



Department of Veterans Affairs Office of Inspector General

Summary Report of Combined Assessment Program Reviews at Veterans Benefits Administration Regional Offices October 2002 Through September 2003

Office of Inspector General Combined Assessment Program Reviews

Combined Assessment Program (CAP) reviews are part of the Office of Inspector General's (OIG's) efforts to ensure that high quality health care and benefits services are provided to our Nation's veterans. CAP reviews combine the knowledge and skills of the OIG's Offices of Healthcare Inspections, Audit, and Investigations to provide collaborative assessments of VA medical facilities and regional offices on a cyclical basis. The purposes of CAP reviews are to:

- Evaluate how well VA facilities are accomplishing their missions of providing veterans convenient access to high quality medical and benefits services.
- Determine if management controls ensure compliance with regulations and VA policies, assist management in achieving program goals, and minimize vulnerability to fraud, waste, and abuse.
- Conduct fraud and integrity awareness training for facility staff.

In addition to this typical coverage, CAP reviews may examine issues or allegations referred by VA employees, patients, Members of Congress, or others.

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Department of Veterans Affairs
Office Inspector General
Washington, DC 20420

Memorandum to:

Secretary (00)
Under Secretary for Benefits (20)

Summary Report of Combined Assessment Program Reviews at Veterans Benefits Administration Regional Offices October 2002 through September 2003

1. This report summarizes recommendations and suggestions made in reports of Office of Inspector General (OIG) Combined Assessment Program (CAP) reviews at the Department of Veterans Affairs (VA) Veterans Benefits Administration (VBA) regional offices published during the period October 2002 through September 2003. CAP reviews evaluate selected regional office operations, focusing on benefits administration and financial and administrative management controls.
2. During the period covered by this summary report, the OIG published eight reports for CAP reviews conducted at VBA regional offices. Each of the issues highlighted in this report resulted from identifying conditions at more than one regional office. We also provided fraud and integrity awareness training for about 1,860 VBA employees, and in specific instances, examined issues or allegations referred to the OIG by employees, veterans, Members of Congress, or others.
3. The Under Secretary for Benefits should ensure that all Area Office and Regional Office Directors are advised of the issues identified in this summary report. We may follow up on the issues reported here in future CAP reviews and include new areas of inquiry. This report was prepared under the direction of Ms. Linda Halliday, Director, Audit Planning Division.

(Original signed by:)

RICHARD J. GRIFFIN
Inspector General

Introduction

Background

During the period October 2002 through September 2003, eight reports were issued on CAP reviews completed at VA regional offices (VAROs). Generally, the CAP reviews were conducted during 1-week site visits.

Scope of CAP Reviews

The scope of the CAP reviews performed at each of the regional offices visited focused on benefits and administration and financial and administrative management controls. CAP team leaders selected the areas reviewed at each regional office. This report summarizes issues reported in two or more CAP reports, where recommendations or suggestions were made.

Fraud and integrity awareness briefings were also conducted during CAP reviews and about 1,860 VBA employees attended. The briefings included a film on the types of fraud that can occur in VA programs, discussions of the OIG's role in investigating criminal activity, and question and answer sessions.

CAP Reports Issued

The following are the eight VBA CAP reports issued during the period of October 2002 through September 2003.

Report Title	Area Office	Report Number	Issue Date
Combined Assessment Program Review of the VA Regional Office Nashville, TN	Southern	02-02248-31	12/13/02
Combined Assessment Program Review of the VA Regional Office Atlanta, GA	Southern	03-00871-84	04/24/03
Combined Assessment Program Review of the VA Regional Office Muskogee, OK	Central	03-01049-109	06/05/03
Combined Assessment Program Review of the VA Regional Office St. Petersburg, FL	Southern	02-03376-112	06/12/03
Combined Assessment Program Review of the VA Regional Office Chicago, IL	Central	03-00758-117	06/27/03
Combined Assessment Program Review of the VA Regional Office St. Paul, MN	Central	03-00759-125	07/10/03
Combined Assessment Program Review of the VA Regional Office Los Angeles, CA	Western	03-00287-130	07/16/03
Combined Assessment Program Review of the VA Regional Office St. Louis, MO	Central	03-01674-155	08/14/03

CAP FINDINGS BY AREA OFFICE AND BY REGIONAL OFFICE OCTOBER 2002 THROUGH SEPTEMBER 2003

VA Regional Office								
Area Office	Southern			Central				Western
CAP Findings	Nashville, TN	Atlanta, GA	St. Petersburg, FL	Muskogee, OK	Chicago, IL	St. Paul, MN	St. Louis, MO	Los Angeles, CA
Automated Information System and Benefits Delivery Network Security	●	●		●	●	●	●	●
Compensation and Pension Claims Processing	●	●		●	●	●	●	●
Educational Assistance Programs		●		●			●	
Fiduciary and Field Examinations	●	●	●	●	●		●	●
Government Purchase Cards				●	●	●	●	●
VARO Management One-Time Retroactive Payment Reviews	●		●		●	●		
Vocational Rehabilitation and Employment Program	●		●	●	●	●	●	

SHADED = AREA REVIEWED AT THIS SITE
● = IMPROVEMENT NEEDED AT THIS SITE

Summary of CAP Findings

The bullets under each of the following subjects represent recommendations and suggestions made in the CAP reviews that this report summarizes.

1. Automated Information System and Benefits Delivery Network Security (findings at 7 of 8 regional offices)

- Prepare comprehensive system security plans for each major application and general support system, consistent with VBA requirements. Ensure the security plans includes all essential elements for safeguarding sensitive data.
- Control access to computer rooms by keeping the doors closed and locked.
- Complete and maintain documentation of an automated information system (AIS) risk assessment, including an inventory of computer assets.
- Obtain accreditation and certification of essential automated systems.
- Test the disaster recovery and continuity of operations plan annually.
- Update and disseminate the disaster recovery and continuity of operations plan. Make arrangements with a suitable facility, within a reasonable distance from the regional office, to provide alternative back-up facility and offsite storage services in case of an emergency and test the backup tapes periodically.
- Retain a copy of the disaster recovery and continuity of operations plan offsite with the backup media.
- Ensure the information security officer does not have AIS operational responsibilities; this will help to maintain his/her security oversight function independence.
- Obtain signed copies from all AIS users attesting that they have read and understand the rules of behavior concerning use of, security in, and the acceptable level of risk for general support systems.
- Ensure that Human Resources Management staff request the appropriate background investigation for high-risk positions.

- Include the appropriate information security clause and annotate the correct sensitivity level in position descriptions for positions designated high-risk.
- Provide annual security awareness training to all employees.

2. Compensation and Pension Claims Processing (findings at 7 of 8 regional offices)

- Ensure separation of duties is established and maintained in the adjudication and authorization processes.
- Provide Veterans Service Center staff refresher training for the proper and timely processing of: (i) Compensation and Pension system messages and the automated claims control system, (ii) required hospital adjustments for hospitalized veterans, and (iii) identification and classification for disability claims and pre-discharge cases.
- Include hospital adjustments in the Systematic Analyses of Operations review for securing veteran-employee files with the expected end result of management improvement.

3. Educational Assistance Programs (findings at 3 of 3 regional offices)

- Ensure educational benefits processing, performed by Regional Processing Office personnel, accurately records dates of claims receipts and that only documented claims are completed.
- Ensure the Chief Education Liaison Officer monitors Education Service Units to make certain that the units schedule and complete the required number of compliance surveys.

4. Fiduciary and Field Examinations (findings at 7 of 8 regional offices)

- Provide Field Examiners (FEs) and Legal Instrument Examiners (LIEs) refresher training regarding identification of potential problems with treatment issues and asset distribution.
- Ensure FEs review the veterans' guardianship files prior to home visits so that all pertinent issues can be addressed with appropriate recommendations or referrals.
- Ensure Fiduciary and Field Examination (FF&E) supervisors review field examination reports and analyses of estate accountings for accuracy.
- Ensure FF&E management meets annually with appropriate Veterans Health Administration officials to coordinate services for incompetent veterans enrolled in the Residential Care Home program.
- Ensure LIEs promptly refer cases with past due (more than 90 days) accountings to field examiners, the OIG, or the VA Regional Counsel as appropriate.
- Ensure LIEs date stamp all accountings upon receipt and complete their analyses of accountings within the 15-day objection/exception period.
- Ensure cases involving possible misuse of funds are referred to the OIG Office of Investigations.
- Ensure that initial appointment examinations are completed within the 45-day standard and field examinations are completed within the required 120-day standard.
- Ensure documentation contained in the Principal Guardianship Folders is signed and accurately completed.

5. Government Purchase Cards (findings at 5 of 6 regional offices)

- Provide approving officials refresher training for administration of purchase card responsibilities.
- Ensure separation of duties between purchase card coordinator responsibilities and executing purchases using cards.

- Ensure use of convenience checks is limited, as required, and Government purchase cards are used to the maximum extent practicable.
- Ensure warrants are established for cardholders with single purchase limits in excess of \$2,500.
- Ensure cardholders and approving officials receive refresher training on General Operating Expense purchases, avoidance of split purchases, ensuring goods are received, timely certifications, file security, and appropriate documentation.
- Designate alternate approving officials.

6. VARO Management One-Time Retroactive Payment Reviews (findings at 4 of 8 regional offices)

- Ensure awards generating retroactive payments in excess of \$25,000 are reviewed in accordance with VBA policy.
- Ensure one-time payment awards have third signature authorizations as required by VBA policy.
- Establish accounts receivable to recover overpayments of one-time retroactive payments.
- Provide VSC staff refresher training on reviewing claims records for evidence of written-off debts and on procedures for reestablishing debts prior to making retroactive payments.

7. Vocational Rehabilitation and Employment Program (findings at 6 of 8 regional offices)

- Establish procedures to ensure timely notification to veteran applicants of Vocational Rehabilitation and Employment (VR&E) entitlement benefits¹, and place only eligible veterans in rehabilitation programs.

¹ Notification to veteran applicants of VR&E entitlement benefits should be made within 60 days of the date of their claim.

- Conduct timely periodic record reviews to determine the correct status of veterans, and promptly place in a discontinued status those veterans who are not actively pursuing their training.
- Ensure that information on a veteran's status is consistently recorded and promptly updated in the Benefits Delivery Network, Corporate Case Management Information System, and the Counseling, Evaluation, and Rehabilitation (CER) files.
- Ensure official applications for VR&E benefits are obtained from all applicants and filed in the CER files.
- Ensure records have appropriate documentation of timeliness calculations.
- Ensure VR&E staff maintain contact with program participants to keep veterans' records current.
- Develop independent living plans with measurable goals and descriptions of the specific services to be provided.

OIG Contact

OIG Contact

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