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United States Senate

COMMITTEE ON THE BUDGET

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June 7, 2018

The Honorable John Boozman
Chairman
Subcommittee on Military Construction, Veterans Affairs, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Brian Schatz
Ranking Member
Subcommittee on Military Construction, Veterans Affairs, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairman Boozman and Ranking Member Schatz:

As Congress continues its work on the fiscal year 2019 appropriations bills, I invite your attention to an important tool for identifying and eliminating waste and duplication across the government: the Government Accountability Office (GAO) report, *Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Other Financial Benefits*, GAO-18-371SP, issued in April 2018.

Since 2011, this annual report has introduced more than 700 action items across 275 issue areas for Congress and executive branch agencies to reduce, eliminate, or better manage fragmentation, overlap, or duplication; achieve cost savings; and enhance revenue. Agencies and Congress have completely or partially addressed approximately 76 percent of these actions, which GAO estimates has produced approximately \$178 billion in savings and other financial benefits.

But more work remains. This year's report, which was the subject of a recent hearing of the Senate Committee on the Budget, identifies actions that have yet to be addressed – including new actions identified for the first time and those that are only partially addressed. GAO estimates that by fully implementing these open actions, tens of billions of dollars could be saved without adversely affecting services on which many Americans rely. There are a number of actions relevant to your subcommittee, which I have provided in the enclosure attached along with a copy of the full report.

By implementing the actions in GAO's report, Congress can improve government performance and stewardship of taxpayer dollars. This is a goal that I believe both parties share, and I ask for your careful consideration of these items as the fiscal year 2019 appropriations process moves forward.

Thank you in advance for your attention to this matter. If you have any questions, please contact me, or have your staff contact Alison McGuire on my Budget Committee staff at (202) 224-2887.

Sincerely,

A handwritten signature in black ink, reading "Michael B. Enzi". The signature is written in a cursive, flowing style.

Michael B. Enzi
Chairman

Enclosure

Recommendations of the Government Accountability Office on “Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Other Financial Benefits”
GAO Report Number: GAO-18-371SP

Senate Committee on Appropriations
Subcommittee on Military Construction, Veterans Affairs, and
Related Agencies

Open recommendations to Congress:

- Congress should consider enacting legislation to establish a look-back and penalty period for claimants of VA benefits who transfer assets for less than fair market value prior to applying for pension benefits. (2014-23-01-C)

Open recommendations to Executive agencies:

- DOD should reassess the mission of the combined joint task force and Camp Lemonnier in Djibouti and develop a long-term resourcing plan, particularly for infrastructure. (2011-36-03-E)
- To improve the effectiveness, efficiency, and efficacy of services for recovering Servicemembers, veterans, and their families by reducing duplication and overlap, the Secretaries of Defense and Veterans Affairs should direct their Senior Oversight Committee to expeditiously develop and implement a plan to strengthen functional integration across all Department of Defense (DOD) and Department of Veterans Affairs (VA) care coordination and case management programs that serve this population. (2012-12-01-E)
- The Secretaries of VA and DOD should develop and implement a plan to strengthen their functional integration of healthcare coordination and case management programs. (2012-15-01-E)
- The Secretaries of the Departments of Defense, Homeland Security, Health and Human Services, Veterans Affairs, and the Treasury should direct appropriate officials to perform operational analyses annually on all major information technology investments and ensure the assessments include assessments of all factors called for Office of Management and Budget directives. (2013-30-01-E)
- The Secretaries of the Department of Defense and the Department of Veterans Affairs should modify their current processes to ensure that each leased vehicle in the agencies' fleets meets the agencies' utilization criteria or has readily available justification documentation. (2016-20-01-E)
- The Secretaries of the Department of the Interior and Veterans Affairs should take corrective action to address each leased vehicle that has not met the agencies' utilization criteria or passed the justification process. This corrective action could include eliminating unneeded vehicles, which would reduce costs. (2016-20-02-E)

- The Department of Veterans Affairs, along with thirteen other federal agencies, should ensure that procedures to monitor and control spending on mobile devices and services are established agency-wide. (2016-35-03-E)
- The Secretary of Veterans Affairs should provide guidance to educate student veterans about their benefits and the consequences of changing their school enrollment while utilizing the Post-9/11 GI Bill. (2016-37-02-E)
- The Secretary of Veterans Affairs should identify and implement a cost-effective way to allow Post-9/11 GI Bill beneficiaries to verify their enrollment status each month, and require monthly reporting. (2016-37-03-E)
- The Secretary of Veterans Affairs should revise the policy for calculating Post-9/11 GI Bill overpayments by prorating tuition overpayments when veterans reduce their enrollment during the term. (2016-37-04-E)
- The Department of Veterans Affairs should recover the full amount of tuition and fee payments if a school does not charge a veteran using the Post-9/11 GI Bill for any tuition or fees after dropping a class or withdrawing from school. (2016-37-05-E)
- DOD should review its policy on contingency construction projects to avoid duplication and improve oversight and tracking of projects funded from operations and maintenance appropriations. (2017-03-01-E, 2017-03-02-E)
- The Secretary of Veterans Affairs should establish a mechanism to monitor the extent that major medical facility construction projects are following guidelines on change order timeframes and design changes. (2017-20-01-E)
- The Secretary of Veterans Affairs should develop an activation cost estimate for the Denver VA hospital project that is reliable and conforms to best practices as described in the GAO Cost Estimating and Assessment Guide. (2017-20-02-E)
- The Secretary of Veterans Affairs, along with five other agencies, should develop guidance for examining purchase card spend patterns to identify opportunities to obtain savings, and to share information on such efforts. (2017-21-03-E)
- The Secretary of Health and Human Services should coordinate with federal agencies that fund graduate medical education (GME) training, including the Department of Veterans Affairs, to identify information needed to evaluate the performance of federal programs that fund GME training, including the extent to which these programs are efficient and cost effective and are meeting the nation's health care workforce needs. (2018-05-01-E)
- The Secretary of Health and Human Services should coordinate with federal agencies that fund graduate medical education (GME) training, including the Department of Veterans Affairs, to identify opportunities to improve the quality and consistency of the information collected within and across federal programs, and implement these improvements. (2018-05-02-E)

- The Secretary of Veterans Affairs should establish clear lines of authority that provide the Assistant Deputy Under Secretary for Health for Workforce Service the ability to oversee and hold medical center human resources (HR) offices accountable for implementing initiatives to improve HR processes within HR offices as well as monitoring and reporting on the results of these initiatives. (2018-06-01-E)
- The VA should ensure that meaningful distinctions are being made in employee performance ratings by (1) developing and implementing a standardized, comprehensive performance management training program for supervisors of Title 5, Title 38, and Title 38-Hybrid employees based on leading practices and ensuring procedures are in place to support effective performance conversations between supervisors and employees; (2) reviewing and revising Title 5 and Title 38 performance management policies consistent with leading practices (e.g., require definition of all performance levels); and (3) developing and implementing a process to standardize performance plan elements, standards, and metrics for common positions across VHA that are covered under the VA Title 5 performance management system. (2018-06-03-E)
- The VA should ensure that employee ratings-based performance awards are administered in a manner that is consistent with leading practices, and promotes improved employee performance. (2018-06-04-E)
- The VA should develop a plan for how and when it intends to implement a modern information technology system to support employee performance management processes. (2018-06-05-E)
- The Department of Veterans Affairs Director of the Medical Surgical Prime Vendor-Next Generation program office should develop, document, and communicate to stakeholders an overarching strategy for the program, including how the program office will prioritize categories of supplies for future phases of requirement development and contracting. (2018-21-01-E)
- The Director of the Medical Surgical Prime Vendor-Next Generation (MSPV-NG) program office should provide complete guidance to medical centers for matching equivalent supply items, which could include defining the roles of clinicians and local Clinical Product Review committees. (2018-21-02-E)
- The Veterans Health Administration (VHA) Chief Procurement and Logistics Officer should use input from national clinical program offices to prioritize its requirements development and standardization efforts to focus on supply categories that offer the best opportunity for standardization and cost avoidance for the VA's MSPV-NG program. (2018-21-03-E)
- The Veterans Health Administration (VHA) Chief Procurement and Logistics Officer should analyze data on items that are frequently purchased on an emergency basis, determine whether such items are suitable to be added to the Medical Surgical Prime Vendor-Next Generation (MSPV-NG) formulary, and work with the Strategic

Acquisition Center (SAC) to make any suitable items available via MSPV-NG. (2018-21-04-E)

- The Federal Housing Administration (FHA), Department of Veterans Affairs (VA), and Department of Agriculture (USDA) should periodically analyze the effectiveness and long-term costs and benefits of their foreclosure mitigation strategies and actions. (2014-25-01-E)