



Highlights of [GAO-10-1038T](#), a testimony before the Subcommittee on Health, Committee on Veterans' Affairs, House of Representatives.

## Why GAO Did This Study

VA clinicians use expendable medical supplies—disposable items that are generally used one time—and reusable medical equipment (RME), which is designed to be reused for multiple patients. VA has policies that VA medical centers (VAMC) must follow when purchasing such supplies and equipment and tracking—that is, accounting for—these items at VAMCs.

GAO was asked to evaluate VA's purchasing and tracking of expendable medical supplies and RME and their potential impact on veterans' safety. This testimony is based on GAO's ongoing work and provides preliminary observations on (1) the extent of compliance with VA's requirements for purchasing and tracking of expendable medical supplies and RME and (2) steps VA plans to take to improve its oversight of VAMCs' purchasing and tracking of expendable medical supplies and RME. GAO reviewed VA policies and selected three requirements that GAO determined to be relevant to patient safety. At each of the five VAMCs GAO visited, GAO reviewed documents used to identify issues related to the three requirements and interviewed officials to gather further information on these issues. The VAMCs GAO visited represent different surgical complexity groups, sizes of veteran populations served, and geographic regions. GAO also interviewed VA headquarters officials and obtained and reviewed documents regarding VA headquarters' oversight. GAO shared the information in this statement with VA officials.

[View GAO-10-1038T](#) or [key components](#). For more information, contact Debra A. Draper at (202) 512-7114 or [draperd@gao.gov](mailto:draperd@gao.gov).

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## VA HEALTH CARE

### Preliminary Observations on the Purchasing and Tracking of Supplies and Medical Equipment and the Potential Impact on Veterans' Safety

## What GAO Found

During its preliminary work at the five selected VAMCs, GAO found inconsistent compliance with the three VA purchasing and tracking requirements selected for review. Noncompliance with these requirements created potential risks to veterans' safety.

- *Requirement for VAMC committee review and approval.* At two of the VAMCs, officials stated that the required designated committee review and approval occurred for all of the expendable medical supplies and RME that the VAMCs had not previously purchased. These reviews are designed to evaluate the cost of the purchase as well as its likely impact on veterans' care. However, at the remaining three VAMCs, officials stated that the required committee review and approval of the expendable medical supplies, such as those used in conjunction with dialysis machines, did not always occur. As a result, these purchases were made without evaluating the likely impact on veterans' care.
- *Requirement for signatures of purchasing and approving officials.* At one of the VAMCs, VAMC officials discovered that a staff member in a dialysis department ordered an expendable medical supply item for use in dialysis machines, without obtaining the required signature of an approving official. That staff member ordered an incorrect item, the use of which presented a risk of exposing veterans to infectious diseases, such as Human Immunodeficiency Virus.
- *Requirement for entering information in VA's inventory management systems.* Officials from one of the five VAMCs told GAO that information about expendable medical supplies that were ordered on a recurring basis was entered into the appropriate inventory management system, as required. At the remaining four VAMCs, officials told GAO that information about certain expendable medical supplies—those used in a limited number of clinical departments such as dialysis departments—was not always entered into the system. This lack of information can pose a potential risk to veterans' safety; in the event of a recall of these items, these VAMCs may have difficulty determining whether they possess the targeted item.

VA reports that it plans to improve its oversight of VAMCs' purchasing and tracking of expendable medical supplies and RME. For example, VA headquarters officials stated that, effective October 1, 2010, VA plans to shift greater responsibility for reviews of purchase card transactions from the VAMCs to the Veterans Integrated Service Networks, which are responsible for overseeing VAMCs. VA headquarters officials also told GAO that VA is developing a new inventory management system, which it expects will help improve VA's ability to track information about expendable medical supplies and RME across VAMCs. VA expects this new system to be operational in March 2011.