



**Department of Veterans Affairs
Office of Inspector General**

**Combined Assessment Program
Review of the New Mexico
VA Health Care System
Albuquerque, New Mexico**

Office of Inspector General

Combined Assessment Program Reviews

Combined Assessment Program (CAP) reviews are part of the Office of Inspector General's (OIG's) efforts to ensure that high quality health care and benefits services are provided to our Nation's veterans. CAP reviews combine the knowledge and skills of the OIG's Offices of Healthcare Inspections, Audit, and Investigations to provide collaborative assessments of VA medical facilities and regional offices on a cyclical basis. The purposes of CAP reviews are to:

- Evaluate how well VA facilities are accomplishing their missions of providing veterans convenient access to high quality medical and benefits services.
- Determine if management controls ensure compliance with regulations and VA policies, assist management in achieving program goals, and minimize vulnerability to fraud, waste, and abuse.
- Provide fraud and integrity awareness training to increase employee understanding of the potential for program fraud and the requirement to refer suspected criminal activity to the OIG.

In addition to this typical coverage, CAP reviews may examine issues or allegations referred by VA employees, patients, Members of Congress, or others.

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Executive Summary

Introduction

During the week of March 14–18, 2005, the Office of Inspector General (OIG) conducted a Combined Assessment Program (CAP) review of the New Mexico VA Health Care System. The purpose of the review was to evaluate selected operations, focusing on patient care administration, quality management (QM), and financial and administrative controls. During the review, we also provided fraud and integrity awareness training to 515 employees. The health care system is part of Veterans Integrated Service Network (VISN) 18.

Results of Review

This CAP review focused on 10 operational activities. The health care system complied with selected standards in the following four activities:

- Controlled Substances
- Government Purchase Card Program
- Pressure Ulcer Clinical Procedures
- Service Contracts

We identified six activities that needed additional management attention. To improve operations, we made the following recommendations:

- Improve the environment of care by correcting infection control deficiencies.
- Strengthen supply inventory management by maintaining accurate inventory records and reducing stock levels.
- Increase Medical Care Collections Fund (MCCF) collections by improving billing procedures for fee-basis care, documentation of medical care, and reviews of medical records.
- Improve the QM program by analyzing patient complaints to identify trends and opportunities for improvement and performing comprehensive mortality reviews.
- Strengthen timekeeping controls by ensuring that part-time physicians designate at least 25 percent of their total work hours as core hours and record their hours worked on subsidiary time sheets, that all required timekeeper desk audits are performed, and that all timekeepers receive annual refresher training.
- Improve information technology (IT) system access controls by promptly terminating system access for separated employees and disabling access privileges for employees who have not accessed their accounts in 90 days or more.

This report was prepared under the direction of Mr. Michael E. Guier, Director, and Mr. Jehri Lawson, CAP Review Coordinator, Dallas Audit Operations Division.

VISN 18 and Health Care System Director Comments

The VISN 18 and Health Care System Directors agreed with the CAP review findings and recommendations and provided acceptable improvement plans. (See pages 11–19 for the full text of the Directors’ comments.) We will follow up on the implementation of planned improvement actions.

(original signed by:)

JON A. WOODITCH
Acting Inspector General

Introduction

Health Care System Profile

Organization. The health care system is a tertiary referral center that provides a broad range of inpatient and outpatient health care services. Outpatient care is also provided at six community-based outpatient clinics located in Artesia, Farmington, Gallup, Raton, Santa Fe, and Silver City, NM. The health care system is part of VISN 18 and serves a veteran population of about 194,000 residing in 23 counties in New Mexico and southwest Colorado.

Programs. The health care system provides primary, secondary, and tertiary care services and has 230 operating beds, including 36 beds in the Nursing Home Care Unit (NHCU) and 26 beds in the Zia Spinal Cord Injury Center. In addition, the health care system has a sharing agreement with the 377th Medical Group and Dental Squadron from Kirtland Air Force Base, which allows active duty military personnel to receive inpatient, specialty outpatient, radiology, and laboratory services at the health care system's facilities.

Affiliations and Research. The health care system is affiliated with the University of New Mexico School of Medicine and supports 114 resident positions. In fiscal year (FY) 2004, the health care system had 235 research projects and a research budget of about \$14 million. Important areas of research included cardiology, endocrinology, neurology, neuropsychiatry, pulmonary disease, and rehabilitation medicine.

Resources. The health care system's medical care expenditures totaled \$227 million in FY 2004. The FY 2005 medical care budget is \$234 million. In FY 2004, the health care system had 1,668 full-time equivalent employees (FTE), which included 115 physician FTE and 466 nursing FTE.

Workload. In FY 2004, the health care system treated 58,734 unique patients. The FY 2004 inpatient workload totaled 7,223 discharges; the average daily patient census was 145 for acute care and 23 for nursing home care. The outpatient workload totaled 508,740 visits in FY 2004.

Objectives and Scope of the CAP Review

Objectives. CAP reviews are one element of the OIG's efforts to ensure that our Nation's veterans receive high quality VA health care and benefits services. The objectives of the CAP review are to:

- Conduct recurring evaluations of selected health care facility and regional office operations focusing on patient care, QM, benefits, and financial and administrative controls.

- Provide fraud and integrity awareness training to increase employee understanding of the potential for program fraud and the requirement to refer suspected criminal activity to the OIG.

Scope. We reviewed selected clinical, financial, and administrative activities to evaluate the effectiveness of QM, patient care administration, and general management controls. QM is the process of monitoring the quality of patient care to identify and correct harmful or potentially harmful practices or conditions. Patient care administration is the process of planning and delivering patient care. Management controls are the policies, procedures, and information systems used to safeguard assets, prevent errors and fraud, and ensure that organizational goals are met. The review covered facility operations for FY 2003, FY 2004, and FY 2005 through March 18, 2005, and was done in accordance with OIG standard operating procedures for CAP reviews.

In performing the review, we inspected work areas; interviewed managers, employees, and patients; and reviewed clinical, financial, and administrative records. The review covered the following 10 operational activities:

Controlled Substances	Pressure Ulcer Clinical Practices
Environment of Care	QM Program
Government Purchase Card Program	Service Contracts
IT Security	Supply Inventory Management
Medical Care Collections Fund	Time and Attendance for Part-Time Physicians

As part of this review, we used questionnaires and interviews to survey employee and patient satisfaction with the timeliness of service and the quality of care. We made electronic survey questionnaires available to all health care system employees, and 114 employees responded. We also interviewed 26 patients during the review. The survey results were shared with health care system managers.

We also presented eight fraud and integrity awareness training sessions. A total of 515 employees attended the training, which covered procedures for reporting suspected criminal activity to the OIG and included case-specific examples illustrating procurement fraud, false claims, conflicts of interest, and bribery.

In this report we make recommendations for improvement. Recommendations pertain to issues that are significant enough to be monitored by the OIG until corrective actions are implemented. For those activities not discussed in the Opportunities for Improvement section, there were no reportable deficiencies.

Results of Review

Opportunities for Improvement

Environment of Care – Infection Control Deficiencies Needed To Be Corrected

Condition Needing Improvement. Veterans Health Administration (VHA) directives require that the hospital environment present minimal risk to patients, employees, and visitors. We inspected occupied and unoccupied inpatient rooms and bathrooms. The health care system's environment of care was generally clean and safe. Medical equipment and clinical alarms were properly maintained. Environment of care initiatives included a back injury prevention program, accident and hazard investigation, a VISN-adopted inspection checklist, and a newly developed environment of care newsletter. However, management needed to ensure that bariatric commodes were replaced, light pull cords were changed, air vents were cleaned, and staff complied with hand-washing requirements.

Bariatric Commodes. We identified seven wall-mounted commodes with wood stacked underneath to support the weight of heavy patients. Because the wood was porous, the housekeeping staff could not effectively clean around the bases of the commodes. Health care system managers took immediate action and removed the commodes while we were onsite.

Bariatric Commodes



Light Pull Cords. Yarn-knitted extenders were tied to the overbed light pull cords in the NHCU because the pull cords were too short for patients to reach. The knitted extenders were not changed between patients, which put them at risk for infections. We found various other types of extenders, such as twill tape, on other light pull cords throughout the facility. Nurse managers reported these were not changed between patients. During our inspection, managers took immediate action and ordered longer light pull cords that could be disinfected to reduce cross-contamination risks.

Air Return Ceiling Vents. Ceiling vents were covered in thick dust on the Medical Intensive Care Unit, Surgical Intensive Care Unit, and NHCU. The Chief of Environmental Management Service submitted a draft standard operating procedure for vent cleaning during our site visit.

Hand-Washing Compliance. Antimicrobial soaps and alcohol gel were not available in the Supply Processing and Distribution (SPD) employee bathrooms, locker rooms, and the common area. During our inspection, alcohol gel was replenished in the common area.

Recommendation 1. We recommended that the VISN Director ensure that the Health Care System Director takes action to ensure that: (a) bariatric commodes are properly installed, (b) light pull cords are changed, (c) air vents are cleaned, and (d) approved hand-washing supplies are available to SPD employees.

The VISN and Health Care System Directors agreed with the finding and recommendations and reported that special commode chairs used to support bariatric patients have been purchased. All light pull cords have been replaced, and procedures have been established to ensure that light pull cords and air vents are routinely cleaned. In addition, hand-washing supplies were replenished. The improvement plans are acceptable, and we will follow up on the planned actions until they are completed.

Supply Inventory Management – Inventory Controls Needed To Be Strengthened and Stock Levels Needed To Be Reduced

Condition Needing Improvement. The health care system needed to maintain accurate inventory records and reduce stock levels of supplies. VHA policy establishes a 30-day supply goal and requires that medical facilities use the automated Generic Inventory Package (GIP) and the Prosthetics Inventory Package (PIP) to manage inventories. At the time of our review, the health care system's supply inventory included 4,629 line items valued at about \$1.3 million.

Inventory Records. The health care system was not maintaining accurate inventory records. To assess the accuracy of GIP and PIP data, we inventoried 20 medical, 10 engineering, and 10 prosthetics line items with a combined recorded value of \$77,512. The stock levels recorded in GIP and PIP were inaccurate for 17 (42.5 percent) of the 40 line items, with 10 shortages valued at \$15,415 and 7 overages valued at \$4,582. The inaccuracies occurred primarily because health care system personnel did not promptly record receipts and distributions of supplies. Inaccurate inventory records hinder efforts to maintain appropriate stock levels.

Stock Levels. The health care system needed to reduce stock levels of supplies. We compared the quantities on hand to usage data for the 40 line items that we inventoried to determine if stock levels exceeded the 30-day supply goal. Our review showed that the

health care system needed to reduce stock levels for 11 (27.5 percent) of the 40 line items. The value of the excess stock was \$26,410, which was 39.6 percent of the total actual value (\$66,679) of the 40 items we inventoried. Based on the results of our inventory, we estimated that the value of the excess stock in the health care system's supply inventory was \$431,497.

Recommendation 2. We recommended that the VISN Director ensure the Health Care System Director takes action to: (a) reconcile differences and correct inventory records as appropriate, (b) record receipts and distributions promptly, and (c) reduce stock levels to meet the 30-day supply goal.

The VISN and Health Care System Directors agreed with the finding and recommendations and reported that an inventory was completed and the results were used to correct inventory records. The health care system provided refresher training emphasizing the importance of recording receipts and distributions promptly. Inventory levels are being reviewed on a monthly basis to monitor progress toward the 30-day supply goal. The improvement plans are acceptable, and we will follow up on the planned actions until they are completed.

Medical Care Collections Fund – Collections From Insurance Carriers Could Be Increased

Condition Needing Improvement. The health care system could increase MCCF collections by strengthening billing procedures for fee-basis care, improving documentation of medical care, and improving coders' reviews of medical records. Under the MCCF program, VA is authorized to bill health insurance carriers for certain costs related to the treatment of insured veterans. During FY 2004, the health care system collected \$9.4 million, which was 89 percent of its FY 2004 collection goal of \$10.6 million. During the first 3 months of FY 2005, the health care system collected \$2.3 million, which was 22 percent of its FY 2005 collection goal of \$10.3 million.

Fee-Basis Billings. From October through December 2004, the health care system paid 1,076 fee-basis claims totaling \$297,261 to non-VA clinicians for the care of veterans with health insurance. To determine if the health care system had billed insurance carriers for this care, we reviewed a random sample of 30 fee-basis claims totaling \$7,360. Twenty-two of the claims were not billable to the insurance carriers because the fee-basis care was for service-connected conditions, the veteran did not have insurance coverage on the date of the care, or the care provided was not billable under the terms of the insurance plans. The remaining eight fee-basis claims totaling \$5,367 should have been billed. MCCF personnel stated that they did not identify the billable fee-basis claims because time constraints prevented them from reviewing the "Potential Cost Recovery Report." According to local policy, MCCF personnel should review this report daily to identify potentially billable services. As a result of our review, MCCF personnel issued bills totaling \$5,367 for the eight billable fee-basis claims we identified.

Medical Record Documentation. Medical care providers needed to improve the documentation of care, and MCCF personnel needed to review medical records more carefully to ensure they did not overlook existing documentation. VHA policy requires medical care providers to enter documentation into the medical record at the time of each encounter so that MCCF personnel can bill insurers for the care provided. The “Reasons Not Billable Report” for the 3-month period ending December 31, 2004, listed 562 potentially billable cases totaling \$120,701 that were not billed for 1 of 3 reasons—insufficient documentation, no documentation, or non-billable provider (care provided by a resident physician). We reviewed a random sample of 50 potentially billable cases totaling \$7,777 and found 27 missed billing opportunities totaling \$5,869 that MCCF personnel could have billed if medical documentation had been complete.

- In 11 cases, MCCF personnel did not bill \$971 for the care provided by residents because the attending physicians’ supervision of the residents was not adequately documented in the medical records. VHA policy requires that attending physicians or residents document resident supervision by entering progress notes into the medical records.
- In 10 cases, MCCF personnel did not issue bills totaling \$2,273 because medical care providers did not adequately document the care provided. The medical care providers’ progress notes either were not present or did not include necessary information such as the chief complaint or reason for the visit and the diagnosis.
- In three cases, MCCF personnel could have billed \$2,226 for the care provided, but coding personnel incorrectly determined that the care was not billable. This occurred because coding personnel overlooked existing physician documentation and assigned the “no documentation” reason code to these three cases, which meant additional documentation was needed in order to bill for the care provided.
- In three cases, MCCF personnel did not bill \$399 for electrocardiogram procedures because they did not request the documentation needed to issue the bills.

As a result of our review, MCCF personnel issued 20 bills totaling \$4,716 and were working to issue additional bills for the remaining missed billing opportunities. Based on our sample results, we estimate that 303 bills totaling \$65,869 could have been issued if the medical documentation had been complete.

Potential Collections. Improved billing procedures for fee-basis care and better clinical documentation would enhance revenue collections. We estimated that additional billings totaling \$71,236 (\$5,367 + \$65,869) could have been issued. Based on the health care system’s FY 2004 collection rate of 17 percent, MCCF personnel could have increased collections by \$12,110 (\$71,236 x 17 percent).

Recommendation 3. We recommended that the VISN Director require the Health Care System Director to ensure that: (a) all billable fee-basis care is identified and billed, (b)

medical care providers adequately document resident supervision and the care provided, (c) coding personnel receive refresher training on reviewing medical records, and (d) MCCF personnel promptly request additional documentation needed to bill insurance carriers.

The VISN and Health Care System Directors agreed with the finding and recommendations and reported that a standard operating procedure has been implemented to ensure that weekly reviews are performed to determine whether any fee-basis claims can be recaptured. Performance Improvement personnel and the Compliance Officer are monitoring resident supervision, and corrective feedback is provided to physicians as needed. Coding personnel have received refresher training on reviewing medical records. The health care system will hire an additional Utilization Review employee who will work closely with physicians to improve the documentation of care provided. Utilization Review employees will coordinate follow-up efforts when additional documentation is needed to bill insurance carriers. The improvement plans are acceptable, and we will follow up on the planned actions until they are completed.

Quality Management – Patient Complaint Analysis and Mortality Reviews Needed Improvement

Condition Needing Improvement. The QM program was generally effective, but certain QM reviews, analyses, and processes needed to be strengthened. Appropriate review structures were in place for 10 of the 12 program areas reviewed, but the 2 other areas needed improvement.

Patient Complaint Analysis. The Patient Complaints Program Coordinator needed to expand data analyses in the patient complaints program to identify trends and opportunities for improvement. VHA policy requires that patient advocates aggregate complaints and present trended reports to senior managers and patient care providers. However, for FY 2004, patient complaint reports were limited to broad topic areas, such as timeliness of care and employee courtesy.

Mortality Reviews. The QM Coordinator and clinicians needed to improve the trending of mortality data. Clinicians reviewed individual deaths in considerable detail and trended health care system-wide mortality data. However, clinicians did not perform trending of deaths by provider, which is required by VHA policy.

Recommendation 4. We recommended that the VISN Director ensure that the Health Care System Director requires (a) the Patient Complaints Program Coordinator to conduct critical analyses of patient complaint data and to present the results in a clinical forum and (b) the QM Coordinator to conduct comprehensive mortality trending and reporting to include provider-specific data.

The VISN and Health Care System Directors agreed with the finding and recommendations and reported that the Quality Manager will ensure that patient complaints are critically analyzed and that the results of the analysis are shared with the appropriate services. The data and related performance improvement plans will be reported to the Quality Council each quarter. The health care system is now trending and reporting mortality statistics by provider. The improvement plans are acceptable, and we will follow up on the planned actions until they are completed.

Time and Attendance for Part-Time Physicians – Timekeeping Controls Needed To Be Strengthened

Condition Needing Improvement. The health care system needed to strengthen controls over timekeeping for part-time physicians. All of the 32 part-time physicians had signed agreements describing VA's expectations and the physicians' responsibilities. In addition, we verified that all 10 of the physicians we selected for an unannounced roll call on March 14–15, 2005, were performing VA duties during scheduled core hours or had submitted appropriate leave requests. However, we identified four issues that required management attention.

Designation of Core Hours. VHA policy allows part-time physicians to work adjustable tours of duty when they have patient care, research, or educational responsibilities that make adherence to a regularly scheduled tour of duty difficult. The adjustable tours of duty are made up of core and non-core hours. Core hours are the days and times in a biweekly pay period when part-time physicians must be present unless granted leave or excused absences. Part-time physicians who work adjustable tours of duty are required to designate at least 25 percent of their total work hours as core hours. We reviewed the tours of duty for all 32 part-time physicians and found that 2 part-time physicians had not designated at least 25 percent of their total work hours as core hours.

Preparation of Time and Attendance Records. VHA policy states that part-time physicians will record their hours of duty and leave each week on subsidiary time sheets and sign the time sheets. We interviewed 3 of the 13 timekeepers who were responsible for the part-time physicians' time and attendance records and determined that 1 timekeeper inappropriately recorded the hours worked on the subsidiary time sheets for 2 physicians before giving the time sheets to the physicians for signature.

Timekeeper Desk Audits. VA policy requires semiannual desk audits of all timekeepers. Health care system policy requires payroll personnel in Fiscal Service to conduct these desk audits. We reviewed all desk audit reports completed in FYs 2003 and 2004 for the 13 timekeepers responsible for maintaining the time and attendance records for part-time physicians. Our review showed that 35 (69 percent) of 51 required desk audits were not done.

Timekeeper Training. VA policy requires that all timekeepers receive annual refresher training. Our review of timekeepers' training records showed that 2 of the 13 timekeepers did not receive refresher training in FY 2003. In addition, although Medical Service personnel stated that all timekeepers received refresher training in FY 2004, they could not provide any evidence of the training for 6 of the 13 timekeepers.

Recommendation 5. We recommended that the VISN Director ensure the Health Care System Director takes action to ensure that: (a) part-time physicians designate at least 25 percent of their total work hours as core hours, (b) part-time physicians record their hours worked on subsidiary time sheets, (c) Fiscal Service personnel perform all required semiannual timekeeper desk audits, and (d) all timekeepers receive required annual refresher training.

The VISN and Health Care System Directors agreed with the finding and recommendations and reported that all part-time physicians have designated at least 25 percent of their total work hours as core hours. Actions will be taken by August 12, 2005, to ensure that all part-time physicians record their hours worked on subsidiary time sheets, and all required semiannual timekeeper desk audits will be completed by October 31, 2005. The health care system provided timekeeper refresher training in April 2005 and will provide additional refresher training sessions in September 2005. The improvement plans are acceptable, and we will follow up on the planned actions until they are completed.

Information Technology Security – System Access Controls Needed To Be Improved

Condition Needing Improvement. The health care system needed to improve IT system access controls. We evaluated IT security and concluded that controls were generally adequate. Contingency plans were current and complete, password controls were effective, and employees received appropriate security awareness training. In addition, policies were in place to ensure that sensitive information was removed from computers prior to disposal. However, we identified one issue that required management attention.

The Information Security Officer (ISO) did not ensure that IT system access privileges were terminated when employees left the health care system. Similarly, the ISO did not ensure that IT system access privileges for current employees were disabled when their accounts were inactive. VA policy requires facilities to terminate access privileges when employees leave an organization. In addition, VHA policy requires ISOs to review employees' access at least every 90 days to ensure that levels of access are appropriate and that continued access is needed. VHA policy also requires health care system personnel to disable access to accounts that have been inactive for 90 days. We reviewed IT system access privileges for 14 former employees who separated between April 17, 2004, and February 5, 2005, and found that 8 (57 percent) still had access to the Veterans Health Information Systems and Technology Architecture (VistA). We also

reviewed VistA access privileges for current employees and found that the access privileges for two employees should have been disabled because they had not accessed their VistA accounts since March 12, 2002, and June 28, 2004, respectively.

Recommendation 6. We recommended that the VISN Director ensure that the Health Care System Director takes action to promptly (a) terminate IT system access for separated employees and (b) disable access privileges for employees who have not accessed their accounts in 90 days or more.

The VISN and Health Care System Directors agreed with the finding and recommendations and reported that Information Resource Management (IRM) personnel have been educated on account termination. Access termination has been added to the exit process checklist for separating employees. The Chief of IRM is running and reviewing a monthly report to identify and disable access privileges for employees who have not accessed their accounts within 90 days. The improvement plans are acceptable, and we will follow up on the planned actions until they are completed.

VISN 18 Director Comments

**Department of
Veterans Affairs**

Memorandum

Date: July 18, 2005

From: Director, Veterans Integrated Service Network 18
(10N18)

Subject: **New Mexico VA Health Care System Albuquerque,
New Mexico**

To: Director, Dallas Audit Operations Division (52DA)

I concur with the findings from the OIG CAP visit conducted March 14-18, 2005. The facility Director has completed many actions and has outlined acceptable action plans for the remaining open items.

(original signed by:)

Patricia A. McKlem

VISN Director's Comments to Office of Inspector General's Report

The following Director's comments are submitted in response to the recommendations in the Office of Inspector General's report:

OIG Recommendations

Recommendation 1. We recommend that the VISN Director ensure that the Health Care System Director takes action to ensure that: (a) bariatric commodes are properly installed, (b) light pull cords are changed, (c) air vents are cleaned, and (d) approved hand-washing supplies are available to SPD employees.

Concur **Target Completion Date:** 7/8/05

See facility Director comments

Recommendation 2. We recommend that the VISN Director ensure the Health Care System Director takes action to: (a) reconcile differences and correct inventory records as appropriate, (b) record receipts and distributions promptly, and (c) reduce stock levels to meet the 30-day supply goal.

Concur **Target Completion Date:** 7/8/05

See facility Director comments

Recommendation 3. We recommend that the VISN Director require the Health Care System Director to ensure that: (a) all billable fee-basis care is identified and billed, (b) medical care providers adequately document resident supervision and the care provided, (c) coding personnel receive refresher training on reviewing medical records, and (d) MCCF personnel promptly request additional documentation needed to bill insurance carriers.

Concur **Target Completion Date:** 10/31/05

See facility Director comments

Recommendation 4. We recommend that the VISN Director ensure that the Health Care System Director requires (a) the Patient Complaints Program Coordinator to conduct critical analyses of patient complaint data and to present the results in a clinical forum and (b) the QM Coordinator to conduct comprehensive mortality trending and reporting to include provider-specific data.

Concur **Target Completion Date:** 9/30/05

See facility Director comments

Recommendation 5. We recommend that the VISN Director ensure the Health Care System Director takes action to ensure that: (a) part-time physicians designate at least 25 percent of their total work hours as core hours, (b) part-time physicians record their hours worked on subsidiary time sheets, (c) Fiscal Service personnel perform all required semiannual timekeeper desk audits, and (d) all timekeepers receive required annual refresher training.

Concur **Target Completion Date:** 10/31/05

See facility Director comments

Recommendation 6. We recommend that the VISN Director ensure that the Health Care System Director takes action to promptly (a) terminate IT system access for separated employees and (b) disable access privileges for employees who have not accessed their accounts in 90 days or more.

Concur **Target Completion Date:** 7/8/05

See facility Director comments

Health Care System Director Comments

**Department of
Veterans Affairs**

Memorandum

Date: July 14, 2005

From: Director, New Mexico VA Health Care System

Subject: **New Mexico VA Health Care System Albuquerque,
New Mexico**

To: Director, Dallas Audit Operations Division (52DA)

I concur with the findings from the OIG CAP visit conducted March 14-18, 2005. Attached are responses with action plans as appropriate for each recommendation.

Health Care System Director's Comments to Office of Inspector General's Report

The following Director's comments are submitted in response to the recommendations in the Office of Inspector General's report:

OIG Recommendations

Recommendation 1. We recommend that the VISN Director ensure that the Health Care System Director takes action to ensure that: (a) bariatric commodes are properly installed, (b) light pull cords are changed, (c) air vents are cleaned, and (d) approved hand-washing supplies are available to SPD employees.

Concur

Target Completion Date: 7/8/05

(a) As noted, the wood supports under the commodes were removed immediately. The existing commodes will support up to 500 pounds. Two special commode chairs to accommodate bariatric patients have been purchased and are used as needed. (COMPLETED)

(b) Nurse Managers removed all cords of concern immediately. Cords for the overhead patient lights were ordered on an emergent basis to replace existing cords that were identified as an infection control issue. The order included 40 pre-assembled cords as well as materials to construct 200+ additional cords. All replacements were completed by 3/23/05. Cleaning of new cords is now part of the Environmental Management Service's routine room cleaning. (COMPLETED)

(c) All air vents were cleaned by 3/18/05. The Chief, Environmental Management Service has implemented a standard operating procedure for cleaning vents. (COMPLETED)

(d) Hand washing supplies were installed in designated SPD areas on 3/18/05. (COMPLETED)

Recommendation 2. We recommend that the VISN Director ensure the Health Care System Director takes action to: (a) reconcile differences and correct inventory records as appropriate, (b) record receipts and distributions promptly, and (c) reduce stock levels to meet the 30-day supply goal.

Concur **Target Completion Date:** 7/8/05

(a) Training has been accomplished with all services to address these issues. In addition, an inventory has been performed and inventory records were corrected. (COMPLETED)

(b) Training has been accomplished with all services to address these issues. The distribution order report is reviewed on a daily basis to ensure that all orders are released and posted. In addition, the due-in report is also reviewed on a daily basis to ensure supply receipts are recorded promptly. (COMPLETED)

(c) All inventory levels are reviewed on a monthly basis to determine progress toward the 30-day supply goal. (COMPLETED)

Recommendation 3. We recommend that the VISN Director require the Health Care System Director to ensure that: (a) all billable fee-basis care is identified and billed, (b) medical care providers adequately document resident supervision and the care provided, (c) coding personnel receive refresher training on reviewing medical records, and (d) MCCF personnel promptly request additional documentation needed to bill insurance carriers.

Concur **Target Completion Date:** 10/31/05

(a) At the time of the CAP review, a Standard Operating Procedure (SOP) was in place for identifying and billing fee-basis claims; however, it was not fully implemented for the period under review. The SOP for weekly review of potential recapture of fee-basis claims is currently fully implemented. (COMPLETED)

(b) Resident Supervision monitoring is conducted monthly by Performance Improvement and the Compliance Officer and reported to PI Leadership. Outliers are identified and provider-specific feedback is provided to physicians and Service Chiefs. In addition, plans are underway to hire a Utilization Review RN who will work closely with physicians to improve the documentation of care provided. (OCTOBER 31, 2005)

(c) Coding personnel received refresher training on 4/5/05 regarding the process of identifying appropriate documentation as it is available in the VISTA GUI computer system. In addition, pursuant to the CAP review, a secondary review process has been implemented to research any episode initially identified as 'non-billable' due to 'no documentation.' (COMPLETED)

(d) The NMVAHCS Business Office currently has one Utilization Review (UR) Nurse assigned to Medical Care Cost Recovery (MCCR). We are in the process of implementing the VISN 18 Revenue Audit recommendation for a second UR position in MCCR. One of the expectations of the employees in the UR positions is to establish a bridge between medical center clinicians and MCCR to coordinate follow-up of missing or additional documentation requirements for billing. (OCTOBER 31, 2005)

Recommendation 4. We recommend that the VISN Director ensure that the Health Care System Director requires (a) the Patient Complaints Program Coordinator to conduct critical analyses of patient complaint data and to present the results in a clinical forum and (b) the QM Coordinator to conduct comprehensive mortality trending and reporting to include provider-specific data.

Concur

Target Completion Date: 9/30/05

(a) The Quality Manager will ensure that patient complaint data are critically analyzed on a monthly basis and shared with involved services to develop action plans as appropriate. Data and performance improvement plans/status will be reported quarterly to the Quality Council starting in 8/05. The Quality Council membership includes the Chief of Staff, Chiefs of Anesthesia, Nursing, Medicine, and Surgery Services. (SEPTEMBER 30, 2005)

(b) The Quality Manager has revised the monthly mortality report to include trending of provider-specific data. (COMPLETED)

Recommendation 5. We recommend that the VISN Director ensure the Health Care System Director takes action to ensure that: (a) part-time physicians designate at least 25 percent of their total work hours as core hours, (b) part-time physicians record their hours worked on subsidiary time sheets, (c) Fiscal Service personnel perform all required semiannual timekeeper desk audits, and (d) all timekeepers receive required annual refresher training.

Concur **Target Completion Date:** 10/31/05

(a) The Compliance Officer reviewed all part-time physicians to ensure at least 25% designation of core hours. Corrections were made to the two outliers. (COMPLETED)

(b) Action is being taken to ensure that all part-time physicians record their hours worked on subsidiary time sheets (AUGUST 12, 2005).

(c) The first audit for quarters one and two have been completed. The second phase is scheduled for quarters three and four with a completion target date of 10/31/05. (OCTOBER 31, 2005)

(d) Timekeeper refresher training was held in 4/05 with a second scheduled for 9/05. Training sessions were held on multiple days and at different times to maximize attendance. Payroll staff is working with Education staff to design a reporting mechanism through the Training and Education Management Program (TEMPO) to more accurately identify attendees and make reporting less labor-intensive. (OCTOBER 31, 2005)

Recommendation 6. We recommend that the VISN Director ensure that the Health Care System Director takes action to promptly (a) terminate IT system access for separated employees and (b) disable access privileges for employees who have not accessed their accounts in 90 days or more.

Concur **Target Completion Date:** 7/8/05

(a) Termination of access has been added to the exit process checklist for separating employees. Information Resource Management (IRM) Help Desk staff were educated on consistent account creation/termination. (COMPLETED)

(b) The Chief of IRM runs and reviews a monthly report to identify and disable accounts for employees who have not accessed accounts within 90 days. In addition, the Information Security Officer (ISO) receives a report of projected gains and losses from Human Resources at least biweekly and ensures that all departing employee accounts have been disabled. (COMPLETED)

Monetary Benefits in Accordance with IG Act Amendments

<u>Recommendation</u>	<u>Explanation of Benefit(s)</u>	<u>Better Use of Funds</u>
2	Reducing stock levels would make funds available for other uses.	\$431,497
3	Ensuring all billable VA and fee-basis care is billed would increase MCCF collections.	12,110
	Total	\$443,607

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