



Highlights of [GAO-06-264](#), a report to congressional requesters

VA LONG-TERM CARE

Data Gaps Impede Strategic Planning for and Oversight of State Veterans' Nursing Homes

Why GAO Did This Study

The Department of Veterans Affairs (VA) provides or pays for veterans' nursing home care in three settings: VA-operated nursing homes, privately owned nursing homes in the community from which VA purchases services, and state veterans' nursing homes. VA supports state veterans' nursing homes in a number of ways, including reimbursement for a portion of the cost of providing nursing home services to veterans, issuance of policy guidance, and oversight of their nursing home operations.

GAO was asked to determine the extent to which VA collects information on veterans in state veterans' nursing homes and the type of care they receive, to assess whether VA's reimbursement policy has been applied consistently, and to identify revenue sources such homes use.

What GAO Recommends

To promote adequate strategic planning and stronger oversight, GAO recommends that VA compile and report data on state veterans' nursing home populations and clarify certain aspects of its reimbursement policy. VA stated that it agreed with GAO's overall findings and generally concurred with GAO's recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-06-264.

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

What GAO Found

VA does not compile information on key characteristics of veterans receiving care in state veterans' nursing homes: veterans' length of stay, priority group status for VA hospital and outpatient services, age, and gender. VA needs such information for strategic planning, in order to develop baseline data of characteristics of veterans in state veterans' nursing homes and the care provided to them, which can help VA estimate the proportion of nursing home need it currently meets and the need it may be asked to meet as the number of older veterans changes over time. Based on visits to four states—Florida, Maine, Oklahoma, and Pennsylvania—GAO obtained information on key characteristics of state veterans' nursing home populations, which showed that these populations differed to varying degrees across the states. For example, state veterans' nursing homes in three of the four states generally were providing long-stay care (90 days or more), but 60 percent of stays in state veterans' nursing homes in Maine were short (less than 90 days).

GAO also found that certain aspects of VA's per diem reimbursement policy had not been applied consistently. For example, a VA medical center in one of the four states GAO visited approved reimbursement only for care provided to veterans admitted to state veterans' nursing homes who have had wartime military service. VA's policy does not limit reimbursement on this basis. GAO also found that VA headquarters officials have not been consistent in explaining to VA medical centers whether they could approve reimbursement to state veterans' nursing homes for care provided to veterans determined to have lowest priority for VA hospital and outpatient services.

In the states that GAO visited, state veterans' nursing homes rely on VA and non-VA revenue sources to varying degrees. In fiscal year 2004, per diem reimbursement from VA accounted for about one-fourth to one-third of revenues used for veterans' care. In addition to revenue from VA, state veterans' nursing homes in two of the four states GAO visited received reimbursement from Medicare and Medicaid for inpatient nursing home care provided to veterans. State veterans' nursing homes in three of the four states received funding directly from their states, ranging from 54 percent to 10 percent of revenues used for veterans' care in fiscal year 2004. In all the states GAO examined, the remainder of revenues comes from veterans' resources, such as Social Security and private pensions.