



Highlights of [GAO-06-905T](#), a testimony before the Subcommittee on Federal Financial Management, Government Information, and International Security, Committee on Homeland Security and Governmental Affairs, U.S. Senate

## Why GAO Did This Study

The Department of Veterans Affairs (VA) is engaged in an ongoing effort to share electronic medical information with the Department of Defense (DOD), which is important in helping to ensure high-quality health care for active duty military personnel and veterans. Also important, in the face of current military responses to national and foreign crises, is ensuring effective and efficient delivery of veterans' benefits, which is the focus of VA's development of the Veterans Service Network (VETSNET), a modernized system to support benefits payment processes.

GAO is testifying on (1) VA's efforts to exchange medical information with DOD, including both near-term initiatives involving existing systems and the longer term program to exchange data between the departments' new health information systems, and (2) VA's ongoing project to develop VETSNET.

To develop this testimony, GAO relied on its previous work and followed up on agency actions to respond to GAO recommendations.

## What GAO Recommends

GAO has previously made numerous recommendations on these topics, including that VA and DOD develop an integrated project plan to guide their efforts to share patient health data, and that VA develop an integrated project plan for VETSNET.

[www.gao.gov/cgi-bin/getrpt?GAO-06-905T](http://www.gao.gov/cgi-bin/getrpt?GAO-06-905T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Linda Koontz at (202) 512-6240 or [koontzl@gao.gov](mailto:koontzl@gao.gov).

## INFORMATION TECHNOLOGY

# VA and DOD Face Challenges in Completing Key Efforts

## What GAO Found

VA and DOD are implementing near-term demonstration projects that exchange limited electronic medical information between their existing systems, and they are making progress in their longer term effort to share information between the new health information systems that each is developing. Two demonstration projects have been implemented at selected sites: (1) a project to achieve the two-way exchange of health information on patients who receive care from both departments and (2) an application to electronically transfer laboratory work orders and results. According to VA and DOD, these projects have enabled lower costs and improved service to patients by saving time and avoiding errors. In their longer term effort, VA and DOD have made progress, in response to earlier GAO recommendations, by designating a lead entity with final decision-making authority and establishing a project management structure. However, VA and DOD have not yet developed a clearly defined project management plan that gives a detailed description of the technical and managerial processes necessary to satisfy project requirements, as GAO previously recommended. Moreover, the departments have experienced delays in their efforts to begin exchanging patient health data; they have not yet fully populated the repositories that will store the data for their future health systems. As a result, much work remains to be done before the departments achieve their ultimate goal of sharing virtual medical records.

VA has also been working to modernize the delivery of benefits through its development of VETSNET, but the pace of progress has been discouraging. Originally initiated in 1986, this program was prompted by the need to modernize VA's Benefits Delivery Network—parts of which are now 40-year-old technology—on which the department relies to make benefits payments, including compensation and pension, education, and vocational rehabilitation and employment. In 1996, after experiencing numerous false starts and spending approximately \$300 million, VBA revised its strategy and narrowed its focus to modernizing the compensation and pension system. In earlier reviews, GAO has made numerous recommendations to improve the program's management, including the development of an integrated project plan. In response to GAO's recommendations as well as those of an independent evaluator, VA is now developing an integrated master plan for the compensation and pension system, which it intends to complete in August. Until VA addresses the managerial and program weaknesses that have hampered the program, it is uncertain when VA will be able to end its reliance on its aging benefits technology.