

GAO Highlights

Highlights of [GAO-25-107149](#), a report to congressional committees

Why GAO Did This Study

Thousands of veterans live in or travel to foreign countries each year. For qualifying medical expenses incurred abroad, veterans, or the providers that deliver services, may submit claims to VHA's Foreign Medical Program for reimbursement.

The Consolidated Appropriations Act, 2023, includes a provision for GAO to review the VHA Foreign Medical Program. This report addresses available data on program claims, VHA processes for reimbursing claims, program staffing, and the extent to which fraud risk management activities for the program are consistent with selected leading practices.

GAO reviewed data on claims processed for fiscal years 2018 through 2024 and relevant program policies and documentation; assessed the program's processes against criteria, such as human capital management key practices and GAO's Fraud Risk Framework; and interviewed agency officials, veterans who use the program, and five veterans service organizations. GAO conducted interviews with veterans in person and obtained written responses via email.

What GAO Recommends

GAO is making nine recommendations to VHA, including that it finalize and prioritize implementation of the steps to transition to electronic funds transfers, evaluate and implement strategies to help mitigate staffing challenges, and follow leading practices for addressing the elements for assessing fraud risks. VA concurred with the recommendations and identified steps VHA plans to take to implement them.

View [GAO-25-107149](#). For more information, contact Alyssa M. Hundrup at (202) 512-7114 or HundrupA@gao.gov.

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VETERANS HEALTH CARE

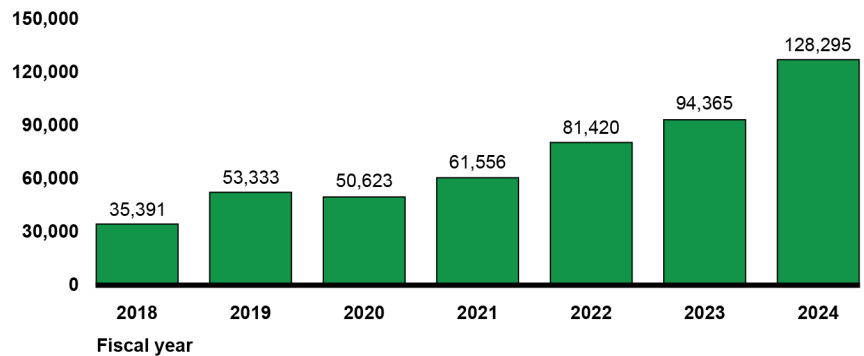
Actions Needed to Improve the Foreign Medical Program

What GAO Found

The Department of Veterans Affairs (VA) is responsible for providing benefits to veterans. Within VA, the Veterans Health Administration (VHA) provides health care benefits to eligible veterans with service-connected disabilities living or traveling abroad through its Foreign Medical Program. In fiscal year 2024, VHA data show the program paid \$128.3 million in reimbursements to 8,024 veterans or their providers, representing a 263 percent increase in reimbursements since fiscal year 2018. In fiscal year 2024, the program reported processing 37 percent of claims within 45 days; its goal is to process 90 percent within that time.

Foreign Medical Program Reimbursements, Fiscal Years 2018 through 2024

Total dollars reimbursed (in thousands)



Source: GAO analysis of Veterans Health Administration data. | GAO-25-107149

The Foreign Medical Program makes reimbursements using paper checks, despite a federal law generally calling for electronic payments. Reliance on paper checks has resulted in challenges, including delayed or lost checks, according to officials. VA has begun a transition to an electronic payment method, but when or how the transition will occur is unclear. Implementing the new method will help ensure the timeliness and security of reimbursements.

VHA increased its authorized staffing in August 2023 from 25 to 38 positions for the Foreign Medical Program to help meet its timeliness goal. However, 14 positions remained vacant in 2024 due to various reasons, including a VHA zero-growth hiring policy, according to officials. VHA has taken some steps to help with hiring, such as allowing positions to be remote, but has not otherwise identified and evaluated staffing strategies. Evaluating and implementing such strategies could help the program address its staffing challenges and process claims in a timely manner.

VA has not comprehensively assessed fraud risks in the program in line with selected leading practices, despite evidence of potential fraud. This included VA suspending providers in 2024 due to their alleged involvement in a long-term fraud scheme. VHA developed two documents to outline efforts for fraud, waste, and abuse activities within VHA. However, VA has not implemented selected leading practices outlined in GAO's Fraud Risk Framework. These include assigning an entity to lead and regularly assess fraud risks. Implementing such practices will help VA better prevent, detect, and respond to fraud.