



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

Office of Healthcare Inspections

Report No. 12-00581-27

**Community Based Outpatient
Clinic Reviews
Minden (Carson Valley), NV
Auburn (Sierra Foothills), Chula Vista,
and Escondido, CA**

November 27, 2012

Washington, DC 20420

Why We Did This Review

The VA OIG is undertaking a systematic review of the VHA's CBOCs to assess whether CBOCs are operated in a manner that provides veterans with consistent, safe, high-quality health care.

The Veterans' Health Care Eligibility Reform Act of 1996 was enacted to equip VA with ways to provide veterans with medically needed care in a more equitable and cost-effective manner. As a result, VHA expanded the Ambulatory and Primary Care Services to include CBOCs located throughout the United States. CBOCs were established to provide more convenient access to care for currently enrolled users and to improve access opportunities within existing resources for eligible veterans not currently served.

Veterans are required to receive one standard of care at all VHA health care facilities. Care at CBOCs needs be consistent, safe, and of high quality, regardless of model (VA-staffed or contract). CBOCs are expected to comply with all relevant VA policies and procedures, including those related to quality, patient safety, and performance.

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Glossary

ADA	Americans with Disabilities Act
BI-RADS	Breast Imaging Reporting and Data System
C&P	credentialing and privileging
CBOC	community based outpatient clinic
CCHT	care coordination home telehealth
Consult & TX	consult & treatment
COTR	Contracting Officer's Technical Representative
CPRS	Computerized Patient Record System
DM	Diabetes Mellitus
DX & TX Plan	diagnosis & treatment plan
EKG	electrocardiogram
EOC	environment of care
FPPE	Focused Professional Practice Evaluation
FY	fiscal year
HCS	health care system
HF	heart failure
HS	healthcare system
ICA	Interim Contract Authority
LCSW	licensed clinical social worker
MedMgt	medication management
MH	mental health
MHICM	Mental Health Intensive Case Management
MSO	Medical Sharing Office
MST	military sexual trauma
NCO	Network Contracting Office
NP	nurse practitioner
OIG	Office of Inspector General
OPPE	Ongoing Professional Practice Evaluation
PCP	primary care provider
PII	personally identifiable information
PTSD	post-traumatic stress disorder
SAO	Service Area Office
Tele-MOVE	Tele-Motivating Overweight Veterans Everywhere
VHA	Veterans Health Administration
VISN	Veterans Integrated Service Network
VistA	Veterans Health Information Systems and Technology Architecture

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Executive Summary

Purpose: We conducted an inspection of four CBOCs during the week of July 16, 2012. We evaluated select activities to assess whether the CBOCs operated in a manner that provides veterans with consistent, safe, high-quality health care. Table 1 lists the sites inspected.

VISN	Facility	CBOC
21	VA Sierra Nevada HCS	Carson Valley
		Sierra Foothills
22	VA San Diego HS	Chula Vista
		Escondido
Table 1. Sites Inspected		

Recommendations: The VISN and Facility Directors, in conjunction with the respective CBOC managers, should take appropriate actions to:

VA Sierra Nevada HCS

- Ensure foot screening and patient referral guidelines are established in accordance with VHA policy.
- Ensure that Sierra Foothills CBOC clinicians document foot care education to diabetic patients in CPRS.
- Ensure that Carson Valley CBOC clinicians document a complete foot screening for diabetic patients in CPRS.
- Ensure that Carson Valley and Sierra Foothills CBOC clinicians document a risk level for diabetic patients in CPRS in accordance with VHA policy.
- Ensure that Carson Valley and Sierra Foothills CBOC clinicians document that therapeutic footwear or orthotics is prescribed to diabetic patients identified at high risk for extremity ulcers and amputation.
- Establish a process to ensure that patients with normal mammogram results are notified of results within the allotted timeframe and that notification is documented in the medical record at the Carson Valley CBOC.
- Ensure that managers collect and analyze data for hand hygiene at the Carson Valley and Sierra Foothills CBOCs.

VA San Diego HS

- Ensure that Chula Vista and Escondido CBOC clinicians document foot care education to diabetic patients in CPRS.

- Ensure that Chula Vista and Escondido CBOC clinicians document a complete foot screening for diabetic patients in CPRS.
- Ensure that Chula Vista and Escondido CBOC clinicians document a risk level for diabetic patients in CPRS in accordance with VHA policy.
- Ensure that the Chula Vista CBOC Women’s Health Liaison attend the Women’s Health Committee meetings and routinely collaborate with the Women Veterans Program Manager.
- Ensure that the privileges granted to providers are consistent with the services provided at the Chula Vista CBOC and that privileges are setting specific at the Chula Vista and Escondido CBOCs.
- Ensure that OPPEs are maintained in all providers’ profiles at the Escondido CBOC.
- Correct environmental deficiencies at the Escondido CBOC to ensure compliance with the ADA requirements.
- Implement a process at the Chula Vista CBOC to ensure that patient PII is protected and secured.
- Award a competitive long-term contract and ensure that future acquisitions allow for adequate planning time to avoid the need for ICA.
- Ensure that the use of ICA complies with VA directives.
- Provide appropriate oversight and enforcement of VA directives before an ICA is approved and a contract is signed.
- Hold contracting officers accountable for non-compliance with VA directives.
- Confer with Regional Counsel to determine the amount and collectability of all overpayments.

Comments

The VISN, Facility, and SAO West Directors agreed with the CBOC review findings and recommendations and provided acceptable improvement plans. (See Appendixes B-F, pages 17-31, for full text of the Directors’ comments.) We will follow up on the planned actions until they are completed.



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Objectives and Scope

Objectives. The purposes of this review are to:

- Evaluate the extent CBOCs have implemented the management of DM–Lower Limb Peripheral Vascular Disease in order to prevent lower limb amputation.
- Evaluate whether CBOCs comply with selected VHA requirements regarding the provision of mammography services for women veterans.
- Evaluate the continuity of care for enrolled CBOC patients discharged from the parent facility in FY 2011 with a primary discharge diagnosis of HF.
- Determine whether CBOC providers are appropriately credentialed and privileged in accordance with VHA Handbook 1100.19.¹
- Determine whether CBOCs are in compliance with standards of operations according to VHA policy in the areas of environmental safety and emergency planning.²
- Determine whether primary care and MH services provided at contracted CBOCs are in compliance with the contract provisions and evaluate the effectiveness of contract oversight provided by the VA.

Scope. The review topics discussed in this report include:

- Management of DM–Lower Limb Peripheral Vascular Disease
- Women’s Health
- HF Follow-Up
- C&P
- Environment and Emergency Management
- Contracts

For detailed information regarding the scope and methodology of the focused topic areas conducted during this inspection, please refer to Report No. 11-03653-283 Informational Report Community Based Outpatient Clinic Cyclical Report FY 2012, September 20, 2011. This report is available at <http://www.va.gov/oig/>.

We conducted the inspection in accordance with *Quality Standards for Inspection and Evaluation* published by the Council of Inspectors General on Integrity and Efficiency.

¹ VHA Handbook 1100.19, *Credentialing and Privileging*, November 14, 2008.

² VHA Handbook 1006.1, *Planning and Activating Community-Based Outpatient Clinics*, May 19, 2004.

CBOC Characteristics

We formulated a list of CBOC characteristics that includes identifiers and descriptive information. Table 2 displays the inspected CBOCs and specific characteristics.

	Carson Valley	Sierra Foothills	Chula Vista	Escondido
VISN	21	21	22	22
Parent Facility	VA Sierra Nevada HCS	VA Sierra Nevada HCS	VA San Diego HS	VA San Diego HS
Type of CBOC	VA	VA	VA	Contract
Number of Uniques, ³ FY 2011	2,592	3,560	7,347	5,398
Number of Visits, FY 2011	9,737	22,125	23,501	17,672
CBOC Size ⁴	Mid-size	Mid-size	Large	Large
Locality ⁵	Rural	Urban	Urban	Urban
Full-time Employee Equivalents PCP	3	3.4	5.84	5.09
Full-time Employee Equivalents MH	1	2	1.44	1.96
Types of Providers	LCSW NP PCP Psychiatrist Clinical Pharmacist	LCSW NP PCP Psychiatrist Psychologist	LCSW PCP Psychiatrist Psychologist Clinical Pharmacist	LCSW NP PCP Psychiatrist Psychologist
Specialty Care Services Onsite	No	Yes	Yes	No
Tele-Health Services	Tele-Cardiology Tele-Dermatology Tele-Mental Health Tele-MOVE Tele-Pulmonology Tele-Spinal Cord Injury Tele-Retinal Imaging Tele-Wound Care CCHT	Tele-Mental Health Tele-MOVE Tele-Retinal Imaging CCHT	Tele-Mental Health	Tele-Mental Health
Ancillary Services Provided Onsite	EKG Laboratory	EKG Laboratory Pharmacy	EKG Laboratory	Laboratory

Table 2. CBOC Characteristics

³ <http://vssc.med.va.gov>

⁴ Based on the number of unique patients seen as defined by VHA Handbook 1160.01, *Uniform Mental Health Services in VA Medical Centers and Clinics*, September 11, 2008, the size of the CBOC facility is categorized as very large (> 10,000), large (5,000-10,000), mid-size (1,500-5,000), or small (< 1,500).

⁵ <http://vaww.pssg.med.va.gov/>

Mental Health CBOC Characteristics

Table 3 displays the MH Characteristics for each CBOC reviewed.

	Carson Valley	Sierra Foothills	Chula Vista	Escondido
Provides MH Services	Yes	Yes	Yes	Yes
Number of MH Uniques, FY 2011	461	817	663	975
Number of MH Visits, FY 2011	1,490	3,583	3,330	4,233
General MH Services	DX & TX Plan MedMgt Psychotherapy PTSD MST	DX & TX Plan MedMgt Psychotherapy PTSD MST	DX & TX Plan MedMgt Psychotherapy PTSD MST	DX & TX Plan MedMgt Psychotherapy PTSD MST
Specialty MH Services	None	Consult & TX Psychotherapy Peer Support Homeless Program Substance Use Disorder	Consult & TX Psychotherapy MHICM Psychosocial Rehabilitation Social Skills Training Peer Support Compensated Work Therapy PTSD Teams MST Clinics Homeless Program Substance Use Disorder	Consult & TX Psychotherapy MHICM Psychosocial Rehabilitation Social Skills Training Peer Support Compensated Work Therapy PTSD Teams MST Clinics Homeless Program Substance Use Disorder
Tele-Mental Health	Yes	Yes	Yes	Yes
MH Referrals	Another VA Facility	Another VA Facility	Another VA Facility Contract	Another VA Facility Contract
Table 3. MH Characteristics for CBOCs				

Results and Recommendations

Management of DM–Lower Limb Peripheral Vascular Disease

VHA established its Preservation-Amputation Care and Treatment Program in 1993 to prevent and treat lower extremity complications that can lead to amputation. An important component of this program is the screening of at-risk populations, which includes veterans with diabetes. Table 4 shows the areas reviewed for this topic. The facilities identified as noncompliant needed improvement. Details regarding the findings follow the table.

Noncompliant	Areas Reviewed
	The parent facility has established a Preservation-Amputation Care and Treatment Program. ⁶
Carson Valley Sierra Foothills	The CBOC has developed screening guidelines regarding universal foot checks.
	The CBOC has developed a tracking system to identify and follow patients at risk for lower limb amputations.
Carson Valley Sierra Foothills	The CBOC has referral guidelines for at-risk patients.
Sierra Foothills Chula Vista Escondido	The CBOC documents education of foot care for patients with a diagnosis of DM. ⁷
Carson Valley Chula Vista Escondido	There is documentation of foot screening in the patient's medical record.
Carson Valley Sierra Foothills Chula Vista Escondido	There is documentation of a foot risk score in the patient's medical record.
Carson Valley Sierra Foothills	There is documentation that patients with a risk assessment Level 2 or 3 received therapeutic footwear and/or orthotics.
Table 4. DM	

VISN 21, VA Sierra Nevada HCS – Carson Valley and Sierra Foothills

Guidelines for Foot Screenings and Patient Referrals. The Carson Valley and Sierra Foothills CBOCs did not establish foot screening or patient referral guidelines for diabetic patients at risk for lower limb loss. VHA policy⁸ requires foot screening and patient referral guidelines be developed and utilized by all clinicians providing principal care to patients at risk for amputation.

⁶ VHA Directive 2012-020, *Prevention of Amputation in Veterans Everywhere (PAVE) Program*, August 20, 2012.

⁷ VA/DoD Clinical Practice Guideline, *Management of Diabetes Mellitus (DM)*, August 2010.

⁸ VHA Directive 2012-020.

Foot Care Education Documentation. The Sierra Foothills clinicians did not document education of foot care for 6 of the 29 diabetic patients in CPRS.

Foot Screenings. We did not find a complete foot screening (foot inspection, circulation check, and sensory testing) for 5 of the 29 patients at the Carson Valley. VHA policy⁹ requires that foot screenings for amputation risk be performed on diabetic patients.

Risk Level Assessments. The Carson Valley CBOC clinicians did not document a risk level for 20 of 29 diabetic patients in CPRS. The Sierra Foothills CBOC clinicians did not document a risk level for 25 of 29 diabetic patients in CPRS. VHA policy¹⁰ requires identification of high-risk patients, based upon foot risk factors that would determine appropriate care and/or referral.

Therapeutic Footwear/Orthotics. At the Carson Valley CBOC, we did not find documentation that therapeutic footwear or orthotics were prescribed to any of the seven diabetic patients identified at high risk (Level 2 and 3) for lower extremity ulcers and/or amputation, as required by VHA. At the Sierra Foothills CBOC, we did not find documentation that therapeutic footwear or orthotics were prescribed to any of the four diabetic patients identified at Level 2 and 3.

Recommendation 1. We recommended that the Facility Director ensure that foot screening and patient referral guidelines are established in accordance with VHA policy.

Recommendation 2. We recommended that the Sierra Foothills CBOC clinicians document foot care education to diabetic patients in CPRS.

Recommendation 3. We recommended that the Carson Valley CBOC clinicians document a complete foot screening for diabetic patients in CPRS.

Recommendation 4. We recommended that the Carson Valley and Sierra Foothills CBOC clinicians document a risk level for diabetic patients in CPRS in accordance with VHA policy.

Recommendation 5. We recommended that the Carson Valley and Sierra Foothills CBOC clinicians document that therapeutic footwear or orthotics is prescribed to diabetic patients identified at high risk for extremity ulcers and amputation.

VISN 22, San Diego HS – Chula Vista and Escondido

Foot Care Education Documentation. The Chula Vista CBOC clinicians did not document foot care education for 17 of 29 diabetic patients in CPRS. The Escondido CBOC clinicians did not document foot care education for 19 of 26 diabetic patients in CPRS.

⁹ VHA Directive 2012-020.

¹⁰ VHA Directive 2012-020.

Foot Screenings. We did not find complete foot screenings (foot inspection, circulation check, and sensory testing) for 4 of 29 diabetic patients at the Chula Vista CBOC and 3 of 26 diabetic patients at the Escondido CBOC.

Risk Level Assessment. The Chula Vista CBOC clinicians did not document a risk level for 8 of 29 diabetic patients in CPRS. The Escondido CBOC clinicians did not document a risk level for 5 of 26 diabetic patients in CPRS. VHA policy¹¹ requires identification of high-risk patients with a risk level, based upon foot risk factors that would determine appropriate care and/or referral.

Recommendation 6. We recommended that the Chula Vista and Escondido CBOC clinicians document foot care education to diabetic patients in CPRS.

Recommendation 7. We recommended that the Chula Vista and Escondido CBOC clinicians document a complete foot screening for diabetic patients in CPRS.

Recommendation 8. We recommended that the Chula Vista and Escondido CBOC clinicians document a risk level for diabetic patients in CPRS in accordance with VHA policy.

Women's Health

Breast cancer is the second most common type of cancer among American women, with approximately 207,000 new cases reported each year.¹² Each VHA facility must ensure that eligible women veterans have access to comprehensive medical care, including care for gender-specific conditions.¹³ Timely screening, diagnosis, notification, interdisciplinary treatment planning, and treatment are essential to early detection, appropriate management, and optimal patient outcomes. Table 5 shows the areas reviewed for this topic. The facilities identified as noncompliant needed improvement. Details regarding the findings follow the table.

Noncompliant	Areas Reviewed
	Patients were referred to mammography facilities that have current Food and Drug Administration or State-approved certifications.
	Mammogram results are documented using the American College of Radiology's BI-RADS code categories. ¹⁴
	The ordering VHA provider or surrogate was notified of results within a defined timeframe.
Carson Valley	Patients were notified of results within a defined timeframe.
	The facility has an established process for tracking results of mammograms performed off-site.

¹¹ VHA Directive 2012-020.

¹² American Cancer Society, Cancer Facts & Figures 2009.

¹³ VHA Handbook 1330.01, *Healthcare Services for Women Veterans*, May 21, 2010.

¹⁴ The American College of Radiology's Breast Imaging Reporting and Database System is a quality assurance guide designated to standardize breast imaging reporting and facilitate outcomes monitoring.

Noncompliant	Areas Reviewed (continued)
	Fee Basis mammography reports are scanned into VistA.
	All screening and diagnostic mammograms were initiated via an order placed into the VistA radiology package. ¹⁵
	Each CBOC has an appointed Women's Health Liaison.
Chula Vista	There is evidence that the Women's Health Liaison collaborates with the parent facility's Women Veterans Program Manager on women's health issues.
Table 5. Mammography	

We reviewed a total of 40 patients who had a mammogram done on or after June 1, 2010. There were 9 patients who received mammograms at the Carson Valley CBOC, 8 patients at the Sierra Foothills CBOC, 9 patients at the Chula Vista CBOC, and 14 patients at the Escondido CBOC.

VISN 21, VA Sierra Nevada HCS – Carson Valley

Patient Notification of Normal Mammography Results. We reviewed medical records of patients at the Carson Valley CBOC who had normal mammography results and determined that 2 of 9 patients were not notified within the required timeframe of 14 days.

Recommendation 9. We recommended that the Carson Valley CBOC establish a process to ensure that patients with normal mammogram results are notified of results within the allotted timeframe and that notification is documented in the medical record.

VISN 22, VA San Diego HS – Chula Vista

Women's Health Liaison. We determined that the Women's Health Liaison at the Chula Vista CBOC did not routinely collaborate with the the parent facility's Women Veterans Program Manager on women's health issues. We found no evidence in meeting minutes that the liaison attended any of the three Women's Health Committee meetings.

Recommendation 10. We recommended that the Women's Health Liaison at the Chula Vista CBOC attend the Women's Health Committee meetings and routinely collaborate with the Women Veterans Program Manager.

C&P

We reviewed C&P folders to determine whether facilities had consistent processes to ensure that providers complied with applicable requirements as defined by VHA policy.¹⁶ Table 6 shows the areas reviewed for this topic.

¹⁵ VHA Handbook 1330.01.

¹⁶ VHA Handbook 1100.19, *Credentialing and Privileging*, November 14, 2008.

Noncompliant	Areas Reviewed
	(1) There was evidence of primary source verification for each provider's license.
	(2) Each provider's license was unrestricted.
	(3) New Provider:
	a. Efforts were made to obtain verification of clinical privileges currently or most recently held at other institutions.
	b. FPPE was initiated.
	c. Timeframe for the FPPE was clearly documented.
	d. The FPPE outlined the criteria monitored.
	e. The FPPE was implemented on first clinical start day.
	f. The FPPE results were reported to the medical staff's Executive Committee.
	(4) Additional New Privilege:
	a. Prior to the start of a new privilege, criteria for the FPPE were developed.
	b. There was evidence that the provider was educated about FPPE prior to its initiation.
	c. FPPE results were reported to the medical staff's Executive Committee.
	(5) FPPE for Performance:
	a. The FPPE included criteria developed for evaluation of the practitioners when issues affecting the provision of safe, high-quality care were identified.
	b. A timeframe for the FPPE was clearly documented.
	c. There was evidence that the provider was educated about FPPE prior to its initiation.
	d. FPPE results were reported to the medical staff's Executive Committee.
	(6) The Service Chief, Credentialing Board, and/or medical staff's Executive Committee list documents reviewed and the rationale for conclusions reached for granting licensed independent practitioner privileges.
Chula Vista Escondido	(7) Privileges granted to providers were facility, service, and provider specific. ¹⁷
Escondido	(8) The determination to continue current privileges were based in part on results of OPPE activities.
	(9) The OPPE and reappraisal process included consideration of such factors as clinical pertinence reviews and/or performance measure compliance.

¹⁷ VHA Handbook 1100.19.

Noncompliant	Areas Reviewed (continued)
	(10) Relevant provider-specific data was compared to aggregated data of other providers holding the same or comparable privileges.
	(11) Scopes of practice were facility specific.
Table 6. C&P	

VISN 22, San Diego HS – Chula Vista and Escondido

Clinical Privileges. We found that two of the three Chula Vista providers had privileges for procedures not performed at the CBOC. For example, we found privileges granted for lumbar punctures, thoracentesis, and paracentesis. In addition, one of three Chula Vista providers and one of three Escondido providers had privileges that were not setting specific. VHA policy requires that privileges granted to an applicant must be facility specific and based on the procedures and types of services that are provided at that setting.

OPPE. We found that two of the three Escondido providers' profiles did not have OPPEs for the past 2 years. VHA policy¹⁸ requires that data consistent with service-specific competency criteria be collected, maintained in each physician's profile, and reviewed on an ongoing periodic basis.

Recommendation 11. We recommended that the privileges granted to providers are consistent with the services provided at the Chula Vista CBOC and that privileges are setting specific at Chula Vista and Escondido CBOCs.

Recommendation 12. We recommended that OPPE data be maintained in all providers' profiles at the Escondido CBOC.

Environment and Emergency Management

EOC

To evaluate the EOC, we inspected patient care areas for cleanliness, safety, infection control, and general maintenance. Table 7 shows the areas reviewed for this topic. The facilities identified as noncompliant needed improvement. Details regarding the findings follow the table.

Noncompliant	Areas Reviewed
	There is handicap parking, which meets the ADA requirements.
	The CBOC entrance ramp meets ADA requirements.
	The entrance door to the CBOC meets ADA requirements.
Escondido	The CBOC restrooms meet ADA requirements.

¹⁸ VHA Handbook 1100.19.

Noncompliant	Areas Reviewed (continued)
	The CBOC is well maintained (e.g., ceiling tiles clean and in good repair, walls without holes, etc.).
	The CBOC is clean (walls, floors, and equipment are clean).
	The patient care area is safe.
	The CBOC has a process to identify expired medications.
	Medications are secured from unauthorized access.
	There is an alarm system or panic button installed in high-risk areas as identified by the vulnerability risk assessment.
	Privacy is maintained.
	IT security rules are adhered to.
Chula Vista	Patients' PII is secured and protected.
	There is alcohol hand wash or a soap dispenser and sink available in each examination room.
	The sharps containers are less than ¾ full.
	There is evidence of fire drills occurring at least annually.
	There is evidence of an annual fire and safety inspection.
	Fire extinguishers are easily identifiable.
Carson Valley Sierra Foothills	The CBOC collects, monitors, and analyzes hand hygiene data.
	Staff use two patient identifiers for blood drawing procedures.
	The CBOC is included in facility-wide EOC activities.
Table 7. EOC	

VISN 21, VA Sierra Nevada HCS – Carson Valley and Sierra Foothills

Hand Hygiene. The Carson Valley and Sierra Foothills CBOCs had not collected hand hygiene data during December 2010 and January 2011. We also noted insufficient data collection during the remainder of the 10 months of FY 2011 for the Carson Valley CBOC. Additionally, we noted insufficient data collection¹⁹ during October and November 2010 as well as February and March 2011 for the Sierra Foothills CBOC. The CDC²⁰ recommends that healthcare facilities develop a comprehensive infection control program with a hand hygiene component, which includes monitors, data analysis, and provider feedback.

Recommendation 13. We recommended that managers collect and analyze data for hand hygiene at the Carson Valley and Sierra Foothills CBOCs.

VISN 22, VA San Diego HS – Chula Vista and Escondido

ADA Requirements. At the Escondido CBOC, we identified several ADA deficiencies, which included an insufficient number of compliant restrooms, noncompliant doors, and

¹⁹ A minimum of 30 observations per month is required by the VHA MRSA Program Office, 2007.

²⁰ CDC is one of the components of the Department of Health and Human Services that is responsible for health promotion; prevention of disease, injury and disability; and preparedness for new health threats.

a noncompliant counter in the laboratory. Facility managers informed us that the facility had already submitted corrective actions and that the funding and approval of the proposed actions are still under review by VISN 22.

Patient PII. We determined that the Chula Vista CBOC did not have a process to ensure the security of patients' PII when transporting laboratory specimens to the parent facility.

Recommendation 14. We recommended that the VISN and Facility Directors ensure that the deficiencies at the Escondido CBOC are addressed and corrected to ensure compliance with the ADA requirements.

Recommendation 15. We recommended that the Chula Vista CBOC implement a process to ensure that patient PII is protected and secured.

Emergency Management

VHA policy requires each CBOC to have a local policy or standard operating procedure defining how medical emergencies, including MH, are handled.²¹ Table 8 shows the areas reviewed for this topic.

Noncompliant	Areas Reviewed
	There is a local medical emergency management plan for this CBOC.
	The staff articulated the procedural steps of the medical emergency plan.
	The CBOC has an automated external defibrillator onsite for cardiac emergencies.
	There is a local MH emergency management plan for this CBOC.
	The staff articulated the procedural steps of the MH emergency plan.
Table 8. Emergency Management	

All CBOCs were compliant with the review areas; therefore, we made no recommendations.

HF Follow Up

The VA provides care for over 212,000 patients with HF. Nearly 24,500 of these patients were hospitalized during a 12-month period during FYs 2010 and 2011. The purpose of this review is to evaluate the continuity of care for enrolled CBOC patients discharged from the parent facility in FY 2011 with a primary discharge diagnosis of HF. The results of this topic review are reported for informational purposes only. After the completion of the FY 2012 inspection cycle, a national report will be issued detailing

²¹ VHA Handbook 1006.1, *Planning and Activating Community-Based Outpatient Clinics*, May 19, 2004.

cumulative and comparative results for all CBOCs inspected during FY 2012. The results of our review of the selected CBOCs discussed in this report are found in Appendix A.

CBOC Contract

We conducted a review of primary care performed at the Escondido CBOC to evaluate the effectiveness of VHA oversight and administration for selected contract provisions relating to quality of care and payment of services. VA professionals provide MH services at the CBOC on-site and through telemental health services.

Each CBOC engagement included: (1) a review of the contract, (2) analysis of patient care encounter data, (3) corroboration of information with other VHA data sources, (4) site visits, and (5) interviews with VHA and contractor staff. Our review focused on documents and records for 3rd Qtr, FY 2011.

Noncompliant	Areas Reviewed
	(1) Contract provisions relating to payment and quality of care:
	a. Requirements for payment.
	b. Rate and frequency of payment.
	c. Invoice format.
	d. Performance measures (including incentives/penalties).
	e. Billing the patient or any other third party.
Escondido	(2) Technical review of contract modifications and extensions.
Escondido	(3) Invoice validation process.
	(4) The COTR designation and training.
	(5) Contractor oversight provided by the COTR.
	(6) Timely access to care (including provisions for traveling veterans).
	a. Visiting patients are not assigned to a provider panel in the Primary Care Management Module.
	b. The facility uses VistA's "Register Once" to register patients who are enrolled at other facilities.
	c. Referral Case Manager assists with coordination of care for traveling veterans.
Table 9. Review of Primary Care and MH Contract Compliance	

Technical Review. The contracting office has inappropriately extended services sole-source under ICA to a vendor using four interim contracts over the past 3 years. VA Directive 1663²² requires that interim contracts be established to provide required health care resources on an emergency basis for short-term needs, or as an interim measure to complete the contracting cycle for long-term needs. ICAs are limited to 180 days but may be allowed to be extended up to 1 year with MSO approval. We identified

²² VA Directive 1663, *Healthcare Resources Contracting-Buying*, August 10, 2006.

this issue of improper ICA usage during a prior review in July 2011.²³ The facility concurred with our findings and stated that a long-term contract was expected to be awarded in October 2011. At the time of our most recent review in July 2012, a long-term contract had not yet been awarded. Contracting was not able to provide any compelling reason or circumstances to justify not issuing a solicitation and competitively awarding a long-term contract.

The MSO, who is responsible for approving ICAs, was not aware of the multiple ICAs issued for the Escondido CBOC because there was no system in place to adequately record and monitor the status of ICA submissions and approvals. Additionally, the MSO stated that the only means of enforcement for non-compliance with VA directives was to report the incident to procurement leadership and allow them to address the issue. Because the ICAs were not being properly monitored, the contracting office repeatedly deviated from the VA directive without any accountability or consequence.

We noted the following:

- The contract rate increased by a total of 14 percent for two interim contracts. We cannot make a statement as to whether the increases were fair or reasonable since the contracts were not competed.
- The contracting officer proceeded with an interim contract for 1 year beginning May 1, 2010, despite the MSO's disapproval. The MSO denied the request because a prior ICA had been approved for the maximum allowable time period (1 year).
- The MSO approved two subsequent requests after the contracting officer provided inaccurate information regarding the number of prior interim contract authority requests for the third and fourth requests. The MSO did not have a process in place to confirm the accuracy of the information. The ICA memorandums for the third and fourth ICA requests, dated April 11, 2011, and November 2, 2011, both report only one previous request for ICA approval when there had been at least two prior requests.
- As of February 2012, the contracting office has continued month-to-month extensions using the ICA. This unstable situation has created staffing challenges for the contractor, making it difficult to retain physicians, which can affect patient care.

Invoice Validation Process. The facility used an invoice validation process that did not check that each patient had a qualifying visit as required by the contract. The contract requires that the facility verifies that each patient on the invoice had at least one annual comprehensive visit prior to payment. We found that the contractor was overpaid for

²³ Community Based Outpatient Clinic Reviews Gillette and Powell, WY; Pueblo, CO; Anaheim and Laguna Hills, CA; Escondido and Oceanside, CA; Lancaster and Sepulveda, CA; Report #11-01406-13, November 2, 2011.

patients not meeting the minimum requirements on the monthly invoices. The resulting overpayments were approximately \$3,700 for the review period of April through June 2011, which annualizes to approximately \$14,800 of overpayments.

Recommendation 16. We recommended that the Network Contracting Office, in conjunction with VISN and Facility Directors, award a competitive long-term contract and to ensure that future acquisitions allow for adequate planning time to avoid the need for ICA.

Recommendation 17. We recommended that the Service Area Office (SAO) West Director and MSO Directors ensure that the use of ICA complies with VA directives.

Recommendation 18. We recommended that the SAO West Director and Network Contract Manager ensure appropriate oversight and enforcement of VA directives before an ICA is approved and a contract is signed.

Recommendation 19. We recommended that the SAO West Director and Network Contract Manager ensure that contracting officers are held accountable for non-compliance with VA directives.

Recommendation 20. We recommended that the Facility Director and Network Contract Manager confer with Regional Counsel to determine the amount and collectability of all overpayments.

HF Follow-Up Results

Areas Reviewed			
CBOC Processes			
<i>Guidance</i>	<i>Facility</i>	<i>Yes</i>	<i>No</i>
The CBOC monitors HF readmission rates.	VA Sierra Nevada HCS		
	Carson Valley	X	
	Sierra Foothills	X	
	VA San Diego HS		
	Chula Vista	X	
	Escondido	X	
The CBOC has a process to identify enrolled patients that have been admitted to the parent facility with a HF diagnosis.	VA Sierra Nevada HCS		
	Carson Valley	X	
	Sierra Foothills	X	
	VA San Diego HS		
	Chula Vista	X	
	Escondido	X	
Medical Record Review Results			
<i>Guidance</i>	<i>Facility</i>	<i>Numerator</i>	<i>Denominator</i>
There is documentation in the patients' medical records that communication occurred between the inpatient and CBOC providers regarding the HF admission.	VA Sierra Nevada HCS		
	Carson Valley	3	3
	Sierra Foothills	1	1
	VA San Diego HS		
	Chula Vista	0	17
	Escondido	2	9
A clinician documented a review of the patients' medications during the first follow-up primary care or cardiology visit.	VA Sierra Nevada HCS		
	Carson Valley	3	3
	Sierra Foothills	1	1
	VA San Diego HS		
	Chula Vista	16	17
	Escondido	9	9
A clinician documented a review of the patients' weights during the first follow-up primary care or cardiology visit.	VA Sierra Nevada HCS		
	Carson Valley	2	3
	Sierra Foothills	1	1
	VA San Diego HS		
	Chula Vista	13	17
	Escondido	6	9

HF Follow-Up Results

Medical Record Review Results (continued)			
<i>Guidance</i>	<i>Facility</i>	<i>Numerator</i>	<i>Denominator</i>
A clinician documented a review of the patients' restricted sodium diet during the first follow-up primary care or cardiology visit.	VA Sierra Nevada HCS		
	Carson Valley	1	3
	Sierra Foothills	1	1
	VA San Diego HS		
	Chula Vista	7	17
	Escondido	6	9
A clinician documented a review of the patients' fluid intakes during the first follow-up primary care or cardiology visit.	VA Sierra Nevada HCS		
	Carson Valley	0	3
	Sierra Foothills	1	1
	VA San Diego HS		
	Chula Vista	1	17
	Escondido	1	9
A clinician educated the patient, during the first follow-up primary care or cardiology visit, on key components that would trigger the patients to notify their providers.	VA Sierra Nevada HCS		
	Carson Valley	0	3
	Sierra Foothills	0	1
	VA San Diego HS		
	Chula Vista	8	17
	Escondido	5	9

VISN 21 Director Comments

**Department of
Veterans Affairs**

Memorandum

Date: September 24, 2012

From: Director, VISN 21 (10N21)

Subject: **CBOC Reviews: Minden (Carson Valley), NV; and
Auburn (Sierra Foothills), CA**

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

Director, Management Review Service (VHA 10AR MRS
OIG CAP CBOC)

Attached is the action plan developed by Sierra Nevada Health Care System in response to the OIG CBOC site visit to the Minden and Auburn CBOCs.

If you have any questions regarding the plan please contact Terry Sanders, Associate Quality Manager at (707) 562-8370.

(Original signed by)
Sheila M. Cullen
Attachment

VA Sierra Nevada HCS Director Comments

**Department of
Veterans Affairs**

Memorandum

Date: September 20, 2012
From: Director, VA Sierra Nevada HCS (654/00)
Subject: **CBOC Reviews: Minden (Carson Valley), NV; and
Auburn (Sierra Foothills), CA**
To: Director, VISN 21 (10N21)

Enclosed are the responses to the recommendations in the draft Office of Inspector General's report of the Community Based Outpatient Clinic Reviews in Minden (Carson Valley), NV and Auburn (Sierra Foothills), CA.

If you have any questions regarding the responses to the recommendations in the report, please contact me at (775) 328-1263.

(Original signed by)
Kurt W. Schlegelmilch, M.D., FACHE
Attachment

Comments to Office of Inspector General's Report

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

OIG Recommendations

Recommendation 1. We recommended that the Facility Director ensure that foot screening and patient referral guidelines are established in accordance with VHA policy.

Concur

Target date for completion: October 1, 2012

Facility Response: Facility directive 112-20, entitled "Preservation-Amputation Care Treatment (PACT) Program" has been revised, approved by the Quadrad, uploaded to the facility directive Share Point site and Service Chiefs have been notified of these actions. By October 1, 2012, Associate Chief of Staff for Ambulatory Care will ensure this information has been communicated to all Ambulatory Care staff, including CBOC staff. The clinical reminder entitled "Foot Risk and Intervention" will be revised by October 1, 2012, by the Clinical Coordinator Surgical Service in conjunction with the Clinical Application Coordinators, to include documentation of foot exam screening findings, risk level for diabetic patients in accordance with VHA policy, and documentation of education provided to the patient.

Recommendation 2. We recommended that the Sierra Foothills CBOC clinicians document foot care education to diabetic patients in CPRS.

Concur

Target date for completion: November 1, 2012

Facility Response: The electronic clinical reminder entitled "Foot Risk and Intervention" will be revised by October 1, 2012, for use by clinicians caring for diabetic patients. Sierra Foothills CBOC clinicians have been educated on the use of this clinical reminder. A monthly audit of the electronic medical records (CPRS) of diabetic patients at the Sierra Foothills CBOC will be initiated on November 1, 2012, (for the documentation beginning October 1, 2012) to assess provider compliance with completing the foot care education to diabetic patients in the clinical reminder. Documented completion of the clinical reminder will be monitored at the CBOC until three consecutive months reflect at least 95% of eligible diabetic patients at the CBOC have received the foot care education as per VHA directive. The audit reports will be presented monthly at the Quality Executive Council meeting.

Recommendation 3. We recommended that the Carson Valley CBOC clinicians document a complete foot screening for diabetic patients in CPRS.

Concur

Target date for completion: November 1, 2012

Facility Response: Documentation of complete foot screening for Carson Valley CBOC diabetic patients through the use of the revised electronic clinical reminder entitled "Foot Risk and Intervention" has been implemented. A monthly audit of the electronic medical records (CPRS) of diabetic patients at the Carson Valley CBOC will be initiated on November 1, 2012, (for the documentation beginning October 1, 2012) to assess provider compliance with completing the foot screening of diabetic patients in the clinical reminder. Documented completion of the clinical reminder will be monitored at the CBOC until three consecutive months reflect at least 95% of eligible diabetic patients at the CBOC have received the foot screening as per VHA directive. The audit reports will be presented monthly at the Quality Executive Council meeting.

Recommendation 4. We recommended that the Carson Valley and Sierra Foothills CBOC clinicians document a risk level for diabetic patients in CPRS in accordance with VHA policy.

Concur

Target date for completion: November 1, 2012

Facility Response: Completion of documentation of a risk level for diabetic patients by clinicians through the use of the revised electronic clinical reminder entitled "Foot Risk and Intervention" will be monitored at the Carson Valley and Sierra Foothills CBOCs. A monthly audit of the electronic medical records (CPRS) of diabetic patients at the Carson Valley and Sierra Foothills CBOCs will be initiated on November 1, 2012, (for the documentation beginning October 1, 2012) to assess provider compliance with documenting the risk level for diabetic patients in the clinical reminder. Documented completion of the clinical reminder will be monitored at the CBOCs until three consecutive months reflect at least 95% of eligible diabetic patients at each CBOC have received the foot screening as per VHA directive. The audit reports will be presented monthly at the Quality Executive Council meeting.

Recommendation 5. We recommended that the Carson Valley and Sierra Foothills CBOC clinicians document that therapeutic footwear or orthotics is prescribed to diabetic patients identified at high risk for extremity ulcers and amputation.

Concur

Target date for completion: November 1, 2012

Facility Response: For any Carson Valley or Sierra Foothills CBOC patient identified as high risk for extremity ulcers and amputation, the CBOC providers were educated on July 12, 2012, by the Associate Chief of Staff for Ambulatory Care to initiate a Podiatry consult for examination and on-going care (e.g. provision of therapeutic footwear and

orthoses to accommodate foot deformities, to compensate for soft tissue atrophy, to evenly distribute plantar foot pressures).

A monthly audit of the electronic medical records (CPRS) of diabetic patients at the Carson Valley and Sierra Foothills CBOCs will be initiated on November 1, 2012 (for the documentation beginning October 1, 2012) to assess provider compliance with initiation of a Podiatry consult for examination and on-going care. If issues related to lack of consult and/or patient's failure to attend follow up appointment are identified during audits, Ambulatory Care/CBOC staff will follow up with the patient and document the follow up in CPRS. The audit reports will be presented monthly at the Quality Executive Council meeting.

Recommendation 9. We recommended that the Carson Valley CBOC establish a process to ensure that patients with normal mammogram results are notified of results within the allotted timeframe and that notification is documented in the medical record.

Concur

Target date for completion: Completed

Facility Response: VA Sierra Nevada Health Care System Women's Program changed their mammogram notification process to sending written notification to every woman who received a mammogram within 14 days of provider's notification of the test results normal and abnormal in October 2011. A copy of the letter is included in CPRS for documentation of notification. Although the results reviewed during the CBOC site visit were prior to October 2011, in June 2012, the Women's Program Manager provided re-education to the staff regarding the process of notification. Monitoring compliance with this process was initiated on July 1, 2012, with monthly monitoring (contract and fee basis) by the Women's Program Manager. Quarterly monitoring reports will be presented to the Quality Executive Council by the Women's Program Manager.

Recommendation 13. We recommended that managers collect and analyze data for hand hygiene at the Carson Valley and Sierra Foothills CBOCs.

Concur

Target date for completion: November 1, 2012

Facility Response: Sierra Foothills CBOC has collected monthly hand hygiene data with sufficient sample size for FY 2012, but the Carson Valley CBOC had not collected hand hygiene data for three months in FY 2012, and when data was collected, the sample size was inadequate. A new Hand Hygiene Champion was appointed at the Carson Valley CBOC, and staff re-education regarding this monitor was accomplished to ensure a minimum sample size of 30. Nurse Managers at the CBOCs will ensure adequate sample size data collection. The data is submitted by CBOC Nurse Managers to the MDRO (Multi Drug Resistant Organism) Prevention Coordinator, who analyzes the data, graphs the data and prepares quarterly reports. The reports are presented to the Infection Control Committee by the MDRO Prevention Coordinator.

VISN 22 Director Comments

**Department of
Veterans Affairs**

Memorandum

Date: October 2, 2012

From: Director, VISN 22 (10N22)

Subject: CBOC Reviews: Chula Vista and Escondido, CA

To: Director, 54LA Healthcare Inspections Division (54LA)
Director, Management Review Service (VHA 10AR MRS
OIG CAP CBOC)

1. I appreciate the opportunity to review the draft report recommendation from the OIG CBOC review conducted at the VA San Diego Healthcare System Chula Vista and Escondido CBOCs.
2. I concur with the recommendations provided by the VA San Diego Healthcare System Director. Corrective actions have already begun. Recommendations 16 thru 20 pertain to issues related to the contracting process and are beyond both the VA San Diego Healthcare System and my jurisdiction. The remediation of these issues are the responsibility of the VISN 22 Network Contracting Officer.
3. If you have questions regarding the responses to recommendations in the report, please call me at 562-826-5963.

(Original signed by)
Stan Johnson, MHA, FACHE
Network Director, VISN 22

VA San Diego HS Director Comments

**Department of
Veterans Affairs**

Memorandum

Date: September 25, 2012
From: Director, VA San Diego HS (664/00)
Subject: CBOC Reviews: Chula Vista and Escondido, CA
To: Director, VISN 22 (10N22)

1. We appreciate the opportunity to review the draft report recommendation from the OIG CBOC review conducted at the VA San Diego Healthcare System Chula Vista and Escondido CBOCs.
2. Please find the attached responses to the recommendations provided in the report for your review. I concur with the recommendations and the organization has already initiated corrective actions. Recommendations 16 through 20 pertain to issues related to the contract process, are beyond my jurisdiction, and are the responsibility of the VISN 22 Network Contracting Officer, Kevin Blanchard.
3. If you have questions regarding the responses to recommendations in the report feel free to call me at (858) 642-3201.

(Original signed by)
JEFFREY T. GERING, FACHE
Director, VA San Diego Healthcare System

Comments to Office of Inspector General's Report

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

OIG Recommendations

Recommendation 6. We recommended that the Chula Vista and Escondido CBOC clinicians document foot care education to diabetic patients in CPRS.

Concur

Target date for completion: September 14, 2012

Facility Response: This task has been completed through a revised clinical reminder that captures performance of the diabetic foot exam, assignment of risk level, and risk-based education of the patient. Performance will be tracked through monthly auditing of the foot screening clinical reminder. Training and continued emphasis will be provided to primary care staff during team meetings, and during the review of clinical reminder performance.

Recommendation 7. We recommended that the Chula Vista and Escondido CBOC clinicians document a complete foot screening for diabetic patients in CPRS.

Concur

Target date for completion: September 14, 2012

Facility Response: This task has been completed through a revised clinical reminder that captures performance of the diabetic foot exam, assignment of risk level, and risk-based education of the patient. Performance will be tracked through monthly auditing of the foot screening clinical reminder. Training and continued emphasis will be provided to primary care staff during team meetings, and during the review of clinical reminder performance.

Recommendation 8. We recommended that the Chula Vista and Escondido CBOC clinicians document a risk level for diabetic patients in CPRS in accordance with VHA policy.

Concur

Target date for completion: September 14, 2012

Facility Response: This task has been completed through a revised clinical reminder that captures performance of the diabetic foot exam, assignment of risk level, and risk-based education of the patient. Performance will be tracked through monthly auditing of the foot screening clinical reminder. Training and continued emphasis will be provided

to primary care staff during team meetings, and during the review of clinical reminder performance.

Recommendation 10. We recommended that the Women's Health Liaison at the Chula Vista CBOC attend the Women's Health Committee meetings and routinely collaborate with the Women Veterans Program Manager.

Concur

Target date for completion: September 14, 2012

Facility Response: The Chula Vista CBOC Women's Health Liaison has attended the last two monthly meetings and is now a regular participant in this process.

Recommendation 11. We recommended that the privileges granted to providers are consistent with the services provided at the Chula Vista CBOC and that privileges are setting specific at Chula Vista and Escondido CBOCs.

Concur

Target date for completion: September 14, 2012

Facility Response: An updated delineation of privileges for primary care, includes site-specific designation, has recently been approved by the Medical Executive Committee and is being prospectively applied to primary care privileges.

Recommendation 12. We recommended that OPPE data be maintained in all providers' profiles at the Escondido CBOC.

Concur

Target date for completion: September 14, 2012

Facility Response: Privileging files for the Escondido CBOC are now handled in a manner consistent with other primary care sites, including OPPE and the standard delineation of privileges.

Recommendation 14. We recommended that the VISN and Facility Directors ensure that the deficiencies at the Escondido CBOC are addressed and corrected to ensure compliance with the ADA requirements.

Concur

Target date for completion: TBD (est. 3-6 months after long-term contract awarded)

Facility Response: Once the contract has been awarded, the vendor will be required to provide an environment that will meet all ADA requirements, such as: Parking (9 ADA Spaces need striping and 5' aisles on each side), installation of a truncated dome at level access to traffic, provide minimum three feet wide doors at all access points to the

building (with electronic push button activated access being installed at two primary entrance points, exam room doors), four additional restroom doors will also be widened for ADA access, endure ADA compliant restrooms (four additional being created to include lab, women's health exam room, and both restrooms currently off the front waiting areas), proper entrance grade (cement entrance walk ways being reset to comply with required grading levels), and lowering of the lab check in counter.

Recommendation 15. We recommended that the Chula Vista CBOC implement a process to ensure that patient PII is protected and secured.

Concur

Target date for completion: September 28, 2012

Facility Response: We recognize the importance of maintaining patient privacy and have ordered both plastic ties and tamper seals; which should arrive in early October. We have also alerted staff at our other satellite labs and will add a check system at the parent facility in La Jolla.

Recommendations 16 thru 19. We recommended that the Network Contracting Office, in conjunction with VISN and Facility Directors, award a competitive long-term contract and to ensure that future acquisitions allow for adequate planning time to avoid the need for ICA. **(See SAO West Director's comments on pages 28–31 for the action plans and target dates of implementation.)**

Concur

Target date for completion: May 13, 2013

Facility Response: The remediation to this recommendation is not under the jurisdiction of VASDHS. The VISN 22 Network Contracting Office (NCO) has assured the VASDHS the interim contract for Escondido is current and is pursuing the award of a long term contract from the Escondido CBOC. To that end, VASDHS stands ready to provide the requisite information, contract oversight, and assistance required by the Network Contracting Office pertaining to this award.

Recommendation 20. We recommended that the Facility Director and Contracting Officer confer with Regional Counsel to determine the amount and collectability of all overpayments. **(See SAO West Director's comment on page 31.)**

Concur

Target date for completion: December 31, 2012

Facility Response: The Contract Officer Representative (COR) for the Escondido CBOC has begun working with the Contracting Officer and Financial Resource Management

Service to determine the amount owed by the vendor and collectability of all overpayments. This should be completed by the target completion date.

VA SAO West Director Comments

**Department of
Veterans Affairs**

Memorandum

Date: 22 October 2012

From: Delia, Adams, Director, SAO West (10NA2)

Subject: CBOC Reviews: Chula Vista and Escondido, CA

To: Director, 54LA Healthcare Inspections Division (54LA)
Director, Management Review Service (VHA 10AR MRS
OIG CAP CBOC)

1. I appreciate the opportunity to review the draft report recommendation from the OIG CBOC review conducted at the VA San Diego Healthcare System Chula Vista and Escondido CBOCs.
2. As discussed via the correspondence, Recommendations 16 thru 20 have been updated and the appropriate responses provided in the attachment. Action plans, with proposed Target Completion dates are provided as well.
3. If you have questions regarding the responses to these recommendations in the report, please contact me. I can be reached at 916-692-7310.

(Original signed by)
Delia A. Adams, MBA, CPCM
Director, SAO West

Comments to Office of Inspector General's Report

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

Recommendation 16. We recommended that the Network Contracting Office work with the VISN and Facility Directors to award a competitive long-term contract and to ensure that future acquisitions allow for adequate planning time to avoid the need for ICA.

Concur with comments

Response: In order to ensure appropriate action is taken in regard to this recommendation, the SAO West recommends that the recommended be revised as follows:

The Network Contracting Office VISN 22 will award a competitive long-term contract for Escondido. MSO determined that the contract submitted for review was not adequate for award and should be canceled. Therefore a new solicitation package is being prepared for the long-term contract. The expected date of award is May 15, 2013. A short-term six month bridge contract will be awarded prior to expiration of the current ICA which expires December 31, 2012. The NCO 22 Medical Sharing team is working with the SAO West MSO Principal Negotiator and Technical Reviewer to manage the List of Open Affiliate contract actions to ensure timely award of future contracts to avoid the use of Interim Contract Actions (ICA).

MSO has implemented a customer planning guide to assist the field customer in preparing and conducting acquisition planning for health care resources. In addition, MSO is working on Target CBOC Training for FY13 to educate the acquisition field and medical center officials. MSO posts workload management reports to their Share Point for "Open Sole Source Affiliate Contracts" which can be used by the medical centers to effectively manage their procurement initiation process.

Target date for completion: May 15, 2013.

Recommendation 17. We recommended that the Service Area Office (SAO) West Director and MSO Directors ensure that the use of ICA complies with VA directives.

Concur with comments

Response: In order to ensure appropriate action is taken in regard to this recommendation, the Service Area Office West recommends that the recommended be revised as follows:

The SAO West Medical Sharing Team with support of the SAO West Principal Negotiator and Technical Reviewer will ensure appropriate oversight and enforcement

of VA Directives through the quality review of each contract before award. Also through proper training of contracting staff SAO West will ensure proper enforcement of VA Directives. Training sessions are being scheduled for the Basic Healthcare Contracting course to be held at SAO West office. Due to changes in Training/Conference policies the courses are being rescheduled. Remaining courses in February thru July 2013 shall be conducted. All Medical Sharing staff in NCO VISN 22 will be scheduled to attend a session of the MSO courses.

MSO implemented an ICA review process guide that will facilitate the appropriate use of interims to ensure the intent of VA Directive 1663 is met. A standardized template ICA Approval Memo has also been implemented to ensure the appropriate assessment of an interim action is made and signed by the VISN leadership, as well as reviewed by the Contracting officer and approved by the Network Contract Manager prior to submitting to MSO for review and approval. This ensures effective checks and balances to promote compliance.

Target date for completion: September 2013

Recommendation 18. We recommended that the SAO West Director and Network Contract Manager ensure appropriate oversight and enforcement of VA Directives before an ICA is approved and a contract is signed.

Concur with comments

Response: In order to ensure appropriate action is taken in regard to this recommendation, the SAO West recommends that the recommended be revised as follows:

The SAO West Medical Sharing team will review all ICA contracts for compliance prior to award, IAW with the Medical Sharing Office procedures. This includes a quality review by the Technical reviewer and MSO team involvement in the preaward process. This is ongoing and a part of the regularly scheduled contract review process.

Target date for completion: Ongoing

Recommendation 19. We recommended that the SAO West Director and Network Contract Manager ensure that contracting officers are held accountable for non-compliance with VA Directives.

Concur with comments

Response: In order to ensure appropriate action is taken in regard to this recommendation, the Service Area Office West recommends that the recommended be revised as follows:

Those personnel that did not properly follow the VA Directives may have their warrants removed and will be expected to undergo additional or remedial training. Finally, they

could be removed from the Medical Sharing branch. Peer Reviews of 100% of Affiliate contracts will be conducted to ensure compliance with VA Directives. It is recommended there are a limited number of warrants on the Medical Sharing team to ensure personnel are trained and competent. Service Area Office Quality Assurance Analyst will ensure eCMS compliance reviews are conducted post award to ascertain all ICAs and long term contracts are issued IAW VA Directives.

Target date for completion. Ongoing

Recommendation 20. We recommended that the Facility Director and Network Contract Manager confer with Regional Counsel to determine the amount and collectability of all overpayments.

Concur with comments

Response: In order to ensure appropriate action is taken in regard to this recommendation, the Network Contract Manager recommends that the recommended be revised as follows:

The Network Contract Office and Facility Director will confer with Regional Counsel to determine the amount and collectability of all overpayments. A Contract Management review of invoices for the reviewed ICAs at Escondido and Chula Vista will be conducted IAW FAR Part 42 Contract Administration and Audit Services.

Target date for completion: 31 December 2012.

OIG Contact and Staff Acknowledgments

OIG Contact For more information about this report, please contact the Office of Inspector General at (202) 461-4720.

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