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UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

HUMAN RESOURCES  
DIVISION

MAY 10 1977



Mr. Wallace E. Busbee  
Director, Internal Audit Service  
Veterans Administration

Dear Mr. Busbee:

In accordance with the Federal Collection Act of 1966, indebtedness claims are referred to the General Accounting Office for collection when an agency has exhausted its collection procedures. Our Claims Division has recently received numerous indebtedness referrals from the Hines, Illinois, VA hospital for medical treatment to persons who were subsequently found to not be eligible for VA medical benefits. Several of these cases are claims against persons who had been found ineligible for hospital benefits during a previous stay in Hines. In addition, the time it takes to determine eligibility seems to us to be excessive.

We are bringing these matters to your attention because an evaluation of the admitting procedures at Hines seems to be necessary. We believe, moreover, that you may wish to determine whether these practices are widespread in the VA system.

PATIENTS READMITTED SUBSEQUENT  
TO BEING DECLARED INELIGIBLE

Thirty cases were referred to GAO for collection from the Hines VA hospital for hospital stays from November 1972 to June 1976. The amount of the claims totaled about \$89,000. In 14 of these cases, the same patient had been admitted to the hospital or the outpatient clinic more than once and in one case the same patient had been treated eight times. These claims totaled about \$20,000.

Below are several examples of persons who were readmitted for treatment and have been declared ineligible for VA medical care.

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--Patient A was admitted to Hines VA hospital on February 13, 1976, and was discharged February 17, 1976. The charge was \$408. The patient was subsequently readmitted on February 19 for 6 days; March 30 for 8 days; outpatient visits on April 9 and 16; readmitted on April 22 for 9 days and again on May 9 for 3 days. The charges for these 4 readmissions and two outpatient visits was \$2,718.

--Patient B was first admitted to Hines VA hospital on April 11, 1974, for a period of 122 days. The charge was \$10,736. About 18 months after his discharge and about 22 months after his original admission the patient was readmitted on February 18, 1976, for 20 days at a cost of \$2,040.

--Patient C was first treated at the Hines VA outpatient clinic on February 21, 1975. The charge was \$30. On March 14, 1975--three weeks later--he was admitted to the hospital for 8 days. Subsequently he also returned to the outpatient clinic for further help on March 28; April 11; May 2; May 23; June 13; and July 11, 1975. The cost for these subsequent visits and hospital stay was \$887.

--Patient D was admitted to Hines VA hospital for 10 days on May 12, 1975, at the cost of \$880. On July 3, 1975, he was readmitted for 4 days; on August 21, 1975, he was readmitted for 21 days; and finally on December 1, 1975, he was readmitted for 18 more days. The cost of his subsequent admissions was \$4,386.

EXCESSIVE TIME NEEDED  
TO DETERMINE ELIGIBILITY

Of the 16 persons who had only a single incidence of hospital admission before being found ineligible, the shortest length of stay at Hines was 14 days. Two of the persons were treated in the hospital for over 50 days.

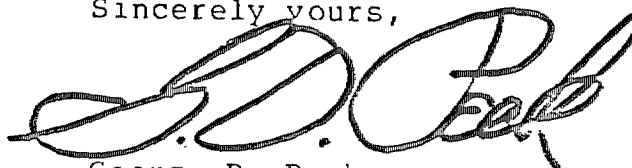
The average for this entire group was about 28 days. It seems to us that the hospital's admission unit or other responsible service should be able to determine a person's eligibility in considerably less than two weeks time. This would result in the hospital being able to quickly discharge or refuse admittance to ineligible persons who were not in emergency or life threatening situations.

This problem of excessive time needed to determine eligibility is also evident from analyzing the data involving the 14 ineligible cases who received multiple treatments. The shortest period of elapsed time between a first and second treatment was 6 days. In 9 of the 14 cases more than a month elapsed between the date of the original admission and the date of the first readmission. One case had an elapsed time of about 22 months between the first two admissions. We believe eligibility could be determined in ample time to prevent these readmissions or treatment in outpatient facilities.

#### RECOMMENDATIONS

We recommend that the admitting procedures at the Hines VA hospital be evaluated and changes made to preclude readmissions of persons previously determined to be ineligible for VA hospital care. We also recommend, that the evaluation develop ways in which the period of time needed to determine eligibility can be reduced.

Sincerely yours,



George D. Peck  
Assistant Director

cc: Dr. John D. Chase