COMPANION PODCAST TRANSCRIPT
Use and Oversight of the Emergency Caches Were Limited during the
First Wave of the COVID-19 Pandemic

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Introduction

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Edward Jeye:

Hello, I'm Edward Jeye, an auditor with the VA's Office of Inspector General. Thank you for listening. Joining me today are my colleagues Brittany Baker, Kristy Orcutt, and Rich Pesce. We are going to discuss the recently published report, *Use and Oversight of the Emergency Caches Were Limited during the First Wave of the COVID-19 Pandemic*. Read the full report and its summary online at our website. The COVID-19 pandemic increased veterans' need for healthcare services while disrupting the national supply of personal protective equipment, often referred to as PPE, that healthcare workers require when treating veterans. To manage these challenges, VA created and has followed a COVID-19 response plan, which included drawing on its emergency caches. These reserves are stored at medical facilities nationwide and are available to address possible shortages of drugs and medical supplies. Our report examined how effectively VA managed its emergency caches during the first wave of the pandemic.

Brittany, do you mind giving our listeners an overview of the emergency cache program?

Brittany Baker:

Sure. The VA established the emergency cache program in 2002 following the 9/11 attacks. The program made drugs and medical supplies available for treating veterans, VA employees, and civilians in the immediate aftermath of a local mass casualty event or other public health emergency—including a pandemic. There over 140 emergency caches, with a value of over $30 million dollars. Each cache typically has a standard supply of drugs and medical supplies including PPE like gloves and masks.

Edward Jeye:

Kristy, can you summarize why the OIG conducted this audit and what we discovered?

Kristy Orcutt:

No problem Ed. We focused on determining how effectively VA managed its emergency caches during the first wave of the pandemic. When we say the first wave, we mean when COVID-19 first emerged across several states in early 2020. Specifically, the team examined to what degree VA used cache contents and whether the caches were ready to activate. This is an area of particular concern because we audited the program just a few years ago and found that not all caches were mission ready and ready to activate because of expired or missing drugs.

Edward Jeye:

So, what did we find this time?

Kristy Orcutt:

We discovered that few caches were used to respond to PPE shortages associated with the pandemic and oversight was limited too. Only nine medical centers activated their caches. Given that VA manages almost 150 emergency caches, nine is a pretty small number of centers that activated their caches.

Edward Jeye:

Only nine! What were the reasons why other medical centers didn't activate their caches?

Kristy Orcutt:

For starters, several medical facility directors reported that supplies weren't needed, or caches lacked sufficient quantity for meeting pandemic demands. VA also changed the process for mobilizing caches during the pandemic but did so without clearly communicating the revised process to medical facility directors.

Edward Jeye:

What other problems did the team identify?

Kristy Orcutt:

We also identified problems with emergency cache maintenance and monitoring. Most caches, for example, contained some expired or missing PPE. This is an issue as expired or missing inventory

compromises the usefulness of the cache during the pandemic or during other emergencies like hurricanes or wildfires. VA also had incomplete documentation on cache activations, making it difficult to know which caches would need to be restocked. Lastly, medical facility leaders weren't always able to accurately report if their facility's cache was activated during the pandemic.

Edward Jeye:

The report covered three areas of concern. One, how caches were used to respond to the pandemic; two, whether the caches had enough inventory to meet pandemic supply shortages; and three, missing or expired cache inventories. Kristy, can you share how caches were used?

Kristy Orcutt:

As I previously mentioned, we found that the use of emergency caches was limited during the first wave of the COVID-19 pandemic. Under normal circumstances, medical facility directors are authorized to activate their local caches themselves, however they were no longer allowed to do so during this time. Instead, medical facility directors were required to request approval from the Office of Emergency Management's Emergency Management Coordination Cell before activating.

Edward Jeye:

Why did they have this requirement?

Kristy Orcutt:

VA's executive in charge and director of Office of Emergency Management gave this direction because of uncertainty in the speed and extent of the virus's spread, how long it would last, and how readily VA could restock depleted caches. Furthermore, leaders at Veterans Integrated Service Networks and VA medical facilities were informed that emergency caches shouldn't be activated in response to shortages of PPE or hand sanitizer and were requested to use emergency caches as a last resort. The team's analysis of activation records disclosed that the Emergency Management Coordination Cell denied at least two cache activation requests. According to Office of Emergency Management officials, these facility shortages were addressed by moving supplies from other VA medical facilities.

Edward Jeye:

Wow, Kristy. That is interesting! This sounds like a change from the regular cache activation procedures. Is that correct?

Kristy Orcutt:

Yes, Ed. VA's decision to route all activation requests through the Emergency Management Coordination Cell may have been appropriate for the pandemic; however, this fundamental change in procedure wasn't documented or communicated in a consistent manner to all medical facility personnel with cache oversight responsibilities, including medical facility directors. The team believes the executive in charge should clearly document and communicate to all relevant personnel the authority structures for activating the caches during a national emergency such as a pandemic as well as the responsibilities they still maintain.

Edward Jeye:

The report highlights that caches were rarely activated during the first wave of the pandemic. And for those caches that were activated, the OIG found the activation was for swabs that unfortunately were mislabeled in the inventory system and couldn't be used for COVID-19 testing. The minimal use of caches was due in part to VA limiting the use of caches and due to medical facility directors' thoughts on cache supplies. Rich, can you provide some additional details to our listeners on this?

Rich Pesce:

Absolutely Ed. As you mentioned, very few caches were activated. Through surveying, the audit team learned that one of the reasons medical facility directors and chiefs of pharmacy didn't view the cache as a viable solution to PPE shortages during the pandemic was because they believed the quantity of PPE in the cache wouldn't be significant enough to meet the demand. The Veterans Health Administration's acting assistant secretary for health for support services as well as leaders from the Office of Emergency Management reported to the OIG a similar belief that the amount of PPE stored in the caches wasn't significant enough in quantity to meet facility needs. Despite this belief, VA had not analyzed how long the PPE in a cache would last based upon real-time usage data.

Edward Jeye:

Wait, Rich, let me see if I understand correctly. Are you saying that VA had available real-time usage data that they could have analyzed to inform facility officials about the usefulness of activating their cache during the pandemic when they faced supply shortages?

Rich Pesce:

Yes, Ed. During the pandemic, VA medical facilities were reporting and tracking the daily use of certain types of PPE, so VA already had a detailed database of PPE burn rates but had not leveraged this data to calculate the days on hand for the supplies contained in the cache. The OIG team conducted this analysis

using VA's burn rate data from July 2020 and determined that some PPE items that were in short supply, such as surgical face masks, could last an average of 15 days if activated from a large cache at an outpatient facility. At an inpatient facility the masks would last an average of 5 days. Considering that about half of the chiefs of pharmacy survey respondents reported to the OIG that surgical masks were in short supply, this information could have been useful to VA during the pandemic if they had done a similar assessment of the cache inventory. Furthermore, more than half of medical facility directors and chiefs of pharmacy survey respondents reported to the OIG that respirator masks were also in short supply during the pandemic. The OIGs burn rate analysis disclosed that in complexity level two and three facilities, the respirator masks could last a facility between nine and 17 days if activated, depending on the size of the cache.

Edward Jeye:

Thank you, Rich! The results of the burn rate analysis are very thought-provoking. For the listener, if you are interested in learning more details on the daily burn rate of selected cache supplies, check out pages 13 to 15 of the full report.

Rich Pesce:

Got it. Thanks Ed. Going forward it will be important for VA to better understand how the cache inventory can be used during emergencies so that VA can be better positioned to take full advantage of its resources.

Edward Jeye:

Correct. And speaking of better understanding the cache inventory, the review team also found that VA's caches contained a significant amount of expired inventory. Brittany, can you elaborate?

Brittany Baker:

Yes, I can. Expired inventory has historically been a problem with cache management. As we mentioned earlier, the OIG conducted an audit in 2018 that found the emergency caches weren't ready to activate because they contained either missing and/or expired drugs. As a result of that audit, VA policy now requires annual cache inspections and wall-to-wall inventories to ensure that no emergency caches contain items that are expired, missing, or stored in excessive quantities.

Edward Jeye:

So, Brittany, is it correct to say that these inspections and caches are completed annually to ensure that the caches are always maintained in a mission-ready status?

Brittany Baker:

Yes, exactly, Ed. However, during this review, the OIG found that oversight of the emergency cache program was again limited, as most of the caches contained at least one type of expired PPE. In July 2020, all but one of the emergency caches had at least one expired item, or they were missing at least one type of PPE, which posed a serious risk to their mission readiness status. Much of the expired inventory identified during the review expired months before the pandemic became widespread in the United States. The OIG found that emergency cache inventory included respirator masks that expired in June 2018, and the request to replace the inventory wasn't submitted until July 2020, more than two years after they expired.

Edward Jeye:

Brittany, why was there such a delay between when the masks expired and when the inventory was reordered?

Brittany Baker:

When we asked about that, VA was unable to explain the time lag between the masks' expiration date and the reorder date. We found that not all items were reordered in time to arrive at the cache in accordance with Emergency Pharmacy Service's goal to replace items six months before inventory was set to expire. Fortunately, the negative impact on cache readiness was somewhat mitigated because the Centers for Disease Control and Prevention issued guidance that allowed VA medical facilities to use expired PPE inventory that wasn't degraded. To prevent potential issues with expired inventory going forward, VA should establish and adhere to some minimum timeframes for their reordering processes.

Edward Jeye:

Thank you, Brittany! As well as Rich and Kristy. Your insight today was invaluable. VA certainly has room to improve in regard to cache management. Based on OIG's recommendations, VA is now working to implement the three recommendations included in the report. First, VA intends to amend the directive to clarify when changes to emergency cache activation procedures are appropriate. Second, they will establish minimum time frames to initiate resupply orders to make sure caches are fully stocked with unexpired inventory, and third, VA will make sure to maintain accurate and complete records of emergency cache activations.

I encourage our listeners to visit OIG's website to review the full report, including further details on the recommendations OIG made to improve the emergency cache program. There, you will also find all published OIG reports and other helpful resources. Thank you for listening.

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