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Employees worried VA used veterans as 'cash cows' to boost funding

by Eric Hannel | Sep 26, 2017, 9:00 AM

Several VA workers asked openly if the reconnection effort was mostly a drive to keep up funding levels, instead of helping veterans. (AP Photo/Charles Dharapak, File)

Some Department of Veterans Affairs employees in New York were worried in 2016 that the VA was rushing to reconnect with thousands of veterans who had not visited the clinic in the past year, in order to ensure the clinic would maintain a certain level of funding, according to internal emails and other documents provided by VA whistleblowers.

Internal VA documents show the VA clinic in Northport, N.Y., was trying last year to reconnect with at least 2,100 veterans who had not visited the facility since 2015. Funding for clinics is distributed based in part on the number of patients they see, and the treatments those patients seek, and the VA calculated that reconnecting with that many patients would mean a \$9.7 million increase in

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Internal documents show that the "patient engagement project" had reached a few hundred veterans by September 2016, and thus secured more than \$800,000 for the Northport clinic.

But those efforts worried some employees. In emails obtained by the *Washington*



physician assistants) and our BUEs (RN, NP) are tasked with doing clerical work because somehow nobody was minding the store and allowed 2,100 PACT patients to be lost to follow up. This didn't happen overnight. So instead of all hands on deck from mgmt. to circle back with these veterans and close the scheduling communication loop, the provider and clinical staff will have to do it because then it will be counted and coded as a billable clinical encounter. That's the part that bothers me since the veterans are being viewed as "cash cows" to milk for \$9M which equals \$4,285.71 each. Apparently a special waiver was granted by VACO to get this done by FY end 9/30/16 to get that pot of gold. But these patients are still enrolled and vested on the books however because of this "waiver" the facility will be eligible for being credited with "unique" for each veteran contacted. Not sure how that's possible with a simple telephone encounter. That's my understanding. What implications will this have re perf evals, bonuses, disciplinary actions should a BUE not meet some sort of arbitrary quota, etc.

Names of employees who sent the emails are being withheld to protect those employees, but were reviewed by the *Washington Examiner*.

Other emails indicated that many employees believed that Northport was setting up a system in which all it had to do was call veterans who hadn't visited the clinic and talk about their medical issues in order to maintain a headcount and thus maintain funding.

An email from August 2016 from one employee tried to describe the situation, although the employee acknowledged that their understanding may not have been correct.

"Since we connected with them via phone and encountered it, it's a billable 'visit' VA absorbs..(correct me here if I'm wrong...)," one email said.

"This phone visit requires that we also sign into a shared template and answer several questions ie did we speak with Veteran, their chronic issues etc.," that email continued.

Another email encouraged more clinics to make more calls in order to keep up the headcount. "I am looking at some clinics who have not made any calls," that email said. "It is not too late."

Another encouraged calls to "get some minimal reimbursement."

"Even if the patient is vested, you get no money if you do not encounter them every year," it said.

In light of those messages, some employees were asking if the plan was ethical. One employee said several workers in the VA were "visibly uneasy" about the idea. "Are other VA's doing this to fix a deficit?" one worker asked.

"I don't foresee one penny going towards veterans other than adding to the slush fund for [management's] excess and more art work," another said.

Despite those worries from several workers, the VA rejected the idea that anything improper was happening, and said it's common practice for the VA to follow up with veterans. VA press secretary Curt Cashour added that there is no evidence that the VA billed out phone calls as medical visits.

"VA itself investigated these allegations and found them to be false," he told the *Washington Examiner*. "The phone calls made were not billable visits and all are properly documented."

He added that the VA would welcome any evidence that backs up the suspicions that were raised in the emails.

A spokeswoman for the House Veterans' Affairs Committee said the committee raised this issue at a field hearing at Northport in the last Congress, but indicated that no conclusions had been drawn.

"Data manipulation within VA — whether it be to skew wait times or misrepresent the number of veteran patients being seen to increase facility funding — is wholly unacceptable and will not be tolerated," said spokeswoman Tiffany Haverly. "The committee is continuing to monitor this and other issues at the Northport facility and throughout the VA system."

According to an internal VA document, Northport had reached 445 veterans as of early September, 2016, which ensured \$843,129 in funding.

It was unclear if all 2,100 veterans designated by VA were contacted, how much revenue was captured by the end of the fiscal year, how long this type of program has been employed by VA or if VA has ended any further use of this or similar schemes to increase its revenue.

Eric Hannel, previously the staff director for the Subcommittee on Oversight & Investigations at the House Veterans' Affairs Committee, is a Marine Corps combat veteran and freelance investigative writer.

