

GAO

Accounting and Information
Management Division

July 1995

**Human Resources
Information Systems
Issue Area**

Active Assignments

Foreword

This report was prepared primarily to inform Congressional members and key staff of ongoing assignments in the General Accounting Office's Human Resources Information Systems issue area. This report contains assignments that were ongoing as of July 6, 1995, and presents a brief background statement and a list of key questions to be answered on each assignment. The report will be issued quarterly.

This report was compiled from information available in GAO's internal management information systems. Because the information was downloaded from computerized data bases intended for internal use, some information may appear in abbreviated form.

If you have questions or would like additional information about assignments listed, please contact Frank Reilly, Director, on (202) 512-6252; or Patricia Taylor, Associate Director, on (202) 512-5434.

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Human Resources Information Systems

FEDERAL HEALTH CARE

TITLE: REVIEW OF DEFENSE'S DEPLOYMENT, ACTIVATION, AND MONITORING OF THE COMPOSITE HEALTH CARE SYSTEM (CHCS) (511185)

BACKGROUND : Defense continues to deploy the outpatient portion and to re-engineer the inpatient portion of its \$2-billion Composite Health Care System (CHCS). Current plans call for the deployment of outpatient functions to all CHCS sites by the end of August 1995. GAO is mandated by law to continue monitoring CHCS deployment until completion.

KEY QUESTIONS : (1) What progress has Defense made to date in deploying and activating CHCS outpatient functions to CHCS sites worldwide? (2) As Defense deploys and activates functions within CHCS, is Defense implementing GAO recommendations on the use of performance monitoring and analytic/simulation modelling tools for CHCS?

HEALTH CARE REFORM

TITLE: VA'S DECISION SUPPORT SYSTEM: MANAGEMENT AND IMPLEMENTATION ISSUES (511169)

BACKGROUND : VA operates an extensive health care system for veterans costing \$15 billion annually. However, VA lacks critical information to evaluate the cost effectiveness of its care and set appropriate reimbursement rates. To address this, VA is implementing an information system called the Decision Support System (DSS).

KEY QUESTIONS : (1) Is VA pursuing a coordinated business strategy incorporating DSS as a critical source of information for decision making? (2) Is VA implementing operational changes such as ensuring (a) management can use DSS effectively and (b) that DSS has system-wide data integrity? (3) Is the implementation being planned to maximize VA's likelihood of success?

WELFARE SYSTEMS

TITLE: WHAT IMPACT HAVE STATE AUTOMATED PROSPECTIVE DRUG UTILIZATION REVIEW (DUR) SYSTEMS HAD IN INCREASING PATIENT SAFETY AND REDUCING MEDICAID PROGRAM COSTS? (511188)

BACKGROUND : Preliminary data showed that by reviewing Medicaid prescriptions before they are filled, automated prospective drug utilization review (DUR) systems have potential to improve patient safety, reduce program costs, and reduce fraud (AIMD-94-130). Congressional interest is now in showing actual system impact and savings.

KEY QUESTIONS : (1) To what extent has state use of prospective DUR systems improved patient safety and reduced their Medicaid program costs? (2) What impact have these systems had in preventing fraud and abuse? (3) What cost, technical, or other concerns hinder the implementation or effectiveness of these systems?

Human Resources Information Systems

EARNED BENEFIT SYSTEMS

TITLE: REVIEW OF VBA'S MODERNIZATION EFFORT (511186)

BACKGROUND : The Department of Veterans Affairs (VA), Veterans Benefits Administration (VBA), is in the second year of implementing its modernized computer systems used to provide benefits and services to almost 27.3 million veterans. Through its new system, VBA intends to enhance user productivity and improve service to veterans.

KEY QUESTIONS : (1) Discuss past concerns regarding VBA's approach to change its claims process and develop a modernized information system, (2) determine VA's actions to implement GAO's recommendations regarding our past concerns, and (3) ascertain VA's plans to implement the recommendations contained in the Center for Naval Analysis' (CNA) 3/95 report on VBA's modernization.

TITLE: REVIEW OF VBA'S MODERNIZATION EFFORT (511191)

BACKGROUND : The Department of Veterans Affairs (VA), Veterans Benefits Administration (VBA), is in the second year of implementing its modernized computer system used to provide benefits and services to almost 27.3 million veterans. Through its new system, VBA intends to enhance user productivity and improve service to veterans.

KEY QUESTIONS : Determine whether (1) the modernized system is based on reengineered business practices, (2) VA has appropriate resources to identify and implement new business processes and a modernized system, and (3) alternative business practices, technology, and claims processing approaches could enhance the efficiency of VA benefits operations.

OTHER ISSUE AREA WORK - HRIS

TITLE: HRA 5: REVIEW OF CONTROLS TO PREVENT MEDICAL FRAUD AND ABUSE IN MEDICARE AND MEDICAID (510957)

BACKGROUND : The Medicare program is a high risk program. GAO and HHS/OIG have uncovered many internal control weaknesses in this program. GAO now has serious concerns over HCFA's management of the program. Also, insufficient funding of safeguard activities, and the OIG's plans to reduce its caseload, may expose Medicare to more waste, fraud and abuse.

KEY QUESTIONS : I. Could internal controls to detect/prevent fraud in Medicare Part B be strengthened through the use of IRM technology? a. What anti-fraud activities are present in the public and private sector? b. What effective anti-fraud controls exist in Medicare and private insurance companies? c. What health care areas present the highest potential risk for fraud?

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OTHER ISSUE AREA WORK - HRIS

TITLE: REVIEW OF IMPLEMENTATION OF THE FOOD AND DRUG ADMINISTRATION/U.S. CUSTOMS SERVICE SYSTEMS INTERFACE FOR IMPORT ENTRY REVIEW (511172)

BACKGROUND : The Subcommittee requested GAO to review the progress of a long-standing joint systems interface effort between the Food and Drug Administration (FDA) and the U.S. Customs Service (Customs) to improve import surveillance monitoring by FDA at its ports.

KEY QUESTIONS : (1) Has pilot project at FDA's Seattle, Washington, port been successfully implemented? (2) Is the systems interface being implemented within established milestones at various FDA ports? (3) What problems have been identified by FDA and import brokers with full implementation of the interface and how is FDA addressing these problems?

TITLE: REVIEW OF THE MEDICARE TRANSACTION SYSTEM REQUIREMENTS, COSTS AND SCHEDULE (511179)

BACKGROUND : The Health Care Financing Administration (HCFA) is the largest health insurer in the nation. Medicare is the fastest growing program in the federal budget accounting for approximately \$198 billion in FY 96. Medicaid accounts for approximately \$82 billion of the FY 96 budget. In February 1994, HCFA developed its first strategic plan.

KEY QUESTIONS : How does HCFA's Strategic Information Management (SIM) approach to managing information technology compare with some of the best practices of leading organizations as identified in GAO's Executive Guide (AIMD-94-115)?

TITLE: REVIEW OF VA'S DECENTRALIZED HOSPITAL COMPUTER PROGRAM (DHCP) COST AND FUNCTIONALITY (511184)

BACKGROUND : VA's Decentralized Hospital Computer Program (DHCP) provides clinical and administrative support to its \$15 billion a year health care system. DHCP--developed, operated, and maintained by VA--was first implemented in 1982 and now operates in 171 VA hospitals. However, little is known about DHCP's cost or its ability to integrate with commercial software.

KEY QUESTIONS : (1) What is the current and historical cost of developing, operating, and maintaining DHCP and related systems and what is planned through FY 2000? (2) What are the current and planned functions and operating characteristics of DHCP?



154773



United States
General Accounting Office
Washington, D.C. 20548

General Government Division

B-261957

April 3, 1995

The Honorable Steny H. Hoyer
House of Representatives

Dear Mr. Hoyer:

By letter dated March 21, 1995, you asked if we agreed with the conclusions reached by the Congressional Research Service (CRS) in a report on the funding status of the Civil Service Retirement System.

The CRS report was entitled, "Federal Civil Service Retirement: Is There A Financing or Funding Problem?" It reached two conclusions: (1) the system's unfunded liability is not a problem that needs to be fixed to avoid steep increases in outlays from the Treasury or increases in the deficit and (2) the system is not insolvent nor will it become insolvent in the future.

We agree with the CRS conclusions. It is our understanding that, as long as the financing arrangements set out in law are followed, there will always be sufficient assets in the retirement fund to cover benefit payments to all current and future retirees.

The CRS report elaborates on this point by stating that the primary purpose of the retirement fund is to provide budget authority to allow the Treasury to disburse monthly annuity checks without annual appropriations. The actual outlays from the fund come from general revenues and can never be more than the sum of the monthly checks written to annuitants. Thus, while we believe the procedures for accounting for these costs at the agency level could be improved, the unfunded liability itself has no effect on the budget or current outlays and is not a measure of the government's ability to pay retirement benefits in the future.

GAO/GGD-95-200R, CSRS Funding

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We trust the above is a satisfactory response to your request.

Sincerely yours,



Nancy Kingsbury
Director, Federal Human Resource
Management Issues

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