Office of Inspector General
United States Department of State

ISP-I-24-08 | Office of Inspections | December 2023

Inspection of the Bureau of Medical Services

DOMESTIC OPERATIONS

HIGHLIGHTS
Office of Inspector General
United States Department of State

ISP-I-24-08

What OIG Inspected
OIG inspected executive direction, operational effectiveness and program implementation, resource management, and information management operations of the Bureau of Medical Services.

What OIG Recommends
OIG made 16 recommendations: 15 to the Bureau of Medical Services and 1 to the Bureau of Administration.

In its comments on the draft report, the Department concurred with 15 recommendations and neither agreed nor disagreed with 1 recommendation. OIG considers all 16 recommendations resolved. The Department's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. The Department's formal responses are reprinted in their entirety in Appendix B.

December 2023
OFFICE OF INSPECTIONS
DOMESTIC OPERATIONS

Inspection of the Bureau of Medical Services

What OIG Found

- The Chief Medical Officer and Principal Deputy Chief Medical Officer set a positive tone for the Bureau of Medical Services and generally led the bureau in accordance with Department of State leadership and management principles.
- The bureau demonstrated commitment to diversity, equity, inclusion, and accessibility principles, but staff believed the bureau should provide more career advancement and leadership opportunities to Civil Service personnel and Foreign Service medical specialists.
- Duplicative and parallel functions throughout the bureau represented potentially inefficient use of resources and inconsistent practices, which the bureau was addressing through a planned reorganization.
- Informal and ad-hoc decision-making processes resulted in a lack of clarity regarding policy and operational changes, inconsistent dissemination of decisions, and revisions of decisions after the fact.
- Multiple factors contributed to the delay in deploying an electronic health record system, including inadequate project scope and cost management, and insufficient executive-level IT investment oversight.
- The bureau's quality management procedures did not comply with health care industry standards requiring regular clinical performance reviews of medical providers.
- Staff vacancies, insufficient staffing, and increasing workloads affected some aspects of operations, particularly in the areas of medical clearances and mental health support services.
- The bureau played an important and visible role in Department efforts to address COVID-19 and anomalous health incidents.
- The bureau's Executive Office lacked standards to measure its customer support services. The bureau also had shortcomings in its contract management, human resources, and facilities management operations.

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CONTEXT

The Bureau of Medical Services (MED) manages the Department of State's (Department) worldwide medical program, which promotes the health and well-being of the U.S. global diplomatic community and facilitates the Department's diplomatic efforts. MED provides services in more than 200 health units in embassies and consulates. Its U.S. direct-hire overseas staff includes 68 regional medical officers, 24 regional psychiatrists, 112 nurse practitioners and physician assistants, 12 regional medical laboratory scientists, 5 regional medical managers, and approximately 1,000 locally employed and eligible family member staff.

Depending on their size, location, and capabilities, overseas MED health units provide primary, urgent, and occupational health care, manage medical evacuations, and assist employees and family members with access to local health care facilities. The health units deliver care to a community of 70,000 U.S. direct-hire employees and family members from 31 U.S. government agencies, and on-the-job injury and illness treatment for more than 75,000 LE staff. In 2022, MED recorded 250,000 patient visits to its health units and arranged 969 medical evacuations.

Domestically, MED's authorized staffing consists of 222 U.S. direct-hire employees and 167 contractors. MED adjudicates medical clearances before Department personnel deploy overseas, coordinates medical and mental health evacuations, provides immunizations for deploying and domestic employees, and administers mental health, counseling, and wellness programs. MED also provides medical support for the Bureau of Diplomatic Security's Office of Mobile Security Deployments and the Office of the Special Presidential Envoy for Hostage Affairs and trains and equips overseas personnel for medical and operational responses to multi-casualty events. In addition, MED recruits Foreign Service medical specialists and facilitates their movement through the hiring process in coordination with the Bureau of Global Talent Management.

MED plays a visible and important role in the Department's efforts to provide medical care to its personnel around the world. However, in recent years, the bureau has faced what its leadership termed complex and unprecedented challenges, including the COVID-19 pandemic and anomalous health incidents (AHI).[1]

MED's FY 2022 to FY 2026 Functional Bureau Strategy has four strategic goals:

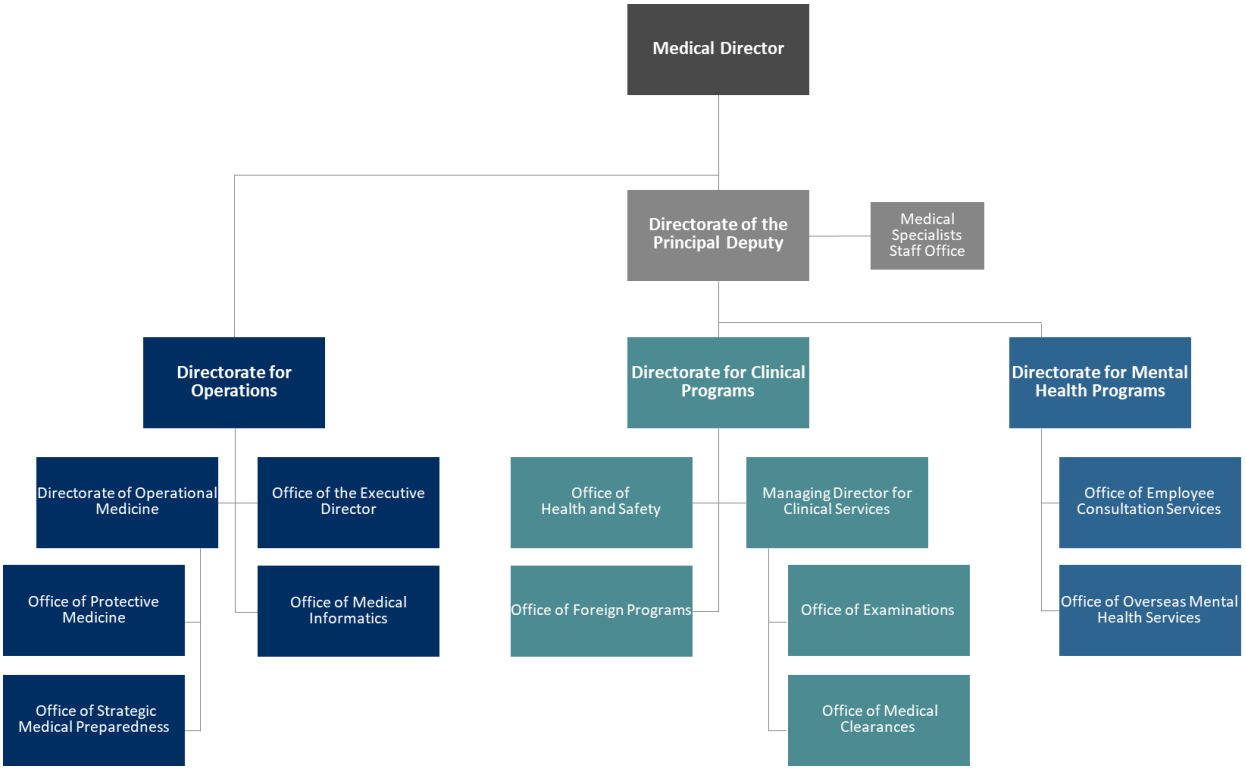
- Provide effective and accountable medical care and services to protect, strengthen, and support the diplomatic community around the world.
- Provide a cadre of well-trained, competent, and diverse medical professionals to address current and emergent needs and to deliver timely viable access to care in accordance with quality-of-care standards.

[1] In 2016, U.S. government personnel in Cuba began reporting a variety of symptoms including unusual auditory or sensory events. Across the U.S. government, these incidents are referred to as AHIs.

- Monitor, assess, and mitigate medical risk through an integrated health care surveillance and response framework ensuring MED resources are prepared to address the full spectrum of health threats facing chief of mission personnel.
- Transform business operations through modernized systems, optimized business processes, and enhanced accountability to improve service support across all bureau activities.

MED's leadership structure consists of a Chief Medical Officer (CMO), a Principal Deputy Chief Medical Officer (PDCMO), and three Deputy Chief Medical Officers. Please see the bureau's organizational chart in Figure 1, below.

Figure 1: Bureau of Medical Services Organizational Chart



Notes: At the time of the inspection, the Bureau of Medical Services was undergoing a reorganization, as described later in this report. The bureau's official organizational chart in 1 Foreign Affairs Manual Exhibit 361.2, dated September 18, 2019, did not align with the structure at the time of the inspection. Additionally, the Deputy Chief Medical Officer position overseeing the Directorate of Operations had been vacant since 2021, and the Directorate of Operational Medicine and the Offices of the Executive Bureau and Medical Informatics reported to the Principal Deputy, referred to throughout this report as the PDCMO.

Source: OIG generated from information in 4 Foreign Affairs Handbook-1 H-421.6.

OIG evaluated the bureau's executive direction, operational effectiveness and program implementation, resource management, and information management operations consistent with Section 209 of the Foreign Service Act of 1980.[2]

EXECUTIVE DIRECTION

OIG assessed the CMO's and the PDCMO's leadership based on interviews, questionnaires completed by bureau employees and overseas health unit staff, reviews of documents, and observations of bureau events. OIG also conducted interviews with MED stakeholders in the Department.

Tone at the Top

The CMO was appointed in August 2022, after 2 years as the bureau's PDCMO. He previously served as the regional medical manager for the Bureau of European and Eurasian Affairs at Consulate General Frankfurt, Germany; as regional medical officer at U.S. embassies in the United Kingdom, Afghanistan, Japan, and Mali; and as the bureau's director for medical evacuations. The PDCMO arrived in August 2022 after an assignment as the regional medical manager for the Bureaus of Near Eastern and South and Central Asian Affairs at Consulate General Dubai, United Arab Emirates. She previously served as regional medical officer at U.S. embassies in India, Pakistan, Saudi Arabia, Qatar, and Kenya.

OIG found the CMO and PDCMO generally modeled the Department's leadership and management principles found in 3 Foreign Affairs Manual (FAM) 1214b.[3] MED staff described them as approachable, good listeners, and open to differing points of view. They characterized the CMO as thoughtful, detail-oriented, and deliberative and the PDCMO as decisive, direct, and personable. Bureau staff told OIG the CMO and PDCMO conveyed priorities and discussed developments through weekly senior staff meetings, monthly virtual meetings with overseas health units, and emails.

OIG determined that the Front Office was attentive to morale. For example, during the inspection, it distributed a MED burnout survey to staff; reinstituted bureau-wide quarterly all-hands meetings, which had been paused during the COVID-19 pandemic; and expressed appreciation for staff contributions through emails. The CMO and PDCMO sent emails commemorating Medical Laboratory Professionals Week and National Nurses Week/International Nurses Day, as well as emails highlighting staff's support for the evacuation of embassy personnel and family members from Sudan. Staff also cited the CMO and PDCMO's continuing support of the Directorate of Operational Medicine's (OM) programs and personnel after an attempt in 2020 and into 2021 to separate it and parts of MED's Executive Office and Office of Informatics to establish a new bureau. This is discussed in more detail in the Bureau

[2] See Appendix A.

[3] The Department's leadership and management principles outlined in 3 FAM 1214b are (1) model integrity, (2) plan strategically, (3) be decisive, (4) communicate, (5) learn and innovate constantly, (6) be self-aware, (7) collaborate, (8) value and develop people, (9) manage conflict, and (10) foster resilience.

Organizational Structure and Processes section. Staff described this event as traumatic and divisive, and they told OIG the CMO and PDCMO continued to signal that that they appreciated OM's mission and that it would remain within the bureau.

Although bureau staff responses to OIG questionnaires rated both the CMO and PDCMO positively in terms of their personal integrity, staff also told OIG that MED did not hold employees accountable for their actions and expressed concerns about perceived nepotism in past hiring practices. The CMO and PDCMO responded positively to OIG's suggestion that they make clear their commitment that all employees adhere to the highest standards of conduct, performance, and ethics.

Equal Employment Opportunity and Diversity, Equity, Inclusion, and Accessibility

OIG determined that MED's Equal Employment Opportunity (EEO) program and commitment to diversity, equity, inclusion, and accessibility (DEIA) were consistent with Department standards in 3 FAM 1214b(6) and with the Secretary's guidance on EEO in cable 21 STATE 37956[4] and on diversity and inclusion in cable 21 STATE 60514.[5] The bureau formed a DEIA Steering Group, established a charter and, during the inspection, held elections among domestic and overseas health unit staff for a DEIA Council.

MED conducted training and educational sessions to promote EEO and DEIA principles for both domestic and overseas health unit staff. For example, MED conducted presentations to raise awareness of micro- and macro-aggressions in September and December 2022, arranged a presentation on systemic biases and hierarchies in the medical profession in February 2023, and organized a visit for domestic staff to the National Museum of African American History and Culture in February 2023 in observation of Black History Month.

The bureau incorporated specific DEIA goals in its Functional Bureau Strategy related to recruiting a more diverse Foreign Service medical provider workforce. To achieve these long-term objectives, MED established relationships with historically Black colleges and universities, other institutions of higher education serving minority populations, and national healthcare affinity groups. Additionally, it attended or hosted events targeting these populations and maintained contact through social media platforms.

Despite these programs, bureau staff said that MED needed to provide more career advancement and leadership opportunities for Civil Service personnel and Foreign Service medical specialists who were not physicians to take advantage of their skills. The Front Office told OIG it planned to accommodate their concerns in its reorganization plan, as discussed later in this report.

[4] Cable 22 STATE 37956, "Reissuance of Secretary's Policy on Equal Employment Opportunity and Harassment," April 12, 2022.

[5] Cable 21 STATE 60514, "Policy Statements on Diversity and Inclusion and Equal Employment Opportunity and Harassment," June 11, 2021.

Internal Controls

Although the CMO signed and submitted the FY 2022 Annual Management Control Statement of Assurance as required by 2 FAM 022.7(5), OIG determined MED did not have effective processes to identify and mitigate internal control risks as required by 2 FAM 021.1a-d. According to MED staff and documents submitted to OIG, the bureau used ISO 9001:2015 internal and external audits to review internal controls,[6] and it used the Department's Management Controls Checklist,[7] OIG functional questionnaires,[8] and several inventories and reviews to prepare the Statement of Assurance. However, during the inspection, OIG found internal control issues in program, resource, and information management. These issues, discussed later in this report, indicate the need for a more rigorous process to uncover and correct internal control weaknesses. Without effective processes, there is an elevated risk of waste, fraud, and mismanagement, and the bureau is less able to manage, monitor and evaluate its projects, programs, and operations.

Recommendation 1: The Bureau of Medical Services should implement a system to identify and mitigate, on a continuous basis, the internal control risks to its programs and processes, in accordance with Department guidance. (Action: MED)

Strategic Planning

Bureau Conducted Regular Reviews of Its Functional Bureau Strategy

OIG found that MED conducted reviews of its Functional Bureau Strategy as required by 18 FAM 301.2-4(D)c. MED staff told OIG the bureau historically used its achievement and maintenance of ISO 9001:2015 certification to satisfy these requirements. In 2022, however, it instituted a process with formal bureau strategy progress reviews twice a year coordinated by a strategic program management team in MED's Office of the Executive Director (MED/EX). The bureau held its first review in September and October 2022. As a result of this review, MED proposed changes to its strategy, which the Department approved in March 2023. It conducted a second progress review in April 2023.

Bureau Did Not Comply With Department Program Evaluation Guidelines

MED did not comply with Department guidelines for evaluating its programs, projects, and processes. Although the bureau designated a bureau evaluation coordinator, it did not develop

[6] According to the International Society of Standards (ISO), an independent, non-governmental international organization with a membership of 168 national standards bodies, ISO 9001:2015 defines criteria for a quality management system. Organizations meeting these criteria can be certified and conduct internal and external audits to ensure conformance to quality management standards. (http://iso.org).

[7] The Department's annual guidance for the submission of the Statement of Assurance includes the management controls checklist as an optional tool to help evaluate management controls and as a vulnerability assessment that facilitates identification of weaknesses and useful information on potential vulnerabilities. For example, see Bureau of Comptroller and Global Financial Services, "Management Controls Checklist Fiscal Year 2023," March 2023.

[8] OIG functional questionnaires are an inspection resource used to assess an inspected entity's operations.

and submit a bureau evaluation plan.[9] In addition, MED did not conduct an annual evaluation of bureau programs, projects, and processes for FY 2022, as required in 18 FAM 301.4-4a-b. MED staff told OIG they did not comply with the program evaluation guidelines because the bureau began transitioning to 18 FAM 300 guidelines for strategic program direction and management in 2022, and prioritized activities related to FBS progress reviews. They told OIG they planned to address the bureau's evaluation plan during the summer of 2023, upon the return from long-term leave of a key staff member. However, failure to conduct evaluations could affect MED's ability to make informed decisions about policies, strategies, delivery of services, and in the budget and planning process.

Recommendation 2: The Bureau of Medical Services should develop and submit a bureau evaluation plan and conduct annual evaluations of the bureau's programs, projects, and processes in accordance with Department guidelines. (Action: MED)

Bureau Organizational Structure and Processes

Duplicative and Parallel Functions Represented Potentially Inefficient Use of Resources and Inconsistent Practices

OIG found duplicative and parallel functions throughout MED that represented potentially inefficient use of resources and led to inconsistent administrative practices within the bureau. For example, OM operated a resource unit that handled travel, budget, and IT operations even though MED/EX and the Office of Medical Informatics also provided these services. The Medical Specialist Services Office onboarded incoming Foreign Service personnel, while MED/EX onboarded Civil Service and contract personnel. In addition, three different offices—the Office of Foreign Programs, the Office of Overseas Mental Health Services, and OM—were responsible for medical evacuations. Finally, both the Office of Medical Clearances and the Office of Overseas Mental Health Services were responsible for medical clearances.

These organizational issues occurred for several reasons. OIG found offices developed some duplicative and parallel processes because they believed MED/EX did not provide an adequate level of service. For example, MED staff in OM told OIG its personnel often needed to travel on short notice. Since MED/EX could not provide support within such short timeframes, OM employed travel logistics specialists to handle travel arrangements for its employees. In addition, staff told OIG the former Deputy Chief Medical Officer for Operations established the duplicative functions in anticipation of OM becoming a new bureau with the Office of Medical Informatics and parts of MED/EX.[10] Finally, OIG concluded that the bureau's siloed organizational structure, which MED recognized as a weakness in its Functional Bureau

[9] See 18 FAM 301.4-4(A), "Bureau Evaluation Coordinators," and 18 FAM 301-4-4(B), "Bureau Evaluation Plans."

[10] Former Secretary Pompeo approved the creation of the Bureau of Contingency and Crisis Response on September 20, 2020. Due to concerns raised by congressional and other stakeholders, in January 2021 Secretary Blinken paused implementation of the new bureau pending further review. As a result of that review, Secretary Blinken in June 2021 directed that implementation be discontinued and terminated.

Strategy, contributed to the development of duplicative and parallel processes in other areas, such as medical evacuations and clearances.

Guidance in 1 FAM 014.1a states that an organizational structure should strive to achieve a proper balance among mission needs, efficiency of operations, and effective employee utilization. In addition, the Government Accountability Office *Standards for Internal Controls in the Federal Government*,[11] Principle 3.05, calls on management to periodically evaluate organizational structure so that it meets the entity's objectives. The lack of an organizational structure that optimizes staff and resources to effectively meet operational needs can hamper MED's ability to execute and achieve its mission.

MED submitted to the Under Secretary for Management a reorganization proposal in November 2022 to fully integrate OM into the bureau after the Department terminated the effort to incorporate OM into the Bureau of Contingency and Crisis Response. In response, Department officials requested that MED undertake a broader effort to consolidate support services as well as to address the bureau's overall structure. At the time of the inspection, the PDCMO, who was leading this effort, and her team had consulted other functional bureaus to determine what elements of their organizational structures might be relevant to MED. They also began conducting "listening sessions" with bureau employees to solicit their ideas and build support. The PDCMO and her team told OIG their preliminary framework would consolidate support services and similar programmatic functions and expand leadership positions for Civil Service personnel and Foreign Service medical specialists to improve continuity and draw upon a larger pool of skills to benefit bureau operations. Finally, they said a reorganization along these lines not only would result in a more cohesive bureau but allow it to provide services in a clear and transparent manner to the community it serves, as well as strengthen its collaboration and engagement with other Department elements. However, until revisions to the reorganization plan are complete and approved by the Under Secretary for Management, the bureau will have in place duplicative and inefficient administrative processes.

> **Recommendation 3:** The Bureau of Medical Services should establish and implement a bureau organizational structure that aligns with operational needs in accordance with Department guidelines. (Action: MED)

Bureau Lacked Clear Decision-Making Processes

OIG found MED's informal and ad hoc decision-making processes resulted in a lack of clarity regarding policy and operational changes, inconsistent dissemination of decisions, and revisions of decisions after the fact. Managers and supervisors throughout MED told OIG the Front Office often made decisions in meetings with managers or after receiving memos that offices prepared for Front Office action. However, they said the bureau lacked a clear process to ensure that when offices presented decision proposals to the Front Office, all possible options and second-order effects had been considered, all interested parties had been consulted, and

[11] Government Accountability Office, *Standards for Internal Control in the Federal Government,* page 28 (GAO-14-704G, September 2014).

any decisions made were documented and conveyed to employees. For example, during the inspection, the bureau announced a new policy regarding licensure of medical practitioners domestically and at overseas health units. However, the next day, it amended the published policy based on employee feedback. OIG determined that if the bureau had a clear process, it could have taken into consideration employee views during the drafting stage and avoided the need to amend the new policy. Employees in MED also told OIG various levels of supervisors and managers generally communicated decisions and policies, but sometimes without context or explanation, which left them confused. Additionally, OIG found the Front Office generally did not keep copies of memos on which it had taken action.

The Government Accountability Office's *Standards for Internal Controls in the Federal Government*,[12] Principle 13.02, calls on management to design a process to identify information requirements needed to achieve objectives and address risks. In addition, Principle 3.10 states that effective documentation assists in establishing the communication of who, what, when, where, and why and provides a means to retain organizational knowledge and mitigate the risk of having that knowledge limited to a few personnel.[13] Lack of a clear process establishing how decisions are made, documented, and disseminated impedes MED's ability to carry out its operations in an effective and efficient manner.

Recommendation 4: The Bureau of Medical Services should implement procedures that define and document its decision-making process for policy and operational changes. (Action: MED)

OPERATIONAL EFFECTIVENESS AND PROGRAM IMPLEMENTATION

OIG assessed MED's operational effectiveness and program implementation by reviewing its policies and programs, including its response to the COVID-19 pandemic and AHIs. Although OIG determined that, overall, MED's implementation of programs generally met Department standards, OIG identified issues with the bureau's implementation of electronic health records, quality management, and staffing, as described below.

Electronic Health Records System

According to HealthIT.gov,[14] electronic health records (EHR) are real-time, patient-centered records that make information available instantly and securely to authorized users. Unlike paper-based medical records, EHRs contain information from all medical providers involved in a patient's care—primary care physicians, specialists, nurses, technicians, and other clinicians—and all authorized providers can access that information. An EHR can contain a patient's medical history, diagnoses, medications, treatment plans, immunization dates, allergies, radiology images, and laboratory and test results. By having this information in one place,

[12] GAO-14-704G, September 2014, page 59.

[13] Ibid, page 29.

[14] HealthIT.gov is the official website of the U.S. government's Office of the National Coordinator for Health Information Technology.

providers can have more complete and accurate information to make decisions about a patient's care. An EHR system also can be used to automate and streamline the processes that medical providers perform to treat patients. Benefits of EHRs include improved patient care, coordination, diagnostics, and patient outcomes; increased patient participation; and medical practice efficiencies and cost savings.

Since 2006, government agencies that provide or sponsor health care programs have been required by federal guidelines to use health information technologies, including EHRs. Executive Order 13410[15] mandated that health care programs administered or sponsored by the U.S. government promote quality and efficient delivery of health care using health information technology. The executive order required U.S. government agencies to use available health information technology systems, implement programs to measure the quality of services supplied by health care providers, provide pricing information, and develop and identify approaches that encourage the provision and receipt of high quality and efficient health care. Additionally, the Health Information Technology for Economic and Clinical Health Act (HiTech Act of 2009)[16] required healthcare providers to adopt electronic health records to improve privacy and security protections for health care data.

Bureau Was Unsuccessful in Its Effort to Implement an Electronic Health Record System

OIG found MED did not implement an EHR system despite working on the effort for more than two decades. As shown in Figure 2, below, MED began working on an electronic medical record[17] system in 2002, with the development of eMED1 and eMED2.[18] With the eMED systems, MED hoped to achieve a more efficient medical record process and better patient care by making electronic medical records available worldwide. However, MED staff told OIG the two systems did not comply with Executive Order 13410 requirements because the systems were built as an electronic medical record system and not as an EHR system encompassing all patient information. MED staff told OIG that in 2006, the bureau began looking for a U.S. agency to partner with in order to establish an EHR system. At the time, MED assessed the available U.S. government off-the-shelf EHR systems and found none of them had the required IT security infrastructure. In 2011, MED established an interagency agreement with the U.S. Coast Guard to jointly use the EHR system the Coast Guard was developing. However, in 2015, the U.S. Coast Guard terminated its EHR effort, leaving MED without an EHR system.

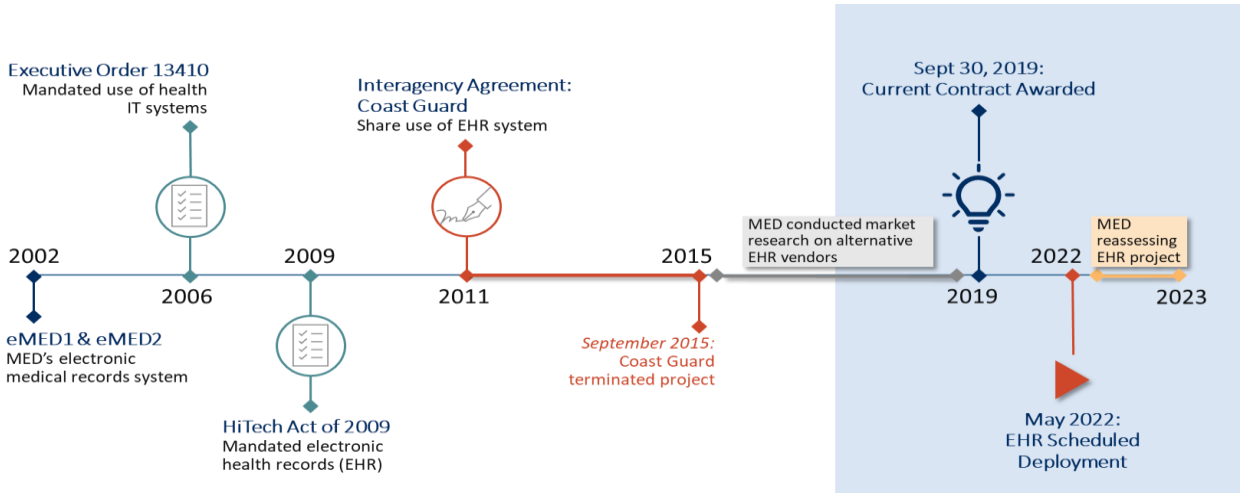
[15] Executive Order 13410, Promoting Quality and Efficient Health Care in Federal Government Administered or Sponsored Health Care Programs, August 22, 2006.

[16] Health Information Technology for Economic and Clinical Health Act, February 2009.

[17] According to HealthIT.gov, electronic medical records are digital versions of the paper charts in clinicians' offices, clinics, and hospitals. An electronic medical record contains the medical and treatment history of the patients in one practice. In contrast to EHRs, the information in an electronic medical record does not easily transfer out of a practice, and an electronic medical record may need to be printed and delivered to another clinician's office, clinic, or hospital.

[18] eMED1 was a series of integrated systems to replace paper-based medical examination and evaluation forms and letters. It also archived past paper records in an image file format. eMED2 was the second iteration of eMED1.

Figure 2: Electronic Health Records System Project Timeline



Note: Timeline as of June 2023.
Source: OIG generated from information provided by the Bureau of Medical Services.

From 2015 to 2019, the Department required MED to conduct market research to identify alternative EHR vendors.[19] In September 2019, the Department awarded a contract, with a value of up to $250 million, to the current vendor to develop and deploy an EHR by May 2022 using commercial off-the-shelf software.[20] However, the EHR project team failed to deploy the EHR system by the May 2022 deadline. In October 2022, MED leadership began re-evaluating the EHR effort due to concerns expressed by MED staff and Department stakeholders about the project's cost, scope, and delays. As of June 2023, MED had yet to establish a new deployment date for EHR. Frustrated by the delay, MED staff voiced concerns to OIG about the negative effects of not having an operational EHR system.[21] OIG determined multiple factors caused the delay, including inadequate IT project scope management, inadequate IT project cost management, and insufficient executive-level IT investment oversight regarding the EHR system.[22] These factors are described in more detail below.

Bureau Did Not Exercise Adequate IT Project Scope Management for the Electronic Health Record System

OIG found that MED did not exercise adequate IT project scope management for the EHR system.[23] Specifically, MED did not prioritize its requirements for the EHR system using the

[19] MED conducted analysis of alternatives over 4 years because it did not receive any proposals during this period that met the requirements of the solicitation.

[20] At the time of the inspection, MED had spent approximately $52 million on this contract.

[21] Specific concerns included lack of centralized access to medical records, lack of a secure method of communicating information with patients, inability to perform trend analysis, and the need to use a variety of legacy IT applications and systems to manage patient care.

[22] OIG's review of the EHR system focused on IT project scope management and IT project cost management.

[23] Project scope management is the process that defines and outlines all the work included within a project, including its objectives, tasks, outputs, deadlines, and budgets. The scope management process can balance

guidelines outlined in the bureau's September 2019 Scope and Requirements Management Plan for Electronic Health Record System Implementation. This plan called for MED to define the priority levels of EHR functional requirements as "high," "medium," or "low."[24] However, OIG's review found that MED failed to use these priority levels and instead labeled 160 of the 171 EHR functional requirements, or 94 percent, with a priority level of "essential" and the remaining requirements as "optional." Additionally, according to 5 FAH-5 Table H-217.1,[25] the priority should be stated for each requirement, and user requirements must be prioritized and weighted to discern "needs" versus "wants."

Furthermore, bureau personnel who established EHR system requirements did not provide feedback on the requirements to the EHR project team on a regular basis. This is contrary to Department guidance in the Bureau of Information Resource Management (IRM) agile checklist, the core set of control elements all agile projects[26] must meet, which states that requirements should be continuously reviewed and prioritized by the product owner. Due to the lack of prioritization and regular feedback on system requirements, MED was unable to define project requirements for the EHR system and meet the bureau's deployment goals.

> **Recommendation 5:** The Bureau of Medical Services should implement an information technology project management process for reviewing and prioritizing defined requirements for the electronic health record system. (Action: MED)

Bureau Did Not Exercise Adequate IT Project Cost Management for the Electronic Health Record System

OIG found that MED did not exercise adequate IT project cost management for the proposed EHR system in accordance with 5 FAM 680. Specifically, MED did not track how much was spent or how much was needed to complete EHR throughout its development. OIG determined, based on a review of contract expenditure documentation, that MED spent approximately $52 million on the EHR effort at the time of the inspection. In accordance with 5 FAM 685a and b, IT project managers should use the earned value management project control methodology to consider whether a project is under or over budget and what the entire project is likely to cost given the project performance to date. According to 5 FAM 681a, the Department should use

outcomes, expectations, and business priorities, helping an organization to keep discipline in a project and ensure it stays true to the initial concept. Prioritizing user requirements helps to define the scope of a project.

[24] "High" means the requirements are mission critical and required for project success or progress to the next project phase. "Medium" means these requirements support product and process operations but can be completed under the next product release. "Low" means requirements are quality or functional process enhancements that are desirable if time and resources permit.

[25] Guidance in 5 FAH-5 Table H-217.1 details planning activities that must occur for project development.

[26] Agile methodology is a software development process that is focused on iterative and incremental development while employing frequent inspection and adaptation procedures. Agile requires greater collaboration between all functions within an organization toward accelerating time-to-deploy performance while remaining focused on product quality.

this methodology to monitor its investment costs, project schedule, and performance goals as required by Office of Management and Budget Circular A-11, Part 7.[27]

MED staff raised concerns to OIG about the bureau's ability to manage actual and projected costs for the EHR effort. For example, they told OIG of instances where the bureau had differing estimates for the amount needed to complete a development phase of the EHR system. Specifically, in 2020, MED's EHR project team estimated that it would need approximately $8 million to complete the EHR system's deployment phase. However, in 2023, MED budget staff estimated it would cost more than $30 million to complete the deployment phase.

Department officials also voiced concerns about MED's ability to manage project costs for the EHR effort. For example, IRM officials questioned rising EHR operations and maintenance costs during a February 2022 executive investment review.[28] Furthermore, IRM staff told OIG they had difficulty getting information on the total amount spent on the EHR system from MED. Additionally, Bureau of Budget and Planning officials told OIG that, during the February 2022 executive investment review, they, too, noted the EHR effort's increased costs over the course of its implementation, and added that the final delivery product and schedule were unclear.

OIG determined that MED's EHR project team did not regularly communicate the actual or projected project costs to MED's leadership. Although MED's EHR project team told OIG they used recurring weekly project briefings as the primary method for keeping MED leadership updated, OIG reviews of the written weekly briefings from October 2021 to July 2022 showed the EHR project team did not include updates on EHR work completed compared to costs incurred or details on costs remaining to complete the effort. Additionally, the EHR project team told OIG that regular conversations with MED leadership on EHR cost updates did not occur until the MED Front Office began expressing concerns in mid-2022. Furthermore, according to MED staff, the EHR project team did not include a staff member with financial management expertise to monitor actual and projected costs throughout the effort.

At the conclusion of the inspection, MED was reevaluating whether the current contractor could meet the minimum requirements for a functioning EHR or would require the solicitation of a new contractor to meet their needs. Without an established IT project cost management process such as earned value management, MED cannot regularly review and track IT project costs to ensure the successful completion, within budget, of the EHR system.

Recommendation 6: The Bureau of Medical Services should implement the earned value management methodology to track electronic health records system project costs, including

[27] Office of Management and Budget (OMB) Circular A-11, "Preparation, Submission, and Execution of the Budget, July 2016.

[28] The Bureau of Information Resource Management's executive investment review, chaired by the Chief Information Officer, provides Department senior management with insight into the overall performance of an IT investment. The review's purpose is to conduct a deeper dive to understand the root cause of an investment's underperformance.

communicating project status updates to bureau leadership, in accordance with Department standards. (Action: MED)

Department IT Investment Review Stakeholders Did Not Monitor the Implementation of the Corrective Action Plan or Adequately Monitor Project Expenses for the Electronic Health Record System

OIG found that Department stakeholders did not adequately monitor the development of the EHR system as required by Department standards. As noted previously, Department stakeholders raised concerns about MED's ability to manage project costs for the EHR system. These same stakeholders had a responsibility to ensure oversight of the significant investment being made in the EHR system through the executive investment review process. As outlined in the Department's Capital Planning and Investment Control Program (CPIC) Guide,[29] executive investment reviews produce recommendations and a corrective action plan to address concerns with project performance based on cost and schedule variance, and the ability to meet performance goals. Additionally, the CPIC Guide states that IRM should monitor the status of the recommendations until the corrective action plan has been closed and that the Bureau of Budget and Planning should monitor expenses to make sure costs are on track for the development of the system.[30]

OIG found that IRM did not monitor the recommendations issued in the corrective action plan from the February 2022 executive investment review. The review contained two recommendations: (1) perform a financial analysis of the investment and (2) develop a high-level estimate for future year operational and maintenance costs. IRM officials told OIG that IRM lacked sufficient staff resources to support the level of continuous monitoring for the EHR system described in the CPIC Guide, and that MED did not ask for assistance in implementing the corrective action plan. Additionally, OIG determined the Bureau of Budget and Planning did not monitor EHR expenses to ensure costs were on track, as stated in the CPIC Guide. However, Bureau of Budget and Planning staff told OIG the bureau did not have an oversight responsibility for the EHR system and was not responsible for performing the functions described in the CPIC Guide. OIG determined that the lack of oversight due to the minimal involvement of these Department stakeholders may have contributed to cost management issues with the EHR system.

In March 2023, MED and the Department began taking corrective steps to improve oversight of the EHR system. MED established an IT Project Management Office with participation from MED's Front Office leadership, budget staff, IT project managers, project contracting officer's representatives, and other key MED stakeholders to discuss and review IT projects.

[29] The CPIC Guide, as defined in 5 FAM 683, documents the processes the Department uses to formulate, justify, manage, and maintain its portfolio of IT investments. The CPIC process described in the guide ensures that information technology investments integrate strategic planning, budgeting, procurement, and project management to support the Department's mission and business needs.

[30] In its comments on the draft report, the Bureau of Budget and Planning noted it disagreed with OIG's characterization of the bureau's role as outlined in IRM's 2017 CPIC guide. The bureau noted that, as of October 20, 2023, IRM shared an updated CPIC Guide, which the Bureau of Budget and Planning is reviewing.

Furthermore, MED, along with IRM and Bureau of Budget and Planning senior leadership, established an executive steering committee to assist with implementing a EHR system within a timeline to be defined by the committee, and adopting a model to train domestic and overseas MED staff on its use. Because of these corrective steps, OIG did not make a recommendation to address this issue.

Quality Management

In a health care setting, quality management ensures that medical providers have the clinical skills to deliver safe patient care. Key elements of a health care quality management program include the following:

- Checking that medical providers hold active and valid licenses, and have the appropriate level of education, training, and experience to practice in their field. This is referred to as credentialing.
- Confirming that providers are capable of specific medical skills based on their credentials. This is known as privileging.
- Evaluating the clinical practices and performance of medical providers, including whether the provider followed established medical protocols and procedures for patients with a certain set of symptoms or illness.[31]
- Assessing internal processes and practices affecting the safety and efficiency of health care delivery to patients when issues arise.

Additionally, adverse events linked to a medical provider's care, patient satisfaction surveys, and patient complaints serve as important data points that may signify quality concerns. Within MED, the Office of Quality Management is responsible for administering the quality management program to ensure the bureau's domestic and overseas medical providers have the appropriate credentials and privileges and deliver high quality care. In addition, other bureau offices and directorates support the quality management program by developing and implementing standard operating procedures and performance measures.

OIG assessed MED's quality management program by reviewing its policies and programs. Since the arrival of the acting Quality Management director in 2021, the office strengthened quality management through the creation of a centralized formulary[32] for standardizing medication used in the field, the development of a standardized reporting tool for medical errors, and

[31] For example, when evaluating a psychiatrist's practice, one would review the standards of treating depression and anxiety.

[32] According to the Academy of Managed Care Pharmacy (AMCP), a "drug formulary, or preferred drug list, is a continually updated list of medications and related products supported by current evidence-based medicine, judgment of physicians, pharmacists and other experts in the diagnosis and treatment of disease and preservation of health. The primary purpose of the formulary is to encourage the use of safe, effective and most affordable medications." See AMCP, "Formulary Management," July 18, 2019, https://www.amcp.org/about/managed-care-pharmacy-101/concepts-managed-care-pharmacy/formulary-management.

improved peer review processes.[33] However, OIG determined the bureau's quality management program did not include regular reviews of medical provider performance and that the bureau's Directorate of Mental Health Services lacked standard operating procedures and performance measures, as described below.

Bureau Did Not Review Clinical Performance of Medical Providers Annually as Required by Industry Standards

OIG determined the bureau's quality management procedures did not comply with health care industry standards requiring regular clinical performance reviews of medical providers. Routine assessments of providers' clinical practice help ensure that consistent high quality of care is delivered on an ongoing basis. Specifically, The Joint Commission, which accredits and certifies health care organizations and programs in the United States, requires organizations to review the performance of medical providers at least every 12 months.[34] Quality Management staff told OIG the office reviewed a provider's performance once in a 3-year cycle. Otherwise, the office conducted performance reviews only if a patient or staff member filed a complaint, a patient experienced an adverse event,[35] or as a result of an inquiry into concerns reported in Quality Management's Event Reporting Tool.[36] In addition, the office's standard operating procedures require regional medical officers and regional medical officer psychiatrists to evaluate the performance of tenured providers under their supervision once every 3 years. The lack of a continuous quality review process of medical provider performance may impair the bureau's ability to assess whether it is delivering quality health care. Furthermore, it may impede the timely reporting of medical provider performance deficiencies to the Office of Quality Management, resulting in delayed analysis and remediation of concerns.

> **Recommendation 7:** The Bureau of Medical Services should conduct annual reviews of medical provider clinical performance in accordance with health care industry standards. (Action: MED)

Directorate of Mental Health Services Lacked Standard Operating Procedures and Performance Measures for Services

OIG found the Directorate of Mental Health Services lacked standard operating procedures and performance measures for assessing and managing some of the mental health support services it offered. For example, the directorate did not have standard operating procedures or performance measures related to mental health services for medical providers at overseas health units. In addition, some programs in the Offices of Overseas Mental Health Services and

[33] Peer review is the process by which doctors evaluate the quality of their colleagues' work to ensure prevailing standards of care are met.

[34] MED is not accredited and certified by The Joint Commission. However, The Joint Commission's requirements are considered the industry standards for hospitals and medical systems in the United States.

[35] According to Office of Quality Management guidance to overseas health units, reportable adverse events refer to medication errors, unanticipated deaths, and medical evacuations.

[36] The Event Reporting Tool is a database developed by Quality Management to collect information from MED staff about potential quality concerns.

Employee Consultation Services lacked standard procedures or performance measures.[37] This left the directorate unable to ensure consistent care and treatment for those seeking mental health services domestically or at overseas posts, evaluate the quality of care provided, or assess service efficiency and any need for improvement. In accordance with the Government Accountability Office's *Standards for Internal Control in the Federal Government*, OV2.16 and OV2.19 and Principles 10.03 and 14.01-14.03, organizations should have internal control systems in place to carry out duties efficiently, measure the results of key activities, and effectively communicate throughout the organization.[38] Mental Health Services staff told OIG they did not establish standard operating procedures and performance measures due to staffing limitations. Without standard operating procedures and performance measures, the Directorate of mental Health Services risks poor outcomes for those seeking mental health services through inconsistent, insufficient, or outdated care.

Recommendation 8: The Bureau of Medical Services should implement standard operating procedures and performance measures for the Directorate of Mental Health Services. (Action: MED)

Staffing

Staffing Constraints Hindered Some Aspects of Bureau Operations

As noted earlier in the report, MED's domestic authorized staffing at the time of the inspection was 222 U.S. direct-hire employees. However, across the bureau, MED had 55 vacancies or a 24.7 percent vacancy rate. MED staff told OIG that filling a vacant position can take up to 1 year due to the lengthy recruitment and security clearance processes. To address the lack of sufficient staffing to manage an increase in workload, described below, MED requested additional U.S. direct-hire positions in its FY 2025 Bureau Resource Request. Table 1, below, provides a snapshot of directorate-level vacancies as of July 2023.

Table 1: Staffing Vacancies by Directorate as of July 2023

Directorate	Authorized	Onboard	Vacant
Clinical Programs	64	54	10
Mental Health Services	38	32	6
Operations	44	32	12
Operational Medicine	52	38	14
Principal Deputy	24	11	13
Total	**222**	**167**	**55**

Source: Generated by OIG from data provided by the Bureau of Medical Services.

[37] Specifically, the Child and Family Program Division, the Mental Health Clearances and Mental Health Evacuations Division, the Family Advocacy Case Management Program, and the Alcohol and Drug Awareness Program lacked standard procedures or performance measures.

[38] GAO-14-704G, September 2014, pages 12, 13, 45, and 60.

Bureau staff told OIG staff vacancies, insufficient staffing, and increasing workloads affected some aspects of bureau operations, particularly its ability to process medical clearances and expand mental health support services. For example, at the time of the inspection, staff in the Directorate of Clinical Programs' Office of Medical Clearances reported delays in initiating a medical clearance from 30 days to 60 days or longer on average. They attributed the delay to the decrease in the number of clearance consultants who could conduct medical clearance reviews coupled with an increase in the number of medical clearance requests.[39] Additionally, Directorate of Operational Medicine staff told OIG that vacancies in the directorate resulted in more time spent on temporary duty assignments overseas (on average, 208 days per year), and increased overtime for staff providing protective medicine support to the Bureau of Diplomatic Security's Mobile Security Deployment teams.

Lastly, Directorate of Mental Health Services employees told OIG staffing constraints affected the directorate's ability to expand mental health services, which was a specific objective in MED's Functional Bureau Strategy and a priority for Department leadership. For example, they could not provide mental health counseling to adolescents of Foreign Service employees assigned abroad despite requests from parents. Mental Health Services staff said this was a concern given that 50 percent of the approximately 106 mental health medical evacuations the directorate supported each year involved adolescents. Additionally, staff stated that the directorate's Office of Employee Consultation Services' Employee Assistance Program could not support the increase in demand for employee consultations, resulting in a patient wait time of up to 3 weeks to see one of the program's eight counselors. MED leaders attributed the increase in workload for mental health services in part to a greater willingness by employees to seek out such services.

Bureau Response to COVID-19 and Anomalous Health Incidents

Bureau's Multipronged Response to COVID-19 Pandemic

MED played an important and visible role in the Department's response to the COVID-19 pandemic. In January 2020, when options for a chartered flight to evacuate staff and family members from Consulate General Wuhan, China, failed, Department officials asked MED, which had a standing contract for medical evacuation support using specialized planes fitted with biocontainment units, to assist. MED operated five flights that evacuated 999 staff, family members, private U.S. citizens and third country nationals from Wuhan in January and February 2020.[40] Additionally, in February 2020, the bureau facilitated the evacuation of 329 American citizens from Japan who were exposed to COVID-19 on a cruise ship. In April 2020, MED again used its air assets and personnel to establish an air hub in West Africa that provided evacuation and logistical support to U.S. embassies in the region at a time when commercial flights were severely restricted.

[39] In 2015, the office had 16 clearance consultants to conduct medical clearance reviews; in 2022, the office had just 10.5 clearance consultants to conduct these reviews. Additionally, the number of medical clearance reviews increased from 21,590 in 2020, to 25,355 in 2022.

[40] OIG, *Review of Department of State Evacuations form Wuhan, China in Response to COVID-19* (ISP-I-22-19, May 2022).

Throughout the pandemic, MED provided medical screening guidance to medical providers in the Department and at overseas health units. The bureau contributed to the Department's Diplomacy Strong initiative and COVID-19 Mitigation Process by establishing policies and procedures to allow for the safe return of employees to their workplaces.[41] It also established a 24/7 call center that monitored case incidents, supported evacuated personnel and family members, and kept Department staff informed. Additionally, MED:

- Completed 68 medical evacuations of COVID-19 patients with its contracted biocontainment air ambulance.
- Delivered 460,000 doses of COVID-19 vaccine for use in the Department and at overseas posts.
- Delivered to overseas health units and brought online 180 polymerase chain reaction, or PCR, testing devices to diagnose COVID-19.
- Established a program at the Department for timely PCR tests.
- Deployed therapeutic monoclonal antibodies and antiviral medications to overseas health units.
- Shifted to greater online offerings of wellness programs, webinars, classes, and support groups.

According to MED officials, because of these actions, COVID-19 fatalities at overseas posts were limited to 76 staff out of a total of 34,700 reported cases.[42] MED officials said overseas health units improved clinical capabilities through the laboratory equipment deployed during the pandemic and Department staff worldwide continue to benefit from online wellness and counseling webinars, classes, and support groups.

Bureau Supported Department and Interagency Efforts to Address Anomalous Health Incidents

In 2018, the Department established the Health Incident Response Task Force as the coordinating body for efforts to respond to reports of AHIs among personnel and dependents under chief of mission authority.[43] The task force sought to identify and treat affected personnel and eligible family members, investigate and mitigate the risk, develop messaging, and conduct diplomatic outreach. The task force Coordinator reported directly to the Deputy Secretary for Management and Resources, and task force members included MED and the

[41] Diplomacy Strong was the Department's phased, conditions-based approach to adjusting its COVID-19 mitigation measures established in May 2020. The COVID-19 Mitigation Process replaced Diplomacy Strong as the Department's framework for determining an appropriate onsite work posture and correlated mitigation actions in September 2021.

[42] Because MED was not the primary medical provider for domestic employees, it did not have reliable information for outcomes for this cohort.

[43] On June 27, 2023, the Department announced it was transitioning the Health Incident Reporting Task Force into existing Department structures. See 23 STATE 73092 "Anomalous Health Incidents -- Institutionalizing the State Department's Response Efforts," June 27, 2023.

Bureaus of Global Talent Management, Diplomatic Security, and Intelligence and Research, as well as the Office of the Legal Adviser.[44]

Based on OIG's interviews with senior Department officials, MED officials, and an organization that individuals who experienced AHIs contacted for assistance, OIG determined that MED took the following steps to address AHIs:

- Broadened MED call center responsibilities to field current and former employee AHI-related inquiries and provide support to health units.
- Established a National Security Council-directed pilot program to collect from employees and eligible family members on a voluntary basis baseline health information that may be informative in the event of a reported AHI.[45]
- Implemented an interagency-developed clinical triage tool to standardize the medical assessments of these incidents across the various affected agencies.
- Monitored and followed up with patients referred for treatment at specialist centers in the United States.
- Supported the Department in defining medical documentation requirements for implementing the HAVANA Act.[46]

RESOURCE MANAGEMENT

OIG reviewed MED's internal control systems in general services, human resources, facilities management, and financial management. During the inspection, the Executive Office corrected the following issues identified by OIG. Specifically, the office:

- Began inspecting portable fire extinguishers monthly in accordance with National Fire Protection Association Fire Code standards (NFPA Fire Code Chapter 1, Section 13.6.4.2.1.1-2 and Section 13.6.4.2.4.1.1-4).[47]
- De-obligated nearly $975,000 in unliquidated obligations that did not have any activity in more than a year (4 FAM 225d).
- Amended, canceled, or closed-out unlimited open travel authorizations not aligned with Department standards (14 FAM 521.3).
- Resolved and closed-out overdue travel advances (4 FAH-3 H-463.4).

OIG determined that MED/EX generally implemented required processes and procedures in accordance with applicable laws and Department guidance, except as described below.

[44] OIG limited its review to MED's role in addressing AHIs.

[45] The bureau completed 728 baseline exams from June 2021, when the program was initiated, through December 2022. For more information, see www.state.gov/anomalous-health-incidents-and-the-health-incident-response-task-force.

[46] President Biden signed the Helping American Victims Afflicted by Neurological Attacks (HAVANA) Act in October 2021. The act provides for the possibility of one-time lump sum payments for those affected by AHIs.

[47] The National Fire Prevention Association Fire Code is used to set requirements for the inspection of portable fire extinguishers and other fire prevention standards.

Executive Office Lacked Standards to Measure Customer Support Services

OIG found that MED/EX lacked established service standards and did not perform assessments of its support services. This left the bureau unable to measure MED/EX's response times, evaluate the quality of its services, obtain customer feedback, and determine needed improvements. For example, MED staff responses to an OIG questionnaire indicated that 22 percent rated MED/EX's overall support and services as "fair" or "poor." Services with the lowest ratings were human resources (rated "fair" or "poor" by 41 percent of respondents) and maintenance and upkeep of offices (rated "fair" or "poor" by 24 percent of respondents). Staff cited lack of responsiveness and inconsistent information as the reasons for their dissatisfaction with MED/EX services.

In accordance with the Government Accountability Office's *Standards for Internal Control in the Federal Government*, OV2.16 and OV2.19 and Principles 10.03 and 14.01-14.03,[48] organizations should have internal control systems in place to carry out duties efficiently, measure the results of key activities, and effectively communicate throughout the organization. OIG attributed the lack of internal controls in MED/EX to frequent turnover in the Director position. From June 2019 through May 2023 (48 months), three different employees filled the position; an additional five employees served as acting Director during vacancies or when the Director was on a training detail. Establishing service standards sets formal timelines for services, increases transparency by defining what a customer should expect from a service, holds the service provider accountable for its performance, and allows an entity to measure service quality and efficiency. Without established standards and periodic assessments of its support services, MED/EX risks providing poor service to its customers, causing service delays, and increasing staff and customer frustration.

Recommendation 9: The Bureau of Medical Services should implement written service standards for the services and support provided by the bureau's Executive Office and hold the Executive Office accountable for meeting the service standards. (Action: MED)

General Services

Contracting Officer Representative Program Did Not Fully Comply With Department Standards

MED's contracting officer's representative (COR) program did not fully comply with Department standards. MED had 30 CORs and assistant CORs assigned to 50 contracts worth nearly $859.5 million. OIG interviewed all CORs and assistant CORs and reviewed the files and documentation for all MED contracts and found that only 18 of the 30 CORs and assistant CORs were fully qualified, due to the following issues:

- Seven CORs and assistant CORs lacked certifications issued by the Department's Office of the Procurement Executive (14 FAH-2 H-143a).

[48] GAO-14-704G, September 2014, pages 12–13, 45, and 60.

- Seventeen of the 77 required delegation memoranda[49] were missing (14 FAH-2 H-143.2).
- Eight CORs and assistant CORs did not complete all required COR training (14 FAH-2 H-143.1), and seven did not complete the required annual ethics training (Procurement Information Bulletin 2012-15).[50]
- Eight CORs and assistant CORs did not submit current OGE-450 financial disclosure statements (14 FAH-2 H-151c[51]).

Despite these issues, OIG's interviews with MED CORs, assistant CORs, and contracting staff, and reviews of other documentation showed that staff responsible for overseeing MED's contracts monitored the contracts, received contracted goods and services, and addressed contractor performance when issues arose. MED staff told OIG the issues with the COR program occurred because they had limited training and experience and were unfamiliar with requirements. They also said their COR and assistant COR duties were ancillary duties and that they were able to devote, on average, only 4 percent of their time to overseeing each award. Additionally, according to documentation provided to OIG, most were responsible for multiple awards, with one COR overseeing as many as 15 contracts in addition to their full-time duties. A non-compliant COR program increases the risk of contract mismanagement.

Recommendation 10: The Bureau of Medical Services should bring the contracting officer's representative program into compliance with Department standards. (Action: MED)

Contract File Management Did Not Comply With Department Standards

OIG reviewed contract files and documentation for all 50 MED contracts and found contract management did not comply with Department standards. OIG found the files did not include key documents, which MED staff were unable to provide despite multiple requests. Specifically,

- Fifteen time and materials contracts or contracts with time and materials line numbers[52] did not have signed determination and finding documents approving the use of that

[49] Some of MED's 50 awards had multiple CORs and assistant CORs, and some of the 30 CORs and assistant CORs were responsible for multiple awards. CORs and assistant CORs must have a delegation memorandum for each award for which they are responsible. MED's CORs and assistant CORs required a total of 77 delegation memoranda.

[50] Procurement Information Bulletin No. 2012-15, "The Revised Federal Acquisition Certification Program for Contracting Officer Representatives (CORs) and Government Technical Monitors (GTMs) (FAC-COR)," August 8, 2012.

[51] According to 14 FAH-2 H-151c, Federal Acquisition Regulation (FAR) 48 Code of Federal Regulations (CFR) 3.104 and the Department of State Acquisition Regulation (DOSAR), 48 CFR 603 prescribe procedures applicable to Department employees regarding standards of conduct and prohibited business practices.

[52] Contracts may contain more than one type of contracting instrument. These are sometimes referred to as hybrid contracts. They have contract line-item numbers (CLINs) indicating the contract type used for each line number. MED had several hybrid contracts which used time and materials CLINs. The FAR requires an approved determination and finding document for any use of this type of contract.

type of contract.[53] This is significant because the Federal Acquisition Regulation discourages the use of time and materials contracts and states they only can be used if the contracting officer prepares a determination and finding document stating that no other contract type is suitable, and the head of contracting activity, or their designee, approves its use prior to the issuance of the contract (FAR 16.601(d)(1)).

- Neither the CORs nor the contracting officer[54] completed mandatory contractor performance assessments in the Contractor Performance Assessment Reporting System[55] for 40 of the required 41 assessments.[56] (14 FAH-2 H-572a, c, and d, and 48 Code of Federal Regulations 42.1502(a) and (b)).
- Seven of the 22 IT-related MED contracts lacked a National Defense Authorization Act Section 889 representation from the vendor stating they were not using equipment or services from any prohibited sources. If they were using such equipment or services, the Department would have been prohibited from entering into a contract. Contracting with a vendor found to be using equipment or services from a prohibited source could represent an IT security risk (FAR 4.2102(a)(1)-(2), FAR 52.204(b)(1)-(2)).
- CORs maintained files in the Integrated Logistics Management System's[57] e-Filing module for only 30 of the 50 MED awards (14 FAH-2 H-142b(16)(b)).

Despite these issues, OIG's interviews with MED and contracting staff and reviews of other documentation showed the bureau monitored contracts, received goods and services for which it had contracted, and addressed contractor performance when issues arose. Contracting staff told OIG they were unable to locate some documents because they were completed by staff who had left and were no longer responsible for those contracts. Additionally, CORs reported they were unfamiliar with the requirements, lacked experience and training, and were unable to devote sufficient time to overseeing awards because of their other duties, which left them, on average, able to devote only 4 percent of their time to overseeing an award. Furthermore, some CORs reported difficulty accessing the Contractor Performance Assessment Reporting System. Non-compliance with contract file and COR file requirements increases the risk of contract mismanagement.

[53] One of the 15 contracts had a determination and finding document; however, it was not signed or dated, as required.

[54] The contracting officer who manages MED's contracts works in the Bureau of Administration's Office of Acquisitions Management.

[55] The Contractor Performance Assessment Reporting System, or CPARS, is the government-wide evaluation reporting tool for all past performance reports on contracts and orders. An annual performance assessment must be completed in the system for each contract above the simplified acquisition threshold of $250,000, according to 48 Code of Federal Regulations § 42.1502(a) and (b).

[56] Eighteen of MED's 50 awards required annual CPARS performance assessments, some for multiple years, for a total of 41 CPARS assessments. Performance assessments are to be completed within 60 days of the end of the performance period. Only 1 of the 41 required assessments was in the system. MED staff provided OIG an additional 16 draft Word copies of assessments, but these did not comply with FAR or Department standards.

[57] The Integrated Logistics Management System (ILMS) is an integrated web-based system that encompasses all Department supply chain functions in one system. ILMS is designed to upgrade Department supply chain management by improving operations in areas such as purchasing, procurement, warehousing, transportation, property management, personal effects, and diplomatic pouch and mail, according to 14 FAM 121c.

Recommendation 11: The Bureau of Medical Services, in coordination with the Bureau of Administration, should bring its contract and contracting officer's representative files into compliance with Department and federal guidance. (Action: MED, in coordination with A)

Human Resources

Bureau Incorrectly Used the Same Position Description for Multiple Employees Performing Different Duties and Responsibilities

OIG found the bureau incorrectly used the same emergency management specialist position description for multiple employees in OM, despite some employees having different duties and responsibilities. For example, employees providing protective medical support[58] to security operations and overseas posts in crisis had the same position description as employees responsible for incident management planning and training. These employees also had the same position description as individuals responsible for identifying, analyzing, and disseminating actionable information related to medical threats and supporting MED's efforts to plan, resource, and execute medical support overseas. MED staff indicated they were aware of the disconnect between the position description[59] and employee duties and told OIG the position description was intended to be a placeholder until proper reclassification of positions could be completed. However, 3 FAM 2636.9e requires managers and supervisors to "remain aware of changes in position content and initiate re-description of duties when warranted, to ensure that all position descriptions are consistent with the work being performed by their subordinates." Inaccurate position descriptions could affect the appropriateness of position classifications, result in a mismatch between qualifications and job responsibilities, and create challenges with performance management.

Recommendation 12: The Bureau of Medical Services, in coordination with the Bureau of Global Talent Management, should review the Directorate of Operational Medicine's position descriptions and make any necessary updates or reclassifications so employee position descriptions accurately describe employees' duties and responsibilities. (Action: MED, in coordination with GTM)

Five Employees Incorrectly Received Retention Incentive Payment

OIG found that 5 of the 19 employees (26 percent) receiving a retention incentive for being in a position within the 0089 emergency management occupational series[60] lacked the medical

[58] Protective medicine is a body of knowledge that draws from emergency medicine, family medicine, and security disciplines, focused on optimizing the health, safety, security, and performance of the protectee, the security detail, and the traveling party or delegation. See 16 FAH-1 H-013.

[59] The same emergency management specialist position description was used for some, but not all, positions in the emergency management occupational series (0089).

[60] The Office of Personnel Management defines an occupational series as a subdivision of an occupational group (a major category of white-collar occupations embracing a group of associated or related occupations) consisting of positions similar to specialized line of work and qualification requirements. The emergency management series

certifications required to receive the incentive pay. The Department authorized MED to pay retention incentives for employees in positions with an occupational series of 0089 based on MED's justification that employees in positions within this occupational series "are required to possess a highly unique skillset" and be "capable of transitioning seamlessly between their multi-role functions as . . . a skilled medical provider, capable of performing advanced surgical and resuscitative medical procedures in austere and non-permissive environments." Furthermore, the justification states that "to continue to be eligible for a retention incentive payment, the employee must maintain their respective national certifications." MED was unable to provide documentation showing that the five individuals had any national medical certifications. As a result, OIG determined MED paid retention incentives to individuals who did not meet the eligibility requirement and whose job responsibilities did not align with the justification given to the Department for the incentive pay. This likely occurred due to MED's use of the same position description for some positions in the 0089 occupational series, described above, for multiple employees and a lack of coordination within OM and MED/EX. Paying benefits to ineligible individuals could jeopardize the integrity of MED's retention incentive program and could erode the value of the benefit for those with the unique skillsets the bureau wishes to retain.

> **Recommendation 13:** The Bureau of Medical Services should align its payment of retention incentives with the retention incentive justification it provided to the Department. (Action: MED)

Bureau Did Not Comply With Internal Controls for Payroll Time and Attendance Processing

OIG determined the bureau failed to comply with management controls for payroll processing, which help ensure all applicable laws, regulations, and policies are being complied with and that accurate and reliable accounting information is being generated. Specifically, MED did not consistently:

- Implement procedures to ensure the timekeeping function is carried out effectively and accurately (4 FAH-3 H-519.3-5).
- Establish controls to ensure accurate and timely recording of time and attendance (4 FAH-3 H-525.1-2).
- Ensure timekeepers were periodically trained on their timekeeping responsibilities (4 FAH-3 H-519.3-2 and 4 FAH-3 H-525.1-3).
- Hold supervisors accountable for the accuracy of time and attendance reports and require them to review and approve reports for the employees for whom they are responsible (4 FAH-3 H-525.2-2 and 4 FAH-3 H-525.2-3).
- Review processes to ensure that established policies and procedures are adhered to (4 FAH-3 H-519.3-9).

(0089) includes positions which supervise, lead, or perform emergency management work, including managing and coordinating with other entities the prevention of, protection from, preparedness for, response to, recovery from and/or mitigation of intentional or unintentional crises, disasters, other humanitarian emergencies, hazards, or natural and man-made/technological (chemical, biological, radiological, nuclear, high-yield explosives) incidents.

OIG attributed these issues to a lack of supervisory and functional oversight of the bureau's time and attendance responsibilities and the absence of a standard operating procedure for use by all MED timekeepers. The bureau's non-compliance with Department standards for time and attendance creates a potential for waste, fraud, and mismanagement.

Recommendation 14: The Bureau of Medical Services should develop, disseminate, monitor, and enforce a single standard operating procedure detailing the bureau's requirements for timekeeper training and documenting, tracking, and reporting employee time and attendance. (Action: MED)

Facilities Management

Bureau Workspaces Had Serious and Ongoing Rodent Infestation

More than two dozen Department staff—both inside and outside MED—told OIG rodents in MED's domestic workspaces, including in laboratory and patient examination areas, were a serious and ongoing problem. MED staff provided OIG photos of mice and a rat caught in traps in these areas. In addition, OIG inspected these facilities and observed workspaces littered with traps, holes in the walls from which the rodents reportedly were gaining entry, and open food and drinks. MED staff and building managers from the Bureau of Administration's Facility Management Services (FMS) accompanied OIG during these inspections and confirmed the problem was widespread.

FMS staff told OIG an exterminator visited the facilities once a week to inspect and change traps. FMS also provided OIG with a pest control work plan, which described the weekly exterminator visits. However, the plan did not detail other steps to address the problem. According to MED staff, they have been told to stop registering complaints and to switch cubicles if they see a rodent in their area. When asked why holes in the walls had not been patched, MED and FMS staff responsible for maintenance said moving cubicle walls to make the repairs would require too much effort. Moreover, they noted that, even if the repairs were made, other tenants occupy space in these facilities as well and MED could only address the issue in their workspaces. OIG determined that the weekly visits by the exterminator did not effectively address the problem and that instructing staff to move to another cubicle or stop reporting the issue were unacceptable remedies.

The Department of Labor's Occupational Safety and Health Administration standard 1910.141(a)(5) requires that "federal workplaces be constructed and maintained to prevent the entrance or harborage of rodents, insects, or other vermin," and that "a continuing and effective extermination program shall be instituted where their presence is detected." Furthermore, OIG determined that, although FMS building managers bore primary

responsibility for addressing this problem,[61] MED supervisors also had a responsibility to ensure workplace safety and health in accordance with guidance from the National Institutes of Health's Division of Occupational Health and Safety,[62] as well as the Department's position descriptions for those supervisors.[63]

MED staff told OIG the problem of rodents in workspaces was disruptive and made it difficult for them to do their jobs. They said there have been times when an entire division was permitted to telework for a week due to the problem. Furthermore, the problem adversely affected the health of some MED staff members, as the presence of the rodents and their droppings aggravated those who have respiratory conditions such as asthma.

Recommendation 15: The Bureau of Administration, in coordination with the Bureau of Medical Services, should bring its pest control program into compliance with federal and Department occupational safety and health standards. (Action: A, in coordination with MED)

INFORMATION MANAGEMENT

MED IT staff supported the patient care activities of more than 1,000 medical professionals and administrative personnel in Washington, D.C., and at U.S. diplomatic missions around the world. Staff in two different units—the Directorate of Operations' Office of Informatics (MED/DO/IT) and the Resource Management Staffing Unit within the Directorate of Operational Medicine (MED/OM/RM)—performed information management and security functions for the bureau.

Within MED/DO/IT, a team of 4 U.S. direct-hire employees and 10 contractors support the development, maintenance, and project management of medical and management information systems, including the EHR effort. In MED/OM/RM, a team of two U.S. direct-hire employees and four contractors are responsible for automation, enterprise architecture, information security, and technical knowledge management. As a domestic consolidated bureau,[64] MED also receives assistance from IRM for desktop support and information systems security officer responsibilities.

[61] MED's workspaces are located in the Harry S Truman (HST) building and Columbia Plaza. According to 1 FAM 213.6a and b, FMS maintains domestic facilities, including HST and Columbia Plaza, and operates and oversees building services including pest control.

[62] National Institutes of Health's Division of Occupational Health and Safety, "Safety Responsibilities for Supervisors," https://ors.od.nih.gov/sr/dohs/HealthAndWellness/Pages/Safety-Responsibilities-for-Supervisors.aspx.

[63] The position descriptions of MED General Services and Occupational Health and Wellness supervisors state they were responsible for building oversight, managing building and office support services programs, initiating and tracking work orders, coordinating with FMS to implement maintenance and repairs for MED, ensuring that building mangers carry out appropriate maintenance and repairs, and for day-to-day operations in the areas of health and wellness.

[64] The IT consolidation project centralized bureau IT service and support operations under IRM with a goal of improving the Department's IT effectiveness and security.

OIG found MED generally performed information management and information security responsibilities in compliance with Department standards. This included information systems security officer responsibilities, access controls, dedicated internet network management, audit and log reviews, and change control processes. OIG also determined that MED generally complied with federal mandates to ensure the protection of health information. However, OIG identified issues with the bureau's EHR effort, as discussed earlier in the report, and its records management program, as described below.

Records Management

Records Management Program Did Not Comply With Department Standards

MED did not establish and maintain an active records management program in accordance with 5 FAM 418.8b. Specifically, OIG found that MED did not establish internal policies and procedures to inform bureau personnel of their record keeping responsibilities for records creation, maintenance, and disposition. MED also did not assign responsibilities to individuals in each office to manage the records operations and to liaise with the bureau records coordinator as required. OIG found these issues occurred because there was no appointed bureau records coordinator to oversee and manage MED's records management program. Without an active records management program that follows Department standards, the bureau is vulnerable to inefficient information retrieval and the potential loss of critical documentation.

MED was aware of the records management deficiencies and began to take corrective measures during the inspection. In April 2023, MED appointed a bureau records coordinator, who developed a records management project charter that included plans to establish standard operating procedures for bureau records management, select and train office level records coordinators, and implement a records management SharePoint site by March 2024. Additionally, MED completed updates of its records disposition schedules in May 2023. However, as of June 2023 and the conclusion of the inspection, the bureau had yet to bring its records management program into full compliance with Department standards.

Recommendation 16: The Bureau of Medical Services should bring its records management program into compliance with Department standards. (Action: MED)

RECOMMENDATIONS

OIG provided a draft of this report to Department stakeholders for their review and comment on the findings and recommendations. OIG issued the following recommendations to the Bureau of Medical Services and the Bureau of Administration. The Department's complete responses can be found in Appendix B. The Department also provided technical comments that were incorporated into the report, as appropriate.

Recommendation 1: The Bureau of Medical Services should implement a system to identify and mitigate, on a continuous basis, the internal control risks to its programs and processes, in accordance with Department guidance. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation. The bureau noted an estimated completion date of February 15, 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services implemented a system to identify and mitigate, on a continuous basis, the internal control risks to its programs and processes, in accordance with Department guidance.

Recommendation 2: The Bureau of Medical Services should develop and submit a bureau evaluation plan and conduct annual evaluations of the bureau's programs, projects, and processes in accordance with Department guidelines. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services developed and submitted a bureau evaluation plan and conducted annual evaluations of the bureau's programs, projects, and processes in accordance with Department guidelines.

Recommendation 3: The Bureau of Medical Services should establish and implement a bureau organizational structure that aligns with operational needs in accordance with Department guidelines. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation. The bureau noted an estimated completion date of August 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services

implemented a bureau organizational structure that aligns with operational needs in accordance with Department guidelines.

Recommendation 4: The Bureau of Medical Services should implement procedures that define and document its decision-making process for policy and operational changes. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation. The bureau noted an estimated completion date of February 15, 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services implemented procedures that define and document its decision-making process for policy and operational changes.

Recommendation 5: The Bureau of Medical Services should implement an information technology project management process for reviewing and prioritizing defined requirements for the electronic health record system. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services implemented an information technology project management process for reviewing and prioritizing defined requirements for the electronic health record system.

Recommendation 6: The Bureau of Medical Services should implement the earned value management methodology to track electronic health records system project costs, including communicating project status updates to bureau leadership, in accordance with Department standards. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services implemented the earned value management methodology to track electronic health records system project costs, including communicating project status updates to bureau leadership, in accordance with Department standards.

Recommendation 7: The Bureau of Medical Services should conduct annual reviews of medical provider clinical performance in accordance with health care industry standards. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation. The bureau noted an estimated completion date of June 2025.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services conducted annual reviews of medical provider clinical performance in accordance with health care industry standards.

Recommendation 8: The Bureau of Medical Services should implement standard operating procedures and performance measures for the Directorate of Mental Health Services. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services implemented standard operating procedures and performance measures for the Directorate of Mental Health Services.

Recommendation 9: The Bureau of Medical Services should implement written service standards for the services and support provided by the bureau's Executive Office and hold the Executive Office accountable for meeting the service standards. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services implemented written service standards for the services and support provided by the bureau's Executive Office and hold the Executive Office accountable for meeting the service standards.

Recommendation 10: The Bureau of Medical Services should bring the contracting officer's representative program into compliance with Department standards. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation. The bureau noted an estimated completion date of January 10, 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services' contracting officer's representative program complied with Department standards.

Recommendation 11: The Bureau of Medical Services, in coordination with the Bureau of Administration, should bring its contract and contracting officer's representative files into compliance with Department and federal guidance. (Action: MED, in coordination with A)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation. The bureau noted an estimated completion date of March 15, 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services' contract and contracting officer's representative files comply with Department and federal guidance.

Recommendation 12: The Bureau of Medical Services, in coordination with the Bureau of Global Talent Management, should review the Directorate of Operational Medicine's position descriptions and make any necessary updates or reclassifications so employee position descriptions accurately describe employees' duties and responsibilities. (Action: MED, in coordination with GTM)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation. The bureau noted an estimated completion date of April 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services reviewed the Directorate of Operational Medicine's position descriptions and made any necessary updates or reclassifications so employee position descriptions accurately describe employees' duties and responsibilities.

Recommendation 13: The Bureau of Medical Services should align its payment of retention incentives with the retention incentive justification it provided to the Department. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services aligned its payment of retention incentives with the retention incentive justification it provided to the Department.

Recommendation 14: The Bureau of Medical Services should develop, disseminate, monitor, and enforce a single standard operating procedure detailing the bureau's requirements for timekeeper training and documenting, tracking, and reporting employee time and attendance. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services developed, disseminated, monitored, and enforced a single standard operating procedure detailing the bureau's requirements for timekeeper training and documenting, tracking, and reporting employee time and attendance.

Recommendation 15: The Bureau of Administration, in coordination with the Bureau of Medical Services, should bring its pest control program into compliance with federal and Department occupational safety and health standards. (Action: A, in coordination with MED)

Management Response: In its November 2, 2023, response, the Bureau of Administration neither agreed nor disagreed with this recommendation. The Bureau of Administration noted its facilities team follows industry standard integrated pest management practices for rodent control, and their practices are compliant with federal government and environmental standards. To address this issue, the bureau will develop a prioritized list of deferred maintenance items potentially contributing to the pest issue; post signage in the affected areas and work with the Bureau of Medical Services to better communicate the need for improved customer behavior, more careful food storage, and proper disposal in the impacted areas; and coordinate with the landlord and the occupants of the space to determine if the use of more aggressive pest control actions are appropriate and warranted.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Administration's pest control program complied with federal and Department occupational safety and health standards.

Recommendation 16: The Bureau of Medical Services should bring its records management program into compliance with Department standards. (Action: MED)

Management Response: In its December 5, 2023, response, the Bureau of Medical Services concurred with this recommendation. The bureau noted an estimated completion date of October 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Medical Services' records management program comply with Department standards.

PRINCIPAL OFFICIALS

Title	Name	Arrival Date
Chief Medical Officer	Dr. Richard D. Otto	8/2022
Principal Deputy Chief Medical Officer	Dr. Ayan H. Ahmed Noor	8/2022
Deputy Chief Medical Officer for Mental Health Programs	Dr. Thomas N. Kerrihard	9/2022
Deputy Chief Medical Officer for Clinical Programs	Dr. John C. Brewer	8/2020
Deputy Chief Medical Officer for Operations	Vacant	

Source: Generated by OIG from data provided by the Bureau of Medical Services.

APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

This inspection was conducted from March 15 to July 27, 2023, in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2020 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspections Handbook, as issued by the Office of Inspector General (OIG) for the Department and the U.S. Agency for Global Media (USAGM).

Objectives and Scope

The Office of Inspections provides the Secretary of State, the Chief Executive Officer of USAGM, and Congress with systematic and independent evaluations of the operations of the Department and USAGM. Consistent with Section 209 of the Foreign Service Act of 1980, this review focused on the Bureau of Medical Services':

- **Policy Implementation:** whether policy goals and objectives are being effectively achieved and U.S. interests are accurately and effectively represented; and whether all elements of an office or mission are being adequately coordinated.
- **Resource Management:** whether resources are being used and managed with maximum efficiency, effectiveness, and economy; and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether the administration of activities and operations meets the requirements of applicable laws and regulations; whether internal management controls have been instituted to ensure quality of performance and reduce the likelihood of mismanagement; and whether instances of fraud, waste, or abuse exist and whether adequate steps for detection, correction, and prevention have been taken.

OIG's inspection covered the period of MED's operations from October 2022 through June 2023. Because of time and resource constraints, the scope of this inspection did not include the security program, medical issues specific to overseas health units, or Health Incident Response Task Force operations, other than MED's role on the task force. In addition, in March 2023, the Department settled an Equal Employment Opportunity Commission class action complaint that challenged the Department's worldwide availability requirement for career Foreign Service applicants. As a result of the settlement, MED, in coordination with the Bureau of Global Talent Management, was reworking its medical clearance policies for Foreign Service applicants and determining the effect on its future resource needs. Because of the recent settlement and the time needed for MED to modify its policies and procedures related to medical clearances for Foreign Service applicants, OIG did not include this topic in the inspection.

Methodology

OIG used a risk-based approach to prepare for this inspection. OIG conducted portions of the inspection remotely and relied on audio- and video-conferencing tools in addition to in-person interviews with Department and other personnel. OIG also reviewed pertinent records; circulated surveys and compiled the results; and reviewed the substance of this report and its findings and recommendations with offices, individuals, and organizations affected by the

review. OIG used professional judgment and analyzed physical, documentary, and testimonial evidence to develop its findings, conclusions, and actionable recommendations.

OIG also relied on the expertise of two medical professionals from the U.S. Department of Veterans Affairs, Office of Inspector General's Office of Healthcare Inspections. These two medical professionals were detailed to Department of State OIG for the duration of the inspection.

APPENDIX B: MANAGEMENT RESPONSES

United States Department of State

Washington, D.C. 20520

UNCLASSIFIED

December 5, 2023

INFORMATION MEMO FOR OFFICE OF THE INSPECTOR GENERAL, U.S. DEPARTMENT OF STATE

TO: OIG – Arne Baker, Acting Assistant Inspector General for Inspections

FROM: Bureau of Medical Services (MED) – Richard D. Otto, MD, Chief Medical Officer (ok)

SUBJECT: **MED Update to Draft OIG Report** – Inspection of the Bureau of Medical Services (ISP-I-24-08)

The Bureau of Medical Services has reviewed the draft OIG inspection report. We provide the following comments in response to the recommendations provided by OIG:

OIG Recommendation 1: The Bureau of Medical Services should implement a system to identify and mitigate, on a continuous basis, the internal control risks to its programs and processes, in accordance with Department guidance. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation. MED's Compliance Office is reviewing and publishing an Internal Control SOP. The SOP identifies risk mitigation through a published routine audit and inspection schedule. The expected completion date is February 15, 2024.

OIG Recommendation 2: The Bureau of Medical Services should develop and submit a bureau evaluation plan and conduct annual evaluations of the bureau's programs, projects, and processes in accordance with Department guidelines. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation and has implemented the recommendation by submitting a bureau evaluation plan in accordance with department guidelines as identified in 18 FAM 300.

OIG Recommendation 3: The Bureau of Medical Services should establish and implement a bureau organizational structure that aligns with operational needs in accordance with Department guidelines. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation. MED intends to remedy this through the reorganization that will be presented to M in the coming weeks. Once an approved proposal meets department Leaderships expectations, MED intends to work expeditiously across the Department to begin the implementation process. The expected completion date is August 2024.

UNCLASSIFIED

OIG Recommendation 4: The Bureau of Medical Services should implement procedures that define and document its decision-making process for policy and operational changes. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation and is currently creating a process for implementation. The expected completion date is February 15, 2024.

OIG Recommendation 5: The Bureau of Medical Services should implement an information technology project management process for reviewing and prioritizing defined requirements for the electronic health record system. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation and has implemented the recommendation. MED created the IT Program Management Office (IT PMO) in April 2023, which completed a deliberate requirements solicitation and refinement for a minimal viable product for the electronic health record system. MED will continue to implement the recommendation from the IG through the management of a timeline with key objectives and milestones.

OIG Recommendation 6: The Bureau of Medical Services should implement the earned value management methodology to track electronic health records system project costs, including communicating project status updates to bureau leadership, in accordance with Department standards. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation and has implemented the recommendation by developing a new Statement of Work (SOW) on a firm-fixed price (FFP) vehicle, which will allow for the IT PMO and MED leadership to easily track value earned over the period of performance. MED will continue to implement the recommendation from the IG through weekly project updates with MED Front Office.

OIG Recommendation 7: The Bureau of Medical Services should conduct annual reviews of medical provider clinical performance in accordance with health care industry standards. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation. MED does aspire to conduct peer reviews. A working group is being assembled and will submit an internal report in June 2024. Once MED selects a more appropriate schema for annual peer review and the electronic health record system is established, peer reviews will be conducted. The expected completion date is June of 2025.

OIG Recommendation 8: The Bureau of Medical Services should implement standard operating procedures and performance measures for the Directorate of Mental Health Services. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation and has implemented the recommendation. MED Directorate for Mental Health has published 15 Standard Operating Procedures since the inspection was completed and is reviewing draft SOPs for final approval. Standard Operating Procedures and Guidance Documents will be reviewed annually during the ISO Audits. This is an ongoing effort, with no completion date. For that reason, MED is requesting that this recommendation be closed.

OIG Recommendation 9: The Bureau of Medical Services should implement written service standards for the services and support provided by the bureau's Executive Office and hold the Executive Office accountable for meeting the service standards. (Action: MED)

Management Response: The Bureau of Medical Services has implemented the recommendation. MED EX/SPM Office is now tracking 15 written service standards and has complied with the recommendation.

OIG Recommendation 10: The Bureau of Medical Services should bring the contracting officer's representative program into compliance with Department standards. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation. MED EX is implementing the IG recommendations and is in the process of reviewing a draft SOP which will address the issues identified in the report. This includes gaps in training and submittal of required documentation assigning COR and ACOR's. The estimated completion date is January 10, 2024

OIG Recommendation 11: The Bureau of Medical Services, in coordination with the Bureau of Administration, should bring its contract and contracting officer's representative files into compliance with Department and federal guidance. (Action: MED, in coordination with A)

Management Response: The Bureau of Medical Services does concur with the recommendation. MED EX is in the process of reviewing existing contract file management for gaps and standardizing practices to meet compliance with department and federal guidance. MED has implemented a plan to perform the required CPARS inputs upon completion of contracts. MED will use the ILMS option for e-filing of all contract documents and will coordinate with A/OPE for addressing the NDAA requirement as this has been identified as a non-MED requirement. The estimated completion date is March 15, 2024.

OIG Recommendation 12: The Bureau of Medical Services, in coordination with the Bureau of Global Talent Management, should review the Directorate of Operational Medicine's position descriptions and make any necessary updates or reclassifications so employee position descriptions accurately describe employees' duties and responsibilities. (Action: MED, in coordination with GTM)

Management Response: The Bureau of Medical Services concurs with the recommendation. MED/EX/HR is working with GTM/TS/Classification on classifying the General Health Science,0601-13 draft position description. Once classified, OM management will reassign some of the EMS personnel who meets the education requirement/experience to the new PD. The estimated completion date is April 2024.

OIG Recommendation 13: The Bureau of Medical Services should align its payment of retention incentives with the retention incentive justification it provided to the Department. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation. The Bureau of Medical Services has implemented the IG recommendation. MED/HR will review credentials to ensure that incentive payments are not made without verifying the proper credentials.

OIG Recommendation 14: The Bureau of Medical Services should develop, disseminate, monitor, and enforce a single standard operating procedure detailing the bureau's requirements for timekeeper training and documenting, tracking, and reporting employee time and attendance. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation. The bureau has established an SOP for standardization and management of Time and Attendance Processing. In addition to the SOP, internal controls have been identified to ensure that the program is carried out effectively and efficiently. Time and Attendance Inspections will be monitored by the MED Compliance Office to ensure that it meets department standards.

OIG Recommendation 15: The Bureau of Administration, in coordination with the Bureau of Medical Services, should bring its pest control program into compliance with federal and Department occupational safety and health standards. (Action: A, in coordination with MED)

Management Response: The Bureau of Medical Services does concur with the recommendation and FMS Staff response. MED Compliance Office will randomly inspect areas for compliance. A similar corrective action plan has been implemented in the past and yielded minor improvements. MED will continue to work with FMS Staff and monitor the situation. MED does request closing this recommendation as it is ongoing with no corrective action date.

OIG Recommendation 16: The Bureau of Medical Services should bring its records management program into compliance with Department standards. (Action: MED)

Management Response: The Bureau of Medical Services does concur with the recommendation. The Bureau of Medical Services is implementing the IG recommendation. The estimated completion date is October 2024.

The point of contact for this memorandum is Miguel A. Laboy. The MED Compliance Office will monitor all OIG Recommendations and track Corrective Action Plans to completion. The MED Compliance Office email is medcompliance@state.gov.

United States Department of State

Washington, D.C. 20520

November 2, 2023

UNCLASSIFIED

MEMORANDUM

TO: OIG – Arne Baker, Acting Assistant Inspector General for Inspections

FROM: A/OPR – Deborah C. Schneider, Acting DEBORAH C SCHNEIDER Digitally signed by DEBORAH C SCHNEIDER Date: 2023.11.02 10:57:13 -04'00'

SUBJECT: Response to Draft OIG Report – OIG Draft Report: Inspection of the Bureau of Medical Services

Bureau of Administration has reviewed the draft OIG inspection report. We provide the following comments in response to the recommendations provided by OIG:

OIG Recommendation 15: The Bureau of Administration, in coordination with the Bureau of Medical Services, should bring its pest control program into compliance with federal and Department occupational safety and health standards. (Action: A, in coordination with MED)

Management Response: The A Bureau facilities team follows industry standard integrated pest management practices for rodent control. Our practices are compliant with federal government and environmental standards. There are several issues that contribute toward rodent infestation in the referenced location.

1. Deferred maintenance, due to lack of appropriated funding, of building exteriors to include holes in the facades and potential entry points around the loading dock and other entrances.
2. Improper storage and disposal of food.
3. Unacceptable disruptions caused by employing more aggressive means to eradicate rodents.

To sufficiently eradicate mice from the subject facilities, A Bureau, in coordination with MED, will take the following steps to escalate and resolve the issue.

- The building manager, in coordination with MED staff, is developing a comprehensive, holistic, and prioritized punchlist of deferred maintenance items potentially contributing to the pest issue, including the potential addition of larger traps in the loading dock area. These issues will be addressed as funding allows.
- A Bureau will post signage in the impacted areas and work with MED to better communicate the need for improved customer behavior, more careful food storage, and proper disposal in the impacted areas.
- A Bureau will coordinate with the landlord and the occupants of the space to determine if the use of more aggressive pest control actions are appropriate and warranted.

ABBREVIATIONS

AHI	Anomalous Health Incident
CMO	Chief Medical Officer
COR	Contracting Officer's Representatives
CPIC	Capital Planning and Investment Control Program
DEIA	Diversity, Equity, Inclusion, and Accessibility
EEO	Equal Employment Opportunity
EHR	Electronic Health Records
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
FMS	Facility Management Services
IRM	Bureau of Information Resource Management
MED	Bureau of Medical Services
MED/EX	Office of the Executive Director
OM	Directorate of Operational Medicine
PDCMO	Principal Deputy Chief Medical Officer

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