

GAO@100 Highlights

Highlights of [GAO-21-444T](#), a testimony before the Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

VBA reported that the number of disability medical exams completed by contractors rose from about 180,000 to nearly 1.1 million from fiscal years 2012 through 2020. According to VBA officials, VA awarded new contracts in 2018 worth up to \$6.8 billion over 10 years' duration to private sector disability medical exam providers.

GAO was asked to review VBA's planning and oversight related to contracted disability exams. This testimony examines (1) VBA's plans for allocating exam workloads in the future, and (2) how VBA assesses the quality of contractors' exams for selected complex claims. GAO reviewed VBA exams data and documents and interviewed officials from VBA, VHA, and exam contractors, as well as staff in three VHA medical centers and VBA regional offices, selected for a range of exam workloads and experience with complex exams. GAO assessed VBA efforts against sound planning practices and internal control standards.

What GAO Recommends

GAO is recommending that VBA (1) develop plans for its allocation of disability medical exam workloads that incorporate sound planning practices, and (2) assess the quality of exam reports completed by contractors for selected complex claims.

View [GAO-21-444T](#). For more information, contact Elizabeth Curda at (202) 512-7215 or curdae@gao.gov.

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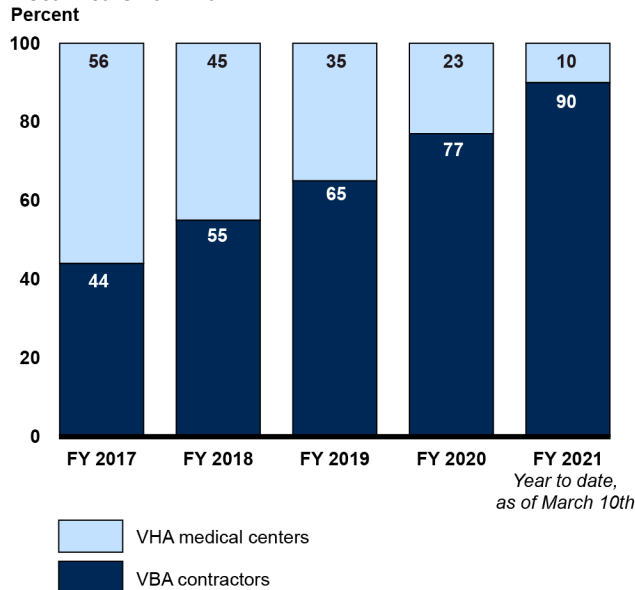
VA DISABILITY EXAMS

Better Planning Needed as Use of Contracted Examiners Continues to Grow

What GAO Found

In recent years, the Department of Veterans Affairs (VA) has significantly expanded the Veterans Benefits Administration's (VBA) use of contractors to perform disability medical exams instead of relying on Veterans Health Administration (VHA) medical centers (see figure). According to VBA officials, VA's policy is to continue using contractors for most exams. GAO previously identified sound practices agencies can use to plan for significant programmatic changes. However, VBA has not applied several of these practices to its plans for allocating workloads among its contractors and VHA medical centers. For example, VBA has not assessed potential risks to capacity and exam quality in allocating the bulk of exams to contractors. Employing such practices could help VBA identify potential risks stemming from this long-term program change and better plan for addressing future workload needs.

Percent of Disability Exams Performed by VBA Contractors and by VHA Medical Centers, Fiscal Years 2017-2021



Source: GAO analysis of Veterans Benefits Administration (VBA) and Veterans Health Administration (VHA) data. | GAO-21-444T

Over time, VA has also permitted contractors to complete exams for more complex disability claims—such as Gulf War Illness—according to VBA officials, but VBA does not conduct targeted reviews specifically to assess the quality of the exam reports completed for these exams. VBA data show that exam reports for selected complex claims were returned to examiners for correction or clarification at about twice the rate that exam reports were returned overall. Disability medical examiners told GAO that these types of exams can be challenging. Without specifically assessing how well contractors perform on exams for complex claims, VBA is missing an opportunity to identify actions that could help ensure veterans receive high quality exams and that exam reports are completed correctly.