

VA Office of Inspector General

OFFICE OF AUDITS AND EVALUATIONS



Department of Veterans Affairs

*Review of
VA's Compliance
With the Improper
Payments Elimination and
Recovery Act for FY 2015*

May 12, 2016
15-04252-284

ACRONYMS

| | |
|---------|---|
| AFR | Agency Financial Report |
| CHAMPVA | Civilian Health and Medical Program of the Department of Veterans Affairs |
| FY | Fiscal Year |
| IPERA | Improper Payments Elimination and Recovery Act |
| IPERIA | Improper Payments Elimination and Recovery Improvement Act |
| PAR | Performance and Accountability Report |
| PLTSS | Purchased Long Term Services and Support |
| OALC | Office of Acquisition, Logistics, and Construction |
| OIG | Office of Inspector General |
| OMB | Office of Management and Budget |
| VA | Department of Veterans Affairs |
| VBA | Veterans Benefits Administration |
| VHA | Veterans Health Administration |

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Highlights: Review of VA's Compliance With the Improper Payments Elimination and Recovery Act for FY 2015

Why We Did This Review

We conducted this review to determine whether VA complied with the requirements of the Improper Payments Elimination and Recovery Act (IPERA) for fiscal year (FY) 2015.

VA reported improper payment estimates totaling approximately \$5 billion in its FY 2015 Agency Financial Report (AFR), compared with \$1.6 billion for FY 2014, primarily because of improvements in estimating improper payments for four programs. In both years, VA reported improper payment data based on the previous fiscal year activity.

What We Found

VA did not fully comply with IPERA. VA met four of six IPERA requirements for FY 2015 by publishing the AFR; performing risk assessments; publishing improper payment estimates; and providing information on corrective action plans.

VA did not comply with two of six IPERA requirements by not maintaining a gross improper payment rate of less than 10 percent and meeting reduction targets for all programs published in the AFR. Two programs exceeded the 10 percent threshold: VA Community Care and Purchased Long Term Care Support and Services. Eight programs did not meet reduction targets: Compensation; Education Chapter 1606; Education Chapter 1607; VA Community Care; Purchased Long Term Services and Support; Beneficiary Travel; Supplies and Materials; and Disaster Relief Act—Hurricane Sandy.

In addition, the Veterans Health Administration underestimated improper payments for one program and did not achieve the expected level of accuracy for two others. Likewise, the Veterans Benefits Administration expended considerable effort to collect improper payments because of a program design issue with drill pay, and it needs to develop a plan and seek the assistance of Office of Management and Budget to coordinate future resolution.

What We Recommended

We recommended that the Under Secretary for Health take steps to reduce improper payment rates, achieve reduction targets, and improve improper payment estimates. We recommended that the Acting Under Secretary for Benefits take steps to achieve reduction targets and address the issue of prohibited concurrent payments of certain program benefits and military reserve pay. We recommended that the Principal Executive Director Office of Acquisition, Logistics, and Construction take steps to achieve the reduction target for one program.

Agency Comments

VA management concurred with our recommendations, and we will follow up on corrective actions in the FY 2016 review.

GARY K. ABE
Acting Assistant Inspector General
for Audits and Evaluations

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INTRODUCTION

Objective

We conducted this fiscal year (FY) 2015 review to determine whether VA complied with the requirements of the Improper Payments Elimination and Recovery Act (IPERA).

OMB Requirements and VA Compliance

The Office of Management and Budget (OMB) Circular A-123, Appendix C, *Requirements for Effective Estimation and Remediation of Improper Payments*, specifies that each agency's Inspector General annually review improper payment reporting in the agency's Performance and Accountability Report (PAR) or the Agency Financial Report (AFR). The purpose of the review was to determine if the agency complied with IPERA. According to OMB guidance, compliance with IPERA means that the agency met the following six requirements:

1. Published a PAR or AFR for the most recent fiscal year and posted that report and any accompanying materials required by OMB on the agency Web site
 - VA complied with this requirement this year
2. Conducted a specific risk assessment for each program or activity that conforms with title 31, United States Code, section 3321
 - VA complied with this requirement this year
3. Published improper payment estimates for all programs and activities identified as susceptible to significant improper payments under its risk assessment
 - VA complied with this requirement this year
4. Published programmatic corrective action plans in the PAR or AFR
 - VA complied with this requirement this year
5. Published and met annual reduction targets for each program assessed to be at risk and measured for improper payments
 - VA did not comply with this requirement this year
6. Reported a gross improper payment rate of less than 10 percent for each program and activity for which an improper payment estimate was obtained and published in the AFR
 - VA did not comply with this requirement this year

Magnitude of Improper Payments

VA reported nearly \$5 billion in improper payments in its FY 2015 AFR compared with \$1.6 billion in its FY 2014 PAR. Virtually all of the nearly \$3.4 billion increase occurred in four programs—two from the Veterans Health Administration (VHA) and two from the Veterans Benefits Administration (VBA).

Improper payments for VHA's VA Community Care and Purchased Long Term Services and Support (PLTSS) programs increased by \$1.8 billion and \$752 million, respectively. Improper payments for VBA's Compensation and Post 9/11 G.I. Bill programs rose by \$648 million and \$135 million, respectively. The increases were primarily due to improvements in VA's estimates of improper payments for these programs.

High-Priority Programs

OMB designated the VA Community Care, PLTSS, and Compensation programs as high-priority in November 2015. Each of these programs had estimated improper payments in excess of OMB's threshold of \$750 million.

According to the Deputy Assistant Secretary for Finance, VA is working to ensure corrective action plans and supplemental measures for these programs are appropriate. Proposed measures to meet the new requirements are expected to be ready for OMB's review and subsequent approval by the due date of May 17, 2016.

Data Used for FY 2015 Report

VA reported improper payment data based on the previous fiscal year activity, as permitted by OMB Circular A-123, Appendix C. As such, VA presented FY 2014 improper payment data in the FY 2015 AFR. The OIG's assessment of VA's compliance with IPERA for FY 2015 is based on the reported FY 2014 data.

Other Information

- Appendix A provides additional details on IPERA requirements and other background.
- Appendix B details the scope and methodology of our work.
- Appendix C summarizes VA's FY 2014 and FY 2015 IPERA compliance.
- Appendix D provides the status of FY 2014 recommendations.
- Appendix E lists VA programs reported in the FY 2015 AFR.
- Appendix F Interim Assistant Secretary for Management and Interim Chief Financial Officer Comments.

RESULTS AND RECOMMENDATIONS

Finding 1 VA Did Not Comply With Two IPERA Requirements

VA did not fully comply with IPERA. VA met four of six IPERA requirements by publishing the AFR on VA's Web site, performing risk assessments to identify programs susceptible to significant improper payments, publishing improper payment estimates, and providing information on corrective action plans.

VA did not comply with two of six IPERA requirements by not maintaining a gross improper payment rate of less than 10 percent and meeting reduction targets for all programs published in the AFR. Specifically, two programs reported improper payment rates greater than 10 percent and eight programs did not meet their reduction targets.

Two VHA Programs Exceeded the 10 Percent Threshold

Two VHA programs did not comply with the requirement that improper payment rates be less than 10 percent. Specifically, VHA's VA Community Care and PLTSS programs reported improper payment rates of 54.77 percent and 59.14 percent, respectively. These rates were significantly higher than last year when both programs reported improper payments rates slightly below 10 percent.

The dramatic increase in improper payment rates for these programs occurred primarily because VHA improved its sample evaluation procedures in FY 2015, which resulted in more improper payments being identified. Specifically, VHA began verifying whether valid contracts supported payments for these programs and found a high rate of noncompliance. Payments should be supported by valid contracts, as VA must generally follow the Federal Acquisition Regulation (FAR) when other legal authorities are not available or used for procurement of goods and services.¹

When those purchases do not follow applicable legal requirements, such as having FAR-compliant contracts in place, the resulting payments are improper because they "should not have been made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements," according to the definition of improper payments set forth in OMB Circular A-123, Appendix C. Without FAR-compliant contracts, and in the absence of other legal authorities, VA may not be able to demonstrate that it has obtained the best value product or service on a timely basis while maintaining the public's trust and fulfilling public policy objectives, which are guiding principles of the FAR.²

¹ Chapter 1, Title 48, Code of Federal Regulations (48 CFR 1.101) and 48 CFR 801.101

² 48 CFR 1.101

With respect to reducing these improper payment rates, the VA Secretary committed in the AFR to stop the “inconsistent compliance with laws and regulations and reduce the improper payment rate through legislative proposals and business process re-engineering in FY 2016.” VA also noted in the AFR that it could not immediately end the procurement of medical services through noncompliant contracts. VA’s corrective action plans, as presented in the AFR, provide further details on how VA will make its procurement practices for these programs compliant with law and regulation.

Eight VA Programs Did Not Meet Reduction Targets

Eight VA programs did not comply with the requirement that reported improper payment rates meet reduction targets. According to VA’s statistics, seven programs did not meet their reduction targets. We identified an eighth program (Supplies and Materials) that did not meet its reduction target based on additional improper payments we found during our review, and which are discussed in Finding 2, of this report.

Table 1 lists the programs that missed their reduction targets, with their actual reported improper payment percentage and the target rate for FY 2015.

Table 1. Programs That Missed Their FY 2015 Reduction Targets

| Responsible Administration or Office in VA | Program | Actual Improper Payment Rate (Percentage) | Target Rate (Percentage) |
|---|---|---|--------------------------|
| VHA | VA Community Care | 54.77 | 9.20 |
| VHA | PLTSS | 59.14 | 8.90 |
| VHA | Beneficiary Travel | 6.22 | 5.00 |
| VHA | Supplies and Materials | 2.43* | 1.49 |
| VBA | Compensation | 2.33 | 1.32 |
| VBA | Education Chapter 1606 (Montgomery G.I. Bill—Selected Reserve) | 1.05 | 0.70 |
| VBA | Education Chapter 1607 (Reserve Educational Assistance Program) | 2.23 | 0.50 |
| Office of Acquisition, Logistics, and Construction (OALC) | Disaster Relief Act—Hurricane Sandy | 5.71 | 2.00 |

Source: VA’s FY 2015 AFR, FY 2014 PAR and OIG-prepared information

*VHA reported an improper payment rate of 1.32 percent in the AFR, but we identified additional improper payments that should have been included in the calculation of this rate. When we recalculated the percentage with our findings, the rate increased to 2.43 percent and exceeded the program’s reduction target.

**Causes of
Missed
Reduction
Targets**

The causes of these missed targets were varied. Three programs reported very large increases in improper payments that caused them to be noncompliant with this requirement. In particular, VHA's VA Community Care and PLTSS programs reported much higher improper payments as a result of improved testing procedures, as previously discussed. The Compensation program also reported much higher improper payments, which the VBA Deputy Director of Policy and Procedures said resulted from improved estimation methodologies, such as an improved test plan targeting specific problem areas, more experienced testers, and additional specialized training for testers. We did review a small non-statistical selection of Compensation payments from the program's IPERA sample and did not identify any exceptions. In prior years, we noted exceptions and recommended the improved testing of sample items.

For the other five programs, reduction targets were missed for these reasons:

- **Beneficiary Travel**—The Supervisory Auditor in VHA's Financial Assistance Office said that the program missed its target because of increased training and diligence on the part of staff performing the IPERA testing.
- **Supplies and Materials**—We identified additional improper payments which increased the improper payment rate.
- **Education Chapter 1606 and Chapter 1607**—The Supervisory Management and Program Analyst for Quality Assurance said that the Chapter 1606 target was not met due to inconsistencies in eligibility determinations and a delay in cost-of-living adjustments. Meanwhile, the Chapter 1607 target was missed due to inconsistent procedures to determine eligibility and payment, and corrective actions that had not been fully implemented.
- **Disaster Relief Act-Hurricane Sandy**—The Associate Executive Director for the Office of Resource Management at OALC said the target was missed due to the lack of staff but that an action plan and staffing were in place to support meeting the target.

OMB Circular A-123, Appendix C, requires that all programs and activities identified as susceptible to significant improper payments to implement a plan to reduce improper payments. When compiling plans to reduce improper payments, it requires agencies to set reduction targets for future improper payment levels and a timeline within which the targets will be reached. When those targets are not met, generally the planned reduction of those improper payments does not occur.

Conclusion

The VA Community Care and PLTSS programs experienced dramatic increases in their improper payment rates compared to last year. As a result, those rates far exceeded the 10 percent threshold for compliance with

IPERA. This increase occurred primarily because VHA improved its sample evaluation procedures to include verifying whether valid contracts supported payments. By providing this information, VHA not only reported more accurate improper payment information but also established a baseline from which to measure future progress in addressing VA's compliance with laws and regulations related to the procurement of health care for veterans.

Eight VA programs did not comply with the requirement that improper payment rates meet reduction targets. In some cases, those missed targets indicated that VA needed to take additional actions or redouble its efforts to reduce improper payments. Other missed targets were the result of improved measurement of improper payments, and VA should revise reduction targets and corrective actions based on this new information.

Recommendations

1. We recommended the Under Secretary for Health ensure implementation of the corrective action plans included in VA's Agency Financial Report to make procurement practices for the VA Community Care and Purchased Long Term Services and Support programs compliant with laws and regulations.
2. We recommended the Under Secretary for Health implement steps to achieve reduction targets or appropriately adjust them for the VA Community Care, Purchased Long Term Services and Support, Beneficiary Travel, and Supplies and Materials programs.
3. We recommended the Acting Under Secretary for Benefits implement steps to achieve reduction targets or appropriately adjust them for the Compensation, Education Chapter 1606, and Education Chapter 1607 programs.
4. We recommended the Principal Executive Director, Office of Acquisition, Logistics, and Construction, implement steps to achieve reduction targets for the Disaster Relief Act-Hurricane Sandy program.

Management's Comments and OIG Response

The Interim Assistant Secretary for Management and Interim Chief Financial Officer provided a Department-wide action plan that included a response to each of the above recommendations from the appropriate Administrations and Staff Office. We consider their action plan acceptable. According to this plan, VHA, VBA, and OALC concurred with their respective recommendations above.

Regarding Recommendation 1, VHA said a legislative proposal has been submitted for Congressional consideration that would allow VA-initiated Veteran care agreements to authorize non-VA medical services. VHA said it also issued a memorandum establishing a mandatory hierarchy for

purchasing care in the community. Both of these efforts are intended to make VA Community Care and PLTSS procurement practices compliant with law and regulation. VHA needs to ensure implementation of all elements of its corrective action plan related to making procurement practices compliant with law and regulation, as described in the FY 2015 AFR. Further, to achieve the objectives of its corrective action plans, VHA will need to ensure adherence to newly established requirements such as the mandatory hierarchy for purchasing care in the community.

Recommendations 2, 3, and 4 concerned achieving reduction targets. VHA said that it has developed achievable reduction targets for VA Community Care, PLTSS, Beneficiary Travel and Supplies and Materials for FY 2016. VBA said reduction targets will be assessed and appropriately adjusted each year based on current testing results. OALC concurred that steps were needed to achieve reduction targets for the Disaster Relief Act—Hurricane Sandy program and said it has taken corrective actions related to reviewing contracts and periods of performance.

VHA requested closure of Recommendations 1 and 2, and OALC requested closure of Recommendation 4. We will close our recommendations when we receive sufficient evidence demonstrating progress in addressing the issues identified and plan to assess the related corrective actions during our next annual IPERA review. The Interim Assistant Secretary for Management also provided technical comments that we considered, and we made minor changes as a result, such as correcting the titles for two individuals. The complete response from the Interim Assistant Secretary for Management and Interim Chief Financial Officer, including the Department-wide action plan, is included as Appendix F of this report.

Finding 2 VHA Underestimated Improper Payments for the Supplies and Materials Program

Testing Did Not Identify All Improper Payments

VHA underestimated improper payments for the Supplies and Materials program based on our review of a small non-statistical selection of the program's IPERA sample. This occurred because VHA did not identify all improper payments in the sample used to estimate the program's improper payments. VHA reported approximately \$32 million in improper payments, and an improper payment rate of 1.32 percent. Those figures rose to about \$58 million and 2.43 percent when we included 5 additional improper payments that we identified, which caused the program to miss its reduction target and become noncompliant with IPERA.

The additional payments we identified as improper, but which VHA did not, are described here:

- *Payment 1:* VHA authorized payment for an invoice in the amount of \$3,543 from an expired appropriation when it should have used a current year appropriation. Under appropriation law, prior year expired appropriations cannot be used to fund current year needs.³ VHA corrected the error so that the proper appropriation was charged, but this payment was improper because the funds used to make the payment were not legally available and, as executed, the payment was improper based on the definition of "improper payments" set forth in OMB Circular A-123, Appendix C, as it "should not have been made under statutory...requirements."
- *Payment 2:* VHA paid \$30,503 for products ordered against a contract for which the period of performance had passed and the option to extend the contract was not exercised until almost 9 months after the purchase. Although VHA checked for the existence of a contract, it did not determine whether the contract was still valid as evident by the delayed option exercise. VA must generally follow the FAR, and FAR-compliant contracts should be in place before orders and the resulting payments are made.⁴ We concluded that the payment was improper, as VHA did not determine whether a valid contract was in place and thus did not have sufficient information to discern that the payment was proper. Following our inquiry, VHA officials said they had requested assistance from OALC on determining whether the payment was improper and concluded that it was improper.
- *Payment 3:* VHA overpaid \$165.70 in shipping costs and the vendor agreed to process a credit. VHA did not provide evidence that the

³ Section 1502, title 31, United States Code (31 U.S.C. §1502)

⁴ 48 CFR 1.101 and 48 CFR 801.101

promised credit was received. An overpayment was made regardless of the status of the credit and an overpayment is, by definition, under OMB Circular A-123, Appendix C, an improper payment.

- *Payment 4:* For one payment of \$1,913.50, VHA reviewers did not perform appropriate procedures to determine whether the payment was proper. They did not obtain evidence of third-party verification for the purchase that was authorized, received, and paid by the same individual. Without third-party evidence,⁵ the VHA reviewer could not or should not have concluded the payment was proper. Under the definition of improper payment in OMB Circular A-123, Appendix C, payments are considered to be improper when an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation.
- *Payment 5:* This sample payment of \$301.91 was the second of three made on an invoice. The payment did not agree with a receiving report and the payment was made 4 months before one of the ordered goods was received. In addition, one of the ordered goods was received, but never paid for, and no evidence was provided that an independent third party verified receipt of the goods—as required by VA policy⁶ for purchase card transactions. VHA counted this payment as proper despite these discrepancies and lack of evidence. Based on the definition of improper payment in OMB Circular A-123, Appendix C, payments are considered to be improper when an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation. Here, there was insufficient evidence for the reviewers to determine whether this payment was proper and as such, the payment should have been considered improper.

VHA officials agreed that payments 2, 3 and 5 were incorrectly assessed as proper. VHA officials, however, disagreed with payment 1 and 4 because they considered them to be an accounting error or internal control issue. Also, in the case of payment 1, they considered it had been corrected in a timely manner. OMB Circular A-123, Appendix C, requires that all improper payments be made part of the estimate, including those that have been subsequently corrected. In the case of payment 4, VHA's review did not perform enough work to determine the payment was proper. As a result, improper payments for the Supplies and Materials program were underestimated.

Conclusion

VHA underestimated improper payments for the Supplies and Materials program because they did not identify all improper payments in the sample

⁵ VA Financial Policies and Procedures, Volume XVI, Chapter 1, *Government Purchase Card*, December 2014

⁶ *ibid.*

used to estimate the program's improper payments. VHA did not identify all improper payments because of errors in their assessment of sample payments. VHA could have prevented these errors with more thorough testing and by adding reviewers with seasoned Federal contracting experience to their review teams.

Recommendations

5. We recommended the Under Secretary for Health implement additional training for personnel who evaluate Improper Payment Elimination and Recovery Act samples for the Supplies and Materials program.
6. We recommended the Under Secretary for Health provide contracting expertise to the Improper Payment Elimination and Recovery Act review team, as needed.

Management's Comments and OIG Response

The Interim Assistant Secretary for Management and Interim Chief Financial Officer provided a Department-wide action plan that included a response from VHA to the above recommendations, which VHA concurred with. We consider their action plan acceptable.

VHA said that, as discussed in this report, it did not agree payments 1 and 4 were improper; however, it agreed that payments 2, 3, and 5 were incorrectly assessed during the 2015 IPERA review cycle. We continue to classify payments 1 and 4 as improper because VHA did not properly assess the samples.

- For payment 1, VHA made a payment from the inappropriate appropriation, subsequently identified the payment error, and then reimbursed the appropriation used in error. As previously discussed, the payment was improper as it “should not have been made under statutory requirements,” according to OMB Circular A-123, Appendix C. Further, the Circular also requires agencies to include all identified improper payments in its reported estimate, regardless of whether the payment has been or is being recovered. As such, the reimbursement was a recovery of funds from the correct appropriation and therefore did not change the requirement for VA to include this improper payment in its estimate. VA's position that this was an accounting error that should not be counted as an improper payment is inconsistent with OMB guidance.
- For payment 4, the same individual ordered, received, and paid for goods. VHA agreed that this transaction lacked appropriate segregation of duties, but it disagreed that such an internal control weakness should result in the payment being counted as improper for its estimate. We note, however, that one of the questions VHA used to evaluate the risk of improper payments for the Supplies and Materials program was, “Do segregation of duties exist in the procure to payment cycle?” Our

position is consistent with VHA's risk assessment. The objective of involving more than one person in a transaction—referred to as segregation of duties—is to reduce the risk of fraud and error that could occur when one person controls the “procure to payment cycle.” For example, goods could be diverted for personal use when one person controls the order, payment, and receipt process. Further, payment 4 was a purchase card transaction, and VA policy specifically requires a third party to verify receipt of goods. Without third party verification, VHA reviewers did not have proper evidence that payment 4 was made for goods received by VA. According to OMB Circular A-123, Appendix C, an improper payment includes payments for goods or services not received, and payments are considered to be improper when an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation. Without proper evidence of third party review, VHA reviewers would have been unable to discern whether the payment was proper.

With respect to Recommendation 5, VHA said that for the 2016 IPERA review, it implemented a secondary review process to provide additional training for personnel who evaluate Supplies and Materials' samples. For Recommendation 6, VHA said that OALC and VA's Office of Management are preparing a memorandum that will provide acquisition guidance to IPERA testers and a point of contact for a contracting expert within OALC.

VHA requested closure of Recommendation 5. We will close the recommendation when we receive sufficient evidence demonstrating progress in addressing the issues identified and plan to assess VHA's corrective actions during our next annual IPERA review.

The complete response from the Interim Assistant Secretary for Management and Interim Chief Financial Officer, including the Department-wide action plan, is included as Appendix F of this report.

Finding 3 VA Could Make Improvements in Sampling Precision and Drill Pay

We found two more areas in which VA could make further improvements in estimating improper payments and reducing improper payments caused by a program design issue.

Sampling Precision Could Be Improved

The VA Community Care and PLTSS programs did not achieve the expected level of precision for their improper payment estimates for FY 2015. OMB Circular A-123, Appendix C, requires agencies to develop improper payment estimates to a certain level of precision. Specifically, VA Community Care program's improper payment estimate was \$2.1 billion, with a precision of plus or minus \$223 million. To meet the OMB standard, the precision should have been at or below plus or minus \$117 million. Similarly, for PLTSS, the improper payment estimate should have been \$875 million, plus or minus \$44 million or less. Instead, the precision was plus or minus \$55 million. The Supervisory Auditor in VHA's Financial Assistance Office said that the implementation of corrective action concerning precision requirements was completed for FY 2016 sampling. OIG will evaluate compliance in next year's review.

VHA officials said these programs did not meet this requirement because they did not have time to adjust their statistical methodology in response to our last report issued in May 2015. In that report, we recommended that VA verify that valid contracts supported payments for these programs. According to VHA officials, as a result of implementing our recommendation, the improper payment rates for these programs rose to much higher levels than anticipated. The statistical samples were designed using much lower expected improper payment rates and this caused the programs to miss OMB's precision requirement. As a result, these programs did not meet OMB's accuracy expectations.

Program Design Problem with Drill Pay Needs Further Attention

VBA's Compensation and Pension programs made improper payments that could not be avoided due to the concurrent payment design of the drill pay, Compensation and Pension programs. Drill pay is military reserve pay earned by reservists and National Guard members while training on weekends and during full-time training events. Federal regulation prohibits participants from receiving Compensation and Pension program benefits concurrent with drill pay. VBA does not currently have the ability to prevent Compensation and Pension program payments from being made concurrent with "drill pay" and must rely on an annual data match with the Department of Defense to identify such payments after the fact.

The process of identifying and collecting these improper payments is long and drawn-out. The Deputy Director for Policy and Procedures, Compensation Service, said that as of December 27, 2015, VBA was

recovering \$230 million through benefit offset for concurrent drill pay earned during FY 2010 through FY 2014. In addition, for the same time period, VBA was researching another \$157 million and affording the appropriate due process to the affected veterans prior to the offsetting of benefits. Collections through benefit offset can take years of such efforts. We also reported on concurrent drill pay issues in May 1997.

The improper payments caused by the concurrent payment of Compensation and Pension benefits and drill pay result from a program design issue that VBA cannot correct on its own. Still, VBA must expend considerable effort researching and collecting improper payments when potential solutions may exist with outside coordination. As such, we recommended that VA develop and propose a solution to OMB and seek its assistance in this matter.

Conclusion

The improper payment estimates for the VA Community Care and PLTSS programs did not meet the accuracy expectations set by OMB. VBA also expended considerable effort to collect improper payments due to the program design issue with drill pay; thus, it needs to develop and propose a solution to OMB and seek its assistance to resolve this matter.

Recommendation

7. We recommended the Acting Under Secretary for Benefits develop a solution for correcting the concurrent payment of Compensation and Pension benefits and military drill pay and seek Office of Management and Budget assistance in coordinating a future resolution of the matter.

*Management's
Comments and
OIG Response*

The Interim Assistant Secretary for Management and Interim Chief Financial Officer provided a Department-wide action plan that included a response from VBA to Recommendation 7, which VBA concurred with. We consider their action plan acceptable.

VBA said that due to the statutory framework for VA's benefit processing, elimination of improper payments related to military drill pay offsets would require legislative changes, funding, and computer system changes. VA said it would schedule a meeting with OMB within 60 days to discuss whether this significant reform has long-term potential for implementation. VBA should ensure that its actions include developing and proposing a solution to OMB and actively seeking OMB's assistance in coordinating a future resolution.

The complete response from the Interim Assistant Secretary for Management and Interim Chief Financial Officer, including the Department-wide action plan, is included as Appendix F of this report. We will follow up on the results of VBA's actions during our next annual IPERA review.

Appendix A Background

IPERA and OMB Requirements

IPERA significantly amended the Improper Payments Information Act of 2002 and repealed the Recovery Auditing Act. OMB Circular A-123, Appendix C, provides requirements for implementing IPERA.

Under IPERA, each agency must periodically review and identify its programs and activities that may be susceptible to significant improper payments. OMB Circular A-123, Appendix C, defines significant improper payments as gross annual improper payments exceeding both 1.5 percent of program outlays and \$10 million of all program or activity payments made during the fiscal year reported, or \$100 million in gross improper payments.

Agencies are to identify susceptible programs through periodic risk assessments performed on all programs. For each program identified as susceptible, the agency generally is required to report in its PAR or AFR:

- A statistically valid estimate, or an estimate approved by OMB, of the improper payments
- Corrective action plans for reducing estimated improper payments, including a discussion of the causes of those improper payments, for programs with improper payment estimates greater than \$10 million and 1.5 percent of program outlays
- Program-specific targets for reducing improper payments that have been approved by OMB

Improper Payment Definition

OMB Circular A-123, Appendix C, defines an improper payment as follows:

An improper payment is any payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements. Incorrect amounts are overpayments or underpayments that are made to eligible recipients (including inappropriate denials of payment or service, any payment that does not account for credit for applicable discounts, payments that are for an incorrect amount, and duplicate payments). An improper payment also includes any payment that was made to an ineligible recipient or for an ineligible good or service, or payments for goods or services not received (except for such payments authorized by law). In addition, when an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation, this payment must also be considered an improper payment.

Improper Payments Elimination and Recovery Improvement Act

The enactment of the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA) required OMB to identify annually a list of high-priority programs for greater levels of oversight and review and to provide guidance to agencies for improving the estimates of improper payments. IPERIA also made payments to Federal employees subject to risk assessment and, where appropriate, improper payment estimation. OMB made its guidance for these changes effective for FY 2014 reporting.

Changes in Reported Programs

In FY 2015, VA changed the program name of Non-VA Medical Care to VA Community Care.

Program Office Responsibility

The Improper Payments Remediation and Oversight Office was a new organizational component within the Office of Finance that provided oversight and coordination of IPERA compliance activities. Individual administrations and staff offices were responsible for performing IPERA requirements applicable to their programs.

Prior Reviews

Since March 2012, we have issued annual reports on VA's compliance with IPERA, as required by OMB, and reported that VA was not fully compliant with IPERA. Our conclusions in these reports are summarized here:

- *FY 2014 Review of VA's Compliance With the Improper Payments Elimination and Recovery Act* (Report No. 14-03380-356, May 14, 2015)—VA did not comply with two of six IPERA requirements. (OMB reduced the number of requirements from seven to six for FY 2014).
- *FY 2013 Review of VA's Compliance With the Improper Payments Elimination and Recovery Act* (Report No. 13-02926-112, April 15, 2014)—VA did not comply with two of seven IPERA requirements.
- *Review of VA's Compliance With the Improper Payments Elimination and Recovery Act for FY 2012* (Report No. 12-04241-138, March 15, 2013)—VA did not comply with four of seven IPERA requirements.
- *Review of VA's Compliance With the Improper Payments Elimination and Recovery Act* (Report No. 12-00849-120, March 14, 2012)—VA did not comply with two of seven requirements. (FY 2011 IPERA reporting)

Appendix B Scope and Methodology

Scope

We conducted our review work from July 2015 through April 2016 at the VA Central Office located in Washington, DC. Our review focused on improper payment information reported in VA's FY 2015 AFR, as required by IPERA.

Overall Methodology

Our statistician reviewed the statistical validity of sampling methodologies for the programs reported in the AFR and performed independent calculations to verify sample estimates and margins of error for several programs. Those programs included the three programs designated as high-priority by OMB (VA Community Care, PLTSS, and Compensation), three programs for which we reported noncompliance last year (Civilian Health and Medical Program of the Department of Veterans Affairs, Post 9/11 G.I. Bill, and Education Chapter 1606), and three other programs (Supplies and Materials, Education Chapter 1607, and Disaster Relief Act—Hurricane Sandy).

We did not reevaluate VA's sample transactions to determine if VA correctly identified all improper payments in its samples used to estimate improper payments. However, we performed the following procedures:

- For the VA Community Care and PLTSS programs, we non-randomly selected 10 payments that were originally categorized as improper from the programs' IPERA samples to verify whether VHA checked for valid contracts supporting those payments. We noted that VHA checked for contracts.
- For the Compensation program, we non-randomly selected and re-tested 28 out of 33 traumatic brain injury or temporary 100 percent claim payments originally categorized as proper from VBA's Compensation program sample. We noted no exceptions.
- For the Post 9/11 G.I. Bill program, we reviewed 35 payments, randomly selected and originally categorized as proper, from the program's IPERA sample to determine whether VBA implemented its revised testing checklist. We noted no exceptions.
- For the Supplies and Materials program, we reviewed 35 payments, randomly selected and originally categorized as proper from the program's IPERA sample to test whether valid contracts supported those payments. We also agreed payment amounts to invoices, receiving reports, and obligations documents; considered whether VHA's conclusions were adequately supported; and verified the vendor was not on the Federal government's System for Award Management exclusion list. Exceptions are discussed in Finding 2.

*Fraud
Assessment*

The review team assessed the risk that fraud, violations of legal and regulatory requirements, and abuse could occur during this review. The review team exercised due diligence in staying alert to any fraud indicators. We did not identify any instances of fraud during this review.

*Data
Reliability*

Information published by VA in the FY 2015 AFR provided the primary basis for our evaluation of VA's compliance with IPERA. To assess the reliability of VA's published information, we reviewed the statistical methodologies that VA applied to payment data for several programs and made inquiries about data sources. The Supervisory Auditor for VHA's Financial Assistance Office reported that payment data for VHA's statistical estimates came from VA's Financial Management System. The Director, VBA Accounting Policy and Reporting, said that extracted payment information came from the Veterans Service Network, Financial Accounting System and the Benefits Delivery Network. The "Certification of Improper Payments Sampling Methodology" documents said that Disaster Relief Act—Hurricane Sandy payments were extracted from the VA Financial Reporting System, and Payments to Federal Employees—Payroll data were extracted from Financial Management Reports database.

We did not perform our own independent risk assessments of VA's programs. We did not reevaluate VA's sample transactions to determine if VA correctly identified improper payments, except as previously discussed in the overall methodology section. We did not develop independent statistical estimates. We designed our procedures to determine whether VA complied with IPERA according to OMB's six compliance criteria—not to attest to the accuracy of VA's reporting. We believe our procedures to assess data reliability were sufficient to support our review objective.

*Government
Standards*

We conducted this review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

Appendix C Summary of FY 2014 and FY 2015 IPERA Compliance

Table 2 provides a comparison of VA's compliance with IPERA requirements for FYs 2014 and 2015.

Table 2. Summary Comparison of IPERA Compliance by Fiscal Year

| Requirement | FY 2014 | FY 2015 |
|--|--|---|
| Publish a PAR or AFR | No exceptions | No exceptions |
| Conduct a Specific Risk Assessment for Each Program | No exceptions | No exceptions |
| Publish Improper Payment Estimates as Appropriate | Post-9/11 G.I. Bill program estimate was not considered reliable. | No exceptions |
| Publish Corrective Action Plans | No exceptions | No exceptions |
| Publish and Meet Reduction Targets | <p>The following five programs did not meet reduction targets:</p> <ul style="list-style-type: none"> • Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) • Compensation • Pension • Vocational, Rehabilitation & Employment • Education Chapter 1606 | <p>The following eight programs did not meet reduction targets:</p> <ul style="list-style-type: none"> • Beneficiary Travel • VA Community Care • PLTSS • Supplies and Materials • Compensation • Education Chapter 1606 • Education Chapter 1607 • DRA Hurricane Sandy |
| Report a Gross Improper Payment Rate of Less Than 10 Percent | No exceptions | <ul style="list-style-type: none"> • VA Community Care (54.77%) • PLTSS (59.14%) |

Source: VA OIG, based on VA's FY 2014 PAR and FY 2015 AFR, and OIG determinations of IPERA compliance

Appendix D Status of FY 2014 Recommendations

Our FY 2014 IPERA report recommendations and their current status are summarized in Table 3.

Table 3. Status of FY 2014 Recommendations

Recommendation 1: We recommended the Interim Under Secretary for Health ensure implementation of the revised sampling plan for the Civilian Health and Medical Program of the Department of Veterans Affairs to address sample outliers and adjust the program's reduction target to a reasonably achievable level, if necessary.

Status: Implemented

Recommendation 2: We recommended the Under Secretary for Benefits monitor the results of the Veterans Benefits Administration's revised testing plans for the Compensation, Pension, Montgomery G.I. Bill, and Vocational Rehabilitation and Employment programs and adjust the reduction targets to reasonably achievable levels, if necessary.

Status: Implemented

Recommendation 3: We recommended the Under Secretary for Benefits implement revised testing plans for the Post-9/11 G.I. Bill and its other reported Education programs that ensure valid and auditable estimates of improper payments.

Status: Implemented

Recommendation 4: We recommended that the Acting Assistant Secretary for Management improve the risk assessment guidance and instructions to include an assessment of risk associated with contracting activities.

Status: Implemented

Recommendation 5: We recommended that the Acting Assistant Secretary for Management perform risk assessments for programs with a high concentration of vendor payments using revised procedures that include contracting risk.

Status: Targeted for Implementation in FY 2016

Recommendation 6: We recommended that the Under Secretary for Benefits ensure thorough testing of sample items used to estimate improper payments for the Compensation program.

Status: Implemented

Recommendation 7: We recommended that the Under Secretary for Benefits consult with the Office of Management and Budget regarding the potential designation of the Compensation program as a high-priority program.

Status: Implemented

Recommendation 8: We recommended that the Under Secretary for Benefits use the annual Department of Defense drill pay matching file to identify improper drill pay-related payments in its Compensation and Pension program samples to ensure accurate and auditable reporting.

Status: Implemented

Recommendation 9: We recommended that the Interim Under Secretary for Health improve test procedures for the Non-VA Medical Care and Purchased Long Term Services and Support programs by verifying the existence of valid contracts that support payments for these programs.

Status: Implemented

Source: OIG-prepared information

Appendix E VA Programs Reported in the FY 2015 AFR

Table 4 shows the outlays and gross improper payment rates and amounts that VA reported in the FY 2015 AFR. Improper payment totals include both overpayments and underpayments.

Table 4. Improper Payment Reporting—VA FY 2015 AFR
(Based on FY 2014 Actual Data)
(\$ in millions)

| Program | Outlays | Improper Payment Percentage | Improper Payments |
|--|---------------------|------------------------------------|--------------------------|
| Beneficiary Travel | \$811.55 | 6.22 | \$50.48 |
| CHAMPVA | 1,135.34 | 3.41 | 38.75 |
| VA Community Care | 3,912.17 | 54.77 | 2,142.69 |
| Purchased Long Term Services & Support | 1,479.71 | 59.14 | 875.12 |
| State Home Per Diem Grants | 1,077.84 | 2.02 | 21.77 |
| Supplies and Materials | 2,457.24 | 1.32 | 32.44 |
| Compensation | 58,449.56 | 2.33 | 1,361.35 |
| Pension | 5,832.79 | 4.53 | 264.19 |
| Vocational Rehabilitation and Employment | 1,081.22 | 1.04 | 11.26 |
| Education Chapter 33 | 11,172.65 | 1.21 | 135.05 |
| Education Chapter 1606 | 147.15 | 1.05 | 1.55 |
| Education Chapter 1607 | 67.33 | 2.23 | 1.50 |
| Disaster Relief Act-Hurricane Sandy | 27.27 | 5.71 | 1.56 |
| Payments to Federal Employees- Payroll | 25,812.71 | 0.15 | 38.46 |
| Total VA | \$113,464.53 | | \$4,976.17 |

Source: VA's FY 2015 AFR

Appendix F Management Comments

Department of Veterans Affairs

Memorandum

Date: April 28, 2016

From: Interim Assistant Secretary for Management and Interim Chief Financial Officer (004)

Subj: Office of Inspector General (OIG) Draft Report, FY 2015 Review of VA's Compliance With the Improper Payments Elimination and Recovery Act (IPERA)

To: Assistant Inspector General for Audits and Evaluations (52)

1. Thank you for the opportunity to comment on the draft report of the OIG's review of VA's Compliance with IPERA in FY 2015. We appreciate the work your staff has done to help us continue to strengthen our efforts to comply with the requirements of IPERA. We have reviewed the draft report and, in general, concur with the findings.
2. As noted in the report, VA reported an increase in our improper payment rate in FY 2015 due to the inclusion of those payments for care in the community that did not follow all Federal Acquisition Regulations. We are committed to stopping inconsistent compliance with laws and regulations and reducing the improper payment rate. However, as VA ensures that its corrective actions address the root causes of improper payments, the Department must do so without impacting Veterans' timely access to care. The immediate discontinuance of our current practices would put millions of our Veterans at risk of not receiving critical medical services in a timely fashion. The Department is committed to finding a solution that balances our need to fix long-standing practices while not sacrificing our mission to provide timely and quality medical services to our Veterans.
3. Attached is a Department-wide action plan with a response, expected source documentation, and target completion date for each recommendation from the appropriate Administration or Staff Office. We have requested closure and provided supporting documentation for recommendations 1, 2, 4, and 5. Also, attached is a listing of statements of fact with additional clarifying information for your consideration.
4. If you have any questions, please call me or have a member of your staff contact Nicole Frish, Director, Improper Payments Remediation and Oversight Office, at (202) 461-6145.

(original signed by:)

EDWARD J. MURRAY

Attachments

**Department of Veterans Affairs
Action Plan**

**OIG Draft Report: Fiscal Year 2015 Review of VA's Compliance With the Improper Payments
Elimination and Recovery Act (IPERA)**

Date of Draft Report: April 13, 2016

| Recommendations/ Actions | Status | Completion Date |
|-----------------------------|--------|-----------------|
|-----------------------------|--------|-----------------|

OIG Recommendations

Recommendation 1. We recommended the Under Secretary for Health ensure implementation of the corrective action plans included in VA's Agency Financial Report to make procurement practices for the VA Community Care and Purchased Long Term Services and Support programs compliant with laws and regulations.

Veterans Health Administration (VHA) Comments: Concur

In 2015, VHA made efforts to make procurement practices for the VA Community Care and Purchased Long Term Services and Support programs compliant with laws and regulations. Specifically, in May 2015, a legislative proposal was submitted for Congressional consideration that would allow VA-initiated Veteran care agreements to authorize non-VA medical services. In October 2015, VHA issued a hierarchy of care memorandum which directed purchased care to utilize Federal acquisition compliant contracts such as the Choice program as a top priority. VHA requests closure of the recommendation.

The following documentation is provided:

- 1) Proposed Legislation (Attachment 1.A)
- 2) Hierarchy of Care Memorandum (Attachment 1.B)

Status: Complete

Target Completion Date: N/A

Recommendation 2. We recommended the Under Secretary for Health implement steps to achieve reduction targets or appropriately adjust them for the VA Community Care, Purchased Long Term Services and Support, Beneficiary Travel, and Supplies and Materials programs.

VHA Comments: Concur

Achievable reduction targets for the VA Community Care, Purchased Long Term Services and Support, Beneficiary Travel, and Supplies and Materials programs have been developed for Fiscal Year (FY) 2016 at 53.00 percent, 57.00 percent, 6.20 percent, and 1.31 percent, respectively. This target performance is anticipated to be achievable through the implementation of the corrective action plans presented in the Agency Financial Report (AFR). It should be noted that the IPERA reviews in FY 2016 are of prior year payments; therefore, results from corrective actions will not be fully realized until the 2017 AFR and later. VHA has implemented these corrective actions to remediate improper payments and requests closure of this recommendation.

The following documentation is provided:

- 1) 2015 AFR, published November 16, 2015 and available at:
(<http://www.va.gov/finance/docs/afr/2015VAafrSectionIII.pdf>)

Status: Complete

Target Completion Date: N/A

Recommendation 3. We recommended the Acting Under Secretary for Benefits implement steps to achieve reduction targets or appropriately adjust them for the Compensation, Education Chapter 1606, and Education Chapter 1607 programs.

Veterans Benefits Administration (VBA) Comments: Concur

Reduction targets will be assessed and appropriately adjusted each year based on current testing results. To complete this action, reduction targets will be published in the VA AFR. Additionally, Education has established a corrective action plan to achieve the FY 2016 targets for Chapter 1606 and Chapter 1607. Compensation Service (CS) has taken steps to reduce improper payments and has already seen improvement. CS has increased the testing sample size to allow for proactive identification of root causes of improper payments, provided focused training to the regional offices, and deployed a Rules Based Processing System for dependency claims to improve claim accuracy through automation. In addition, CS provided additional training to IPERA review staff to accurately identify payment errors and provide oversight of the correction of these errors. As a result of these actions, CS anticipates meeting the FY 2016 target rate of 2.33 percent.

To complete this action, VBA will provide the following documentation:

- 1) VA's 2016 AFR
- 2) Compensation, Education Chapter 1606, and Education Chapter 1607 programs' IPERA test results

Status: In process Target Completion Date: November 2016

Recommendation 4. We recommended the Principal Executive Director Office of Acquisition, Logistics, and Construction implement steps to achieve reduction targets for the Disaster Relief Act—Hurricane Sandy program.

Office of Acquisition, Logistics, and Construction (OALC) Comments: Concur

OALC concurs steps were needed to achieve reduction targets for the Disaster Relief Act—Hurricane Sandy program. As such, OALC developed a Corrective Action Plan to 1) review all contracts and ensure proper Period of Performances were documented and 2) continuously review contract Period of Performances and document this review in monthly progress payments. OALC has successfully implemented these corrective actions to remediate improper payments and requests closure of this recommendation.

The following documentation is provided:

- 1) Excel spreadsheet of all contracts with proper Periods of Performance documented (Attachment 1.C) and
- 2) Examples of 6 invoices documenting review of Periods of Performance as part of the monthly Progress Payments (Attachment 1.D).

Status: Complete

Target Completion Date: N/A

Recommendation 5. We recommended the Under Secretary for Health implement additional training for personnel who evaluate Improper Payment Elimination and Recovery Act samples for the Supplies and Materials program.

VHA Comments: Concur

As discussed in the OIG report, VHA does not agree payments 1 and 4 were improper; however, agrees that payments 2, 3, and 5 were incorrectly assessed during the 2015 IPERA review cycle. For the 2016 IPERA review, VHA implemented a secondary review process to provide additional training for personnel

who evaluate Supplies and Materials' samples. If errors are identified, the IPERA reviewer is notified and receives training on properly determining payment accuracy. VHA has implemented secondary reviews and additional training and requests closure of this recommendation.

The following documentation is provided:

- 1) 2016 Supplies and Materials IPERA Testing Plan (Attachment 1.E)

Status: Complete

Target Completion Date: N/A

Recommendation 6. We recommended the Under Secretary for Health provide contracting expertise to the Improper Payment Elimination and Recovery Act review team as needed.

VHA Comments: Concur

VA's OALC and Office of Management (OM) are currently preparing a joint memorandum that will provide acquisition guidance to IPERA testers. In addition, the memorandum will provide a point of contact of a contracting expert within OALC for all VA IPERA testers to utilize for additional clarification/expertise when needed. VHA will continue to obtain supporting documentation related to acquisitions for IPERA determinations from VHA's Procurement and Logistics Office.

To complete this action, VHA will provide the following documentation:

- 1) Joint OALC/OM memorandum

Status: In process

Target Completion Date: July 2016

Recommendation 7. We recommended the Acting Under Secretary for Benefits develop a solution for correcting the concurrent payment of Compensation and Pension benefits and military drill pay and seek Office of Management and Budget assistance in coordinating a future resolution of the matter.

VBA Comments: Concur

Due to the statutory framework for VA's benefit processing, elimination of improper payments related to military drill pay offsets would require legislative changes, funding, and computer system changes. VA will schedule a meeting with the Office of Management and Budget (OMB) within 60 days to discuss whether this significant reform has long-term potential for implementation.

To complete this action, VBA will provide the following documentation:

- 1) Documented evidence of VA and OMB meeting agenda.

Status: In process

Target Completion Date: July 2016

DEPARTMENT OF VETERANS AFFAIRS

Statements of Fact

OIG Draft Report: Fiscal Year 2015 Review of VA's Compliance With the Improper Payments Elimination and Recovery Act (IPERA)

Date of Draft Report: 4/13/2016

Statement/Response

Item/Page Number

Item 1 – Page 2

Audit Statement: “This marks the first time since the inception of IPERA that VA has a program with the high-priority designation.”

Response: The statement in the report makes it sound like High Priority designation started in 2002, or is covered within the Act and its amendments. The high priority designation is in the President's 2009 Executive Order on Reducing Improper Payments and in OMB guidance. The report statement should be updated to “This marks the first time since the high priority designation began in 2009 that VA has a program with the high priority designation.”

Item 2 – Page 3

Audit Statement: “The dramatic increase in improper payment rates for these programs occurred because VHA improved its sample evaluation procedures in FY 2015, which resulted in more improper payments being identified.”

Response: In order to provide an appropriate context of VHA's operational environment in 2014 when these payments occurred, the statement should be updated to: “The dramatic increase in improper payments rates for these programs that provided care in the community occurred because of an increased demand for timely access to non-VA medical care in FY 2014 and because VHA improved its sample evaluations procedures in FY 2015, which resulted in more improper payments made and consequently identified.”

Please note the increase in outlays for these two programs of approximately \$647M combined in FY 2014 as reported in Table 1 of the 2015 Agency Financial Report in Section III-12.

Item 3 – Page 5

Audit Statement: “The Compensation program also reported much higher improper payments, which the Director, VBA Accounting Policy and Reporting, said...”

Response: The official needs to be changed from “Director, VBA Accounting Policy and Reporting” to “Deputy Director of Policy and Procedures.”

Item 4 – Page 5

Audit Statement: “Education Chapter 1606 and Chapter 1607—The Director, VBA Accounting Policy and Reporting, said...”

Response: The official needs to be changed from “Director, VBA Accounting Policy and Reporting” to “Supervisory Management and Program Analyst for Quality Assurance.”

Appendix G **OIG Contact and Staff Acknowledgments**

| | |
|---------|---|
| Contact | For more information about this report, please contact the Office of Inspector General at (202) 461-4720. |
|---------|---|

| | |
|-----------------|--|
| Acknowledgments | Sue Schwendiman, Director Alex Biggs Jeffrey Lloyd Lee Giesbrecht Marie Orlofski Felicia Parker |
|-----------------|--|

Appendix H Report Distribution

VA Distribution

Office of the Secretary
Veterans Health Administration
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National Cemetery Administration
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