

GAO Highlights

Highlights of [GAO-25-108441](#), a testimony before the Subcommittee on Health, Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

Veterans—like many other Americans—rely on nursing home care to help meet their health needs as they age. In fiscal year 2023, VA paid about \$1.5 billion for veteran nursing home care provided in state veterans homes.

This statement describes (1) oversight of state veterans homes; and (2) the status of VA efforts to implement GAO recommendations to strengthen oversight of state veterans homes.

This statement is based on GAO's November 2022 report ([GAO-23-105167](#)) on oversight of state veterans homes. To do that work, GAO conducted a nationwide survey to collect information on the 153 state veterans homes providing nursing home care. GAO also reviewed relevant laws and VA documents and interviewed federal and state officials, state veterans homes' officials, and other organizations involved with veteran care, such as veterans service organizations. For this statement GAO reviewed expenditure and utilization data for fiscal year 2023 and provided updates on the status of GAO's recommendations.

What GAO Recommends

In its November 2022 report, GAO made four recommendations. VA agreed with the recommendations and implemented three of them. However, VA has not implemented a recommendation to identify additional enforcement tools to help ensure state veterans home compliance with quality standards and seek legislative authority to implement them, as appropriate.

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VA NURSING HOME CARE

Opportunities Remain to Enhance Oversight of State Veterans Homes

What GAO Found

The Department of Veterans Affairs (VA) is the only federal entity that oversees all state veterans homes. The Centers for Medicare & Medicaid Services (CMS) and state agencies also have an oversight role in some of these homes. While these homes are owned and operated by states, VA helps pay for care for eligible veterans and is required to ensure each home meets VA's quality standards. To do this, VA conducts regular inspections. Homes that do not meet standards can be cited for deficiencies. CMS also conducts inspections in homes that receive Medicare or Medicaid payments and can also cite deficiencies. For example, as of January 2022, CMS inspected 116 of the 153 state veterans homes. In response to GAO's 2022 national survey of state agencies that operate state veterans homes, 43 states also reported inspecting homes for compliance with state-specific regulations.

VA has implemented three of four GAO recommendations to strengthen oversight of state veterans homes. For example, VA developed a process to consistently follow up with homes that have not implemented their corrective action plans by agreed upon dates. However, VA has not addressed GAO's recommendation to identify a range of enforcement actions to bring state veterans homes into compliance with quality standards. Unlike CMS, VA lacks a range of enforcement actions (see figure). At the time of GAO's report, over 40 percent of homes were deficient in the same standard in both 2019 and 2021. VA had never used its only enforcement action, withholding payment, considering it too severe for most situations. VA officials said they were considering seeking legislative authority to take additional enforcement actions to ensure compliance with quality standards.

Available Enforcement Actions for Department of Veterans Affairs and Selected Actions for Centers for Medicare & Medicaid Services, as of November 2022

VA ENFORCEMENT ACTIONS	SELECTED CMS ENFORCEMENT ACTIONS
<ul style="list-style-type: none">Withhold payment for daily veteran care	<ul style="list-style-type: none">Civil money penalties (fines for each day or instance of noncompliance)Denial of payment for all newly admitted eligible residentsState monitoring (on-site monitor to achieve and maintain compliance)Termination from the Medicare and Medicaid programs

Source: GAO analysis of VA information and 42 U.S.C. §§ 1395i-3(h), 1396r(h); 42 C.F.R. § 488.406 (2021). | GAO-25-108441

However, in 2025, VA officials said they are no longer pursuing the identification of additional enforcement actions and corresponding legislative authority. Instead, in 2024 VA developed a new enforcement plan that strengthens timelines and increases the amount of follow-up with homes that have deficiencies. However, the plan does not include a mechanism to compel compliance with VA's quality standards.

GAO maintains that having a range of enforcement options would help VA meet its program goals, align VA's practices with CMS's, and help VA ensure veterans receive quality care in state veterans homes.