

## **VA OIG Podcast Transcript 20171128-5**

Semiannual Report to Congress, April 1 to September 30, 2017

November 28, 2017

[Mike] I'm Mike Nacincik, the VA OIG's public affairs officer. Joining me today is Inspector General Michael Missal to discuss the OIG's latest Semiannual Report to Congress (or SAR), which chronicles the Office's oversight of the Department of Veterans' Affairs between April 1 and September 30, 2017.

Sir, the SAR provides a great snapshot of the OIG's activities for the last six months and also provides statistics for the entire fiscal year on such measures as the total number of reports issued and related recommendations, as well as the potential financial impact of those recommendations.

What story does the SAR tell about the OIG's recent oversight activities?

[IG Missal] The SAR tells an impressive story of the impactful work of our office. We have an obligation to keep the Secretary and Congress fully and currently informed about issues affecting VA. The SAR is one way in which we do so. It summarizes our activities during the last six months of fiscal year 2017. The SAR that was just released reflects the myriad of work we engaged in that helps us meet our mission of effective oversight of VA's programs and operations.

[Mike] What oversight activities do you feel were particularly successful or effective?

[IG Missal] During this period, we issued 194 reports and other work products, received over 20,000 contacts to our Hotline, had 161 arrests, 115 indictments, and 139 criminal convictions. It was an extremely active six months. A few matters are reflective of the high quality work we did. We issued several healthcare inspections reports related to the widespread opioid epidemic, which impacts veterans at a higher rate than the general public. One of these reports closed a gap for Community Care providers, including those in the Choice program, in complying with VA's Opioid Safety Initiative. We also redesigned and renamed our healthcare inspection program, now called the Comprehensive Healthcare Inspection program, or CHIP, to focus more on leadership at VA's medical centers. The impact of good leadership at a medical center is significant. Our Audit and Evaluations directorate published a number of noteworthy reports. Some of the topics covered included access to healthcare, healthcare enrollment programs, VA education benefit programs, information technology, and prosthetics. Our criminal investigators completed more than 300 investigations that involved fraud, drug crimes, identity theft, and personal and property crimes. We have also increased the number of qui tam cases we are handling, which are cases where there are allegations that VA has been defrauded. Our Office of Contract Review conducted 65 pre and post award reviews of VA contracts,

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resulting in potential cost savings of over \$6.3 billion.

[Mike] The SAR is full of interesting statistics but one is sure to catch the readers' attention. In the previous SAR the OIG's return on investment was 14 to 1. That is, for each dollar invested in oversight activities, an estimated \$14 is realized in monetary impact. In this SAR the OIG's return on investment increased to 134 to 1. Why such a significant change?

[IG Missal] Like other Inspectors General, we include in our SAR the monetary impact of our work. The monetary impact includes a number of items, such as fines, recoveries, recommendations of better use of funds, questioned costs and potential savings and cost avoidance. For the past six months, our total dollar impact was over \$9 billion for a return of \$134 for every dollar we spend. This was the highest return in our history. While this number reflects the work from our Audit, Criminal Investigations, and contract review groups, one matter represented \$5.3 billion. We conduct pre-award reviews of certain VA pharmaceutical contracts. One such large contract was for the drug Harvoni, manufactured by Gilead Sciences, for treating Hepatitis C. We determined that VA failed to negotiate an appropriate price for Harvoni, which has the potential to cost VA an extra \$5.3 billion during the life of the contract. I should also mention that the work of our Healthcare Inspections group does not result in a monetary impact. Their contributions are measured in helping VA improve the quality of health care services, which ultimately can save lives. Our veterans have earned and deserve the highest caliber health care services. The value and impact of the work of our Healthcare Inspections group is priceless.

[Mike] What types of efforts are not addressed in the SAR that people should know about?

[IG Missal] All of our achievements were accomplished because we have an incredibly committed and dedicated staff that is passionate about their work and mission. Our staff works extremely hard to help improve the services and benefits received by veterans and to ensure that taxpayers funds are spent appropriately. Given the challenges facing VA and the size and complexity of the agency, our work is extremely difficult. We had a very successful last six months, but we do not rest on our accomplishments. One of our core values is to continually improve as an organization and I am confident that we will continue to do so.

[Mike] Inspector General Missal, thank you. And thanks to our listeners.

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