

Why GAO Did This Study

Both DOD and VA's VHA have COEs that are expected to improve certain services throughout both agencies' health care systems. To date, DOD and VHA have designated 7 and 70 COEs, respectively. Congressional hearings have raised questions about DOD's and VHA's oversight of the COEs, including the criteria used to designate them, and whether they are meeting their intended missions.

GAO was asked to review DOD and VHA COEs. GAO (1) examined the criteria and processes DOD and VHA use to designate entities as COEs and (2) assessed how DOD and VHA document the oversight activities related to their agencies' COEs. GAO compared agency criteria against federal internal control standards, and analyzed relevant laws, committee reports, and available agency documents. GAO also analyzed documents from the 7 Defense COEs and from the 6 VHA service offices responsible for the 70 VHA COEs to understand the criteria and processes used to designate them and how oversight activities are documented. GAO interviewed officials from both agencies to obtain additional information about their COEs.

What GAO Recommends

GAO recommends that VHA establish criteria for designating entities as COEs. GAO also recommends that DOD and VHA develop written procedures for documenting oversight of their COEs. VA and DOD concurred with GAO's recommendations and provided an action plan for implementing them.

View [GAO-16-54](#). For more information, contact Randall B. Williamson at (202) 512-7114 or williamsonr@gao.gov.

CENTERS OF EXCELLENCE

DOD and VA Need Better Documentation of Oversight Procedures

What GAO Found

The Department of Defense (DOD) has developed criteria to designate an entity as a Defense Center of Excellence (COE), but the Department of Veterans Affairs' (VA) Veterans Health Administration (VHA) has not. Health-focused COEs are intended to bring together treatment, research, and education to support health provider competencies; identify gaps in medical research and coordinate research efforts; and integrate new knowledge into patient care delivery. GAO found that DOD leadership and its Defense COE Oversight Board established and refined the definition and criteria for designating entities as Defense COEs. DOD's criteria require its Defense COEs, for example, to achieve improvements in clinical care outcomes and produce optimal value for servicemembers. The Oversight Board developed these criteria in order to have a consistent basis for designating entities as Defense COEs and to limit entities from self-identifying as Defense COEs without meeting the criteria. DOD also developed a uniform process for designating COEs. VHA service offices use a peer review process to designate their COEs. However, unlike DOD, VHA has not developed criteria for designating its COEs. Federal internal control standards provide that management should have a control environment that provides management's framework for planning, directing, and controlling operations to achieve agency objectives, such as VHA's objectives for how COEs are to operate and what COEs are supposed to achieve. Without defined criteria, VHA lacks reasonable assurance that its COEs are meeting the agency's intended objectives for COEs.

The Defense COE Oversight Board and most service offices responsible for overseeing VHA COEs lack written procedures for documenting oversight activities related to their COEs, including requirements for documenting identified problems and their resolution. GAO found that the Oversight Board's charter does not explain how (1) the board will provide and document its feedback, (2) the Defense COEs will respond to this feedback, and (3) the board will document resolution of identified issues. The Oversight Board's acting chairman told GAO the charter gives the board its authority to conduct oversight of Defense COEs and if these types of procedures are needed, the Oversight Board's charter and meeting minutes will serve this purpose. However, GAO's review of the charter and minutes found that they do not contain these types of procedures. Likewise, GAO found that five of six VHA service offices have no written procedures for documenting their findings and the corrective actions taken by COEs. VHA officials told GAO that they do not see a need to develop specific written procedures for documenting oversight of their COEs. Federal internal control standards state that transactions and events should be promptly documented to maintain their relevance and value to management in controlling their operations. Further, significant events, such as the identification of problems and the actions taken to correct them, need to be clearly documented, and these events should appear in management directives, policies or operating manuals to help ensure management's directives are carried out as intended. Absent written oversight procedures, both DOD and VHA lack reasonable assurance that oversight procedures are consistently and routinely performed over time, and that issues raised during oversight are resolved.