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AND HEALTHCARE INSPECTIONS

Department of Veterans Affairs

Review of Healthcare Services and Benefits for Resident U.S. Virgin Islands Veterans

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ACRONYMS AND ABBREVIATIONS

C&P	Compensation and Pension
CBOC	Community Based Outpatient Clinic
OIG	Office of Inspector General
USMLE	United States Medical Licensing Examination
USVI	U.S. Virgin Islands
VACHS	Veterans Affairs Caribbean Healthcare System
VAMC	Veterans Affairs Medical Center
VARO	Veterans Affairs Regional Office
VBA	Veterans Benefits Administration
VHA	Veterans Health Administration
VISN	Veterans Integrated Service Network
VistA	Veterans Health Information Systems and Technology Architecture
VSSC	Veterans Support Service Center
VSO	Veterans Service Organization

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EXECUTIVE SUMMARY

Results

In response to Congressional concerns, we fully or partially substantiated some allegations that veterans residing in the U.S. Virgin Islands (USVI) may be receiving disparate services and benefits in comparison to veterans residing in Puerto Rico. We substantiated the allegation that USVI veterans could face language barriers and problems communicating with non-direct patient care staff while at the VAMC in San Juan. However, we did not find that language barriers negatively impacted patient care. We also found that English language proficiency was not consistently documented in SF 52 Request for Personnel Action forms.

We partially substantiated the allegation that USVI veterans do not have access to the same level of Veterans Health Administration (VHA) services as the veterans in Puerto Rico because VHA does not provide inpatient care, 24-hour emergency care, or outpatient specialty care in the USVI. VHA purchases these services from local providers and medical facilities through individual fee basis authorizations. Because the Veterans Affairs Caribbean Healthcare System (VACHS) allows USVI Community Based Outpatient Clinic (CBOC) providers liberal use of fee basis care, access to care for USVI veterans is not limited or less than that of the veterans in Puerto Rico. In addition, we confirmed that patient satisfaction was not measured at the local level for the USVI CBOCs as required.

We could not confirm or refute the allegation that veterans must generally wait 3 months for a medical appointment. Appointments for new patients exceeded the VHA goal of less than 30 days from the desired date of the appointment at the St. Thomas CBOC. However, established patients were generally seen within 30 days of the desired appointment date, and patients were consistently seen promptly by fee basis providers and within 30 days at the San Juan VAMC.

We did not substantiate the allegation of disparate treatment of benefits claims filed by veterans residing in the USVI. No evidence suggested that VBA processed benefits claims differently based on a veteran's residency. Further, the San Juan VARO processed benefit applications for USVI veterans on average 4 days sooner than benefit applications submitted by veterans residing in Puerto Rico. Additionally, veterans residing in the USVI had a higher rate of canceled Compensation and Pension (C&P) medical examinations (28 percent) compared to those veterans residing in Puerto Rico (10 percent).

We could not determine whether VHA applied travel reimbursements unequally for claims submitted by veterans because there were no records of mileage reimbursement claims in VHA's systems prior to October 2010. Veterans may not have submitted mileage reimbursement claims because, prior to January 2009, low mileage reimbursement rates and applicable deductibles negated potential reimbursements given the relatively short driving distances in the USVI. Veterans residing in the USVI also may not have submitted mileage reimbursement claims because the veterans were not provided with the information they needed regarding this allowance. We also verified that income guidelines used by VA to determine eligibility for

services for veterans from Puerto Rico and the USVI reflect the cost of living disparity between these locations.

Recommendations

We recommend that the Veterans Integrated Service Network 8 Director require the VA Caribbean Healthcare System Director to:

- Ensure that English language proficiency is documented in SF 52 forms for physicians, nurses, and residents, as required.
- Ensure that primary care appointments at the USVI CBOCs be available within the timeframes prescribed by VHA policy.
- Implement a mechanism to monitor the satisfaction of USVI veterans at the local level.
- Review the VA Caribbean Healthcare System patient advocate program for opportunities to facilitate complaint reporting for USVI veterans.
- Determine the feasibility of sending medical examiners to the USVI to perform Compensation and Pension examinations that do not require medical specialists or non-portable specialized medical equipment.
- Allow veterans residing in the USVI to submit mileage reimbursement claims retroactively for eligible visits completed between January 9, 2009, and September 30, 2010.
- Ensure the San Juan VAMC develops appropriate oversight mechanisms to review and monitor mileage reimbursement claims for the VA Caribbean Healthcare System.

Management Comments and OIG Response

The VISN and System Directors agreed with the findings and recommendation contained in the draft report and provided responsive implementation plans to address our recommendations. We will monitor progress and follow up on implementation until all proposed actions are completed. The Acting Under Secretary for Benefits stated that VBA appreciated the opportunity to review the draft report but offered no comments. Appendixes C and D contain the complete VHA and VBA comments on the draft report.

(original signed by:)

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INTRODUCTION

Objective

The VA Office of Inspector General (OIG) evaluated congressional concerns that veterans residing in the U.S. Virgin Islands (USVI) receive disparate healthcare services and benefits compared with veterans living in Puerto Rico.

Background

The VA Caribbean Healthcare System (VACHS), part of Veterans Integrated Service Network (VISN) 8, provides services to a population of 150,000 veterans in Puerto Rico and the USVI. The VACHS includes the San Juan VA Medical Center (VAMC) in Puerto Rico, and seven outpatient clinics located throughout Puerto Rico and the USVI. According to 2000 U.S. Census Bureau data, 5,152 veterans reside in the USVI. Currently two CBOCs are located in the USVI, one on St. Thomas and one on St. Croix. Contract primary care services through a local provider were scheduled to begin on St. John in January 2011. In addition to the CBOCs, through the use of non-VA providers, the USVI has comprehensive medical services and specialty providers available to veterans on St. Croix, St. Thomas, and St. John. The San Juan VA Regional Office (VARO) is responsible for delivering non-medical VA benefits and services to veterans and their families residing in Puerto Rico and the USVI. See Appendix A for additional background information.

Congressional Concerns

In June 2010, Donna M. Christensen, a Member of Congress that represents the USVI, sent a memorandum to the Inspector General in which she outlined her concerns about the unfair and discriminatory treatment of veterans residing in the USVI compared to veterans residing in Puerto Rico. Her concerns addressed the following issues:

- USVI veterans do not receive the same treatment at the VA hospital in Puerto Rico, often facing language barriers and problems communicating with personnel.
- USVI veterans do not have access to the same level of services as Puerto Rico veterans. USVI does not have a VA hospital, so USVI veterans must go to a private emergency department and are not always reimbursed for care received.
- Veterans must wait 3 months for a doctor's appointment, unless the doctor at the USVI Community Based Outpatient Clinic approves expediting an appointment.
- Benefit applications are not given the same treatment, and if a veteran were to apply for benefits or disability claims, they would more likely get them if they applied through a mainland office instead of through Puerto Rico.

- Travel reimbursements are not applied equally, given that a 40-mile distance traveled by car in Puerto Rico is reimbursed, yet the same distance from the Virgin Islands under similar conditions is not. Veterans must travel by air, land, and sea in order to be treated at the hospital in Puerto Rico.
- The income guidelines used to determine eligibility for services is the same despite the cost of living being much higher in the Virgin Islands than Puerto Rico.

RESULTS AND RECOMMENDATIONS

Issue 1 Language Barriers

English Proficiency Requirement

We substantiated that USVI veterans sometimes face language barriers and problems communicating with personnel when they come to the San Juan VAMC because Puerto Rico's native language is Spanish. However, we found little evidence that language barriers negatively impacted the delivery of care.

English language proficiency is a VA requirement for all direct patient care positions.[1] Physicians, nurses, and other healthcare professionals at the San Juan VAMC must be able to read, write, speak, and understand English. A determination of English language proficiency is a part of the VAMC's hiring process. Several criteria can be used to determine English language proficiency—the successful completion of portions of the interview conducted in English; graduation from any school in which the basic curriculum was conducted in English; and for physicians, certification by an American specialty board or successful completion of the United States Medical Licensing Examination (USMLE), which is written in English.

VA Handbook 5005/7 states, "When a VA facility serves a substantial number of veterans with limited English-speaking ability, the Director must ensure the identification of sufficient numbers of staff members who are fluent in both the language most appropriate to these veterans and in English."

San Juan VAMC Staff English Proficiency

We reviewed the personnel records of all physicians, residents, and nurses appointed to work at the San Juan VAMC between March 2009 and March 2010 for evidence of English language proficiency. The VAMC utilizes the performance-based interview method to interview candidates for positions.

Nurses. A panel conducts the interviews in English and Spanish in order to verify proficiency in both languages. The panel rates English language proficiency on a scale from 1 to 5 (least proficient to most proficient) for registered nurse positions. Candidates who score 1 or 2 are not selected.

Physicians. For physician appointments, service chiefs complete a memorandum that includes if the candidate was proficient in English.

[1]VA Handbook 5005/7, Part II, Appendix I, *English Language Proficiency* states that "No person will be appointed under authority of 38 United States Code, Chapter 73 or 74, to serve in a direct patient-care capacity in VHA who is not proficient in written and spoken English."

Human Resources Management staff were unable to produce this document for the physician appointments we reviewed. However, we were provided with documentation of board certifications and/or degree programs taught in English for all of the physicians in our sample.

Residents. No documentation existed to support the English language proficiency for residents appointed between March 2009 and March 2010. However, the San Juan VAMC satisfied the English proficiency requirement for the residents in our sample because all of them had passed the USMLE. In addition, the program directors of the psychiatry and internal medicine residency programs provided memorandums certifying English language proficiency of their residents.

Documentation. VA Handbook 5005/7 also requires that "The determination that an employee is proficient in English will be documented on the appointment SF 52, Request for Personnel Action, which will be retained for the duration of VA employment." We reviewed the SF 52 forms for registered nurses, physicians, and residents appointed to work at the San Juan VAMC between March 2009 and March 2010 for documentation of English language proficiency. For the 42 registered nurses appointed during this period, we found 39 (92 percent) SF 52 forms, and 33 (85 percent) of 39 had their English proficiency documented. For the 28 physicians appointed during this period, we found 26 SF 52 forms, but only 2 (8 percent) of 26 had the required English proficiency documentation. None of the 33 SF 52 forms for residents appointed during this period had English language proficiency documented.

Other Staff. Only staff with direct patient care capacity are required to demonstrate English language proficiency. This does not include personnel in non-direct patient care capacities who may encounter patients incidental to their primary job responsibilities.[2] Since Spanish is the primary language in San Juan, and not all employees are required to speak English, it is likely that, on occasion, a USVI patient may encounter an employee with whom they cannot communicate. We reviewed patient advocate complaints from USVI veterans between March 2009 and March 2010. Only five complaints were recorded, and none of the five reported problems with communication.

The VACHS Director told us that use of English is required at meetings, in e-mail correspondence, and in all administrative documentation. All medical record documentation is required to be in English. We learned that the System Director and other managers are proponents of encouraging the use of English in the workplace. We were told about one organized activity to support this effort—a voluntary informal meeting called English Cybercafé

[2]VA Handbook 5005/7, 2b.

where attendees discuss movies or current events in English to improve their skills.

Conclusion

We substantiated the allegation that USVI veterans could face language barriers and problems communicating with non-direct patient care staff while at the VAMC in San Juan. However, we did not find that language barriers negatively impacted patient care. We also found that English language proficiency was not consistently documented in SF 52 Request for Personnel Action forms.

Recommendations

1. We recommend that the Veterans Integrated Service Network 8 Director require the VA Caribbean Healthcare System Director to ensure that English language proficiency is documented in SF 52 forms for physicians, nurses, and residents, as required.

Management Comments and OIG Response

The VISN and System Directors agreed with our findings and recommendation. All Human Resources staff have been instructed to comply with this requirement. The Supervisor of Staffing and Recruitment will monitor ongoing compliance. The implementation plan is acceptable, and we will follow up on the planned actions until they are completed.

Issue 2 Access to Healthcare

We partially substantiated the allegation that USVI veterans do not have access to the same level of Veterans Health Administration (VHA) services as the veterans in Puerto Rico. However, because of liberal use of fee basis authorizations for local care, USVI veterans' care is not limited or less than that of the veterans in Puerto Rico. We substantiated that the cost of emergency care received at local hospitals was not always reimbursed; however, we found that these denials were appropriate.

VHA does not provide 24-hour emergency services or inpatient services in the USVI. The VAMC closest to the USVI is in San Juan, Puerto Rico, which is 93 miles from St. Croix and 63 miles from St. Thomas by air. Both islands have airports, and flights to San Juan are frequent. Emergency and urgent inpatient services are fee based to local hospitals on both St. Thomas and St. Croix. Both hospitals provide comprehensive inpatient and outpatient healthcare services and have 24-hour emergency departments.

VHA does provide outpatient services at two CBOCs located on St. Thomas and St. Croix. VHA established these CBOCs in 1994 to improve access to primary healthcare services for veterans in the USVI. The St. Croix CBOC is staffed with one physician, two nurses, a social worker, and two administrative staff. The St. Thomas CBOC is staffed with one physician, one nurse, a social worker, and two administrative staff. Both CBOCs provide outpatient primary care, laboratory, and nutrition and mental health telehealth services. The St. Thomas CBOC also has a monthly gynecology clinic, and the St. Croix CBOC has a pharmacist and pharmacy services onsite, with local pharmacy services available if needed. The St. Thomas CBOC provides patients with 10 days of medications through a local pharmacy as a bridge until medications are mailed to the patient through the VA outpatient medication distribution system. Both CBOCs fee base radiology services to local facilities.

If the CBOC could not provide the necessary care, fee basis care was authorized by VA staff for initial outpatient evaluations and/or hospitalizations. The patients would be re-evaluated at the CBOC, and if further care was required, the patients were referred to the San Juan VAMC. In some cases, if the required follow-up care was frequent, a patient received authorization to continue care with local providers. If a patient was sent to the San Juan VAMC for care, flight arrangements were made by the VA at no cost to the veteran, in most cases.

Fee Basis Care

VA policy states that VA facilities should have local policy and procedures regarding the request, approval, and authorization of non-VA care and

services.[3] Furthermore, a consult referral template should be established at each facility to manage and oversee non-VA services. This consult template should include reasons that justify the decision to seek non-VA care. A consult template is in place at the USVI CBOCs, but no local policies regarding fee basis care existed. However, VACHS provided a statement that "if services for a specialty clinic are required and there is a local provider available, a voucher will be prepared for that particular service. If that specialty is not available in the community, then the primary care provider will originate a consult to San Juan for the specialty needed." While the CBOCs had no contracts or memorandums of understanding with non-VA providers in the USVI, we were provided with a list of approved vendors for a wide range of services.

Fee Basis Outpatient Care

USVI CBOC staff told us that, generally, local providers would take VA patients for all available services with the exception of gastroenterology and ophthalmology services. Consults are sent to the San Juan VAMC for patients needing these services. After being seen by a fee basis provider, the veteran is to return to the USVI CBOC for further disposition. If further care is needed, the CBOC provider decides if that care can be provided in the VA system. USVI providers generated 2,089 consults for local fee basis care from October 1, 2009–May 31, 2010. Table 1 shows the number of USVI patients that received fee basis outpatient care and the amount spent for these services during the last 5 fiscal years.

Table 1

USVI Outpatient Fee Basis Payments for FYs 2006–2010

USVI Outpatient Fee Basis Payments	FY 06	FY 07	FY 08	FY 09	FY 10
Unique Patients	963	1003	966	1101	1087
Disbursed Amount Per Unique Patient	$647.30	$615.95	$688.46	$881.84	$1,027.19
Disbursed Amount Per Outpatient Visit	$156.03	$169.49	$168.92	$200.60	$185.11
Disbursed Amount	$623,345.22	$617,800.33	$665,052.49	$970,908.89	$1,116,559.30

Source: VA Caribbean Healthcare System.

[3]Memorandum, Deputy Under Secretary for Health for Operations and Management (10N) (webcams #441408), *Documenting Justification for Non-VA Health Care and Services in CPRS*, November 23, 2009.

We reviewed 100 patient medical records for timeliness of fee basis care and found that in most cases, the patients were seen within days of the initial fee basis request.

Fee Basis Inpatient Care

Title 38 of the United States Code § 17.52 addresses VA's responsibility in providing hospital care and medical services in non-VA facilities. When VA facilities are not capable of furnishing economical hospital care or medical services because of geographic inaccessibility or they are not capable of furnishing care or the services required, VA may contract with non-VA facilities for care or individual authorizations may be used. USVI veterans requiring immediate inpatient care are sent to local hospitals for fee basis care until arrangements can be made to transfer the patient to a VA facility, if indicated. In FY 2010, 100 veterans were hospitalized in USVI facilities at a cost to the VA of $473,659.30.

Fee Basis Emergency Care

Title 38 of the United States Code § 1725 also addresses reimbursement for emergency treatment of veterans at non-VA facilities. Generally, if a veteran seeks emergency care at a non-VA facility, it is reimbursable if the veteran is actively enrolled in the VA healthcare system, has received care at the VA within the last 24 months prior to the emergency treatment, does not have other payer sources, and the care rendered was not feasibly available elsewhere and of an emergent nature.

Review of Emergency Care Claims

The USVI CBOCs are operational during typical business hours. If emergency care is required, USVI veterans must go to a local hospital with a 24-hour emergency department. If a bill is submitted to the VACHS for payment, medical records are requested and reviewed by clinical and administrative staff at the VAMC, and payment is authorized based on the nature of the complaint, treatment, and the veteran's eligibility. While no local policies are in place to describe this process, system managers gave us a document developed by the physician responsible for reviewing fee basis emergency care claims.

The document outlines how claims are to be reviewed for approval or denial of payment. Information provided to us showed that in FY 2010, 35 (38 percent) of 92 claims submitted for non-VA emergency treatment were disapproved for reimbursement. Reasons for disapproval included non-emergent care (15), other insurance benefits (14), and no VA treatment in the past 24 months (6). The reasons for denial of payment were consistent with federal regulations. We reviewed documents associated with two of the disapprovals and found medical record documentation to support the disapproval decisions.

USVI Veteran Consults to the VACHS

Providers at the USVI CBOCs told us that consults are sent to the VAMC for patients requiring further evaluation and/or treatment after a fee basis outpatient appointment, inpatient care, or surgical intervention. Consults received from USVI CBOCs are sent to the consulted service for review and disposition. If an appointment is approved, it is scheduled by the specialty clinic consult coordinator. A physician must request the initial consult, and according to CBOC staff, consults are prioritized and scheduled according to urgency.

From October 1, 2009–May 31, 2010, 1,509 unique USVI veterans had 5,758 visits at the VAMC. The USVI CBOC and/or San Juan VAMC staff make travel arrangements to San Juan, and if VA does not cover the airfare due to patient ineligibility, the USVI Veterans Service Organization (VSO) provides funding for the ticket, in some cases. The San Juan VAMC provides shuttle services to and from the airport as well as hotel accommodations, if required. A San Juan VAMC coordinator oversees the arrangements and follows the course of care while the veterans are in San Juan.

Conclusion

We partially substantiated the allegation that USVI veterans do not have access to the same level of VHA services as the veterans in Puerto Rico because VHA does not provide inpatient care, 24-hour emergency care, or outpatient specialty care in the USVI. VHA purchases these services from local providers and medical facilities through individual fee basis authorizations. Because VACHS allows USVI CBOC providers liberal use of fee basis care, access to care for USVI veterans is not limited or less than that of the veterans in Puerto Rico.

Management Comments and OIG Response

The VISN 8 Director provided no comments concerning the OIG's analysis or conclusions concerning this issue.

Issue 3 Timeliness of Care

We could not confirm or refute the allegation that veterans generally experienced a 3-month wait for a doctor's appointment at the USVI CBOCs. However, we found that next available appointment times for new patients exceeded the VHA 30-day requirement at the time of our visit, and wait times for new patient appointments in St. Thomas reflected poor access to care in FY 2010. Providers decide when established patients need to return for follow-up. A routine follow-up in 3 to 6 months can be entirely appropriate. It was not clear from the complaint whether the concerns were related to wait times for an appointment at the USVI CBOC, at the San Juan VAMC, or for new or established patients. Therefore, we reviewed data on wait times for the primary care clinics at the USVI CBOCs for new and established patients and timeliness of initial appointments for USVI veterans at specialty clinics at the San Juan VAMC. We also reviewed provider panel sizes and clinic capacity for the USVI CBOCs.[4,5]

CBOC Appointments

Veterans Support Service Center (VSSC) "New and Established Patient Wait Times for Completed Appointments" report data reflected that 95 percent of new patients from October 1, 2009–May 31, 2010, were seen within 30 days of the desired appointment date at the St. Croix CBOC, and 64 percent were seen within 30 days of the desired appointment date at the St. Thomas CBOC. The same data source showed that 99 percent of established patients at the St. Croix CBOC and 96 percent of established patients at the St. Thomas CBOC were seen within 30 days of the desired appointment date.

While we were onsite at the USVI CBOCs during the week of October 25, 2010, we asked for the next available primary care appointment dates for new patients. The first available appointment for new patients at the St. Thomas CBOC was December 29 (65 days). The first available new patient appointment at the St. Croix CBOC was December 27 (63 days). CBOC staff told us that the influx of veterans to the USVI during winter months caused wait times for appointments to exceed the current VHA goal of less than 14 days from the desired date.

USVI CBOC Capacity

The VSSC target for the number of patients expected to be assigned to a primary care provider is 90 to 105 percent of panel size capacity. We found that the St. Croix CBOC provider panel size was at 99 percent of capacity, but the St. Thomas CBOC provider panel size was only 72 percent of capacity, significantly below the target. As panel size was not near capacity

[4]Panel size is the number of patients currently assigned to a healthcare provider.
[5]Clinic capacity is the maximum number of patients that can be assigned to a healthcare provider.

at the St. Thomas CBOC, it is unclear why only 64 percent of new patients were seen within 30 days of the desired appointment date.

According to the Chief of Primary Care for the VACHS, as of October 26, 2010, the primary care provider at the St. Croix CBOC had 924 patients assigned, and the clinic capacity was 981 for this location/provider combination. The primary care provider at the St. Thomas CBOC had 743 patients assigned with a clinic capacity of 981 for this location/provider combination, yet the next available new patient appointments were 65 days out.

We also reviewed missed opportunity reports for the St. Thomas and St. Croix CBOCs for the last 3 FYs (Table 2). Missed opportunities include no-shows and patient and/or clinic cancelations after the date of the appointment.

Table 2

USVI Missed Opportunity Rates from FY 2008-FY 2010

Clinic Location	FY 08	FY 09	FY 10	Target
St. Croix	12.96%	11.46%	9.21%	11.61%
St. Thomas	17.38%	12.34%	13.51%	11.61%

Source: VSSC Missed Opportunities Report.

The missed opportunity rates at St. Thomas consistently exceeded the target rate for the last 3 FYs. While we noted improvement since FY 2008, a high percentage of missed opportunities reflects less than optimal clinic utilization and could contribute to delays in scheduling appointments within target dates.

VAMC Appointments

From October 1, 2009–May 31, 2010, USVI CBOC providers generated 569 consults for specialty care services at the VAMC. Of those, 426 were completed, 108 were canceled, 30 were discontinued, 4 were scheduled for future appointments, and 1 was pending. Further review showed that of the 138 canceled and discontinued consults, 102 were canceled or discontinued by the receiving service. Of those, 42 were canceled or discontinued because further patient evaluation was required prior to consulting the specialty service, as specified by service agreements between primary care and specialty services. We also found that 25 consults were canceled or discontinued because the patient was not eligible for the requested service. Consults canceled or discontinued due to need for further evaluation must be re-submitted and re-processed after the preliminary evaluations are completed, creating extra work and adding to delays in obtaining specialty care appointments at the San Juan VAMC.

We reviewed the medical records of 100 USVI veterans seen at the San Juan VAMC specialty clinics. USVI CBOC providers requested these appointments through consults between October 1, 2009–May 31, 2010. We found that 91 (91 percent) of 100 veterans were seen within 30 days after the consult was initiated.

We found that the only wait time for appointments that exceeded the VHA target was new patient appointments at the St. Thomas CBOC. Established patients were generally seen within 30 days of the desired appointment date at both CBOCs, and patients were consistently seen promptly by fee basis providers and within 30 days at the San Juan VAMC.

Conclusion

We could not confirm or refute the allegation that there is generally a 3-month wait for a medical appointment. Appointments for new patients exceeded the VHA goal of less than 30 days from the desired date of the appointment at the St. Thomas CBOC. However, established patients were generally seen within 30 days of the desired appointment date, and patients were consistently seen promptly by fee basis providers and within 30 days at the San Juan VAMC.

Recommendation

2. We recommend that the Veterans Integrated Service Network 8 Director require the VA Caribbean Healthcare System Director to ensure that primary care appointments at the U.S. Virgin Islands Community Based Outpatient Clinics be available within the timeframes prescribed by VHA policy.

Management Comments and OIG Response

The VISN and System Directors agreed with our findings and recommendation. Standard Operating Procedures for disposition of patient appointments will be established and Case Managers will monitor compliance. The implementation plan is acceptable, and we will follow up on the planned actions until they are completed.

Issue 4 Patient Satisfaction

We interviewed Customer Service staff at the San Juan VAMC and reviewed patient advocate reports related to USVI CBOCs. No patient advocates were specifically assigned to the USVI CBOCs. USVI veterans must call the San Juan VAMC to voice their concerns. During our tours of the CBOCs, we noted that patient advocate contact information was not posted.

Customer Service managers at the San Juan VAMC told us that they meet with the VSO representatives from the USVI quarterly. The VSO representatives we interviewed told us that veterans often call their office when they have concerns about their care. Then the VSO representative contacts Customer Service in San Juan or the USVI CBOC staff to attempt to resolve the issue. As VSO representatives are not VA staff, they do not have access to information available to VA patient advocates.

We also learned that, because of the low survey return rate, "VHA Survey of Healthcare Experiences of Patients" data was not available for USVI CBOCs. If the response is less than 10 surveys, data is not reported.

VHA Handbook 1003.1 section 7b[6] states that satisfaction must be measured at the local level, including patient waits and staff courtesy, through a variety of mechanisms such as focus groups and comment cards. VACHS managers told us that despite the fact that "VHA Survey of Healthcare Experiences of Patients" data was not available, no other means were utilized to capture the concerns of the USVI veterans regarding their care.

Conclusion

Patient satisfaction was not measured at the local level for the USVI CBOCs as required.

Recommendation

3. We recommend that the Veterans Integrated Service Network 8 Director require the VA Caribbean Healthcare System Director to implement a mechanism to monitor the satisfaction of U.S. Virgin Islands veterans at the local level.

4. We recommend that the Veterans Integrated Service Network 8 Director require the VA Caribbean Healthcare System Director to review the VA Caribbean Healthcare System patient advocate program for opportunities to facilitate complaint reporting for U.S. Virgin Islands veterans.

[6]VHA Handbook 1003.1, *Key Elements of VHA's Veteran Customer Service Program*, August 6, 2003.

Management Comments and OIG Response

The VISN and System Directors agreed with our findings and recommendations. A Quick Card patient satisfaction survey tool will be implemented in the CBOCs. Patient Advocates at both St. Thomas and St. Croix will be identified and trained, and posters with their pictures will be placed in the clinics. A notice outlining the complaint process will be sent to VSOs and stakeholders. The implementation plan is acceptable, and we will follow up on the planned actions until they are completed.

Issue 5 Disability Rating Decisions and Compensation and Pension Medical Examination Cancelation Rates

We could not substantiate the allegation of disparate treatment of benefits claims filed by veterans residing in the USVI. Evidence did not suggest that the Veterans Benefits Administration (VBA) San Juan VARO processed disability compensation claims differently for veterans residing in the USVI compared to those residing in Puerto Rico. However, we noted that Compensation and Pension (C&P) canceled C&P medical examinations for veterans residing in the USVI at a higher rate than exams for veterans residing in Puerto Rico.

Claims Processing Similar for Veterans in Both Locations

The San Juan VARO completed disability compensation claims for veterans residing in Puerto Rico on average of 149 days with an 8 percent error rate. For veterans residing in the USVI, the San Juan VARO completed disability compensation claims on average of 145 days (4 days sooner) with a slightly higher error rate of 10 percent.

We reviewed 120 claims folders requiring a rating decision—60 claims folders for veterans residing in Puerto Rico and 60 claims folders for veterans residing in the USVI. The San Juan VARO Veterans Service Center Manager informed us that they generally processed benefit applications in date of claim order, from oldest to newest. Although we reviewed 2 percent of the population of completed claims, we did not find disparity in the processing of these benefits by the San Juan VARO. Regardless if the claimed disability was granted or denied, we determined 109 of 120 decisions were accurate.

In addition, we compared the San Juan VARO's disability claims processing accuracy rate with that of mainland VAROs for FY 2010. Although the San Juan VARO's accuracy rate was slightly lower than the national average, our review revealed a veteran's residence did not influence or affect the accuracy or timeliness of benefits processed at the San Juan VARO.

Claims Processing Error Rates Similar

San Juan VARO staff incorrectly processed 5 (8 percent) of 60 claims for veterans residing in Puerto Rico and 6 (10 percent) of 60 claims for veterans residing in the USVI. Of the 11 combined claims processing errors, two affected benefits for veterans residing in Puerto Rico and two affected benefits for veterans residing in the USVI. The OIG provided claims processing errors identified during the review to the San Juan VARO Veterans Service Center Manager for appropriate action. Table 3 shows the errors affecting veterans' benefits.

Table 3

Benefit Claims Processing Errors

Residence of Veteran	Number of Claims Reviewed	Number of Processing Errors	Number of Errors Affecting Veterans' Benefits	Total Overpayments	Total Underpayments
Puerto Rico	60	5	2	$39,182	$1,536
USVI	60	6	2	0	$7,921
TOTAL	**120**	**11**	**4**	**$39,182**	**$9,457**

C&P Medical Examinations Meet VHA Timeliness Standard

In addition, VHA has a national time standard of 35 calendar days after receipt of the medical examination request to complete the exams and required tests. Examinations for veterans in Puerto Rico and the USVI on average met this standard. Of the 120 claims reviewed, VARO staff requested medical exams for 77 veterans—36 veterans residing in Puerto Rico and 41 veterans residing in the USVI. The medical exams for veterans residing in Puerto Rico took an average of 17 days to complete. Of the 41 veterans in the USVI, four did not complete requested examinations. The examinations for the remaining 37 USVI veterans took 32 days on average to complete. Although it took 15 days longer to complete the exams scheduled for veterans in the USVI, the delays did not negatively impact the overall time to complete their claims.

USVI Veterans Had Higher Rates of Canceled C&P Medical Exams

We also noted that veterans residing in the USVI had a higher rate of canceled C&P medical exams compared to veterans residing in Puerto Rico. San Juan VARO staff requested 132 C&P examinations for the 77 benefits claims—68 exams for veterans in Puerto Rico and 64 exams for veterans in the USVI. Veterans residing in Puerto Rico had 7 (10 percent) of 68 medical exams canceled compared to 18 (28 percent) of 64 for USVI veterans. Table 4 on the next page indicates the number of canceled medical exams in relationship to the veteran's residence.

Table 4

Canceled Medical Examinations by Location

Residence of Veteran	Number of Claims Requiring a C&P Exam	Number of Exams Requested	Number of Exams Canceled
Puerto Rico	36	68	7
USVI	41	64	18
Total	**77**	**132**	**25**

C&P medical examination cancelation notices revealed that 11 (61 percent) of 18 USVI cancelations resulted from those veterans that did not report for their scheduled examinations. The Clinical Supervisor for the C&P Exam Clinic at the San Juan VAMC could not explain the disparity in cancelation rates. The Clinical Supervisor said, "Aside from the general category of examination cancelations known as Failure to Report, the hospital does not capture or maintain detailed information on why a veteran does not report for an examination." Further, the Clinical Supervisor indicated that because veterans residing in the USVI must go to the San Juan VAMC for C&P examinations, the travel required might be a reason for the high number of veterans that fail to report for their examinations. As a result, the San Juan VAMC could use the allotted time for those examinations to treat other veterans.

C&P Exams Not Conducted in the USVI

We asked the Clinical Supervisor for C&P examinations if the San Juan VAMC had any initiatives to send physicians to the USVI to perform examinations. The Clinical Supervisor indicated no plans currently exist. Further, the Clinical Supervisor informed us that C&P exams may require a medical specialist, specific medical equipment, or diagnostic testing currently not available at the CBOC in the USVI.

VA policy states that specialists routinely perform medical examinations involving hearing, vision, dental, and psychiatric conditions. Our analysis of the 18 canceled examinations revealed only one, an audiology examination, may have required a specialist to complete. Therefore, approximately 10 veterans residing in the USVI might have benefited from C&P medical examinations performed at the local CBOC.

Conclusion

We did not substantiate the allegation of disparate treatment of benefits claims filed by veterans residing in the USVI. No evidence suggested that VBA processed benefits claims differently based on a veteran's residency. Further, the San Juan VARO processed benefit applications for USVI veterans on average 4 days sooner than benefit applications submitted by veterans residing in Puerto Rico. Veterans residing in the USVI had a higher rate of canceled C&P medical examinations (28 percent) compared to those veterans residing in Puerto Rico (10 percent).

Recommendation

5. We recommend the Veterans Integrated Service Network 8 Director require the VA Caribbean Healthcare System Director to determine the feasibility of sending medical examiners to the U.S. Virgin Islands to perform Compensation and Pension examinations that do not require medical specialists or non-portable specialized medical equipment.

Management Comments and OIG Response

The VISN 8 Director concurred with the recommendation and stated that actions will be taken to perform Compensation and Pension non-specialty examinations in the USVI. The Acting Under Secretary for Benefits provided no comments concerning the OIG's analysis or conclusions concerning this issue.

Issue 6 Beneficiary Travel Reimbursement

We could not determine whether VHA applied travel reimbursements unequally for claims submitted by veterans because there were no records of mileage reimbursement claims in VHA's systems prior to October 2010. A San Juan VAMC official indicated that eligible USVI veterans were not denied the benefits nor were discouraged from applying for mileage reimbursement. The official stated that veterans did not submit mileage reimbursement claims because, prior to January 2009, low mileage reimbursement rates and applicable deductibles negated potential reimbursements given the relatively short driving distances in the USVI. We also concluded that veterans in the USVI may not have submitted mileage reimbursement claims from January 2009 through September 2010 for the following reasons:

- Inadequate communication about travel benefits to veterans residing in the USVI.
- Insufficient beneficiary travel benefits training of VA staff at CBOCs located in St. Thomas and St. Croix.
- Inadequate oversight by the San Juan VAMC that would have detected the lack of mileage reimbursement claims for USVI.

Beneficiary Travel Program

The purpose of VA travel reimbursement is for VHA to make payments for travel expenses incurred in the United States to help veterans and other persons obtain care of services from VHA. Under section 111, Title 38 of the United States Code, *Payments or Allowances for Beneficiary Travel*, VA has the authority to pay the actual necessary expenses of travel, including mileage traveled to or from a Department facility or other place in connection with vocational rehabilitation or counseling or for the purpose of examination, treatment, or care for certain eligible veterans. Reimbursements may also include ferry fares and tolls for bridges, roads, and tunnels.

The San Juan VAMC Beneficiary Travel Office administers VA's Beneficiary Travel program for veterans residing in the USVI. Staff at the CBOCs in coordination with VAMC staff make arrangements and pay for eligible USVI veterans to travel via commercial airline from the USVI to the San Juan VAMC for authorized treatment. In addition, CBOC personnel assist veterans residing in the USVI to submit travel reimbursement claims. When veterans seek treatment in the USVI (such as going to a CBOC located in St. Thomas or St. Croix) and are eligible for mileage reimbursement, clerks located in the CBOC verify the mileage, complete the claim in

Veterans Health Information Systems and Technology Architecture (VistA),[7] and send the signed form to the San Juan VAMC. The San Juan VAMC processes mileage reimbursement claims and sends compensation to the veteran via a check by mail.

Mileage Reimbursement Claims Not Submitted or Processed

The San Juan VAMC did not reimburse eligible veterans residing in the USVI for travel mileage associated with VA healthcare because VistA did not contain data to indicate that veterans submitted mileage reimbursement claims from October 1, 2008–May 31, 2010. A VISN official confirmed that no mileage reimbursement claims were processed for USVI veterans prior to October 1, 2010. However, records indicate that at least 6,110 visits would have been eligible for mileage reimbursements during this time period. In comparison, eligible veterans in Puerto Rico in Priority Group 1 and Priority Group 2[8] made 252,111 eligible visits and submitted 79,415 mileage reimbursement claims during the same period. There is no evidence that veterans residing in the USVI submitted mileage reimbursement claims until October 1, 2010, after the OIG contacted San Juan VAMC and VISN 8 officials concerning our review.

According to a San Juan VAMC official, until recently, little incentive existed for veterans residing in the USVI to claim mileage reimbursements due to relatively short travel distances in the USVI, low mileage reimbursement rates, and applicable deductibles. The official also indicated that eligible USVI veterans were not denied the benefits nor were discouraged from applying for mileage reimbursement. A San Juan VAMC Travel Clerk indicated that, in the past, some USVI veterans inquired about mileage reimbursement and when told that the reimbursement was relatively small, would not complete the claim process. The maximum one-way distance to the airport or the CBOC is 9 miles in St. Thomas and 17 miles in St. Croix. Table 5 summarizes the changes in mileage reimbursement rates and deductibles.

[7]VistA is an enterprise-wide information system used for a variety of clinical and administrative functions.

[8]VA assigns veterans to a Priority Group based on their eligibility status. Priority Groups range from 1–8 with 1 being the highest priority for enrollment in the VA healthcare program.

Table 5

Beneficiary Travel Mileage Reimbursements and Deductibles

Effective Date	Mileage Reimbursement Rate (per mile)	Deductible	Maximum Deductible (per calendar month)
Prior to February 2008	11.0¢	$3.00 one-way ($6 round trip)	$18.00
February 2008	28.5¢	$7.77 one-way ($15.54 round trip)	$46.62
July 2008	28.5¢	$7.77 one-way ($15.54 round trip)	$46.62 (or six one-way trips, whichever occurs first)
November 2008	41.5¢	$7.77 one-way ($15.54 round trip)	$46.62 (or six one-way trips, whichever occurs first)
January 2009	41.5¢	$3.00 one-way ($6 round trip)	$18.00 (or six one-way trips, whichever occurs first)

Despite the November 2008 increase in the mileage rate and reduction in the January 2009 deductible rates, there is no evidence that eligible veterans residing in the USVI submitted mileage reimbursement claims until October 1, 2010. The San Juan VAMC processed 34 claims from veterans residing in the Virgin Islands from October 1–22, 2010. These claims were for mileage reimbursements totaling $158.13 with $42.85 paid after reducing the payments by the required deductibles through the St. Croix and St. Thomas CBOCs.

Inadequate Communication and Training

Veterans residing in the USVI may not have submitted mileage reimbursement claims because the veterans were not provided with the information they needed regarding this allowance, and CBOC-based staff who assist veterans with their benefits had not received training specifically related to beneficiary travel mileage reimbursements until after the OIG contacted San Juan VAMC and VISN 8 officials concerning our review. The Internet pages for the VA Caribbean Healthcare System and the St. Thomas and St. Croix CBOCs do not provide information concerning beneficiary travel benefits. In comparison, other VAMC Internet pages provide information on the Beneficiary Travel program. The CBOCs also did not have brochures available to explain the benefits. In addition, the San Juan VAMC did not communicate to veterans about the November 2008 mileage

rate increase and January 2009 deductible decrease. The VSO representatives interviewed were also unaware of key provisions of the Beneficiary Travel program.

Following the VA OIG inquiry regarding travel benefit issues related to veterans residing in the USVI, the San Juan VAMC took steps to remedy the lack of adequate communication regarding travel benefits. The VAMC mailed an informative postcard pertaining to travel benefits to almost 1,900 veterans residing in the USVI. In addition, clerks at the VA clinics in St. Thomas and St. Croix reported they have begun proactively asking eligible veterans if they would like to claim a mileage reimbursement. The St. Thomas and St. Croix CBOCs posted a flyer concerning beneficiary travel benefits in the patient waiting area. Given that the San Juan VAMC has processed mileage reimbursements beginning in October 2010, it would appear that these steps have been effective in making veterans residing in the USVI more aware of the Beneficiary Travel program.

In addition, training for staff administering mileage reimbursement to veterans residing in the USVI was inadequate. San Juan VAMC Beneficiary Travel Office staff and USVI-based CBOC clerks that process mileage reimbursement claims receive only on-the-job training and rely on the knowledge of current staff. A supervisor noted that training was insufficient and some of the information provided in the past was incorrect. CBOC-based staff stated that the San Juan VAMC provided training on beneficiary travel benefits and processing for the first time in September 2010. Despite this recent training, CBOC staff were unaware of some provisions of VA travel reimbursement benefits, such as deductible waivers.

VISN 8 and San Juan VAMC Officials Unaware of Problem

In addition, VISN 8 and San Juan VAMC officials were unaware that no mileage reimbursement claims were processed for veterans residing in the USVI. Therefore, these officials took no steps to address the situation until after the OIG review was announced. A San Juan VAMC official stated that oversight of mileage reimbursements were not considered a high priority. Instead, their focus was on other aspects of beneficiary travel (such air fares associated with bringing veterans to San Juan for treatment) that were more costly. The official advised that the San Juan VAMC spends approximately $100,000 per month on airfare associated with bringing veterans residing in the USVI to San Juan for treatment.

Projection of Reimbursement Claims

Between October 1, 2009–May 31, 2010, veterans residing in Puerto Rico eligible for beneficiary travel completed 252,111 visits and claimed 79,415 mileage reimbursements, or 32 percent of visits. Veterans residing in the USVI eligible for beneficiary travel completed 6,110 visits during the same period. Based on the rate of mileage reimbursement claims by veterans residing in Puerto Rico between October 2009–May 2010, we estimate

veterans residing in the USVI might have claimed, at minimum, 1,955 mileage reimbursements if they had been more aware of their eligibility, the possibility of obtaining waivers, and the increased mileage reimbursement rates.

Conclusion

The San Juan VAMC did not reimburse eligible veterans residing in the USVI for mileage costs associated with obtaining VA healthcare services because we were told that veterans did not submit mileage reimbursement claims. In contrast, veterans residing in Puerto Rico submitted mileage reimbursement claims for incurred travel costs associated with obtaining VA healthcare. Veterans residing in the USVI may not have submitted mileage reimbursements because of relatively short driving distances in the USVI, the low mileage reimbursement rate, and applicable deductibles that provided little or no compensation. VISN 8 and San Juan VAMC officials were unaware that no mileage reimbursement claims were processed for veterans residing in the USVI. San Juan VAMC and VISN 8 officials also did not ensure VA staff located at CBOCs in the USVI were sufficiently trained to assist veterans residing in the USVI with beneficiary travel claims.

Recommendations

6. We recommend that the Veterans Integrated Service Network 8 Director require the VA Caribbean Healthcare System Director to allow veterans residing in the U.S. Virgin Islands to submit mileage reimbursement claims retroactively for eligible visits completed between January 9, 2009, and September 30, 2010.

7. We recommend the Veterans Integrated Service Network 8 Director require the VA Caribbean Healthcare System Director to ensure the San Juan VAMC develop appropriate oversight mechanisms to review and monitor mileage reimbursement claims for the VA Caribbean Healthcare System.

Management Comments and OIG Response

The VISN 8 Director concurred with our analysis and recommendation and stated that actions are being taken to notify eligible USVI veterans to submit mileage reimbursement claims retroactive from January 2009. He further stated that a notification letter will be developed and mailed to eligible USVI veterans informing them of their ability to submit a claim for mileage reimbursement, and claims will be processed upon receipt. In addition, the VISN 8 Director stated that enhancements were made in October 2010 to specifically track and monitor USVI mileage reimbursement claims. We concur with the VISN's planned actions and will monitor their implementation.

Issue 7 Income Guidelines Determine Eligibility for VA Services

We verified that VA uses the National Income and National Geographic Income Thresholds to assign veterans to Priority Groups, when appropriate, and that the National Geographic Income Thresholds reflect differences in the cost of living between the USVI and Puerto Rico.

Veterans Assigned to Some Priority Groups Based on Financial Factors

Eligibility for VA healthcare services is dependent upon a number of variables, which may influence the final determination of the services for which a veteran qualifies. VA assigns veterans to a Priority Group based on their eligibility status. Priority Groups range from 1–8 with assignment to certain Priority Groups dependent on income and cost of living factors. For example, Priority Group 5 is comprised of nonservice-connected veterans and non-compensable service-connected veterans rated 0 percent disabled by VA with an annual income and/or net worth below the VA National Income Thresholds.

Recognizing that the cost of living can vary significantly from one geographic area to another, Public Law 107-135, the *Department of Veterans Affairs Health Care Programs Enhancement Act of 2001*, directed VA to implement a geographic-based means test to help determine VA healthcare eligibility. VA identifies veterans living in high cost areas who may qualify for the reduced inpatient co-pay rate by the addition of the VA National Geographic Income Thresholds. VA uses the Department of Housing and Urban Development "low-income" geographic-based income limits (used as a basis for housing assistance) as the basis for VA's thresholds. The Department of Housing and Urban Development updates these limits periodically.

Placement in Priority Group 7 is determined by comparing a veteran's income from the previous year with the appropriate geographic-based means test threshold for the previous calendar year. Priority Group 7 veterans have an income and/or net worth above the VA National Income Thresholds and below the VA National Geographic Income Thresholds. As of September 30, 2010, VA data indicated that 500 veterans residing in the USVI were enrolled in Priority Group 5 and 12 veterans were enrolled in Priority Group 7. In addition, certain veterans that have income exceeding the geographically adjusted income thresholds for their resident area (by 10 percent or less) are eligible for Priority Group 8 enrollment in the VA Healthcare System. Data provided by the San Juan VAMC showed 516 veterans residing in the USVI enrolled in Priority Group 8.

Geographic Thresholds Reflect Cost of Living Differences

The VA National Geographic Income Thresholds reflect the difference in cost of living between Puerto Rico and the USVI. For example, the VA National Geographic Income Thresholds for St. Thomas establishes a median family income threshold of $41,500 and varies from $32,150 for a veteran with no dependents and from $36,700 to $60,600 for a veteran with one to seven dependents. In comparison, the 2010 VA National Geographic Income Thresholds for San Juan establishes a median family income threshold of $26,500 and varies from $17,000 for a veteran with no dependents and from $19,400 to $32,000 for a veteran with one to seven dependents.

Conclusion

Concerns that income guidelines used to determine eligibility for services are the same despite the cost of living being much higher in the USVI than in Puerto Rico are not founded. VA's National Geographic Income Thresholds used by VA to determine eligibility for services reflect the difference in cost of living between Puerto Rico and the USVI.

Management Comments and OIG Response

The VISN 8 Director did not provide comments related to the OIG analysis and conclusions concerning this issue.

Appendix A Background

The VA Caribbean Healthcare System, part of VISN 8, provides services to a population of 150,000 veterans in Puerto Rico and the USVI. The VACHS includes the VAMC in San Juan, Puerto Rico, and seven outpatient clinics located throughout Puerto Rico and the USVI. According to 2000 Census Bureau data, 5,152 veterans reside in the USVI. Of those, 2,489 live on St. Croix, 2,412 on St. Thomas, and 251 on St. John. In addition, 1,572 USVI veterans are enrolled in the VACHS—859 from St. Croix, 666 from St. Thomas, and 47 from St. John. Two CBOCs are currently located in the USVI. The CBOC on St. Thomas, staffed by VA personnel, is located in leased space in Charlotte Amalie, USVI. The CBOC on St. Croix is also staffed by VA personnel and is located in leased space in Kings Hill, USVI. Both CBOCs also have dedicated space for Vet Center personnel.

In addition to the VA CBOCs, the USVI has comprehensive medical services and specialty providers available to veterans on St. Croix, St. Thomas, and St. John. Contract primary care services through a local provider were scheduled to begin on St. John in January 2011.

The Schneider Regional Medical Center is a healthcare system with three facilities located on St. Thomas and St. John. St. Thomas has the Roy Lester Schneider Hospital—a Joint Commission accredited facility with a full range of inpatient and outpatient services, including a 24-hour emergency department and the Charlotte Kimelman Cancer Institute. The Myrah Keating Smith Community Health Center, a 24-hour outpatient health center with emergency, primary, and preventative care services, is located on St. John. The Governor Juan F. Luis Hospital, located on St. Croix, is Joint Commission accredited and has a 24-hour emergency department and a full range of inpatient and outpatient services. The Charles Harwood Memorial Hospital, an outpatient facility with limited laboratory and medical services, is also located on St. Croix.

The San Juan VARO is responsible for delivering non-medical VA benefits and services to veterans and their families in Puerto Rico and the USVI. Examples of the benefits and services administered by the VA Regional Office are as follows:

- Disability compensation, including death compensation benefits to eligible survivors
- Disability and death pensions for veterans and their dependents
- Vocational rehabilitation and employment assistance
- Special benefits for the disabled
- Outreach
- Certain burial benefits

Appendix B Scope and Methodology

We reviewed pertinent laws and regulations related to VA; VHA and local policies and procedures; and information and data provided by the VACHS and VISN 8 on fee basis care, access to care, VA benefits, and USVI demographics. We reviewed VSSC data, personnel files, and other relevant documents. We also reviewed the medical records of 200 USVI veteran patients. We conducted interviews with VISN and VACHS leadership and VAMC and USVI CBOC staff. We also met with VSO leaders in the USVI and several USVI veteran patients. We conducted site visits at the VAMC in San Juan and the USVI CBOCs on St. Thomas and St. Croix from October 25–28, 2010.

We conducted our onsite review of the treatment of benefits claims by veterans residing in the USVI at the San Juan VARO from September 27–29, 2010. To address the concerns of disparate treatment towards veterans residing in the USVI, we reviewed 120 claims completed by the San Juan VARO during the period of May 2009–May 2010. This sample consisted of 60 claims completed for veterans residing in Puerto Rico and 60 claims completed for veterans residing in the USVI. We reviewed these claims to determine if disparity existed in the accuracy and timeliness of claims processing, as well as the timelines of C&P medical examinations, between veterans residing in Puerto Rico and veterans residing in the USVI. The total population of claims completed during this period was 7,110 for veterans residing in Puerto Rico and 153 for veterans residing in the USVI.

We conducted the onsite review of Beneficiary Travel program mileage reimbursement claims from October 25–28, 2010. We visited and interviewed key personnel from VHA Headquarters; VISN 8; the VA Caribbean Healthcare System's main facility in San Juan, Puerto Rico; and CBOCs located in St. Croix and St. Thomas. We collected and examined Beneficiary Travel program documentation and related supplementary records and reports from VHA's information systems. We also reviewed applicable laws, policies, and procedures.

Utilizing data from the San Juan VAMC VistA, we identified: (1) veterans residing in Puerto Rico and the USVI in VA Enrollment Priority Groups 1 and 2 which met VA's eligibility requirements for beneficiary travel benefits, (2) completed healthcare appointments between October 1, 2009–May 31, 2010, and (3) claimed mileage reimbursements between October 1, 2009–May 31, 2010. Based on differing factors, veterans may or may not be eligible for beneficiary travel reimbursements in VA Enrollment Priority Groups 3–8 and could not be identified using VistA.

We utilized the data received from the San Juan VAMC to determine the rate at which veterans residing in Puerto Rico that completed VA or VA-approved healthcare visits claimed mileage reimbursements. We determined the rate at which veterans residing in Puerto Rico claimed mileage reimbursements as a basis to estimate the total number of veterans residing in the USVI that may have claimed mileage reimbursements during our review period.

We also reviewed VA policies and directives concerning National and Geographically-Adjusted Income Thresholds for enrollment in VA's Healthcare System. We verified this information with a VHA official. To verify VA was placing veterans into Priority Groups largely determined by financial factors, we obtained data to indicate the numbers of veterans residing in Puerto Rico and the USVI enrolled in Priority Groups 5, 7, and 8.

Reliability of Computer-Processed Data

We assessed the reliability of VA data by comparing qualifying appointments from VA's Computerized Patient Record System with data obtained from VistA. Based on this test and assessment we concluded the data were sufficiently reliable for the purpose used.

Compliance with Government Audit Standards

We conducted this review between September 2010–November 2010 in accordance with the Council of Inspectors General on Integrity and Efficiency. Based on our review objectives, we believe the evidence obtained provides a reasonable basis for our findings and conclusions.

Appendix C VHA Comments

Department of Veterans Affairs **Memorandum**

Date: March 25, 2011

From: Director, VA Sunshine Healthcare Network (10N8)

Subj: Review of Healthcare Services and Benefits for Resident U.S. Virgin Island Veterans, Project Number 2010-03081-HI-0324

To: Director, Bay Pines Office of Healthcare Inspections (54SP)
Director, Management Review Office (10B5)

1. I have reviewed and concur with the findings and recommendations contained in the Healthcare Inspection report, as it relates to the Review of Healthcare Services and Benefits for Resident U.S. Virgin Island Veterans.

2. Appropriate action has been initiated and/or completed, as detailed in the attached report.

Nevin M. Weaver

Nevin M. Weaver, FACHE

Department of Veterans Affairs

Memorandum

Date: March 25, 2011

From: Director, VA Caribbean Healthcare System (672/00)

Subj: OIG Draft Report—Review of Healthcare Services and Benefits for Resident U.S. Virgin Island Veterans, Project Number 2010-03081-HI-0324

To: Director, VA Sunshine Healthcare Network (10N8)

1. On behalf of the VA Caribbean Healthcare System, I want to express my appreciation to the Office of Inspector General (OIG), Office of Healthcare Inspections for their professional and comprehensive Review of Healthcare Services and Benefits for Resident U.S. Virgin Island Veterans.

2. I concur with the findings and recommendations of this Office of Inspector General report. The VA Caribbean Healthcare System welcomes the external perspective provided by this report.

3. Attached is the VA Caribbean Healthcare System's reply outlining corrective actions.

Wanda Mims, MBA

VISN and System Directors' Comments

To Office of Inspector General's Report

The VISN and System Directors concur with the findings in OIG's draft report and provide the following comments in response to the recommendations.

Recommendation 1: Ensure that English language proficiency is documented in SF 52 forms for physicians, nurses, and residents, as required.

Concur: English language proficiency will be documented in SF 52 forms for physicians, nurses, and residents, as required.

Status: All HR Staff have been instructed to comply with this requirement. The Supervisor, Staffing & Recruitment will monitor ongoing compliance.

Target Completion Date: Completed

Recommendation 2: Ensure that primary care appointments at the USVI CBOCs be available within the timeframes prescribed by VHA policy.

Concur: Every effort is made to schedule patients within the required time frames as prescribed by VHA policy.

Status: Standard Operating Procedures for disposition of patient appointments will be established and Case Managers will monitor compliance. Access and coordination of care is expected to improve with the implementation of the Patient Aligned Care Team delivery model scheduled for July 2011.

Target Completion Date: July 2011

Recommendation 3: Implement a mechanism to monitor the satisfaction of USVI Veterans at the local level.

Concur: Local survey tool will be implemented.

Status: A Quick Card survey tool will be implemented to assess patient satisfaction recurrently. Results will be evaluated and appropriate actions taken.

Target Completion Date: May 2011

Recommendation 4: Review the VA Caribbean Healthcare System patient advocate program for opportunities to facilitate complaint reporting for USVI Veterans.

Concur: Actions will be taken to facilitate complaint reporting for USVI Veterans.

Status: Patient Advocates at both St Thomas and St Croix will be identified and trained, and posters with their pictures will be placed in the clinics. Complaints will continue to be tracked through the Patient Advocate tracking system. In addition, a notice outlining the complaint process will be sent to VSO's and stakeholders.

Target Completion Date: April 2011

Recommendation 5: Determine the feasibility of sending medical examiners to the USVI to perform Compensation and Pension examinations that do not require medical specialists or non-portable specialized medical equipment.

Concur: Actions will be taken to perform Compensation and Pension non-specialty examinations in the USVI.

Status: Efforts are underway to identify an internist to visit the U.S. Virgin Islands at least monthly, to perform non-specialty Compensation and Pension exams.

Target Completion Date: June 2011

Recommendation 6: Allow Veterans residing in the USVI to submit mileage reimbursement claims retroactively for eligible visits completed between January 9, 2009, and September 30, 2010.

Concur: Actions are being taken to notify eligible USVI veterans to submit mileage reimbursement claims retroactive from January 2009.

Status: A notification letter will be developed and mailed to eligible USVI veterans informing them of their ability to submit a claim for mileage reimbursement, and claims will be processed upon receipt.

Target Completion Date: April 2011

Recommendation 7: Ensure the San Juan VAMC develops appropriate oversight mechanisms to review and monitor mileage reimbursement claims for the VA Caribbean Healthcare System.
Concur: Monitors have been in place to review and monitor mileage reimbursement claims for the VA Caribbean Healthcare System.

Status: Enhancements were made in October 2010 to specifically track and monitor USVI mileage reimbursement claims.

Target Completion Date: Completed

Appendix D VBA Comments

Department of Veterans Affairs

Memorandum

Date: April 1, 2011

From: Acting Under Secretary For Benefits (20)

Subj: OIG Draft Report—Review of Healthcare Services and Benefits for Resident U.S. Virgin Island Veterans [Project No. 2010-03081-HI-0324]—VAIQ 7096440

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

1. This is in response to your request for VBA's review of OIG Draft Report—Review of Healthcare Services and Benefits for Resident U.S. Virgin Island Veterans.

2. VBA appreciates the opportunity to review this report and provides no comments.

3. Questions may be referred to Catherine Milano, Program Analyst, at 461-9216.

(original signed by:)

Michael Walcoff

Appendix E OIG Contact and Staff Acknowledgments

OIG Contact	For more information about this report, please contact the Office of Inspector General at (202) 461-4720
Acknowledgments	Timothy Crowe, Project Leader (Audits & Evaluations) Christa Sisterhen, Project Leader (Healthcare Inspections) Brent Arronte Berry "Craig" Ward Carol Torczon Danny Clay Kristine Abramo Douglas Henao Lisa Van Haeren Kerri Leggiero-Yglesias Johnny McCray Bryan Shaw Karen Sutton

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