posts their status online. This year GAO sent letters to the heads of key executive branch agencies identifying unimplemented recommendations that warrant priority attention. GAO's high risk and fragmentation, overlap, and duplication work also highlights critical open recommendations for executive branch agencies and Congress. In addition, GAO works with Congress to further progress on recommendations, including incorporating GAO work into legislation.