Time for the VA to Clean Up Its Act

One year after a Veterans Affairs (VA) scandal was ignited here in Phoenix, the number of veterans on wait lists is 50 percent higher than at the same time last year, according to VA data (1). The VA is also facing a nearly $3 billion budget shortfall. VA Secretary Bob McDonald has asked for “flexibility” to reallocate billions of dollars in clinical funds to cover the shortfall.

Since the scandal broke last year, VA providers have increased their workloads, adding 2.7 million more appointments than the previous year. However, the VA has played "games" with patient eligibility for years. When money was plentiful VA administrators would open the doors to patients since the following years' budgets were based on the number of patients seen. However, when money was tight, the doors would be slammed shut leaving many patients in the lurch scrambling to obtain health care elsewhere. Now it appears that patients might be returning to the VA.

“Something has to give,” the department’s deputy secretary, Sloan D. Gibson, said in an interview. “We can’t leave this as the status quo. We are not meeting the needs of veterans, and veterans are signaling that to us by coming in for additional care, and we can’t deliver it as timely as we want to.” Now the VA is asking Congress' permission to use clinical funds to pay for the budgetary shortfall.

The VA has threatened furloughs and hiring freezes to reduce spending. This seems to be quite sensible. However, in the past, the VA has cut clinical positions which undoubtedly contributed to longer wait times. For example, when I was chief of pulmonary at the Phoenix VA, one of my physicians retired, giving 6 month notice. However, we were not allowed to replace the physician because of a "hiring freeze". This apparently only applied to clinicians since a new associate director was hired.

As we predicted over a year ago, the VA would continue to be troubled due to lack of reform and oversight (2). The present VA secretary, Robert McDonald, is still relatively new on the job and inexperienced in both healthcare and government service. His inaction suggests that he may be confused, or worse, listening to long-entrenched central office bureaucrats. Below are some suggestions which could result in substantial savings and would have little impact on patient care.

Furlough the staffs of the Veterans Integrated Service Networks (VISNs), the 21 VA regional offices which are scheduled to be downsized. The VISNs provide no healthcare and the savings in salaries from the nearly 5000 employees would be substantial (2). Similarly, VA central office which grew from 800 employees to 11,000 in less than 15 years could probably do with a few less administrators (3).

Local VA bureaucracies reflect the growth of central office and VISN bureaucracies. It is unclear what many of the hospital associate and assistant directors do other than sit in meetings. Most hospitals could do without them for a while. Similarly, compliance officers and patient "advocates" really serve no purpose. Despite multiple patient...
complaints about wait times, the lack of action that led to the VA scandal demonstrates that they are not effective. There are also some physicians and nurses who do not see patients. For example, most VA Chiefs of Staff do not see patients. Nursing administration is bloated with "clip board" nurses who do little than attend meetings and create an ever increasing, and seemingly never ending, stream of paperwork for nurses who are already overworked. Surely, we could do without some of these people.

It seems unlikely that VA officials will implement any meaningful cost savings. Instead they will try to preserve the status quo by petitioning Congress to allow them to shift clinical funds depriving veterans of healthcare. That includes using funds from a new program that was a priority for congressional Republicans called the “Choice Card”. This program allows certain veterans to obtain taxpayer-funded care from private doctors. VA administrators have blamed the budget shortfall on this program along with a new treatment for hepatitis C (1). The VA has been accused of dragging its feet on the Choice program and once again appears to be trying to sabotage the program and keep the funds. Gibson said in the interview that in future years more money will also be needed. He said he intended to tell lawmakers, “Veterans are going to respond with increased demand, so get your checkbooks out.”

VA administrators appear more concerned with keeping money inside their dysfunctional agency than caring for vets. Based on past history, Congress will probably let the VA shift the money and none of the recommendations above will happen. If furloughs occur, they will be lower level employees and result in little financial saving. Of course, administrative bonuses will be hefty this year because in their eyes, the administrators have successfully averted a financial crisis. Unless there are some fundamental changes made at the VA, the trend of the last 20 years of bloating the bureaucracy at the expense of healthcare will continue.

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References