

GAO Highlights

Highlights of [GAO-18-671](#), a report to the Ranking Member of the Committee on Veterans' Affairs, United States Senate

Why GAO Did This Study

Questions have been raised about the lack of timeliness of TPAs' payments to community providers under the Choice Program and how this may affect the willingness of providers to participate in the program as well as in the forthcoming Veterans Community Care Program. You asked GAO to review issues related to the timeliness of TPAs' payments to community providers under the Choice Program.

This report examines, among other things, (1) the length of time TPAs have taken to pay community providers' claims and factors affecting timeliness of payments, and (2) actions taken by VA and the TPAs to reduce the length of time TPAs take to pay community providers for Choice Program claims.

GAO reviewed TPA data on the length of time taken to pay community provider claims from November 2014 through June 2018, the most recent data available at the time of GAO's review. GAO also reviewed documentation, such as the contracts between VA and its TPAs, and interviewed VA and TPA officials. In addition, GAO interviewed a non-generalizable sample of 15 community providers, selected based on their large Choice Program claims volume, to learn about their experiences with payment timeliness.

What GAO Recommends

GAO is making two recommendations, including that VA should collect data on and monitor compliance with its requirements pertaining to customer service for community providers. VA concurred with GAO's recommendations and described steps it will take to implement them.

View [GAO-18-671](#). For more information, contact Sharon M. Silasat (202) 512-7114 or silasat@gao.gov.

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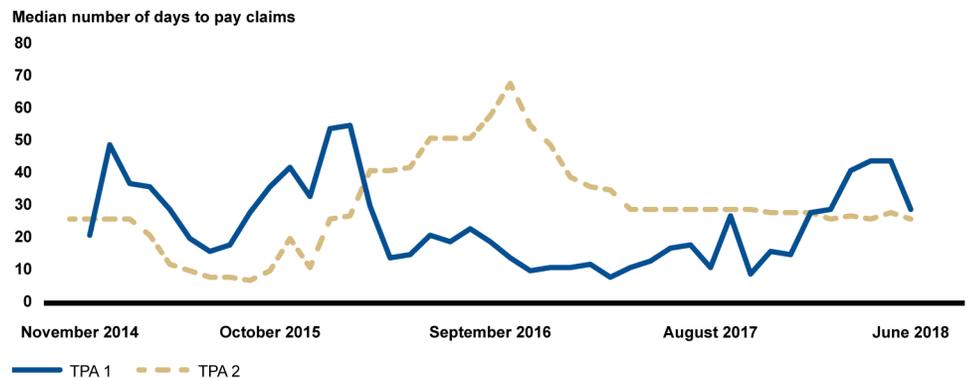
VETERANS CHOICE PROGRAM

Further Improvements Needed to Help Ensure Timely Payments to Community Providers

What GAO Found

The Department of Veterans Affairs' (VA) Veterans Choice Program (Choice Program) was created in 2014 to address problems with veterans' timely access to care at VA medical facilities. The Choice Program allows eligible veterans to obtain health care services from providers not directly employed by VA (community providers), who are then reimbursed for their services through one of the program's two third-party administrators (TPA). GAO's analysis of TPA data available for November 2014 through June 2018 shows that the length of time the TPAs took to pay community providers' clean claims each month varied widely—from 7 days to 68 days. VA and its TPAs identified several key factors affecting timeliness of payments to community providers under the Choice Program, including VA's untimely payments to TPAs, which in turn extended the length of time TPAs took to pay community providers' claims; and inadequate provider education on filing claims.

Median Number of Days to Pay Clean Claims through VA's Third Party Administrators (TPA), November 2014 through June 2018



Source: GAO analysis of TPA data. | GAO-18-671

VA has taken actions to address key factors that have contributed to the length of time TPAs have taken to pay community providers. For example, VA updated its payment system and related processes to pay TPAs more quickly. According to VA data, as of July 2018, VA was paying at least 90 percent of the TPAs' invoices within 7 days. In addition, VA and the TPAs have taken steps to improve provider education to help providers resolve claims processing issues. However, 9 of the 15 providers GAO interviewed said they continue to experience lengthy telephone hold times. According to VA and TPA officials, steps have been taken to improve the customer service offered to community providers. However, VA officials do not collect data on or monitor TPA compliance with customer service requirements—such as calls being answered within 30 seconds or less—for provider calls because they said they are not enforcing the requirements and are allowing TPAs to prioritize calls from veterans. Without collecting data and monitoring compliance, VA does not have information on challenges providers may face when contacting TPAs to resolve payment issues.