

GAO Highlights

Highlights of [GAO-24-106390](#), a report to the Ranking Member, Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

VA's Veterans Community Care Program is implemented through five regional contracts with two third-party administrators. Effective contract oversight by VA is essential to providing quality health care to the increasing number of veterans served outside of VA facilities. In 2019, GAO added VA acquisition management to its High-Risk List due to VA's challenges in managing acquisitions, including contract oversight.

GAO was asked to assess VA's Veterans Community Care Program. This report (1) describes the oversight structure VA established for the Community Care contracts, (2) assesses the extent to which VA established clear and complete guidance for contract oversight, and (3) assesses the extent to which VA identified and assessed challenges to the program to inform future contracts.

To conduct this work, GAO reviewed Community Care program contract files, reviewed agency documentation, and interviewed VA officials.

What GAO Recommends

GAO is recommending that VA (1) document a clear and comprehensive set of contract oversight procedures, (2) assess whether all aspects of the program manager role are fulfilled by its current processes, and (3) develop a formal lessons learned process. VA concurred with the three recommendations and identified planned actions to address them.

View [GAO-24-106390](#). For more information, contact Shelby S. Oakley at (202) 512-4841 or OakleyS@gao.gov.

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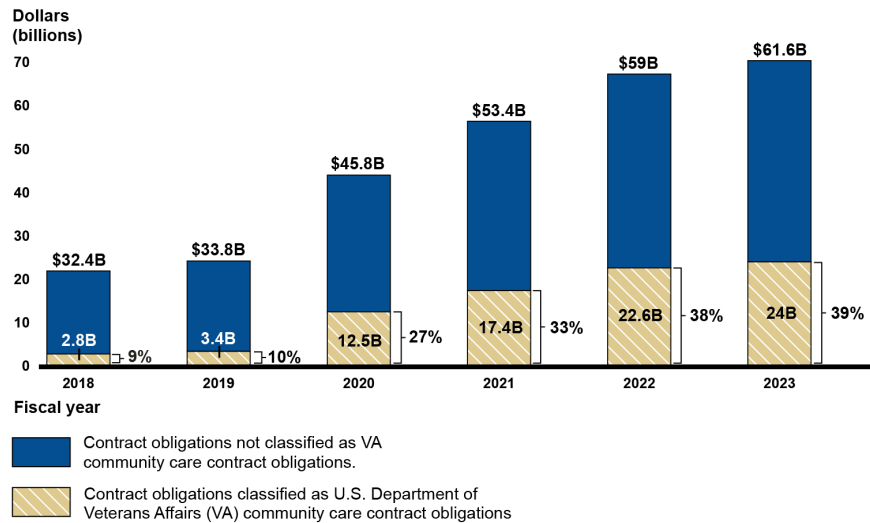
VETERANS COMMUNITY CARE PROGRAM

VA Needs to Strengthen Contract Oversight

What GAO Found

The Department of Veterans Affairs' (VA) Veterans Community Care Program allows eligible veterans to receive medical care from community providers instead of VA facilities. The program has grown rapidly in recent years and accounted for nearly 40 percent of VA's total contract obligations in fiscal year 2023. Contract oversight is complex and responsibility for oversight is spread across multiple areas within the Office of Integrated Veteran Care (IVC). IVC was created in 2022, and it continues to restructure some roles, such as the Contracting Officer's Representatives (COR), who keep contracting officers informed and provide technical direction to contractors.

Community Care Obligations between Fiscal Years 2018 and 2023 (in billions)



Source: GAO analysis of Federal Procurement Data System data. | GAO-24-106390

IVC has not developed a clear and complete set of documentation to guide contract oversight. IVC has developed guidance—called desk procedures—but this guidance is limited to certain administrative processes and is incomplete. For example, it does not address how contract performance should be assessed when performance data are incomplete or unreliable, hindering CORs from conducting contract oversight.

Further, IVC has eliminated a program manager position identified in the oversight plans for the contracts. While IVC officials identified alternative processes for some program manager functions, officials have not assessed whether they fulfill all functions. Additionally, VA has not updated its plans to reflect its current processes. These gaps increase contract oversight risks.

While IVC and other officials have begun discussing how to address oversight challenges with the current contracts, VA does not have a formal process for documenting lessons learned. VA is already working to establish the next set of contracts. VA risks continued contract oversight challenges if it does not collect, analyze, and validate lessons learned from its contracting efforts.