



**Department of Veterans Affairs
Office of Inspector General**

Office of Healthcare Inspections

Report No. 08-01459-174

Combined Assessment Program Review of the Alaska VA Healthcare System Anchorage, Alaska



July 31, 2008

Washington, DC 20420

Why We Did This Review

Combined Assessment Program (CAP) reviews are part of the Office of Inspector General's (OIG's) efforts to ensure that high quality health care is provided to our Nation's veterans. CAP reviews combine the knowledge and skills of the OIG's Offices of Healthcare Inspections and Investigations to provide collaborative assessments of VA medical facilities 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 services.
- Provide fraud and integrity awareness training to increase employee understanding of the potential for program fraud and the requirement to refer suspected criminal activity to the OIG.

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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Executive Summary

Introduction

During the week of May 27–30, 2008, the OIG conducted a Combined Assessment Program (CAP) review of the Alaska VA Healthcare System (AVAHS), Anchorage, AK. The purpose of the review was to evaluate selected operations, focusing on patient care administration and quality management (QM). During the review, we also presented fraud and integrity awareness training to 154 employees. The AVAHS is part of Veterans Integrated Service Network (VISN) 20.

Results of the Review

The CAP review covered five operational activities. We identified the following organizational strengths and reported accomplishments:

- Newly reorganized committee structure improved communication and consistency.
- Stratification of performance measure outcomes improved provider-specific data.
- Data management team expected to improve operational efficiencies.

We made recommendations in two of the activities reviewed. For these activities, the AVAHS needed to:

- Ensure that provider profiles consistently include adequate data for reprivileging.
- Ensure that the required missing patient drills are conducted and that the new missing patient policy complies with VHA requirements.

The AVAHS complied with selected standards in the following three activities:

- Coordination of Care.
- Patient Satisfaction Survey Scores.
- Pharmacy Operations and Controlled Substances (CS) Inspections.

This report was prepared under the direction of Julie Watrous, Director, Los Angeles Office of Healthcare Inspections.

Comments

The VISN and AVAHS Directors concurred with the findings and recommendations and submitted acceptable improvement plans. (See Appendixes A and B, pages 8–10, for the full text of the Directors' comments.) We will follow up on the planned actions until they are completed.

(original signed by:)

JOHN D. DAIGH, JR., M.D.
Assistant Inspector General for
Healthcare Inspections

Introduction

Profile

Organization. Based in Anchorage, AK, the AVAHS is co-located with a Veterans Benefits Administration regional office. The AVAHS provides outpatient services at the main ambulatory care clinic in Anchorage and at two community based outpatient clinics (CBOCs) in Fort Wainwright (Fairbanks) and Kenai, AK. Inpatient care is provided through fee-basis arrangements with various community hospitals statewide and through a joint venture with the Elmendorf Air Force Base hospital in Anchorage. The AVAHS serves a veteran population of about 72,000 in a primary service area covering the entire State of Alaska.

Programs. The AVAHS provides primary care, mental health services, and limited specialty care, including dermatology, ambulatory surgery, podiatry, and neurology. Most specialty care, such as cardiology and urology, is provided by VISN 20 tertiary care medical centers, based on availability, or by non-VA providers on a fee basis. The AVAHS operates a 50-bed Domiciliary Residential Rehabilitation Treatment Program and a 24-bed Psychiatric Residential Rehabilitation Treatment Program.

Affiliations. The AVAHS is affiliated with the University of Alaska in Anchorage and supports training programs in social work, nursing, medical technology, radiology technology, and dentistry. Also, the AVAHS has an affiliation with the University of Washington's School of Medicine for family practice.

Resources. The fiscal year (FY) 2008 medical care operating budget is \$97.6 million. FY 2007 staffing was 443 full-time employee equivalents (FTE), including 27 physician and 101 nursing FTE.

Workload. In FY 2007, the AVAHS treated 14,383 unique patients. The AVAHS has no inpatient or nursing home beds. Outpatient workload totaled 112,273 visits.

Objectives and Scope

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

- Conduct recurring evaluations of selected health care facility operations, focusing on patient care administration and QM.
- Provide fraud and integrity awareness training to increase employee understanding of the potential for program fraud and the requirement to refer suspected criminal activity to the OIG.

Scope. We reviewed selected clinical and administrative activities to evaluate the effectiveness of patient care administration and QM. Patient care administration is the process of planning and delivering patient care. QM is the process of monitoring the quality of care to identify and correct harmful and potentially harmful practices and conditions.

In performing the review, we inspected work areas; interviewed managers and employees; and reviewed clinical and administrative records. The review covered the following five activities:

- Coordination of Care.
- Environment of Care (EOC).
- Patient Satisfaction Survey Scores.
- Pharmacy Operations and CS Inspections.
- QM.

The review covered AVAHS operations for FY 2007 and FY 2008 through May 23, 2008, and was done in accordance with OIG standard operating procedures for CAP reviews. There were no health care recommendations to follow up on from our prior CAP review of the AVAHS (*Combined Assessment Program Review of the Alaska VA Healthcare System, Anchorage, Alaska*, Report No. 05-02240-206, September 22, 2005).

During this review, we presented fraud and integrity awareness briefings for 154 employees. These briefings covered procedures for reporting suspected criminal activity to the OIG and included case-specific examples illustrating procurement fraud, conflicts of interest, and bribery.

In this report, we make recommendations for improvement. Recommendations pertain to issues that are significant enough to be monitored by the OIG until corrective actions

are implemented. The activities in the “Review Activities Without Recommendations” section have no reportable findings.

Organizational Strengths

Committee Reorganization

During an AVAHS management retreat, managers identified issues with committee structure, including ineffective communication, duplication, and too much time spent in meetings. The reorganized committee structure was implemented on October 1, 2007. Since implementation, managers have reported improvement in communication, uniformity of messages, and less time spent in meetings.

Performance Measures Stratification

AVAHS managers identified problems in establishing accountability for meeting performance measures. Significant work was done to stratify performance measure outcomes by provider. This action resulted in better data available for peer comparisons, increased focus on areas in need of improvement, and identification of strong practices that produced targeted outcomes.

Data Management Team

AVAHS managers identified data-related challenges, including quality, redundant requests, and lack of clear definitions. They decided to develop an integrated data management and knowledge sharing structure to improve performance through the dissemination of high quality data for informed decision making. A team of experienced staff was recently chartered to achieve the goals, which include standardizing terminology, eliminating data collection redundancy, and providing timely data reports.

Results

Review Activities With Recommendations

Quality Management

The purpose of this review was to evaluate whether the AVAHS’s QM program provided comprehensive oversight of the quality of care and whether senior managers actively supported the program’s activities. We interviewed the AVAHS Director, Chief of Staff, and Chief of QM. We also interviewed QM personnel and several other service chiefs. We evaluated plans, policies, and other relevant documents.

The QM program was generally effective in providing oversight of the AVAHS’s quality of care. Appropriate review

structures were in place for 10 of the 11 program activities reviewed.

Prior to November 2007, completion of both peer reviews and root cause analyses had not met required timeframes, but timeliness had improved significantly since November. We identified one area that needed improvement.

Provider Profiles. Accreditation standards require that clinical managers review performance and competence, including QM and performance improvement data and results, for all privileged providers. The Chief of Staff presented comprehensive provider profile and continuous review processes that had been implemented gradually since October 2007. We reviewed the profiles from selected providers who had been reprivileged from January to December 2007 and found inadequate data available to review performance and competence in 44 percent (4/9) of the profiles.

Recommendation 1

We recommended that the VISN Director require that the AVAHS Director ensures that provider profiles consistently include adequate data to review performance and competence.

The VISN and AVAHS Directors concurred with the finding and recommendation. Medical staff leaders will evaluate the existing provider profile and continuous review processes to ensure that data requirements are adequate. They plan to fully implement a competency tool for all providers by September 30, 2008. The improvement plan is acceptable, and we will follow up on the completion of the planned actions.

Environment of Care

The purpose of this review was to determine if the AVAHS maintained a safe and clean patient care environment. VHA facilities are required to establish a comprehensive EOC program that meets VHA National Center for Patient Safety, Occupational Safety and Health Administration, and Joint Commission standards.

We conducted onsite inspections of outpatient care (primary and specialty care) clinics, diagnostic (laboratory and radiology) areas, dental and mental health clinics, and the supply processing department at the main ambulatory care clinic. In addition, we inspected clinical and administrative

areas, the kitchen, and selected resident rooms in the domiciliary building.

We found the areas we visited to be generally clean. However, we identified the following items that required managers' attention:

- Containers stored less than 18 inches from the ceiling in a supply room.
- Unattended radiology films.
- Unsecured container holding 95 percent ethyl alcohol.
- Expired medications.
- Cabinet used for temporary storage of dirty instruments lacked appropriate signage to alert individuals that items within had the potential to cause infections.
- Monthly testing of panic alarms not consistently performed and documented.
- Some weapon lock boxes in the domiciliary armory not secured.

Managers adequately addressed these items while we were onsite.

Also, we found that the required missing patient drills had not been performed. Search grids for the main clinic and the domiciliary had been developed. However, actual drills had not been conducted. Additionally, the current policy did not include the CBOCs. We were told that a comprehensive policy was under development and that a theoretical practice exercise was scheduled.

Recommendation 2

We recommended that the VISN Director require that the AVAHS Director ensures that responsible managers conduct the required missing patient drills and that the new missing patient policy complies with VHA requirements.

The VISN and AVAHS Directors concurred with the findings and recommendation. The action plan includes reviewing the missing patient policy to ensure that the document complies with requirements, providing staff education, and conducting missing patient drills. The target date for completion is August 15, 2008. The improvement plan is acceptable, and we will follow up on the completion of the planned actions.

Review Activities Without Recommendations

Pharmacy Operations and Controlled Substances Inspections

The purpose of this review was to evaluate whether VA health care facilities had adequate controls to ensure the security and proper management of CS and the pharmacy's internal physical environment. We also assessed whether processes were in place to monitor polypharmacy (patients prescribed multiple medications), especially in vulnerable populations.

We found the outpatient pharmacy environment to be clean and well maintained. Annual physical security inspections had identified that the wall surrounding the dispensing window did not meet VA requirements. The window had the required ballistic protection, but the wall around the window did not. In 2005, the AVAHS's Chief of Police received a signed waiver for the dispensing wall from the VA Police Service.

The AVAHS had appropriate procedures to ensure that clinical pharmacists identified patients who were receiving multiple prescription medications, reviewed their medication regimens to avoid polypharmacy, and appropriately advised providers.

Overall, we found an organized and well managed CS inspection program. Inspectors performed the required monthly unannounced pharmacy and clinic inspections. In addition, the CS Coordinator and inspectors had received appropriate appointment letters and training to execute their duties. Therefore, we made no recommendations.

Coordination of Care

The purpose of this review was to evaluate whether consultations and inter-facility transfers were coordinated appropriately. Timely consultations and patient transfers are essential to optimal patient outcomes.

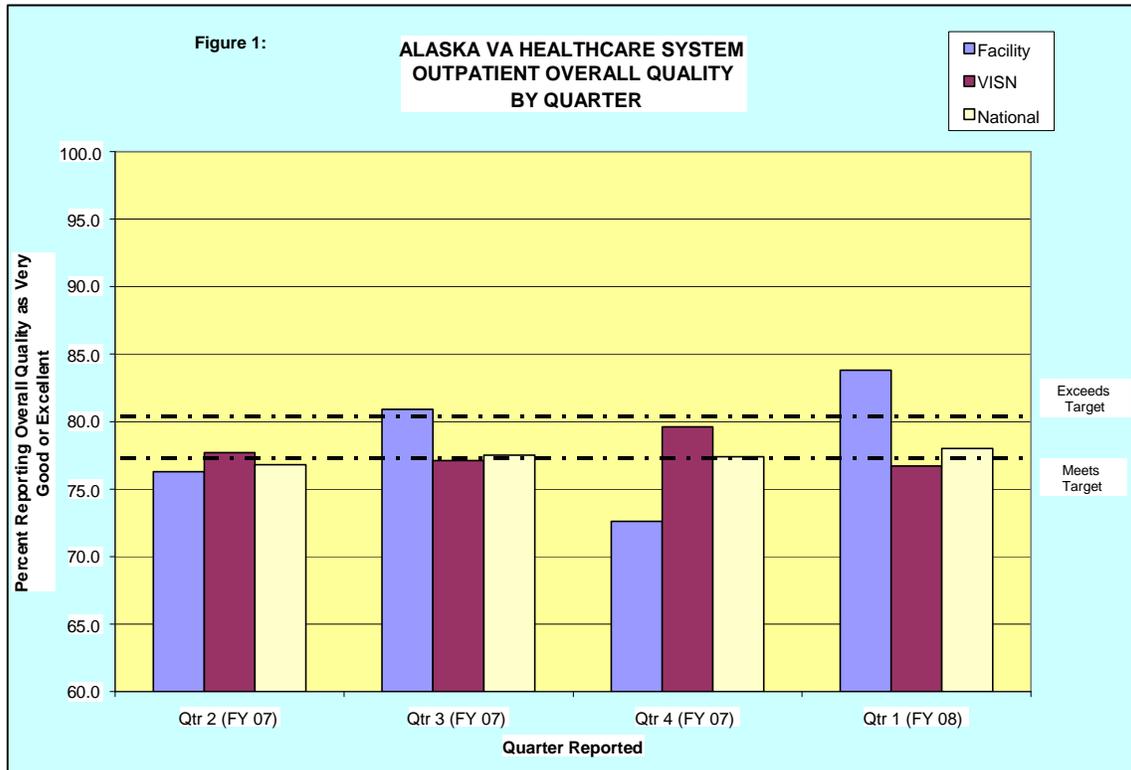
We reviewed the medical records of 10 outpatients who had consults ordered and performed internally or through fee-basis arrangements with non-VA providers. In general, we found that patients received consultative services within acceptable timeframes.

Our review of the medical records of six transferred patients showed that the transfers complied with applicable VA standards. Therefore, we made no recommendations.

Patient Satisfaction Survey Scores

The purpose of this review was to assess the extent that VHA medical facilities use the quarterly survey results of patients' health care experiences with VHA to improve patient care, treatment, and services. VHA set performance measure results for patients reporting overall satisfaction of "very good" or "excellent" at 77 percents for outpatients.

Figure 1 below shows the AVAHS's patient satisfaction performance measure results for outpatients (the facility has no inpatient beds). The AVAHS's outpatient scores exceeded the target in 2 of the past 4 quarters. Managers had implemented an action plan and demonstrated evidence of ongoing activities. Therefore, we made no recommendations.



VISN Director Comments

**Department of
Veterans Affairs**

Memorandum

Date: June 23, 2008

From: VISN Director (10N/20)

Subject: **Combined Assessment Program Review of the Alaska
VA Healthcare System, Anchorage, Alaska**

To: Director, Los Angeles Healthcare Inspections Division
(54LA)

Director, Management Review Service (10B5)

1. Attached is the status report for the Office of Inspector General (OIG) Combined Assessment Program survey comments and implementation plan from the Alaska VA Healthcare System, Anchorage, AK.
2. If you have any questions regarding this report, please contact Pat Ozment, Management Analyst at (907) 257-4883.

(Original signed by:)

Dennis M. Lewis, FACHE

Healthcare System Director Comments

Department of
Veterans Affairs

Memorandum

Date: June 23, 2008
From: Director, Alaska VA Healthcare System (463/00)
Subject: **Combined Assessment Program Review of the Alaska VA Healthcare System, Anchorage, Alaska**
To: VISN Director (10N20)

Please see the attached Alaska VA comments in response to the OIG findings and recommendations.

(original signed by:)

Alexander Spector

Comments to Office of Inspector General's Report

The following Director's comments are submitted in response to the recommendations in the Office of Inspector General report:

OIG Recommendations

Recommendation 1. We recommended that the VISN Director require that the AVAHS Director ensures that provider profiles consistently include adequate data to review performance and competence.

Concur.

Target Date of Completion/Implementation: October 1, 2008.

Planned Action: Evaluate the existing comprehensive provider profile and continuous review processes to ensure data requirements are adequate for competency demonstration by **August 15, 2008**. Fully implement the competency tool for all providers by **September 30, 2008**.

Recommendation 2. We recommended that the VISN Director require that the AVAHS Director ensures that responsible managers conduct the required missing patient drills and that the new missing patient policy complies with VHA requirements.

Concur.

Target Date of Completion/Implementation: August 15, 2008.

Planned Action: The Missing Patient Policy will be reviewed against the VHA Directive to ensure the document complies with VHA requirements. The target for publishing the new policy is **July 7, 2008**. Staff education will occur via the July 2008 Patient Safety Manager's monthly patient safety education distribution. Missing patient drills will be conducted at both the Domiciliary and DeBarr (Anchorage) Clinic before **August 15, 2008**.

OIG Contact and Staff Acknowledgments

Contact	Julie Watrous, Director Los Angeles Office of Healthcare Inspections (213) 253-5134
Contributors	Daisy Arugay, Associate Director Monty Stokes, Special Agent

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