Highlights of GAO-23-106001, a report to congressional requesters

## Why GAO Did This Study

VA administers one of the largest health care systems in the nation. The system, which includes 172 medical centers and more than 1,100 outpatient clinics, serves more than 9.5 million enrolled veterans and eligible family members.

Upgrading VA's aging facilities is a massive endeavor. VA estimates that addressing its health care system infrastructure needs could cost up to \$76 billion, as of fiscal year 2021.

GAO was asked to review VA's plans and recommendations to address its infrastructure needs. This report (1) describes the Asset and Infrastructure Review Commission and VA's recommendations, (2) examines the data VA used to inform its recommendations and plans VA has to improve such data, and (3) examines the extent of VA's planning for modernizing and realigning its infrastructure and communicating with stakeholders.

GAO analyzed VA's recommendations for modernizing and realigning its infrastructure, and reviewed supporting data and documentation. These data included actual and projected data on demographics and demand for health care. GAO also reviewed documentation describing VA's process to assess its capacity in 96 designated geographic areas, or markets, to provide quality, accessible, and timely health care.

View GAO-23-106001. For more information, contact Sharon M. Silas at (202) 512-7114 or silass@gao.gov.

#### March 2023

## VA HEALTH CARE

# Improved Data, Planning, and Communication Needed for Infrastructure Modernization and Realignment

### What GAO Found

In response to the VA Mission Act of 2018 (MISSION Act), the Department of Veterans Affairs (VA) conducted a system-wide assessment of its capacity to provide health care services to veterans and develop recommendations for modernizing and realigning the department's infrastructure. The MISSION Act also specified that a presidentially appointed and Senate-confirmed commission—the Asset and Infrastructure Review Commission—would review VA's recommendations. The Commission was to then provide its own recommendations to the President by January 2023, according to the act.

However, in June 2022 a bipartisan group of senators announced their opposition to holding confirmation hearings for Commission nominees. These Senators voiced concerns that VA's 1,433 recommendations published in March 2022 would not expand and strengthen VA's infrastructure. Accordingly, no confirmation hearings have occurred as of March 2023.

The Secretary of VA stated that, independent of the Commission's existence, the department has an obligation to veterans to modernize and realign its infrastructure. VA therefore has taken steps to refine its recommendations and plans to conduct recurring system-wide assessments every 4 years as also required by the MISSION Act.

GAO's review determined that 540 of VA's recommendations pertained to facility changes. These changes included closing, replacing, updating, and establishing medical centers, outpatient clinics (e.g., community-based outpatient clinics and other outpatient services sites), and other facilities.

| Department of Veterans Affairs' (VA) Recommended Facility Changes, by Facility Type |   |             |        |           |       |  |  |  |  |
|---|---|-------------|--------|-----------|-------|--|--|--|--|
|   | Type of recommended infrastructure change |             |        |           |       |  |  |  |  |
|   |   |             |        | Establish |       |  |  |  |  |
| Facility type   | Closure                                   | Replacement | Update | new       | Total |  |  |  |  |
| VA medical center   | 16  | 23          | 80     | 13        | 132   |  |  |  |  |
| Outpatient clinic <sup>a</sup>  | 139                                       | 112         | 2      | 112       | 365   |  |  |  |  |
| Stand-alone   |   |             |        |           |       |  |  |  |  |
| community living center   | 1   | 0           | 1      | 28        | 30    |  |  |  |  |
| Stand-alone residential   |   |             |        |           |       |  |  |  |  |
| rehabilitation treatment  |   |             |        |           |       |  |  |  |  |
| program   | 1   | 1           | 0      | 11        | 13    |  |  |  |  |
| Total   | 157                                       | 136         | 83     | 164       | 540   |  |  |  |  |

Source: GAO analysis of VA documentation. | GAO-23-106001

GAO noted differences in how commonly VA recommended changes for facilities by rurality. Specifically, VA recommended closures for facilities in rural areas more commonly than for those in urban areas (60 compared to 35 percent). For facilities in urban areas, VA recommended replacements (38 compared to 31 percent) and updates (27 compared to 9 percent) more commonly compared to facilities in rural areas. According to VA officials, the department recommended changes to its facilities based on a variety of factors including the quality of care, the ability to recruit and retain health care providers, the condition of VA facilities, and the number of veterans served.

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<sup>&</sup>lt;sup>a</sup>Outpatient clinic includes health care centers, community-based outpatient clinics and other types.

To obtain market-level perspectives, GAO interviewed officials from a nongeneralizable selection of four markets. GAO selected the four based on factors such as variation by geographic region and by types of changes recommended (e.g., closures, replacements). GAO also interviewed VA officials responsible for developing the recommendations and for planning to modernize and realign its infrastructure.

### What GAO Recommends

GAO is making three recommendations to VA:

- Develop specific actions to address data gaps identified by GAO and others and time frames for completing such actions,
- Develop a documented, formal plan that identifies the leadership team's structure and implementation strategy, and
- Finalize communication approach to increase transparency with internal and external stakeholders.

VA concurred with the recommendations, and identified steps it would take to implement them

GAO's review also determined that VA made 893 recommendations to change inpatient, outpatient, and other services available in VA facilities. These recommended service changes included establishing new or expanding existing services, among others.

| Department of V                           | eterans Affairs' (VA) Recommended Changes to Health Care Services  VA health care services |  |            |                         |   |       |  |  |  |
|---|--|--|------------|-------------------------|---|-------|--|--|--|
| Type of service change                    | Inpatient <sup>a</sup>   | Emergency<br>department<br>or urgent<br>care | Outpatient | Community living center | Residential<br>rehabilitation<br>treatment<br>program | Total |  |  |  |
| Establish new or expand existing services | 15   | 7  | 135        | 46                      | 35  | 238   |  |  |  |
| Modernize existing services               | 41   | 20   | 16         | 36                      | 25  | 138   |  |  |  |
| Relocate existing services                | 79   | 37   | 303        | 40                      | 39  | 498   |  |  |  |
| Total                                     | 135  | 64   | 454        | 122                     | 99  | 874   |  |  |  |

Source: GAO analysis of VA documentation. | GAO-23-106001

Note: In addition to the types of services included above, VA also made seven recommendations to modernize or relocate inpatient blind rehabilitation services and 12 recommendations to modernize or relocate inpatient spinal cord injury/disorders services.

According to VA officials, the department reviewed specific data to help ensure that the recommendations reflected four key considerations—1) meeting veterans' evolving needs; 2) adapting to health care delivery innovations; 3) addressing VA's education, research, and support missions; and 4) accounting for COVID-19 trends. In reviewing the department's data supporting these considerations, GAO identified gaps in the comprehensiveness of the data used. For example, in determining veteran access to community care, VA reviewed data estimating whether non-VA providers had the capacity to serve veterans. However, VA lacked data on appointment wait times, the total number of appointments, and their associated costs. According to VA officials, VA intends to address data gaps as part of its ongoing planning for the next set of quadrennial market assessments expected in 3 years. However, VA's plans currently do not include specific actions and time frames to determine the data it will use for its upcoming market assessments. By addressing these data gaps and identifying time frames for completing these actions, VA can provide greater assurance that these market assessment account for its key considerations.

VA established a leadership team to, among other things, conduct implementation planning and strategic prioritization of recommendations, and prepare for the next set of market assessments. However, the department does not have a documented, formal plan describing the team's structure and implementation strategy. Having such a plan would help ensure that VA has effective and efficient processes for using its recommendations and future market assessments to address the department's infrastructure needs.

GAO determined that VA restricted the sharing of information when developing its recommendations. Department officials acknowledged that they will need to be more transparent in sharing information with internal and external stakeholders moving forward. VA has taken steps, such as developing draft documents, consistent with such an approach. Finalizing this approach, to help ensure communication with critical stakeholders such as the Congress and veterans' service organizations, is essential to the success of VA's overall modernization and realignment effort including the use of VA's recommendations.

<sup>&</sup>lt;sup>a</sup>Inpatient includes inpatient medical and surgical and inpatient mental health care services.