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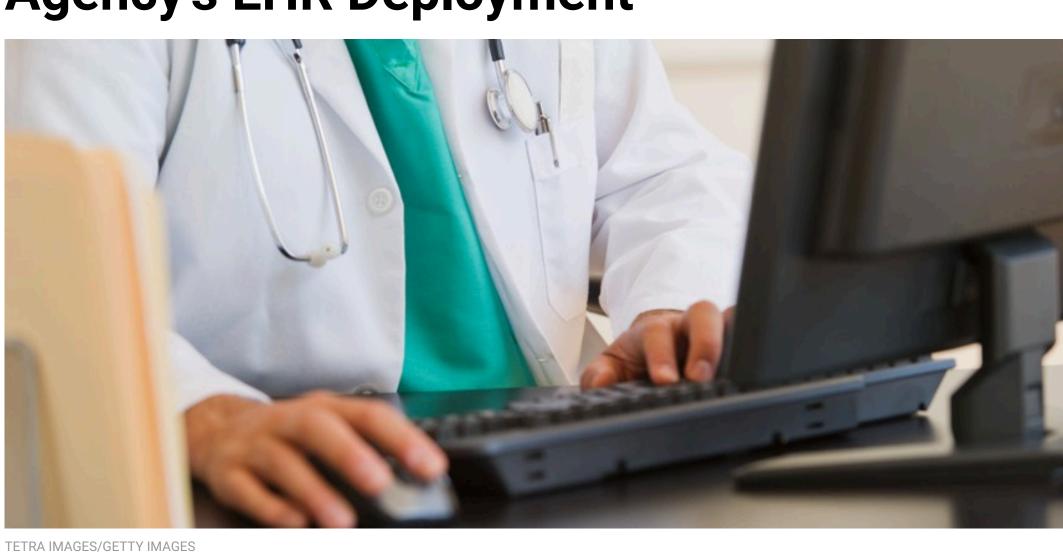
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## **VA Official Has 'Deep Concerns' About Agency's EHR Deployment**





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Staff Reporter, Nextgov

**SEPTEMBER 22, 2022** 

But leadership at the agency pushed back against projected cost overruns and delays moving forward.

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say the least."

Senators pressed officials from the Veterans Affairs Department to address cost and usability issues hindering the rollout of VA's multi-billion dollar Oracle-Cerner Millennium electronic health record system during a Senate Appropriations Subcommittee on Military

Construction, Veterans Affairs and Related Agencies hearing on Wednesday.

system as it's functioning for frontline employees and service to veterans," noting that he visited the VA Central Ohio Healthcare System in Columbus earlier this year following the medical center's EHR deployment and "saw folks struggling with this system deeply." "Among the most concerning things that I saw was a phenomenon whereby our frontline clinicians, when they put in an order or were trying to interface with the system, they were

Dr. Shereef Elnahal, VA's undersecretary for health, said he has "deep concerns about the

not confident in many cases and in many clinical settings that those orders were actually getting where they needed to go," Elnahal said, adding that the experience led to a broader review within VA of how workflows and the configuration of the EHR system could be improved. Sen. Martin Heinrich, D-N.M., who chairs the subcommittee, reiterated his support for VA's EHR modernization efforts, calling it "an extremely important effort to solve a decades-long problem." But Heinrich expressed concern about VA's transparency throughout the EHR

deployment process, citing cost overruns that were not initially conveyed to Congress when

the program was launched and an implementation process that has been hindered by

delays and functionality concerns. "I am glad VA is not rushing deployments until there's more confidence in the likelihood of success, but the department needs to be straightforward with Congress about what is reasonable and achievable," Heinrich said. VA signed a \$10 billion, 10-year contract with Cerner in 2018 to implement new,

interoperable EHR software across the department's national network of 171 medical centers, replacing its legacy system. The EHR system rollout, however, has been plagued by software outages, logistical delays and patient safety issues that have hampered the deployment process. A highly critical watchdog report released by the VA Inspector

General's office in July found that the EHR system deployed at the department's initial

rollout site—the Mann-Grandstaff VA Medical Center in Spokane, Washington—routed more than 11,000 clinical orders for veterans to an "unknown queue" without alerting clinicians. Sen. John Boozman, R-Ark., the subcommittee's ranking member, noted that approximately \$8.5 billion has already been appropriated to launch the EHR system over the past five years, and that VA is seeking another \$1.75 billion for the program for fiscal year 2023. "At the outset, we were told that this program would cost no more than \$16 billion and

would be complete in 10 years," Boozman said. "In the years since, VA has deployed the

new system at only a small handful of sites, and those rollouts have been challenging, to

VA's beleaguered EHR deployment has garnered bipartisan criticism from lawmakers, who

passed legislation—the VA Electronic Health Record Transparency Act—earlier this year

requiring that the VA Secretary submit reports to Congress on cost, performance and patient safety issues related to the system's deployment. President Joe Biden signed the bill into law in June. The Senate subcommittee hearing was held one day after lawmakers on two House Veterans' Affairs subcommittees faulted VA for its major acquisition failures, including its EHR system deployment.

Sen. Jon Tester, D-Mont., who chairs the Senate Veterans' Affairs Committee, criticized VA's

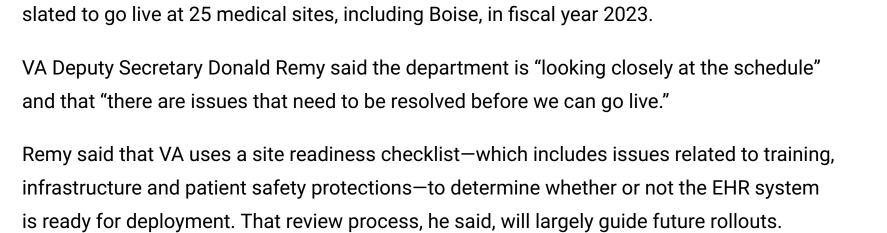
lack of progress deploying the new EHR system and said "I don't know if we've got a return

on investment to speak of at all." "We're into this damn near five years—it'll be five years in May—and we still haven't done a damn thing," Tester said. "I mean, we've implemented, and it's been a trainwreck, in my opinion."

was postponing future deployments of the software until next year. VA initially delayed a planned EHR rollout at Boise VA Medical Center in June, before indefinitely postponing the

site's rollout in July after an assessment determined that "more could be done to ensure a

safe and successful deployment." VA's EHR deployment schedule currently has the software



"As we're working with a site for potential deployment, we work through these issues to make sure they have them covered," Remy added. "An example of the effectiveness of that checklist was Boise recently, where we determined we weren't going live as we went through the checklist."

A cost estimate provided to Congress by the Institute for Defense Analyses—or IDA—in July estimated that the lifecycle cost of the EHR system's implementation would be more than \$50 billion over 28 years, with the EHR deployment process at all of VA's medical centers taking 13 years. As was noted during the hearing, VA has not yet allowed IDA to publicly

release its cost estimate. Dr. Brian Rieksts, a research staff member in IDA's cost analysis and research division, said that VA's 10-year, \$16 billion implementation and cost estimate did not take into account assumed productivity losses at medical centers deploying the EHR software, as well as sustainment costs needed to keep the EHR systems operational. And Rieksts told Boozman

that IDA's additional three-year deployment estimate was based on risk analysis. "We estimate a range of one to five additional years over the 10-year period that will be required, and that's based on both looking at historical programs and the challenges that they've had, and then events that have happened with the current program that have led to delays that don't indicate that this program would behave differently than historical programs," Rieksts said.

Remy said, however, that VA still believes it can accomplish the EHR rollout within the 10year contract period—although he added the caveat that the department is committed to doing so in a "safe, effective manner for our clinicians and our veterans." "If that needs to go beyond 10 years, we're working through the process of determining

Mike Sicilia, executive vice president for industries at Oracle, told the senators that proper implementation of the EHR system was Oracle's "most important" priority and added that the company has moved 2,000 employees onto the project to complement the existing

Cerner team. Sicilia said Oracle—which acquired Cerner in June—still believes it "can deliver

this system within the budget envelope and without the need for any additional funds."

"As we have examined the underlying causes for these delays and challenges, our

what that time period might be," Remy said.

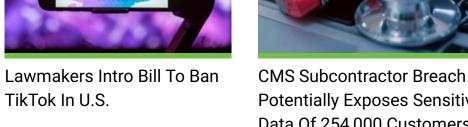
Sicilia cited Oracle's recent partnership with Accenture to "evaluate the current training program," as well as the launch this week of a new dashboard "that catalogs our to-do list and progress being made" on the project, as examples of the company's commitment to ensuring the success of the EHR system's deployment moving forward.

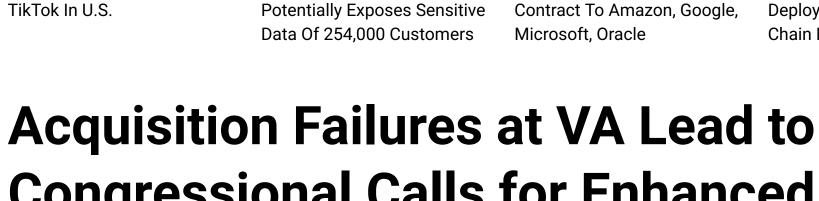
conclusion is that we have found nothing that can't be addressed in reasonably short order

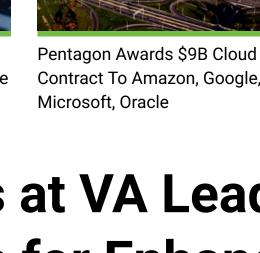
to get us back on a workable schedule and within budget," Sicilia said. "We know we have a

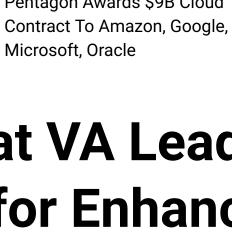
lot to prove with deployments next year at larger, more complex sites. We view the next year

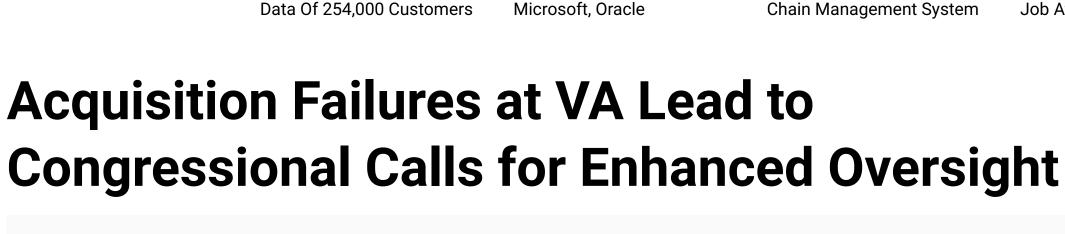
as a key window for building momentum and turning the corner." N Share This: (1) (in) (f) (2) (2) **NEXT STORY:** Acquisition Failures at VA Lead to Congressional Calls for **Enhanced Oversight** 











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MATT MCCLAIN/ THE WASHINGTON POST VIA GETTY IMAGES **SEPTEMBER 21, 2022** Republican leaders on the House Veterans' Affairs Committee want the VA to halt major purchases until a

By Edward Graham,

Staff Reporter,

Nextgov

Several leading Republicans on the House Veterans' Affairs Committee expressed strong reservations about the Veterans Affairs Department's continued pursuit of major acquisitions over concerns about its management of several multi-billion dollar modernization projects.

implemented.

**VETERANS AFFAIRS** 

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During a joint hearing on Tuesday, lawmakers on the Subcommittee on Oversight and Investigations and the Subcommittee on Technology Modernization criticized the VA over its management of major technology programs, saying that the agency lacks consistent

Rep. Matt Rosendale, R-Mont., ranking member of the Technology Modernization

reporting of associated costs, schedules and performance information.

oversight and accountability procedures needed to ensure the success of its acquisitions.

Subcommittee, suggested the establishment of a board to oversee the approval of VA's

new binding acquisition management framework is

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"The VA has to demonstrate better management before it can start any new programs, and we cannot entrust it with any more taxpayer money to chase after these failed programs," Rosendale said. "It's our responsibility to make sure the mistakes of the past are not repeated." Rosendale also cited the Government Accountability Office's August report on the VA's

department's purchases of goods and services. While the framework was implemented in 2017, it remains voluntary and has not been used to manage VA's major acquisitions. GAO previously added VA's acquisition management to its high-risk list—or HRL—in 2019, which catalogs federal programs and operations that are "vulnerable to fraud, waste, abuse and

acquisition program management framework, which is designed to manage the

mismanagement, or need transformation."

additional steps to shore up the ALF before it is adopted.

has no current strategy to actually enforce its use."

recommendations.

of Acquisition, Logistics and Construction-told the committee the VA is in the process of implementing a new binding and enforceable acquisition lifecycle framework, known as ALF, that "will serve as an effective tool to manage and oversee VA acquisitions" once it is implemented. Parrish said the VA has also made significant progress in addressing GAO's concerns with the agency's acquisition management process since it was added to the HRL. Of the 51

HRL-related recommendations offered by GAO, Parrish said 37 of the recommendations

have been closed and that the VA is in the process of addressing the remaining 14 open

As Parrish noted in his opening remarks, however, GAO has recommended that the VA take

Michael Parrish—the chief acquisition officer and principal executive director of VA's Office

"VA still faces many of the same challenges that hindered the success of the prior framework," Shelby Oakley, GAO's director of contracting and national security acquisitions, told the committee. "For example, VA can't readily identify programs subject to varying levels of framework oversight, doesn't know if it has the workforce with the skills necessary

Subcommittee, expressed support for the concept of the ALF, but said that "until this framework is issued, and the binding and enforcement mechanisms are in place, VA should not begin any other major acquisitions." "Unfortunately, four major projects with a total cost of over \$24 billion are already underway," Mann said, adding that "it's not too late to make sure that new projects are wellplanned."

Rep. Tracey Mann, R-Kan., ranking member of the Oversight and Investigations

Standard Support, or DMLSS—was adopted from the Department of Defense in 2019 to replace VA's legacy systems, but has faced implementation issues of its own after it was

at the Edge **READ NOW** to implement the various aspects of the framework—especially at the program level—and

launched as a pilot project at the Captain James A. Lovell Federal Health Care Center in North Chicago, Illinois. The VA's Office of the Inspector General reported last November that the DMLSS, which is expected to cost roughly \$2.2 billion over 15 years, "did not meet nearly half of all high-

priority needs" at the rollout site and that VA "did not follow its own acquisition framework requirements." In her testimony to the committee, Oakley noted that "VA is reassessing the future" of the DMLSS system. Lawmakers on the committee also remained highly critical of the VA's Oracle-Cerner Millennium electronic health record system, which has faced criticism over its slow rollout, frequent outages and patient safety concerns. The VA initially signed a \$10 billion deal with

health IT provider Cerner in 2018—Oracle completed its acquisition of Cerner in June 2022 to design the EHR software, but the cost of the new system has grown to over \$16 billion. A cost estimate provided to Congress by the Institute for Defense Analyses in July estimated that the lifecycle cost of the EHR system's implementation would be \$50.8 billion over 28 years. A July OIG report also found that over 11,000 clinical orders for veterans at the first site of

which has only rolled out the EHR system at five medical sites across the country, announced in July that it was delaying future rollouts of the software until next year. Committee Chairman Mark Takano, D-Calif., called the EHR system "the poster child for major acquisition issues at VA," but cautioned lawmakers to be careful of "rushing to judgment and rushing to certain conclusions" when it came to broader questions about the durability of some of VA's ongoing projects.

EHR system rollout—the Mann-Grandstaff VA Medical Center in Spokane, Washington—were

improperly routed to an "unknown queue" without the knowledge of clinicians. The VA,

"The bathwater may be really bad on a lot of stuff, but throwing out the entire baby along with the bathwater may not be the best thing," Takano said. Top Republican lawmakers on the committee have introduced bills—or announced plans to

draft legislation—that would expand congressional oversight over the VA's acquisition process. Rep. Mike Bost, R-III., the ranking member of the full committee, announced during a July

hearing that he was drafting legislation to set a hard deadline for the EHR system's rollout.

And Rosendale also introduced legislation last year, known as the VA IT Reform Act, that would prevent the VA from "starting new major IT projects before submitting to Congress a cost estimate, schedule and performance goals for each project." That bill was unanimously passed by the committee last November. Mann also announced during Tuesday's hearing that he plans to introduce legislation which he called the VA Supply Chain Management Authorization Act—to "authorize and set

"Congress can, and should, authorize these major acquisitions," Mann added.

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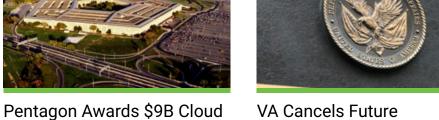
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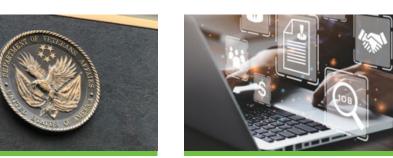
Contract To Amazon, Google,

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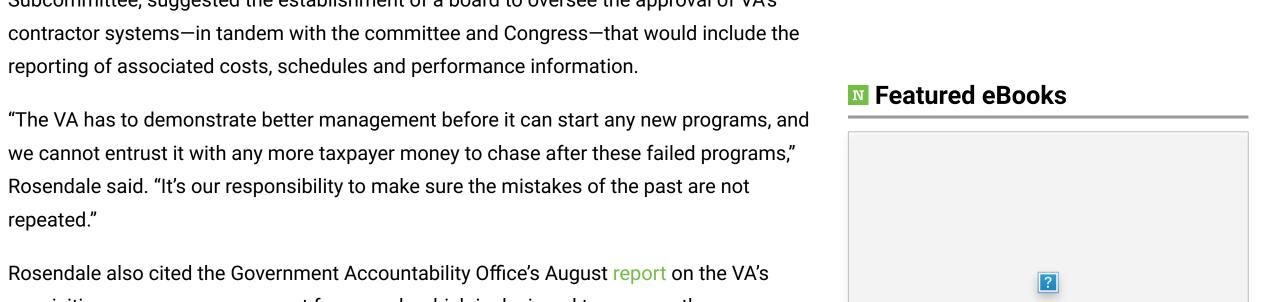
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