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Comptroller General
of the United States

Accessible Version

June 3, 2024

The Honorable Denis McDonough
Secretary
U.S. Department of Veterans Affairs
810 Vermont Avenue NW
Washington, D.C. 20420

Priority Open Recommendations: Department of Veterans Affairs

Dear Mr. Secretary:

The purpose of this letter is to provide an update on the overall status of the Department of Veterans Affairs' (VA) implementation of GAO's recommendations and to call your continued personal attention to areas where open recommendations should be given high priority.¹ In November 2023, we reported that, on a government-wide basis, 75 percent of our recommendations made 4 years ago were implemented.² VA's recommendation implementation rate was 86 percent. As of May 2024, VA had 214 open recommendations. Fully implementing these recommendations could significantly improve agency operations.

Since our May 2023 letter, VA has implemented six of our 29 open priority recommendations.

- VA established a timeliness standard for the average number of days within which veterans' medical appointments with VA facility providers should occur, as we recommended in January 2023.³
- VA deployed an interim automated data tool that helped improve the accuracy of its acquisition workforce records, as we recommended in September 2022.⁴
- VA helped ensure that privacy protections are adequately incorporated into systems with personally identifiable information by defining and documenting certain roles of its senior

¹Priority recommendations are those that GAO believes warrant priority attention from heads of key departments or agencies. They are highlighted because, upon implementation, they may significantly improve government operations, for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue.

²GAO, *Performance and Accountability Report: Fiscal Year 2023*, [GAO-24-900483](#) (Washington, D.C.: Nov. 15, 2023).

³GAO, *Veterans Health Care: VA Actions Needed to Ensure Timely Scheduling of Specialty Care Appointments*, [GAO-23-105617](#) (Washington, D.C.: Jan. 4, 2023).

⁴GAO, *VA Acquisition Management: Actions Needed to Better Manage the Acquisition Workforce*, [GAO-22-105031](#) (Washington, D.C.: Sept. 29, 2022).

agency official for privacy and other privacy officials, as we recommended in September 2022.⁵

- VA identified and analyzed relevant risks that may prevent the department from achieving its goals to serve veterans well and improve the timeliness and quality of decisions for the disability benefit appeals process, as we recommended in March 2018.⁶
- VA developed a plan for monitoring and assessing the disability benefit appeals process compared with the legacy process to identify any areas for improvement, as we recommended in March 2018.⁷
- VA took steps to modernize its performance management system by standardizing the performance management process for employee positions covered under Title 5, Title 38, and Title 38-Hybrid positions across the Veterans Health Administration (VHA), as we recommended in December 2016.⁸

We ask for your continued attention to the remaining 23 priority recommendations. We are also adding five new recommendations related to disability benefits management, acquisition management, assessing software licenses, equal employment opportunity and harassment prevention programs, and veteran education program management. This brings the total number of priority recommendations to 28. (See the Enclosure for the list of recommendations.)

The 28 priority recommendations fall into the following 11 areas:

Veterans' access to timely health care. Since 2012, we and others have identified challenges VHA has faced providing and effectively overseeing timely access to health care for veterans, including reliably measuring wait times across VA medical centers and clinics. Implementing two priority recommendations to identify clearer wait-time measures that are not subject to interpretation and clearly define Veterans Integrated Services Networks' (VISN) roles and responsibilities would help VHA identify areas that need improvement and mitigate problems that contribute to longer wait times. Defining VISN roles and responsibilities would also help VHA address inconsistencies across VISNs and develop an effective oversight process that ensures adequate and standardized monitoring of VISN activities.

Veterans Community Care Program. Since 2014, we and others have highlighted weaknesses in VHA's operation and oversight of its community care program, such as not specifying the maximum amount of time veterans should have to wait to receive care.⁹ VA must ensure that veterans receive timely and quality care under this program. We identified three

⁵GAO, *Privacy: Dedicated Leadership Can Improve Programs and Address Challenges*, [GAO-22-105065](#) (Washington, D.C.: Sept. 22, 2022).

⁶GAO, *VA Disability Benefits: Improved Planning Practices Would Better Ensure Successful Appeals Reform*, [GAO-18-352](#) (Washington, D.C.: March 22, 2018).

⁷[GAO-18-352](#).

⁸GAO, *Veterans Health Administration: Management Attention Is Needed to Address Systemic, Long-standing Human Capital Challenges*, [GAO-17-30](#) (Washington, D.C.: Dec. 23, 2016).

⁹In response to the VA MISSION Act of 2018, VA established the new Veterans Community Care Program in 2019. See VA MISSION Act of 2018, Pub. L. No. 115-182, tit. I, § 101, 132 Stat. 1393, 1395 (2018).

priority recommendations in this area. Specifically, we recommended that VA establish an achievable wait-time goal, develop an appointment scheduling process, and align its monitoring with the time frames established in the scheduling process. Implementing these three recommendations would help VA identify problems and implement corrective actions to improve the timeliness of veteran appointments, thereby improving the Veterans Community Care Program.

Human capital management. A strong workforce capable of providing quality and timely care to veterans is critical to the success of VA. Over the past two decades, we and others have identified weaknesses in certain VA human capital practices. Implementing one priority recommendation to develop a process that would accurately count all physicians providing care to veterans at each medical center would help ensure that VA's workforce planning process sufficiently addresses any gaps in physician staffing.

Disability benefits management. Since 2017, VA has undertaken numerous reforms aimed at improving its disability compensation program for both the initial claims and appeals processes. However, we found that VA has not fully used leading management practices identified by prior GAO work, such as establishing goals and implementation plans, to guide its efforts. Implementing one priority recommendation to develop and implement a set of leading reform practices would help VA improve its planning and management of ongoing and future disability compensation program reforms to achieve desired outcomes for the program.

Quality of care and patient safety. In recent years, we have identified issues related to patient safety and the quality of care delivered in some VA medical centers. For example, in February 2019, we found that VHA had not issued policies pertaining to the circumstances in which a Drug Enforcement Administration (DEA) employment waiver should be obtained. According to DEA regulation, this waiver is required when employing providers who have been convicted of a drug-related felony or who had their DEA registrations for prescribing controlled substances revoked, denied, or surrendered for cause. However, our work identified an example where a VA physician who surrendered his individual DEA registration for cause later prescribed controlled substances on two occasions using the VA facility's DEA registration. Until VA implements our priority recommendation regarding developing such policies, there is a risk that state and DEA controlled-substance requirements may not be followed.

VA health care system efficiency. It is critical that VHA closely monitor and account for how its funds are allocated to its medical centers and redistributed throughout the year to help ensure the most efficient use of funds. In 2019, we found, for example, that some VISNs increased allocations to VA medical centers with decreasing or relatively flat workloads. Until VA implements our priority recommendation to revise its existing guidance to VISNs about funding allocations, it faces a risk that these allocation adjustments will not align with its strategic plan, which calls for the efficient allocation of funds.

Acquisition management. Federal agencies, including VA, face significant, long-standing acquisition management challenges that increase the risk of waste and mismanagement. For example, in March 2021, we testified that the COVID-19 pandemic exposed problems in VA's supply chain management.

We identified four priority recommendations in this area. Specifically, we made two recommendations that VA develop a comprehensive supply chain management strategy and an overarching strategy for its medical supply purchasing program. We made two additional recommendations that VA use a balanced set of performance metrics to manage the

department's procurement organizations and address challenges that pose risks to its new acquisition framework. Implementing four priority recommendations would help improve VA's acquisition management.

Electronic health record modernization. The use of electronic health records (EHR) is crucial to helping VA effectively serve veterans. In 2017, VA initiated the EHR Modernization program to manage the replacement of its legacy EHR system. In May 2023, we found that VA's EHR Modernization program had not fully implemented leading practices for change management. VA also had not established targets to assess user satisfaction or adequately identified and addressed system issues.

We identified 10 priority recommendations in this area. For example, we recommended that VA document a VA-specific change management strategy to help avoid the risk of hindering users' ability to effectively use the electronic health record system. We also recommended that VA establish user satisfaction targets, which would help VA to ensure that future systems are not deployed prematurely and do not pose unnecessary risks to patient health and safety. Our recommendation to evaluate that the system is operationally suitable and effective should help validate that the system satisfies user needs in the operational environment. Implementing these and the seven other recommendations would also help solve existing problems with the system.

Assessing software licenses. The federal government spends more than \$100 billion annually on IT and cyber-related investments, including the purchase of thousands of software licenses from vendors. In January 2024, we reported that VA did not compare the inventories of software licenses that are currently in use with purchase records on a regular basis. We recommended that VA begin doing so. Until VA implements this priority recommendation and consistently tracks and compares its inventories of software licenses with known purchases, it is likely to miss opportunities to reduce costs on duplicative or unnecessary licenses.

Equal Employment Opportunity and harassment prevention programs. The protection of workers against discrimination and sexual harassment is critical to ensuring equitable and fair treatment of employees. In June 2020, we found that two aspects of VA's Equal Employment Opportunity (EEO) program's structure were not aligned with relevant guidance and policy. Specifically, the EEO Director position oversees both the EEO complaint process and general personnel functions, and some EEO Program Managers have not been realigned to report directly to the Office of Resolution Management, Diversity and Inclusion rather than their facility leadership.¹⁰ This could create conflicts of interest that hinder the effectiveness of the program in protecting employees, especially as it pertains to sexual harassment. Further, in September 2023, we found that there may be other aspects of the EEO program that can create risks to independence and hinder VA's ability to prevent and address discrimination. Implementing three priority recommendations to realign two different EEO reporting structures and assess current

¹⁰The Consolidated Appropriations Act, 2023, enacted in December 2022, includes requirements related to the structure of VA's EEO program. Pub. L. No. 117-328, div. U, 136 Stat. 4459, 5404-97. It requires that no later than 90 days after enactment, the Secretary of VA is to ensure that the official who serves as the department's EEO Director reports directly to the Deputy Secretary and does not also serve in a position that has responsibility over personnel functions of the department. It also requires that no later than 1 year after enactment, the Secretary of VA shall ensure that each EEO program manager at the facility level reports to the head of the Office of Resolution Management, or such successor office established, with respect to the equal employment functions of the program manager.

structure and practices for potential conflicts of interest and independence issues can help VA to better ensure that employees are treated fairly.

Veteran education program management. VA's Veterans Employment Through Technology Education Courses (VET TEC) program supports veterans who enroll in high-technology education programs through VA-approved training providers. Over 6,700 veterans enrolled in the pilot program from May 2019 through May 2022. In October 2022, we reported that VA did not calculate an employment rate for all VET TEC participants who completed the program, in accordance with other government and industry approaches. Until VA implements this recommendation, VA and policymakers may lack sufficient information to compare VET TEC with other programs or to assess the effectiveness of this program at getting veterans into jobs. While the pilot program authorization expired on April 1, 2024, VA agreed to look at restructuring its data collection if the program is made permanent.

As the auditor of the consolidated financial statements of the U.S. government, I have noticed that VA had three material weaknesses in its internal control over financial reporting for fiscal year 2023, including weaknesses related to accounting estimates and information system controls. These weaknesses, as well as related auditor recommendations, are important issues, and I encourage you to address them.

In April 2023, we issued our biennial update to our [High-Risk List](#). This list identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement. It also identifies the need for transformation to address economy, efficiency, or effectiveness challenges.¹¹ Two of our high-risk areas—[managing risks and improving VA health care](#) and [VA acquisition management](#)—center directly on VA. Two additional high-risk areas—[improving and modernizing federal disability programs](#) and [national efforts to prevent, respond to, and recover from drug misuse](#)—are shared among VA and other agencies.

Several other government-wide high-risk areas also have direct implications for VA and its operations, including (1) [improving the management of IT acquisitions and operations](#), (2) [strategic human capital management](#), (3) [managing federal real property](#), (4) [ensuring the cybersecurity of the nation](#), and (5) [government-wide personnel security clearance process](#).

In addition to VA's high-risk areas, we urge your continued attention to the other government-wide high-risk areas as they relate to VA. Progress on high-risk issues has been possible through the concerted actions and efforts of Congress, the Office of Management and Budget (OMB), and the leadership and staff in agencies, including within VA. In March 2022, we issued a report on key practices to successfully address high-risk areas, which can be a helpful resource as your agency continues to make progress in addressing high-risk issues.¹²

We also recognize the key role Congress plays in providing oversight and maintaining focus on our recommendations to ensure they are implemented and produce their desired results. Legislation enacted in December 2022 includes a provision for GAO to identify any additional

¹¹GAO, *High-Risk Series: Efforts Made to Achieve Progress Need to be Maintained and Expanded to Fully Address All Areas*, [GAO-23-106203](#) (Washington, D.C.: Apr. 20, 2023).

¹²GAO, *High-Risk Series: Key Practices to Successfully Address High-Risk Areas and Remove Them from the List*, [GAO-22-105184](#) (Washington, D.C.: Mar. 3, 2022).

congressional oversight actions that can help agencies implement priority recommendations and address any underlying issues relating to such implementation.¹³

Congress can use various strategies to help implement our recommendations, such as incorporating them into legislation. Congress can also use its budget, appropriations, and oversight processes to incentivize executive branch agencies to act on our recommendations and monitor their progress. For example, Congress can hold hearings focused on VA's progress in implementing GAO's priority recommendations, withhold funds when appropriate, or take other actions to provide incentives for agencies to act. Moreover, Congress could follow up during the appropriations process and request periodic updates.

Congress also plays a key role in addressing any underlying issues related to the implementation of these recommendations. For example, Congress could pass legislation providing an agency explicit authority to implement a recommendation or requiring an agency to take certain actions to implement a recommendation.

Copies of this report are being sent to the Director of OMB and the appropriate congressional committees. In addition, the report will be available on the GAO website at [Priority Open Recommendation Letters | U.S. GAO](#).

I appreciate VA's continued commitment to these important issues. If you have any questions or would like to discuss any of the issues outlined in this letter, please do not hesitate to contact me or Jessica Farb, Managing Director, Health Care, at 202-512-7114 or farbj@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Our teams will continue to coordinate with your staff on all 214 open recommendations, as well as those additional recommendations in the high-risk areas for which VA has a leading role. Thank you for your attention to these matters.

Sincerely,

A handwritten signature in black ink that reads "Gene L. Dodaro". The signature is fluid and cursive, with a long horizontal stroke extending to the right from the end of the name.

Gene L. Dodaro
Comptroller General
of the United States

Enclosure

cc: The Honorable Shalanda Young, Director, Office of Management and Budget

¹³James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 7211(a)(2), 136 Stat. 2395, 3668 (2022); H.R. Rep. No. 117-389 (2022) (accompanying Legislative Branch Appropriations Act, H.R. 8237, 117th Cong. (2022)).

Enclosure

Priority Open Recommendations to the Department of Veterans Affairs

Veterans' Access to Timely Health Care

VA Health Care: Reliability of Reported Outpatient Medical Appointment Wait Times and Scheduling Oversight Need Improvement. [GAO-13-130](#). Washington, D.C.: December 21, 2012.

Year Recommendation Made: 2013

Recommendation: To ensure reliable measurement of veterans' wait times for medical appointments, we recommend that the Secretary of Veterans Affairs direct the Under Secretary for Health to take actions to improve the reliability of wait time measures, either by clarifying the scheduling policy to better define the desired date, or by identifying clearer wait time measures that are not subject to interpretation and prone to scheduler error.

Action Needed: The Department of Veterans Affairs (VA) agreed with this recommendation. In February 2024, VA established "Third Next Available Appointment" as the direct care access measurement for the wait time standard. GAO agrees with VA that this measurement represents a more standard view of the timeliness a veteran is likely to experience when seeking care and ensures consistency in measuring appointment availability across VA medical centers. VA's use of this new wait time measurement is dependent on the implementation of the new scheduling system (integral to its new electronic health record system).

However, VA paused the implementation of this system in April 2023 and, as of March 2024, has not announced an updated targeted national completion date for implementation across all VA health care facilities. Until VA fully implements the use of "Third Next Available Appointment" measurement, VA is less equipped to identify areas that need improvement and mitigate problems that contribute to longer wait times in VA health care facilities.

High-Risk Area: [Managing Risks and Improving VA Health Care](#)

Director: Sharon M. Silas

Contact Information: silass@gao.gov, (202) 512-7114

Veterans Health Administration: Regional Networks Need Improved Oversight and Clearly Defined Roles and Responsibilities. [GAO-19-462](#). Washington, D.C.: June 19, 2019.

Year Recommendation Made: 2019

Recommendation: The Under Secretary for Health should establish a comprehensive policy that clearly defines Veterans Integrated Services Network (VISN) roles and responsibilities for managing and overseeing medical centers.

Action Needed: The Veterans Health Administration (VHA) concurred with this recommendation. In September 2021, VHA issued Directive 1217.01, which outlined the roles, responsibilities, and decision rights for the VHA Governance Board.

However, to fully implement this recommendation, VHA must document how the Governance Board or Directive 1217.01 will address or establish clear VISN-level responsibilities for medical center oversight, including any specific policies or directives that comprehensively outline this process and responsibilities in detail. VHA reported in May 2023 that the directive is under review to include the roles and responsibilities of VISNs, including management and oversight responsibilities. In February 2024, VHA reported that publication of the directive is projected for October 2024. Until VHA publishes a comprehensive policy that clearly defines roles and responsibilities at the VISN level, it will be difficult for VHA to develop an effective oversight process that ensures adequate monitoring of VISN activities.

High-Risk Area: [Managing Risks and Improving VA Health Care](#)

Director: Sharon M. Silas

Contact Information: silass@gao.gov, (202) 512-7114

Veterans Community Care Program

Veterans Choice Program: Improvements Needed to Address Access-Related

Challenges as VA Plans Consolidation of Its Community Care Programs. [GAO-18-281](#).

Washington, D.C.: June 4, 2018.

Year Recommendations Made: 2018

Recommendation: The Under Secretary for Health should establish an achievable wait-time goal for the consolidated community care program that VA plans to implement that will permit VHA to monitor whether veterans are receiving VA community care within time frames that are comparable to the amount of time they would otherwise wait to receive care at VHA medical facilities.

Recommendation: The Under Secretary for Health should design an appointment scheduling process for the consolidated community care program that VA plans to implement that sets forth time frames within which veterans' (1) referrals must be processed, (2) appointments must be scheduled, and (3) appointments must occur, which are consistent with the wait-time goal VHA has established for the program.

Action Needed: VHA agreed with these recommendations. VHA has defined some time frames for the Veterans Community Care Program's appointment scheduling process. However, VHA has not yet defined a timeliness standard for when veterans should receive care. Section 125 of the Consolidated Appropriations Act, 2023, requires VHA to ensure its community care contractors furnish care within the Veterans Community Care Program's eligibility standards. As of February 2024, VA officials stated that the current contracts with community care contractors include network adequacy standards that are different from the program's eligibility standards; therefore, VA is unable to readily change these standards under the current contract. VA

officials stated they are exploring the potential for legislative change of section 125 of the act, but do not currently have a time frame for this.

To implement these recommendations, VHA needs to implement the existing statutory requirement so it can then review its current scheduling policy to ensure the time frames for completing the various appointment scheduling steps allow VHA and its community care contractors to meet the overall performance measure.

Implementing these recommendations and reflecting the timeliness standard in the next round of contracts will allow VHA to measure the timeliness of veterans being seen by community providers. It will also help VHA determine if veterans are receiving community care within time frames that are comparable to the amount of time they would wait to receive care at VHA facilities. By not addressing these recommendations, VHA increases its risk of not being able to ensure that all veterans receive timely access to care in the community.

High-Risk Area: [Managing Risks and Improving VA Health Care](#)

Director: Sharon M. Silas

Contact Information: silass@gao.gov, (202) 512-7114

Veterans Community Care Program: Improvements Needed to Help Ensure Timely

Access to Care. [GAO-20-643](#). Washington, D.C.: September 28, 2020.

Year Recommendation Made: 2020

Recommendation: The Under Secretary for Health should align its monitoring metrics with the time frames established in the Veterans Community Care Program scheduling process.

Action Needed: VHA initially disagreed with this recommendation. In February 2022, VHA officials stated that the agency has matured enough in its practices and ability to track data to act on the recommendation. Since then, VHA has taken some action to implement this recommendation, including releasing an updated VHA Directive 1232, Consult Processes and Procedures, and Consult Timeliness Standard Operating Procedure. These documents define some time frames for VHA medical centers to follow when scheduling appointments under the Veterans Community Care Program. However, VHA has not yet defined a timeliness standard for when veterans should receive care under the Veterans Community Care Program.

Section 125 of the Consolidated Appropriations Act, 2023, requires VHA to ensure its community care contractors furnish care within the Veterans Community Care Program's eligibility standards. As of February 2024, VA officials stated that the current contracts with community care contractors include network adequacy standards that are different from the program's eligibility standards; therefore, VA is unable to readily change these standards under the current contract. VA officials stated they are exploring the potential for legislative change of section 125 of the act, but do not currently have a time frame for this.

To implement this recommendation, VHA will need to implement the existing statutory requirement so that it can then ensure its current scheduling time frames and monitoring metrics align with the standard. Without monitoring metrics that are consistent with VHA policy, VHA's ability to identify high- and low-performing VHA medical centers is limited. The use of

misaligned metrics also affects VHA's ability to work with VHA medical centers to identify problems and implement corrective actions to improve the timeliness of veterans' appointments, as needed.

High-Risk Area: [Managing Risks and Improving VA Health Care](#)

Director: Sharon M. Silas

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Human Capital Management

Veterans Health Administration: Better Data and Evaluation Could Help Improve

Physician Staffing, Recruitment, and Retention Strategies. [GAO-18-124](#). Washington,

D.C.: October 19, 2017.

Year Recommendation Made: 2018

Recommendation: The Under Secretary for Health should develop and implement a process to accurately count all physicians providing care at each medical center, including physicians who are not employed by VHA.

Action Needed: VHA disagreed with this recommendation. As of February 2024, VHA had not taken any action to implement it. VA responded to our report by stating that the ability to count physicians does not affect its ability to assess workload. However, we maintain that an accurate count of all physicians providing care at each medical center is necessary for accurate workforce planning.

To implement the recommendation, VHA needs to develop a system-wide process to collect information on all physicians providing care at VA medical centers, including physicians who are not employed by VHA. The lack of ready access to complete information on all types of physicians, including physicians who provide care under arrangements other than VA employment, means VHA does not have a consistent, systemic count of its total physician workforce. As such, VHA cannot ensure that its workforce planning process sufficiently addresses gaps in physician staffing, including whether staffing is appropriately allocated across VA medical centers and departments, which may affect veterans' access to care, among other issues.

High-Risk Area: [Managing Risks and Improving VA Health Care, Strategic Human Capital Management](#)

Director: Sharon M. Silas, Health Care

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Disability Benefits Management

VA Disability Benefits: Compensation Program Could Be Strengthened by Consistently Following Leading Reform Practices. [GAO-22-104488](#). Washington, D.C.: July 18, 2022.

Year Recommendation Made: 2022

Recommendation: The Under Secretary for Benefits should develop and implement a policy that comprehensively describes the leading practices for effective government reform that Veterans Benefits Administration (VBA) officials should follow, as appropriate, when undertaking efforts to improve the efficiency and effectiveness of the disability compensation program.

Action Needed: VA agreed with this recommendation. As of March 2024, VBA officials told us that they have begun developing a formal system to monitor efforts to reform the disability compensation program.

To fully implement this recommendation, VA needs to demonstrate that it has developed and implemented a set of leading reform practices, such as those described in our report, that managers should use to plan and manage ongoing and future disability compensation program reforms. Doing so may help VBA track, prioritize, and oversee ongoing and new reforms aimed at improving the disability compensation program.

High-Risk Area: [Improving and Modernizing Federal Disability Programs](#)

Director: Elizabeth H. Curda; Education, Workforce, and Income Security

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Quality of Care and Patient Safety

Veterans Health Administration: Greater Focus on Credentialing Needed to Prevent

Disqualified Providers from Delivering Patient Care. [GAO-19-6](#). Washington, D.C.:

February 28, 2019.

Year Recommendation Made: 2019

Recommendation: The Under Secretary for Health should develop policies and guidance regarding Drug Enforcement Administration (DEA) registrations, including the circumstances in which DEA waivers may be required, the process for requesting them, and a mechanism to ensure that facilities follow these policies.

Actions Needed: VA agreed with this recommendation. In February 2024, VA officials said that VHA has drafted a directive and will issue an Under Secretary for Health Memorandum once the directive is published. They said that both the directive and memorandum will include guidance regarding when a DEA employment waiver may be necessary and how to request a waiver. VA officials said the target completion date is June 2024.

To implement this recommendation, VA needs to take actions to ensure that DEA requirements regarding DEA registrations and employment waivers are met. Such actions include developing policies regarding when a DEA employment waiver may be necessary and guidance about how

to request such a waiver. Until VA takes such actions, there is a risk that state and DEA controlled-substance requirements may not be followed.

High-Risk Area: [Managing Risks and Improving VA Health Care](#)

Director: Seto Bagdoyan, Forensic Audits and Investigative Service

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VA Health Care System Efficiency

Veterans Health Care: VA Needs to Improve Its Allocation and Monitoring of Funding.

[GAO-19-670](#). Washington, D.C.: September 23, 2019.

Year Recommendation Made: 2019

Recommendation: The VA Under Secretary for Health should revise its existing guidance to require VISNs—in conjunction with medical centers—to develop and submit approaches to improve efficiency at medical centers with declining workload that received adjusted funding levels. These approaches could include adjusting the level of services offered.

Action Needed: VA agreed with this recommendation. VHA stated that it is conducting market assessments over a multi-year period to increase access and quality of care to veterans. The most recent market assessments were completed in March 2022.

In January 2023, VHA said that it instructed central office leadership, VISN leadership, and medical center leadership to develop a prioritized list of facility investment opportunities, some of which are based on recommendations in the March 2022 market assessments. According to VHA, this work will help inform investments in new facilities that are aligned with veteran demand, allow for utilization of modern health care technologies, and improve efficiency across the VA health care system. Furthermore, VHA said that the implementation of prioritized investments would improve efficiency at medical centers with declining workload by rightsizing, adjusting to appropriate service offerings, and modernizing those locations. In November 2023, VHA provided documentation to show that medical facilities have taken some steps to improve efficiency, such as reducing underutilized clinic space. VHA officials also stated that VHA has efforts underway to modernize and realign VA's infrastructure that are being led at the enterprise level. As of February 2024, these efforts are underway.

To fully implement this recommendation, VHA needs to complete actions VHA-wide to adjust the level of services or take other actions to improve efficiency and help lower costs at medical centers with declining workloads that received adjusted funding levels. Without doing so, VHA increases the risk that these adjustments will not align with its strategic plan, which calls for the efficient allocation of funds.

High-Risk Area: [Managing Risks and Improving VA Health Care](#)

Director: Sharon M. Silas, Health Care

Contact Information: silass@gao.gov, (202) 512-7114

Acquisition Management

Veterans Affairs Contracting: Improvements in Buying Medical and Surgical Supplies

Could Yield Cost Savings and Efficiency. [GAO-18-34](#). Washington, D.C.: November 9, 2017.

Year Recommendation Made: 2018

Recommendation: The Director of the Medical Surgical Prime Vendor-Next Generation program office should, with input from the Strategic Acquisition Center, develop, document, and communicate to stakeholders an overarching strategy for the program, including how the program office will prioritize categories of supplies for future phases of requirement development and contracting.

Action Needed: VA agreed with this recommendation. To implement this recommendation, VA needs to develop an overarching strategy for obtaining medical surgical supplies through a prime vendor. VA had planned to implement a new Medical Surgical Prime Vendor (MSPV) program, called MSPV 2.0, starting in 2020. Since 2017, VA has pursued four different versions of this program, but none have fully achieved VA's goals.

As of February 2024, VA reported that VHA has awarded contracts for a new version of MSPV, MSPV Gen Z, that is intended to address some of the issues we have previously identified. VHA has also developed automation tools to identify supply alternatives and new reporting tools. VA stated that it continues to enhance coordination with stakeholders as they implement MSPV Gen Z and formed teams to enhance communication.

Until VA develops and documents an overarching strategy, uncertainty may remain about the path forward, and it will be more difficult for VA to address the program's existing shortcomings.

High-Risk Area: [VA Acquisition Management](#)

Director: Shelby S. Oakley, Contracting and National Security Acquisitions

Contact Information: oakleys@gao.gov, (202) 512-4841

VA Acquisition Management: Comprehensive Supply Chain Management Strategy Key to Address Existing Challenges. [GAO-21-445T](#). Washington, D.C.: March 24, 2021.

Year Recommendation Made: 2021

Recommendation: The Secretary of Veterans Affairs should ensure the VHA Assistant Under Secretary for Health for Support develops a comprehensive supply chain management strategy that outlines how VHA's various supply chain initiatives are related to each other and to VA-wide initiatives. This strategy should link to VA's overall plans to address its broader acquisition management challenges and reflect key practices of organizational transformations, including an implementation plan with key milestones.

Action Needed: VA agreed with this recommendation. As of February 2024, VA and VHA continue to collaborate to complete a Comprehensive Supply Chain Management strategy. In September 2023, VA signed a charter that appointed a program manager to oversee the modernization of the supply chain process within VA. In September 2023, VA also chartered an

Enterprise Supply Chain Board to integrate VA's supply chain efforts under a single governing body to bring together the goals, governance structure, and roles and responsibilities of the Enterprise Supply Chain program. VA's Chief Acquisition Officer is leading efforts to develop an overarching strategy but has yet to set a release date for the final strategy. VA has completed two phases of its process to develop this strategy, which include identifying the current state of its supply chain and conducting a gap analysis. VA's Office of Acquisition, Logistics, and Construction is also in the process of acquiring a new information technology capability to support supply chain efforts.

To fully implement this recommendation, VA needs to use the gap analysis it has completed to finalize the development of a comprehensive supply chain management strategy, including documenting how the new information technology it plans to acquire will address supply chain management challenges that our work has highlighted. Until it develops an overarching supply chain strategy and answers key questions, VA will not be able to fully address its high-risk acquisition management and ultimately better meet veterans' needs.

High-Risk Area: [VA Acquisition Management](#)

Director: Shelby S. Oakley, Contracting and National Security Acquisitions

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Federal Contracting: Senior Leaders Should Use Leading Companies' Key Practices to Improve Performance. [GAO-21-491](#). Washington, D.C.: July 27, 2021.

Year Recommendation Made: 2021

Recommendation: The Secretary of Veterans Affairs should ensure the VA Senior

Procurement Executive (SPE) uses a balanced set of performance metrics to manage the department's procurement organizations, including outcome-oriented metrics to measure (a) cost savings/avoidance, (b) timeliness of deliveries, (c) quality of deliverables, and (d) end-user satisfaction.

Action Needed: VA agreed with this recommendation. In February 2024, VA officials provided a copy of a survey that is intended to identify opportunities to improve the procurement experience for end-users. VA officials stated they piloted the survey in August 2023 and received data in September 2023. However, there was an insufficient number of respondents to establish accurate data. Officials indicated they are focused on increasing the number of survey responses before establishing outcome-oriented metrics to measure cost savings/avoidance, timeliness of deliveries, quality of deliverables, and end-user satisfaction.

To implement this recommendation, VA needs to provide evidence that it has implemented a balanced set of performance metrics—including outcome-oriented metrics—to manage the department's procurement organizations. Doing so would help VA identify improvement opportunities, set priorities, and allocate resources.

High-Risk Area: [VA Acquisition Management](#)

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VA Acquisition Management: Action Needed to Ensure Success of New Oversight Framework.
[GAO-22-105195](#). Washington, D.C.: August 11, 2022.

Year Recommendation Made: 2022

Recommendation: The Secretary of Veterans Affairs should ensure that the Chief Acquisition Officer addresses challenges that pose risks to the Acquisition Lifecycle Framework's success prior to its implementation. These risks include collecting cost data to enable identification of programs subject to increased oversight within the framework, addressing acquisition workforce needs, aligning the framework with other processes, and ensuring program compliance with the framework.

Action Needed: VA concurred with this recommendation. VA identified the need for a supporting enterprise program management structure to enable the success of the Acquisition Lifecycle Framework, informed in part by feedback from programs that had been early adopters of the proposed framework. In February 2024, VA indicated that it had completed some initial tasks to implement this structure, such as identifying critical stakeholders and programmatic challenges. As it implements this structure, VA plans to complete some steps toward addressing this recommendation by the end of fiscal year 2024. Other steps are longer-term efforts, such as plans to establish a mechanism to collect, maintain, and monitor program costs and cost estimates. VA issued a notice in March 2024 that rescinded the current acquisition program management framework and replaced it with the Acquisition Lifecycle Framework. A directive will be issued later to require VA programs to follow the framework.

To fully implement this recommendation, VA needs to demonstrate that its enterprise program management structure implementation has addressed challenges we identified that pose risks to its success implementing the new framework. Until it does, VA lacks reasonable assurance that the framework will be effective in improving its acquisition management.

High-Risk Area: [VA Acquisition Management](#)

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Electronic Health Record Modernization

Electronic Health Records: VA Needs to Address Management Challenges with New System. [GAO-23-106731](#). Washington, D.C.: May 18, 2023.

Year Recommendations Made: 2023

Recommendation: The Secretary of Veterans Affairs should ensure that VA documents a VA-specific change management strategy to formalize its approach to drive user adoption.

Recommendation: The Secretary of Veterans Affairs should ensure that the department's planned improvements to communication of system changes meet users' needs for the frequency of the updates provided.

Recommendation: The Secretary of Veterans Affairs should take steps to improve change readiness scores prior to future system deployments.

Recommendation: The Secretary of Veterans Affairs should ensure steps taken by the Electronic Health Record Modernization program and Oracle Cerner to increase workforce skills and competencies through improved training and related change management activities have been effective.

Recommendation: The Secretary of Veterans Affairs should address users' barriers to change, by ensuring planned completion of all actions identified in the Secretary's Strategic Review.

Recommendation: The Secretary of Veterans Affairs should develop a plan, including a timeline, for establishing (1) targets for measuring the adoption of changes and (2) metrics and targets to measure the resulting outcomes of the change.

Recommendation: The Secretary of Veterans Affairs should measure and report on outcomes of the change and take actions to support users' ability to use the system to reinforce and sustain the change.

Actions Needed: VA concurred with these seven recommendations. Until VA implements these recommendations, VA risks hindering users' ability to effectively use the electronic health record system. As of March 2024, VA had done the following:

- Worked with its contractor to update the existing change management plan to be more VA-specific and was continuing to collaborate within the department to develop an overarching, enterprise-wide VA change management strategy. VA needs to develop and execute a VA-specific change management strategy and activities consistent with leading practices.
- Taken steps to improve communications of system changes to end-users and established an effort to gather feedback and update processes for transparent communication. Because VA has temporarily paused further system deployments, we will continue to monitor the department's progress toward implementing this recommendation.
- Established a target for improving change readiness questionnaire scores. However, because VA has temporarily paused further system deployments, VA has yet to collect

new change readiness scores. After system deployments resume, we will revisit the department's actions in response to this recommendation.

- Taken steps to increase workforce skills and competencies through learning labs, updates to system training, and building informatics staff expertise. When VA continues its deployments of the new electronic health record (EHR) system, we will revisit the department's progress toward implementing this recommendation.
- Continued addressing 10 of 69 strategic review recommendations.
- Identified metrics and targets for change management activities but was continuing to refine the functional and technical quality standards to monitor program performance during system implementation.
- Identified metrics and targets for change management activities but had not yet reported on outcomes relative to the targets.

Recommendation: The Secretary of Veterans Affairs should establish user satisfaction targets (i.e., goals) and ensure that the program demonstrates improvement toward meeting those targets prior to future system deployments.

Action Needed: VA concurred with this recommendation. As of March 2024, VA had established surveys for end-users before and after system enhancements to measure user feedback. The department also established a user experience working group and a pilot test to inform system usability targets (i.e., goals). To fully implement this recommendation, VA needs to establish targets to assess user satisfaction with the department's new electronic health record system and to monitor progress toward meeting targets to ensure users' operational needs are met. By implementing this recommendation, VA will help ensure that future systems are not deployed prematurely and do not pose unnecessary risks to patient health and safety.

Recommendation: The Secretary of Veterans Affairs should make certain that future system trouble tickets are resolved within established timeliness goals.

Recommendation: The Secretary of Veterans Affairs should reinstitute plans to conduct an independent operational assessment to evaluate the suitability and effectiveness of the new EHR system for users in the operational environment.

Actions Needed: VA concurred with these two recommendations. As of March 2024, VA established additional service level agreements and strategies to reduce the backlog of tickets. In addition, VA noted plans to reinstitute an independent operational assessment. However, VA should continue to monitor new trouble ticket resolution processes to ensure timeliness and did not set a target date for the independent operational assessment.

To implement these recommendations, VA needs to make certain that trouble tickets are resolved within timeliness goals on a sustained basis and reinstitute plans to conduct an independent operational assessment to evaluate the suitability and effectiveness of the new EHR system. By implementing these recommendations, VA will help validate that the system satisfies user needs in the operational environment.

High-Risk Area: [Managing Risks and Improving VA Health Care](#)

Director: Carol C. Harris, Information Technology and Cybersecurity

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Assessing Software Licenses

Federal Software Licenses: Agencies Need to Take Action to Achieve Additional Savings. [GAO-24-105717](#). Washington, D.C.: January 29, 2024.

Year Recommendation Made: 2024

Recommendation: The Secretary of Veterans Affairs should ensure that the agency compares the inventories of software licenses that are currently in use with information on purchased licenses to identify opportunities to reduce costs and better inform investment decision making for its widely used licenses on a regular basis. At a minimum, it should develop and implement procedures for comparing the inventories of licenses in use to purchase records.

Actions Needed: VA agreed with this recommendation. In response to our draft report, VA said the agency is working to identify opportunities to reduce costs and better inform investment making decisions using true-up and true-down provisions, where applicable, to adjust quantities purchased based on any usage metrics available.¹⁴ As of March 2024, VA had not provided additional information.

To fully implement this recommendation, VA needs to compare its inventories of software licenses with known purchases. Until doing so, VA is likely to miss opportunities to reduce costs on duplicative or unnecessary licenses.

Potential Financial Benefit If Implemented: Potentially millions of dollars in cost savings

High-Risk Area: [Improving the Management of Information Technology \(IT\) Acquisitions and Operations](#)

Director: Carol C. Harris, Information Technology and Cybersecurity

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Equal Employment Opportunity and Harassment Prevention Programs

Sexual Harassment: Inconsistent and Incomplete Policies and Information Hinder VA's

Efforts to Protect Employees. [GAO-20-387](#). Washington, D.C.: June 15, 2020.

Year Recommendations Made: 2020

Recommendation: VA's Assistant Secretary for Human Resources and Administration/Operations, Security, and Preparedness should realign VA's Equal Employment

¹⁴True-up and true-down reviews are part of sound software license management and include a regular reconciliation review to ensure agencies have the appropriate number of licenses for each item of software in use, that legal agreements are adhered to, and that organizations avoid purchasing unnecessary licenses.

Opportunity (EEO) Director position to adhere to the applicable Equal Employment Opportunity Commission (EEOC) directive by ensuring the position is not responsible for personnel functions.

Action Needed: VA did not agree with this recommendation. In September 2020, VA met with the EEOC to discuss, among other things, alignment of VA's EEO Director position. In July 2022, VA said it continues to believe that its alignment of the EEO Director was not problematic. In December of 2022, the Consolidated Appropriations Act, 2023 included a provision that within 90 days of enactment, the Secretary of Veterans Affairs is to ensure that the official who serves as the department's EEO Director does not also serve in a position that has responsibility over personnel functions of the department. In March 2024, VA reported that the department continues to make efforts to evaluate options for full compliance with the law.

To implement this recommendation, VA needs to realign the EEO Director position in accordance with the EEOC directive. Failure to realign the EEO Director position can create, at a minimum, the appearance of a conflict of interest and erode employees' trust that sexual harassment complaints will be handled appropriately.

Recommendation: VA's Deputy Assistant Secretary for Resolution Management should complete VA's EEO Program Manager realignment initiative at VBA and VHA in accordance with VA policy.

Action Needed: VA agreed with this recommendation. As of January 2023, VBA had realigned most of its EEO Program Managers and proposed plans to complete the remaining realignment. VA stated that it plans to realign VHA EEO Program Managers. In December 2022, the Consolidated Appropriations Act, 2023 included a provision that within 1 year of enactment, the Secretary of Veterans Affairs shall ensure that each EEO Program Manager at the facility level reports to the head of the Office of Resolution Management, or such successor office established, with respect to their EEO functions. In April 2024, VA reported that its target is to complete realignment of VHA EEO Program Managers in fiscal year 2024.

To implement this recommendation, VA needs to complete the realignment of EEO Program Managers at both VBA and VHA. Not doing so would continue to hinder VA's efforts to prevent and address sexual harassment in the workplace by creating a real or perceived conflict of interest when handling EEO issues.

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VA Equal Opportunity Employment Opportunity: Increased Attention Needed to Improve Program Effectiveness. [GAO-23-105429](#). Washington, D.C.: September 12, 2023.

Year Recommendation Made: 2023

Recommendation: The Secretary of Veterans Affairs should ensure that the Deputy Assistant Secretary for Resolution Management, Diversity and Inclusion assesses and addresses any potential risks to the independence of the agency's EEO program, including the Harassment Prevention Program.

Action Needed: VA agreed with this recommendation. In April 2024, VA said that this assessment is ongoing and outlined several areas under review, including EEO functions, the Harassment Prevention Program, and the Alternative Dispute Resolution Program.

To implement this recommendation, VA needs to fully review all aspects of its EEO program to determine whether there are potential conflicts in, for example, reporting structures and job duties. Without assessing and addressing potential risks to independence, VA may not be best positioned to ensure the integrity of its EEO program. Further, employees may be hesitant to come forward with complaints of discrimination because they no longer view the EEO program as independent.

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Veteran Education Program Management

Veterans Employment: Promising VA Technology Education Pilot Would Benefit from Better Outcome Measures and Plans for Improvement. [GAO-23-105343](#). Washington, D.C.: October 27, 2022.

Year Recommendation Made: 2023

Recommendation: The Secretary of Veterans Affairs should develop an employment rate calculation consistent with standard approaches used by government or industry entities.

Action Needed: VA neither agreed nor disagreed with this recommendation. As of February 2024, VA has no plans to calculate an employment rate for the Veterans Employment Through Technology Education Courses (VET TEC) program that is consistent with approaches used by government and industry entities. While VA officials recognize a more detailed and structured reporting approach could be useful for comparing VET TEC with other similar programs, officials stated that the goal of their current reporting approach is to show the likely outcome of a veteran participant obtaining employment within 180 days of completing the VET TEC pilot program. However, their current calculation may be an overestimate of that outcome as it includes veteran participants who find employment within 180 days, while excluding those who do not. The VET TEC pilot program authorization expired on April 1, 2024; however, VA agreed that it would look at restructuring its data collection if the program is made permanent.

To fully implement this recommendation, VA needs to develop an employment rate calculation that is consistent with other standard measures. Doing so would allow VA to share information about the program's success in a manner that is commonly understood and may also allow VA to more easily compare VET TEC outcomes with other programs and measures.

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