

GAO Highlights

Highlights of [GAO-23-106765](#), a testimony before the Subcommittee on Oversight and Investigations, Committee on Veterans' Affairs, House of Representatives.

Why GAO Did This Study

The House Committee on Veterans' Affairs, Subcommittee on Oversight and Investigations is considering five bills related to improving VA management and key modernization programs, such as the EHRM program. GAO's High-Risk List includes (1) managing risks and improving VA health care—added in 2015, and (2) VA acquisition management—added in 2019. Among other reasons, GAO added these areas to the list due to information technology, policy, and leadership challenges.

Since GAO added these issues to the list, VA has made important progress in addressing them such as by developing corrective action plans to document its approach and implementing GAO recommendations. However, VA continues to face numerous challenges that show that there is much work that remains ahead to drive significant transformation within the department.

This statement highlights findings from prior GAO work that the Subcommittee may find useful as it considers potential legislation. To do this work, GAO reviewed five pieces of proposed legislation that the Subcommittee is considering. GAO identified relevant prior work on current or recent VA modernization efforts, as well as on leading practices and strategies related to relevant topics. Prior GAO reports include [GAO-08-34](#), [GAO-11-581](#), and [GAO-16-438](#). Detailed information on the objectives, scope, and methodology for that work can be found in the issued reports.

View [GAO-23-106765](#). For more information, contact Shelby S. Oakley at (202) 512-4841 or oakleys@gao.gov.

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VETERANS AFFAIRS

Observations for Proposed Legislation

What GAO Found

The Department of Veterans Affairs (VA) provides health care and benefits to about 9.2 million veterans through a number of major programs. Over the last 10 years, VA contract obligations climbed 147 percent, to more than \$56 billion in fiscal year 2022—second only to the Department of Defense. This increase in VA contract obligations has been driven in part by programs directly connected to serving veterans, such as those related to community care, electronic health records, and medical supply chain.

Department of Veterans Affairs Medical Center, Washington, D.C.



Source: GAO photo. | GAO-23-106765

GAO's prior work could inform Congress as it seeks to help VA address management challenges and improve key modernization efforts. For example:

Leadership and management. One proposed bill would establish a VA Under Secretary of Management position—who would also serve as the Chief Management Officer—to oversee VA's management integration and transformation efforts. [GAO-08-34](#) identified key strategies for implementing these positions in federal agencies.

Contracting to inform program oversight. Another bill would direct VA to enter into a contract for independent verification and validation (IV&V) of certain modernization efforts. IV&V can reduce risk by having a knowledgeable, independent party determine that a system meets users' needs and fulfills its intended purpose. [GAO-11-581](#) includes key elements for effective IV&V plans.

Electronic health record modernization (EHRM). Two bills present different options for the future of EHRM—VA's effort to replace its aging electronic health records system. GAO and VA's Office of the Inspector General have made numerous recommendations to improve EHRM over the years. GAO testified in March 2023 that its rollout at VA medical centers continues to be challenging.

VA supply chain. Another bill would direct VA to acquire a supply chain management system within 3 years, and require the system to be piloted prior to VA-wide use. [GAO-16-438](#) found that a well-developed pilot program can help ensure agencies make informed decisions.