

DOCUMENT RESUME

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[Treatment of Ineligible Veterans in VA Hospitals]. HRD-77-149; E-133044. September 19, 1977. 3 pp. + enclosure (3 pp.).

Report to Max Cleland, Administrator of Veterans Affairs, Veterans Administration; by Gregory J. Ahart, Director, Human Resources Div.

Issue Area: Health Programs (1200); Health Programs:

Reimbursement Policies and Utilization Controls (1208).

Contact: Human Resources Div.

Budget Function: Veterans Benefits and Services: Hospital and Medical Care for Veterans (703).

Organization Concerned: Veterans Administration: VA Hospital, Houston, TX; Veterans Administration: VA Hospital, Alexandria, LA.

Congressional Relevance: House Committee on Veterans' Affairs; Senate Committee on Veterans' Affairs.

Authority: Federal Claims Collection Act of 1966 (31 U.S.C. 951).

Indebtedness referrals from two Veterans Administration (VA) hospitals were sent to the General Accounting Office for collection of claims against persons who were ineligible for medical treatment. Findings/Conclusions: Claims for 32 cases from the Houston, Texas, VA hospital and two cases from the Alexandria, Louisiana, VA hospital for the period from January 1970 to March 1977 totaled about \$137,609. In 26 of these cases, the same patients had been admitted to the hospital or the outpatient clinic more than once, and in two cases the same patient had been treated in excess of 100 times. Of the 8 persons who has only a single incidence of hospital admission before being found ineligible, the shortest length of stay was 20 days. Two of the persons were treated in the hospital for over 100 days. The time it took to determine eligibility of patients was excessive. Recommendations: The admitting procedures for VA hospitals should be reviewed and changed to preclude readmission of persons previously determined to be ineligible for hospital or outpatient care. An evaluation should be conducted to determine how to reduce the length of time required to determine patient eligibility. (SW)

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

HUMAN RESOURCES
DIVISION
B-133044

The Honorable Max Cleland
Administrator of Veterans Affairs
Veterans Administration

Dear Mr. Cleland:

In accordance with the Federal Claims Collection Act of 1966, (31 U.S.C. 951) 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 indebtedness referrals from Veterans Administration (VA) hospitals in Houston, Texas, and Alexandria, Louisiana, 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 medical treatment during previous stays in VA hospitals. In addition, the time it takes to determine eligibility seems to us to be excessive.

In a May 10, 1977, letter to the Director of Internal Audit Service, a copy of which is enclosed, we reported similar findings at the Hines, Illinois VA hospital. We are bringing the Houston and Alexandria cases to your attention since this practice may be widespread in the VA health care system.

PATIENT READMITTED SUBSEQUENT
TO BEING DECLARED INELIGIBLE

Thirty-two cases from the Houston VA hospital and two cases from the Alexandria VA hospital were referred to GAO for collection for various hospital stays within the period from January 1970 to March 1977. The amount of the claims totaled about \$137,609. In 26 of these cases, the same patients had been admitted to the hospital or the outpatient clinic more than once and in two cases the same patient had been treated in excess of 100 times.

Below are set forth the names of persons who had been declared ineligible for VA medical benefits and who were readmitted for treatment.

--Patient A was admitted to the Houston VA hospital on November 24, 1972, and was discharged on December 3, 1972. Patient was readmitted on January 8, 1973, for

9 days. Patient then had 27 outpatient visits between January 24, 1973, and August 27, 1976.

VA had determined the patient's ineligibility on February 15, 1973. Subsequent to this determination the patient received care during 23 outpatient visits. The patient was not billed until September 29, 1976, and has as yet not been located. The total charges for care received were \$1,861.

--Patient B was admitted on June 29, 1976, and discharged on June 30, 1976. Patient was then admitted on September 13, 1976, for one day and was treated during 116 outpatient visits between July 1, 1976, and October 23, 1976. VA had determined ineligibility on September 7, 1976. Total charges for care received were \$4,742.

--Patient C was admitted on May 31, 1976, and discharged on June 24, 1976. He was readmitted on July 6, 1976, for 48 days and treated as an outpatient on September 7, 1976. VA had determined ineligibility on July 8, 1976. The total charges for care received were \$8,005.

EXCESSIVE TIME NEEDED
TO DETERMINE ELIGIBILITY

Of the 8 persons who had only a single incidence of hospital admission before being found ineligible the shortest length of stay was 20 days. Two of the persons were treated in the hospital for over 100 days. It seems to us that a hospital admission unit or other responsible service should be able to determine a person's eligibility in considerably less than 20 days time. This would result in the hospital being able to quickly discharge or refuse admittance or treatment to ineligible persons who were not in emergency or life threatening situations.

This usage of excessive time to determine eligibility is also evident from analyzing the data involving the ineligible cases who received multiple treatments. Patient cases used in the above examples demonstrate the time problem. Patient A had almost three months between original admission and VA's determination of ineligibility. Patient B had over two months, and Patient C had about 5 weeks between admission and determination of ineligibility. We

believe eligibility could be determined in ample time to prevent the hospital readmissions or treatment in outpatient facilities.

RECOMMENDATIONS

We recommend that the admitting procedures for VA hospitals be reviewed and changes made to preclude readmissions of persons previously determined to be ineligible for VA hospital or outpatient care. We also recommend that an evaluation be performed of ways in which the period of time needed to determine eligibility can be reduced.

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As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and Senate Committee on Governmental Affairs not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Chairmen of the House and Senate Committees on Appropriations, House Committee on Government Operations, Senate Committee on Governmental Affairs, and House and Senate Committees on Veterans' Affairs; and to the Director, Office of Management and Budget.

Sincerely yours,


Gregory J. Ahart
Director

Enclosure



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.

- 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.

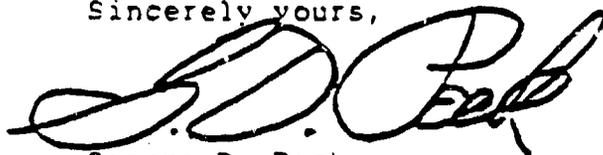
The average for this entire group was about 28 days. It seems to us that the hospital's admission unit or other responsible service should be able to determine a person's eligibility in considerably less than two weeks time. This would result in the hospital being able to quickly discharge or refuse 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