

GAO Highlights

Highlights of [GAO-17-745T](#), a testimony before the Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

VA operates one of the largest health care systems in the United States, providing care to more than 8.9 million veterans each year and as of September 2014, utilizing more than 6,000 federally-owned and 1,500 leased buildings.

This statement is based on GAO's April 2017 report (GAO-17-349) and discusses (1) the factors that affect VA facility alignment, (2) the extent to which VA's capital-planning process facilitates the alignment of facilities with the veteran population, and (3) the challenges VA faces in its alignment activities.

For the April 2017 report, GAO reviewed VA's facility-planning documents and data and interviewed VA officials in headquarters and at seven medical facilities selected for their geographic location, veteran population, and past alignment efforts.

What GAO Recommends

In the April 2017 report, GAO made four recommendations to VA to: (1) improve SCIP's scoring and approval process and address other limitations; (2) improve the utility of the VAIP facility master plans; (3) improve guidance to effectively communicate facility alignment decisions with stakeholders; and (4) evaluate these efforts. VA partially concurred with the first recommendation and fully concurred with the other recommendations.

View [GAO-17-745T](#). For more information, contact Debra A. Draper at (202) 512-7114 or draperd@gao.gov

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VA REAL PROPERTY

Planning and Communication Improvements Could Help Better Align Facilities with Veterans' Needs

What GAO Found

Geographic shifts in the veteran population, changes in health care delivery, and an aging infrastructure affect the Department of Veterans Affairs' (VA) efforts to align its services and real property portfolio to meet the needs of veterans. For example, a shift over time from inpatient to outpatient care will likely result in underutilized space once used for inpatient care. Moreover, the historic status of some VA facilities adds to the complexity of converting or disposing of them. In such instances, it is often difficult and costly for VA to modernize, renovate, and retrofit these older facilities.

GAO found that two of the planning processes VA uses to align its facilities—VA's Strategic Capital Investment Planning (SCIP) and the VA Integrated Planning (VAIP)—have limitations that undermine VA's efforts to achieve its goals. Specifically,

- VA relies on the SCIP process to plan and prioritize capital projects, but VA routinely asks its facility planners to submit their next year's planned project narratives before knowing if their previous submissions have been funded. The overlapping budget cycle, which is outside of VA's control, combined with other SCIP limitations—including subjective narratives, long time frames, and restricted access to information—make it difficult for VA to rely on SCIP to accurately identify the capital necessary to address its service and infrastructure gaps. VA concurred that it needs to address SCIP limitations that are within its control, as GAO recommended.
- VA also relies on a second planning process, the VAIP process, that is intended to identify the best distribution of health care services for veterans and where the services should be located or adapted based on the veterans' locations and referral patterns. However, GAO found that the facility master plans prepared under the VAIP process assume that all future growth in services will be provided directly through VA facilities without considering alternatives, such as purchasing care from the community. In response to GAO's recommendation to address limitations with the VAIP process, VA noted that all future VAIP facility master plans will embrace all recent and evolving guidance, especially regarding care in the community opportunities.

Additionally, GAO's April 2017 report found that VA faced challenges when not fully engaging with stakeholders in its facility alignment decisions and actions that affect them. GAO has previously identified best practices for stakeholder involvement in facility consolidation actions, such as in utilizing two-way communication early in the process and using data to demonstrate the rationale for facility alignment decisions. GAO found that when VA engaged in two-way communication with stakeholders it resulted in more productive relationships and effective alignment efforts, than in those cases where it did not. This inconsistency could partly be caused by the lack of guidance for incorporating best practices into stakeholder communication and a mechanism for evaluating these efforts. In response to GAO's recommendations to develop guidance and implement an evaluation mechanism, VA outlined a plan to take these steps.