Department of Veterans Affairs
Office of Inspector General

Combined Assessment Program Review of the VA Medical Center Asheville, North Carolina

Report No. 03-01404-161 **Date: August 14, 2003**

VA Office of Inspector General
Washington, DC 20420

Contents

Executive Summary

Introduction

The Department of Veterans Affairs (VA) Office of Inspector General (OIG) conducted a Combined Assessment Program (CAP) review of the VA Medical Center Asheville, North Carolina during the week of June 9–13, 2003. The purpose of the review was to evaluate selected medical center operations focusing on patient care administration, quality management (QM), and financial and administrative management controls. During the review, we also provided fraud and integrity awareness training to 206 medical center employees.

Results of Review

The Community Residential Care and Emergency Preparedness programs were operating satisfactorily, clinical laboratory security was sufficient, and the facility's management of waiting lists and waiting times was adequate. To enhance operations, the Veterans Integrated Service Network (VISN) 6 Director needed to ensure that the Medical Center Director:

- Improves QM data analysis, documentation, and communication processes.
- Improves the management of controlled substances.
- Strengthens controls over the Government Purchase Card Program.
- Improves Automated Information Systems (AIS) security.
- Assures that contractor charges for transcription services are verified before payment.

We also made a suggestion regarding the environment of care.

VISN 6 and Medical Center Directors' Comments

The VISN 6 and Medical Center Directors agreed with the CAP review findings, recommendations, and suggestion, and provided acceptable improvement plans (See pages 9-15 for the full text of the Directors' comments). We will follow up on planned actions until they are completed.

(Original signed by Michael G. Sullivan for:)
RICHARD J. GRIFFIN
Inspector General

Introduction

Medical Center Profile

Organization. The VA Medical Center Asheville, North Carolina is a tertiary care medical center that provides a broad range of inpatient and outpatient healthcare services. The medical center is part of VISN 6 and serves a veteran population of about 110,750 in a primary service area that covers 19 counties in western North Carolina.

Programs. The medical center provides medical, surgical, mental health, geriatric, and rehabilitation services. The facility has 112 acute care beds and 120 extended care beds, and operates a Home Based Primary Care Program and a Substance Abuse Residential Rehabilitation Treatment Program. The medical center is a teaching hospital with state-of-the-art technology and programs in education and research.

The medical center provides care to Department of Defense (DOD) beneficiaries as part of the TRICARE (military health system) preferred provider network. Other sources of non-appropriated funds include VA/DOD sharing agreements to provide primary and specialty care for geographically remote active duty personnel and recruiters.

Affiliations and Research. The medical center is affiliated with Duke University School of Medicine and supports 14 surgical and medical resident positions. The medical center has affiliation agreements with 20 colleges and universities involving 59 different training programs. In fiscal year (FY) 2002, the medical center research program had 25 projects and a budget of more than $300,000. Areas of research included cardiothoracic disease and cancer.

Resources. In FY 2002, medical care expenditures totaled about $115.4 million. The FY 2003 projected medical care budget is about $ 121.3 million. FY 2002 staffing totaled 1,050.9 full-time equivalent employees (FTEE), including 57 physicians and 196 registered nurses.

Workload. In FY 2002, the medical center treated 24,180 unique patients, provided 29,077 days-of-care in the hospital, and 36,949 days-of-care to Nursing Home Care Unit patients. The inpatient care workload totaled 3,586 discharges, and the average daily census, including nursing home patients, was 181. The outpatient care workload was 191,522 visits.

Objectives and Scope of the CAP Review

Objectives. CAP reviews are one element of the OIG's efforts to ensure that our Nation's veterans receive high quality VA healthcare services. The objectives of the CAP review are to:

- Conduct recurring evaluations of selected medical center operations focusing on patient care, QM, and financial and administrative controls.
- Provide fraud and integrity awareness training to increase employee understanding of the potential for program fraud and of the need to refer suspected fraud to the OIG.

Scope. We reviewed selected clinical, financial, and administrative activities to evaluate the effectiveness of patient care administration, QM, and general management controls. QM is the process of monitoring the quality of patient care to identify and correct harmful or potentially harmful practices or conditions. Patient care administration is the process of planning and delivering patient care. Management controls are the policies, procedures, and information systems used to safeguard assets, prevent errors and fraud, and ensure that organizational goals are met. The review covered medical center operations from January 17, 2000, through June 13, 2003, and was done in accordance with OIG standard operating procedures for CAP reviews.

In performing the review, we inspected work areas; interviewed managers, employees, and patients; and reviewed clinical, financial, and administrative records. The review covered selected aspects of the following activities and programs:

AIS security	Environment of care
Community Residential Care Program	Government Purchase Card Program
Contract award and administration	Laboratory security
Controlled substances accountability	Patient waiting times
Emergency preparedness	QM

As part of the review, we used questionnaires and interviews to survey patient and employee satisfaction with the timeliness of services and the quality of care. We sent electronic survey questionnaires to medical center employees, 178 of whom responded. We also interviewed 32 patients during our review. The surveys indicated high levels of patient satisfaction and moderate levels of employee satisfaction. We provided the survey results to medical center managers.

During the review, we also presented six fraud and integrity awareness briefings for medical center employees. These briefings, attended by 206 employees, covered procedures for reporting suspected criminal activity to the OIG and included case-specific examples illustrating procurement fraud, false claims, conflicts of interest, and bribery.

In this report, we make recommendations and a suggestion for improvement. Recommendations pertain to issues that are significant enough to be monitored by the OIG until corrective actions are implemented. Suggestions pertain to issues that should be monitored by VISN or medical center managers until corrective actions are completed.

Results of Review

Opportunities for Improvement

Quality Management – Better Data Analysis, Documentation, and Communication Would Strengthen the QM Program

Condition Needing Improvement. Managers and program coordinators needed to consistently analyze data, document action plans and their effectiveness, and communicate QM data to appropriate individuals or committees. The following conditions needed management attention:

- QM managers and program coordinators collected data in several areas, but did not consistently complete detailed analyses or document improvement plans. For example, the medical center's patient satisfaction scores fell below national and VISN benchmarks in two areas in FY 2002. Although the Patient Satisfaction Committee received patient satisfaction survey results monthly, committee minutes did not reflect any discussion or improvement actions. The deficient scores were also presented at the January 2003 Joint Conference Council (JCC);[1] however, we found no evidence that the data were analyzed or discussed, that action plans were implemented, or that corrective actions effectiveness were evaluated.
- The medical center did not have a consistently reliable system to ensure that all potentially high-risk events and other performance improvement (PI) initiatives were communicated to the appropriate managers or committees. For instance, 21 negligence/malpractice complaints filed with the Patient Advocate in the 4th quarter 2002, and 1st quarter 2003, were not communicated to the JCC, nor did responsible employees follow up on these allegations.

Recommended Improvement Action(s) 1. We recommended that the VISN Director ensure that the Medical Center Director implements procedures to:

a. Thoroughly analyze and trend pertinent data, and document corrective action plans and corrective actions effectiveness in meeting goals.

b. Develop a process to ensure that risk management and other PI data are consistently communicated to the responsible managers or committees.

The VISN and Medical Center Directors agreed with the findings and recommendations, and the VISN Director agreed with the Medical Center Director's corrective action plan. The Medical Center Director provided acceptable improvement plans. We will follow up on the planned actions until they are completed.

[1] The JCC provides oversight of the medical center's performance improvement activities.

Controlled Substances Security – The Monthly Inspection Program and Inventory Controls Needed Improvement

Condition Needing Improvement. The controlled substances monthly inspection program and inventory controls needed improvement. The following conditions required management attention:

- The Medical Center Director had not appointed the current controlled substances coordinator or the controlled substances inspectors in writing, as required by VA policy.
- The controlled substances inspector that inspected the Pharmacy Service vault during our review did not physically count the contents of opened controlled substances containers, verify expiration dates, review the 72-hour controlled substances inventories, and inventory unusable and excess controlled substances. VA policy requires that these steps be performed during the monthly inspections.
- Pharmacy Service had not developed written procedures for ordering, receiving, and posting the receipt of controlled substances, or for verifying controlled substances inventories, as required by VA policy.
- During the year ending April 30, 2003, 22 (8 percent) of the 264 required monthly inspections were not performed. Additionally, controlled substances inspections were scheduled for the last 2 weeks of the month in accordance with local policy, thereby precluding the element of surprise and randomness. VA policy requires that the inspections be conducted randomly.
- Pharmacy Service had not fully implemented the Pharmaceutical Prime Vendor Inventory Management software program. The software program would provide a more efficient method of handling the pharmacy inventory control process. The software program would assist pharmacy employees in reviewing expiration dates and identifying order numbers, stock levels, and order points.

Recommended Improvement Action(s) 2. We recommended that the VISN Director ensure that the Medical Center Director takes action to ensure that:

a. A designated controlled substances coordinator and controlled substances inspectors are appointed in writing.

b. Controlled substances inspectors are properly trained in the procedures for inspecting the Pharmacy Service vault.

c. Written procedures are developed for the ordering, receiving, and posting receipt of controlled substances, and for verifying controlled substances inventories.

d. Monthly inspections are performed at all locations with controlled substances and the inspections are randomly conducted.

e. The Pharmaceutical Prime Vendor Inventory Management software program is fully implemented.

The VISN and Medical Center Directors agreed with the findings and recommendations, and the VISN Director agreed with the Medical Center Director's corrective action plan. The Medical Center Director provided acceptable improvement plans. We will follow up on the planned actions until they are completed.

Government Purchase Card Program – Controls Needed Strengthening

Condition Needing Improvement. During the period October 1, 2001, through March 14, 2003, cardholders completed 25,640 transactions valued at about $15.2 million. The following conditions required management attention:

- Cardholders reconciled 87 percent of the transactions within 17 days and 91 percent of the transactions within 30 days. Cardholders had not reconciled 149 transactions valued at $170,222, that included 128 transactions valued at $164,882 that were over 30 days old. VA policy requires that cardholders reconcile 95 percent of their purchase card transactions within 17 days and 100 percent of the transactions within 30 days.
- Approving officials did not approve 4,614 transactions (18 percent) within 14 days after reconciliation, as required by VA policy. Approximately 9 percent of all transactions took longer than 60 days to approve. As of March 14, 2003, the approving officials had not approved 1,084 transactions valued at about $910,600 that ranged from 15 to 511 days old.
- Business Office Support Service employees did not perform quarterly audits of cardholders' accounts. VA policy requires quarterly audits of cardholder accounts not reviewed during monthly VA Financial Service Center statistical sampling audits.
- Duties of the Purchase Card Coordinator and Alternate Purchase Card Coordinator were not properly separated from their other duties. The Purchase Card Coordinator was also the Purchase Card Dispute Officer. The Purchase Card Coordinator and the Alternate Purchase Card Coordinator were also purchase cardholders. VA policy requires that the duties of the Purchase Card Coordinator, Billing Office Official, and Dispute Officer be assigned to three different employees, and specifies that the Coordinator or Alternate Coordinator cannot be cardholders or approving officials.

Recommended Improvement Action(s) 3. We recommended that the VISN Director ensure that the Medical Center Director takes action to ensure that:

a. Cardholders reconcile transactions timely.

b. Approving officials approve reconciled transactions timely.

c. The Business Office Support Service conducts quarterly audits of all cardholder accounts.

d. The Purchase Card Coordinator's and Alternate Coordinator's duties are appropriately separated.

The VISN and Medical Center Directors agreed with the findings and recommendations, and the VISN Director agreed with the Medical Center Director's corrective action plan. The Medical

Center Director provided acceptable improvement plans. We will follow up on the planned actions until they are completed.

Automated Information Systems – Security Needed Improvement

Condition Needing Improvement. The following AIS security conditions required management attention:

- The Information Security Officer (ISO) was organizationally aligned under the Chief, Business Office Support Service Line. An April 2, 2003 VISN ISO report stated that the medical center ISO should be organizationally aligned under the Medical Center Director.
- Eleven Information Resource Management (IRM) employees had system administrator level access to the Veterans Health Information System and Technology Architecture (VistA) application. Three employees were computer assistants who provided personal computer support and did not have the need for system administrator level access. The ISO should review the remaining eight employees to determine if system administrator level access is needed.
- The medical center had 10 generic VistA user accounts. The IRM Chief did not routinely review generic access accounts. At our request, the Chief reviewed the generic user accounts and terminated five accounts. The remaining five generic accounts were systems accounts which are required to support other VistA applications.
- The computer room did not have an intrusion detection system. Additionally, the lock to the computer room was set so that it could be opened by a master key. VA policy requires installation of an intrusion detection system and locks set so that they cannot be opened by a master key.
- The medical center had 81 active modem lines. At our request, the ISO reviewed the need for 57 active modem lines and determined that 47 lines were needed for fax machines and diagnosis and repair of biomedical and laboratory equipment. The ISO deactivated 10 lines and was continuing his review of the remaining lines. Veterans Health Administration (VHA) policy states that data communication connections via modems are to be limited and tightly controlled as they pose a serious risk that can weaken security controls intended to protect VHA networks from external access.

Recommended Improvement Action(s) 4. We recommended that the VISN Director ensure that the Medical Center Director takes action to ensure:

a. The ISO is organizationally aligned under the Medical Center Director.

b. The ISO reviews employees' needsfor system administrator level access and reduces or terminates access as appropriate.

c. Procedures are implemented to routinely review and terminate generic VistA access accounts.

d. An intrusion detection system and computer room locks that cannot be opened with a master key are installed in the computer room.

e. Unused modem lines are deactivated.

The VISN and Medical Center Directors agreed with the findings and recommendations, and the VISN Director agreed with the Medical Center Director's corrective action plan. The Medical Center Director provided acceptable improvement plans. We will follow up on the planned actions until they are completed.

Contract Award and Administration – Transcription Contract Services Needed To Be Verified Before Payments Were Certified

Condition Needing Improvement. The following contracting issues required management attention:

- During the period January 17, 2000, through March 31, 2003, Health Information Management Service (HIMS) employees certified contract payments of $329,000 without verifying that the transcription services were received. According to HIMS employees, the contract language was confusing and resulted in their inability to verify that services were received.
- The contracting officer awarded a contract using the contractor's Statement of Work rather than the Statement of Work in the Request For Proposal (RFP). A contracting officer who was no longer employed by VA awarded the contract, and the current contracting officer did not understand the Statement of Work or seek clarification. While inclusion of the contractor's Statement of Work caused confusion regarding the definition of a billable line, our review of a sample of transcriptions found no significant differences in the contractor's line count with the line count as defined in the RFP.
- The VISN plans to develop a VISN-wide transcription contract that will include VAMC Asheville, but it will not be in place when the medical center's contract expires on July 17, 2003. Until a VISN contract is in place, future transcription contract payments must be based on a clear and verifiable Statement of Work.

Recommended Improvement Action(s) 5. We recommended that the VISN Director require the Medical Center Director to obtain transcription services based on a verifiable Statement of Work.

The VISN and Medical Center Directors agreed with the findings and recommendation, and the VISN Director agreed with the Medical Center Director's corrective action plan. The Medical Center Director provided acceptable improvement plans. We will follow up on the planned actions until they are completed.

Environment of Care – Ward 3W Bathrooms Needed Management Attention

Condition Needing Improvement. Overall, the medical center was clean. Managers corrected several environmental issues such as stained or missing ceiling tiles and doors that did not close properly during our visit. However, many bathroom walls and floors on ward 3W needed cleaning and repair.

Suggested Improvement Action(s) 1. We suggested that the VISN Director ensure that the Medical Center Director takes action to clean and repair bathrooms on ward 3W.

The VISN and Medical Center Directors agreed with the findings and the suggestion, and the VISN Director agreed with the Medical Center Director's corrective action plan. The Medical Center Director provided acceptable improvement plans.

Appendix A

Medical Center Director Comments

Department of Veterans Affairs **Memorandum**

Date: July 17, 2003

From: Medical Center Director

Subject: **Response to OIG Combined Assessment Program Review Report – VA Medical Center Asheville, North Carolina**

To: Director, Management Review and Administration Service (105E)

Enclosed is the Asheville VA Medical Center's response to the July 3, 2003, draft report of the Combined Assessment Program Review conducted in June 2003.

/s/

JAMES A. CHRISTIAN

Medical Center Director Comments to Office of Inspector General's Report

The following Medical Center Director comments are submitted in response to the issues discussed in the Office of Inspector General Report:

OIG Recommendation(s)

Recommended Improvement Action(s) 1. We recommend that the VISN Director ensure that the Medical Center Director implement procedures to:

a. Thoroughly analyze and trend pertinent data, and document corrective action plans and their effectiveness in meeting goals.

b. Develop a process to ensure that risk management and other PI data are consistently communicated to the responsible managers or committees.

Concur **Target Completion Date:** See itemized listing below.

a. An operational framework has been developed by Joint Conference Council (JCC) to clarify oversight of the medical center's performance improvement activities. This document reflects the reporting structure for performance improvement activites and demonstrates how these activities are integrated in the medical center's performance system to maximize consistency in the analysis, action plan implementation and evaluation of effectiveness. Completed

To facilitate more consistent/complete data analysis and the detailed documentation of improvement plans, the following will occur: The leaders and staff members responsible to ensure an effective performance improvement system is in place, including executive leaders, service chiefs, and program coordinators/committee chairs will be trained and/or retrained in collection and analysis of data and proper documentation of improvement plans. Target date: April 15, 2004

b. A retrospective review of the 21 complaints (6 month period) entered into the Patient Advocate package revealed a need to refine and to improve the risk management patient complaint reporting process. To improve the validity and integration of these Patient Advocate complaints into other performance improvement and risk management processes, the following will occur:

1) Retrain Patient Advocate on classification of risk management complaints and use of the patient advocate software data entry package. Target date: August 18, 2003

2) To ensure the validity of assessment of patient complaints and accurate categorization, establish second level review by executive office staff of all risk management complaints received by Patient Advocate Office. Target date: July 21, 2003

3) Valid risk management complaints will be referred in a timely manner to appropriate stakeholders (including Q M Department) for additional review, corrective action, and a written follow-up to Patient Advocate for inclusion in Patient Advocate tracking package. Target date: July 21, 2003

4) Patient Advocate will initiate a process to provide:

a) A monthly report to executive office and QM Department of all risk management complaints including open cases. Target date: August 1, 2003

b) A quarterly report to JCC that aggregates and analyzes all risk management complaints, outlines the actions implemented and the effectiveness of these actions. Target date: October 1, 2003

c) An annual evaluation of the patient advocate program effectiveness will be conducted and presented to the Executive Leadership through a functional briefing to the Joint Conference Council. Target date: April 30, 2004

Recommended Improvement Action(s) 2. The VISN Director should ensure that the Medical Center Director takes action to ensure that:

a. A designated controlled substances coordinator and controlled substances inspectors are appointed in writing.

b. Controlled substances inspectors are properly trained in the procedures for inspecting the Pharmacy Service vault.

c. Written procedures are developed for the ordering, receiving, and posting receipt of controlled substances, and the verifying of controlled substances inventories.

d. Monthly inspections are performed at all locations with controlled substances and the inspections are randomly conducted.

e. The Pharmaceutical Prime Vendor Inventory Management software program is fully implemented.

Concur **Target Completion Date:** See itemized listing below.

a. The Medical Center Director has appointed a designated controlled substances coordinator and controlled substance inspectors in writing. Each person received their individual memorandum. Completed June 13, 2003.

b. Controlled substances inspectors have received training (revised/updated 6/30/03) in the procedures for inspecting the Pharmacy Service vault, with special emphasis on physical counts/measures, expiration dates, 72-hour controlled inventories, unusable excess controlled substances, receiving and posting of controlled substances. Completed June 30, 2003.

c. Pharmacy Service has developed written policy and procedures for the ordering, receiving, and posting receipt of controlled substances, and the verifying of controlled substances inventories. This has been shared with pharmacy and appropriate medical center staff, including controlled substances coordinator and controlled substances inspectors during training update. Completed June 30, 2003.

d. Policy and Procedure, 119-3, Inspection of Controlled Substances and Alcohols has been revised/updated-deleting reference that inspections must be done during the last two (2) weeks of the month. This was also covered with the inspectors during the training update of June 30, 2003. The training emphasized that all areas/locations with controlled substances must be inspected each month and that the inspections are unannounced and randomly conducted. Completed

e. The pharmaceutical Prime Vendor Inventory Management software program will be implemented by September. Target date: September 1, 2003.

Recommended Improvement Action(s) 3. The VISN Director should ensure that the Medical Center Director takes action to ensure that:

a. Cardholders reconcile transactions timely.

b. Approving officials approve reconciled transactions timely.

c. The Business Office Support Service conducts quarterly audits of all cardholder accounts.

d. The Purchase Card Coordinator and Alternate Coordinator duties are appropriately separated.

Concur **Target Completion Date:** See itemized listing below.

a. The medical center had developed a Credit Card Action plan that provided for aggressive work with cardholders to meet standards. Unreconciled items are reported to the responsible employee with a copy sent to the employee's supervisor and the Associate Director. Additional corrective action (i.e., canceling cards) will be taken if required. Action Plan in place April 22, 2003. Monthly monitoring report provided to Central Office. Target date: August 5, 2003.

b. The Credit Card Action Plan, mentioned above provides for aggressive follow-up with approving officials to meet standards. Action Plan in place April 22, 2003. Monthly monitoring report provided to Central Office. Target date: August 5, 2003.

c. Quarterly audits are being performed to supplement monthly (FSC) statistical sampling audits and other reviews. Target Date: Quarterly audits initiated June 2003.

d. Credit cards have been cancelled for the Purchase Card Coordinator to eliminate conflict of interest. To further protect the integrity of the purchasing process, different individuals are assigned the duties of Purchase Card Coordinator, Billing Office Official, and Dispute Officer. Completed June 13, 2003

Recommended Improvement Action(s) 4. The VISN Director should ensure that the Medical Center Director takes action to ensure:

a. The ISO is organizationally aligned under the Medical Center Director.

b. The ISO reviews employees' need for system administrator level access and reduces or terminates the access as appropriate.

c. Procedures are implemented to routinely review and terminate generic VistA access accounts.

d. An intrusion detection system and computer room locks that cannot be opened with a master key are installed in the computer room.

e. Unused modem lines are deactivated.

Concur **Target Completion Date:** See itemized list below.

a. In compliance with VA regulations, the ISO has been realigned from the Business Office to the Office of the Director. Completed: July 6, 2003.

b. The Asheville VAMC concurs with the OIG findings for the need to review who has system administrator level access. The facility believes the ISO and Chief, IRM should determine the need to reduce and/or terminate access as appropriate.

The ISO and Chief, IRM collectively determine appropriate system administrator level access. The System Administrator menu access was removed from three Computer Assistants on June 12, 2003. The remaining 8 employees with this level access are IT Specialists, to include the Chief, IRM. The IT Specialist requires this level of access to complete daily job requirements and address calls received during irregular tours of duty. Completed: June 12, 2003

c. Service Bulletin IRMS-4, Review of VistA Accounts (Quarterly), was issued on June 9, 2003. This bulletin establishes procedures and responsibilities for the recurring review (every 90 days) of VistA accounts to ensure appropriate level of access or continued need. The recurring reviews will include generic accounts. Completed: June 9, 2003

d. Key changes were made to the Computer Room so that it is no longer accessible by the Grand Master Key. Completion Date: June 25, 2003

The estimated cost for three motion sensors for the Computer Room and PBX Room is approximately $3000, with installation to be conducted by [a vender] to allow connectivity to the existing security system. Approval for purchase obtained from Associate Director on July 18, 2003 with installation date dependent upon receipt of sensors. Target Date: September 30, 2003

e. The ISO has reviewed the modem inventory, highlighting several entries as appropriate for deactivation, and has presented this list to the Acting Chief of the Business Office Service for action. For these and all remaining entries on the inventory, the Business Office Service is sending a memorandum to the appropriate Service Chief to verify which extensions may be disconnected without interruption of necessary services. Target Date: August 1, 2003

Recommended Improvement Action(s) 5. The VISN Director should require the Medical Center Director to obtain transcription services based on a verifiable Statement of Work.

Concur **Target Completion Date:** September 30, 2003

A Statement of Work has been developed which clearly identifies the quantity "gross line" for billing purposes on future requirements. A new transcription contract is in the process of being awarded and will include the Statement of Work described here. Health Information Section will monitor quantity and quality for future contracts. Monitoring of existing contract is underway.

OIG Suggestion(s)

Suggested Improvement Action(s) 1. The VISN Director should ensure that the Medical Center Director takes action to clean and repair bathrooms on ward 3W.

Concur **Target Completion Date:** June 20, 2003

All bathrooms on ward 3W have been cleaned and repaired. Completed.

Appendix B

VISN 6 Director Comments

Department of Veterans Affairs **Memorandum**

Date: July 18, 2003

From: VISN 6 Director

Subject: **Response to OIG Combined Assessment Program Review Report - VA Medical Center Asheville, North Carolina**

To: Director, VHA Management Review and Administration Service (105E)

1. As requested, the attached subject report is forwarded electronically for your review and further action. I have read the recommendations of the OIG, and responses to them from the Director of the VA Medical Center Asheville, and concur with both.

2. If you have any questions or require a paper-copy of the report, please contact Mr. James Christian, Director, VAMC Asheville, via MS Exchange or at (828) 299-5999.

/ s /

Daniel F. Hoffmann, FACHE

Attachment

Appendix C

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