



Highlights of [GAO-06-315](#), a report to congressional committees

Why GAO Did This Study

The National Defense Authorization Act for Fiscal Year 2003 required that the Departments of Veterans Affairs (VA) and Defense (DOD) implement programs referred to as the Joint Incentive Fund (JIF) and the Demonstration Site Selection (DSS) to increase health care resource sharing between the departments. The act requires GAO to report on (1) VA's and DOD's progress in implementing the programs. GAO also agreed with the committees of jurisdiction to report on (2) the actions taken by VA and DOD to strengthen resource sharing and opportunities to improve upon those actions and (3) whether VA and DOD performance measures are useful for evaluating progress toward achieving health care resource-sharing goals.

What GAO Recommends

The Secretaries of VA and DOD should (1) develop an evaluation plan for documenting and recording the advantages and disadvantages of each DSS project, an activity that will assist VA and DOD in replicating successful projects systemwide, and (2) develop performance measures that would be useful for determining the progress of their health care resource-sharing goals.

VA and DOD concurred with GAO's recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-06-315.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Laurie Ekstrand at (202) 512-7101 or ekstrandl@gao.gov.

VA AND DOD HEALTH CARE

Opportunities to Maximize Resource Sharing Remain

What GAO Found

VA and DOD are making progress in implementing two programs required by legislation in December 2002 to encourage health care resource sharing and collaboration—JIF and DSS. While JIF projects experienced challenges because of delays resulting from the initial absence of funding mechanisms and, in some cases, the need for additional acquisition and construction approvals, as of December 2005, 7 of 11 selected 2004 projects were operational. The DSS program also experienced challenges as some sites reported difficulty putting together project submission packages, noting confusion over the timelines and approval process as well as frustration with the amount of paperwork and rework required. Nonetheless, as of December 2005, 7 of the 8 DSS projects were operational. However, the Joint Executive Council (JEC) and Health Executive Council (HEC), VA and DOD entities established to facilitate collaboration and health care resource sharing between the departments, have not established a plan to measure and evaluate the advantages and disadvantages of DSS projects—information that will be useful for determining if projects that produce cost savings or enhance health care delivery efficiencies can be replicated systemwide.

VA and DOD are creating mechanisms that support the potential to increase collaboration, sharing, and coordination of management and oversight of health care resources and services. The departments have taken steps to create interagency councils and workgroups to facilitate collaboration and sharing of information, establish working relationships among their leaders, and develop communication channels to further health care resource sharing. In addition, the departments developed a Joint Strategic Plan outlining six goals. However, JEC and HEC have not seized upon a number of opportunities to further collaboration and coordination. For example, JEC and HEC have not developed a system for collecting and monitoring information on the health care services that each department contracts for from the private sector—such as individual VA medical center or military treatment facility contracts for dialysis, laboratory services, or magnetic resonance imaging. If such a system were in place, the departments could use it to identify services that could be exchanged from one another or possibly obtain better contract pricing through joint purchasing of services, thus promoting systemwide cost savings and efficiencies. Furthermore, JEC and HEC have not directed that a joint nationwide market analysis be conducted to obtain information on what their combined future workloads will be in the areas of services, facilities, and patient needs.

VA and DOD lack performance measures that would be useful for evaluating how well they are achieving their health care resource-sharing goals. For example, of the 30 measures contained in the departments' joint strategic plan, 5 were not developed at the time the plan was issued and 11 lacked longitudinal information. For the remaining 14 that require periodic measurement, there was variation in the rigor or specificity in the types of data to be collected or the analysis to be performed.