



Department Overview

Our Mission

To fulfill President Lincoln’s promise – “To care for him who shall have borne the battle, and for his widow, and his orphan”– by serving and honoring the men and women who are America’s veterans.

The words spoken by President Lincoln nearly 150 years ago are clear and compelling. VA fulfills these words by providing world-class benefits and services to the millions of men and women who have served this country with honor in the military. President Lincoln’s words guide the efforts of more than 218,000 VA employees who are committed to providing the best medical care, benefits, social support, and lasting memorials to veterans and their dependents in recognition of veterans’ service to this Nation.

Our Programs: *What We Do*

Veterans Health Administration Providing Medical Care

VA operates the largest direct health care delivery system in America. In this context, VA meets the health care needs of America’s veterans by providing a broad range of primary care, specialized care, and related medical and social support services. VA focuses on providing health care services that are uniquely related to veterans’ health or special needs. VA is also the Nation’s largest provider of health care education and training for medical residents and other health care trainees. These education and training programs are designed to help ensure an adequate supply of clinical care providers for veterans and the Nation.

Conducting Veteran-Centered Medical Research

VA advances medical research and development in ways that support veterans’ needs by pursuing medical research in areas that most directly address the diseases and conditions that affect veterans. Shared VA medical research findings contribute to the public good by improving the Nation’s overall knowledge of disease and disability.

Veterans Benefits Administration Delivering Compensation Benefits

The Compensation program provides monthly payments and ancillary benefits to veterans, in accordance with rates specified by law, in recognition of the average potential loss of earning capacity caused by a disability, disease, or death incurred or aggravated during active military service. This program also provides monthly payments, as specified by law, to surviving spouses, dependent children, and dependent parents in recognition of the economic loss caused by the veteran’s death during active military service or, subsequent to discharge from military service, as a result of a service-connected disability.

Providing Pension Benefits

The Pension program provides monthly payments, as specified by law, to income-eligible wartime veterans at age 65 or over or who are permanently and totally disabled. This program also provides monthly payments, as specified by law, to income-eligible surviving spouses and dependent children of deceased wartime veterans who die as a result of a disability unrelated to military service.



Providing Education Opportunities

The Education program assists eligible veterans, servicemembers, reservists, survivors, and dependents in achieving their educational or vocational goals through financial assistance.

Delivering Vocational Rehabilitation and Employment Services

The Vocational Rehabilitation and Employment program assists veterans with service-connected disabilities to achieve functional independence in daily activities, become employable, and obtain and maintain suitable employment.

Promoting Homeownership

The Housing program helps eligible veterans, active duty personnel, surviving spouses, and selected reservists purchase and retain homes.

Providing Insurance Service

The Insurance program provides servicemembers and their families with universally available life insurance (available to all servicemembers and their families without underwriting), as well as traumatic injury protection insurance for servicemembers. It also provides for the conversion to a renewable term insurance policy after a servicemember's separation from service. In addition, the program provides life insurance to veterans who have lost their ability to purchase commercial insurance at standard (healthy) rates due to lost or impaired insurability resulting from military service. Insurance coverage is made available in reasonable amounts and at premium rates largely comparable to those offered by commercial companies. The program ensures a competitive, secure rate of return on investments held on behalf of the insured.

National Cemetery Administration

Delivering Burial Services to Veterans

Primarily through the National Cemetery Administration (NCA), VA honors veterans with final resting places in national shrines and lasting tributes that commemorate their service to the Nation.

Staff Offices

The Department's staff offices are critical to VA's ability to deliver services to veterans in a cost-effective manner. These offices provide a variety of services including human resources management, financial management, information technology, acquisition, and facilities management.



Our Programs: *Who We Serve*

Program	Year-to-Year Comparison	
	FY 2005 Participants ⁽¹⁾	FY 2006 Participants ⁽¹⁾
Medical Care		
Unique Patients	5,308,300	5,495,400
Compensation⁽²⁾		
Veterans	2,637,000	2,725,800
Survivors/Children	323,200	325,900
Pension⁽²⁾		
Veterans	335,800	329,900
Survivors	206,600	200,600
Education⁽²⁾⁽³⁾		
Veterans/Service members	277,000	288,500
Reservists	79,300	82,800
Survivors/Dependents	66,600	68,400
Vocational Rehabilitation⁽²⁾		
Program Participants	94,300	89,100
Housing⁽²⁾		
Loans Guaranteed	166,000	142,700
Insurance⁽²⁾		
Veterans	1,854,800	1,777,000
Service members/Reservists	2,482,500	2,392,000
Spouses/Dependents	3,064,000	3,099,000
Burial		
Interments	93,200	96,800
Graves Maintained	2,706,100	2,774,100
Headstones/Markers (Processed)	363,300	336,300
Presidential Memorial Certificates	487,800	405,500

⁽¹⁾Figures are rounded to nearest hundred.

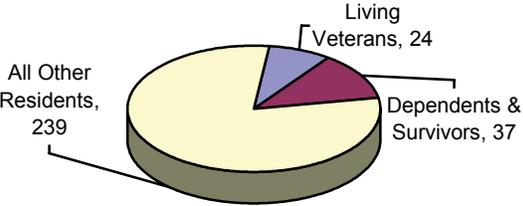
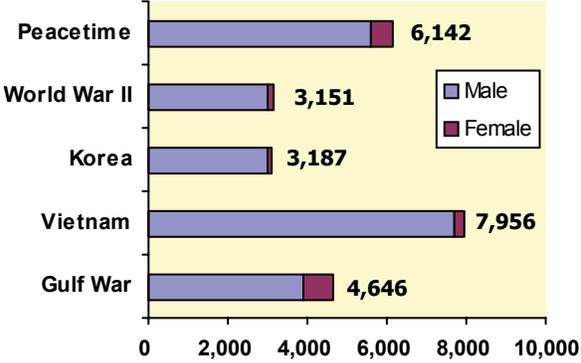
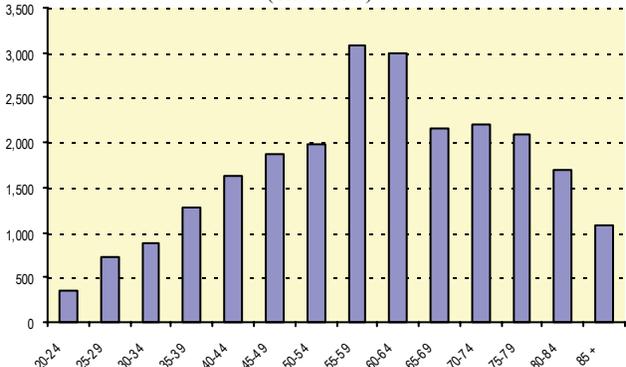
⁽²⁾FY 2005 figures are corrected.

⁽³⁾FY 2005 and FY 2006 figures are through the end of August.



America's Veterans: A Demographic Profile

Beginning with our Nation's struggle for freedom more than two centuries ago, approximately 43 million men and women have served this country during wartime periods. The charts below provide various social and demographic information on today's veteran population.

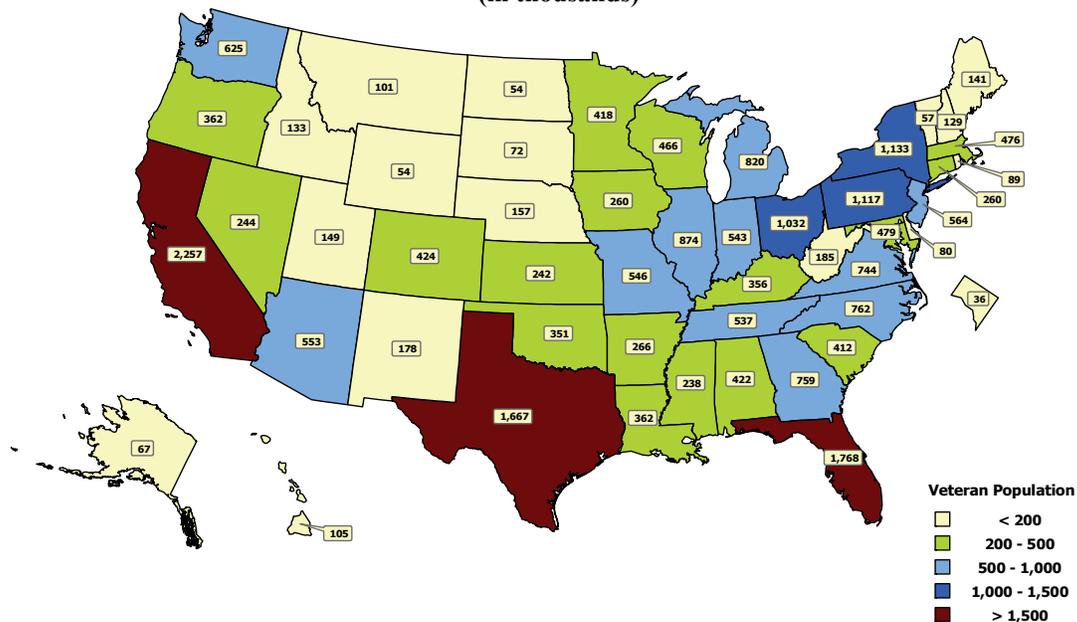
Data	Analysis																														
<p>Veteran Population Compared to Total U.S. Population (Millions)</p>  <table border="1"> <caption>Veteran Population Compared to Total U.S. Population (Millions)</caption> <tr><th>Category</th><th>Value</th></tr> <tr><td>All Other Residents</td><td>239</td></tr> <tr><td>Living Veterans</td><td>24</td></tr> <tr><td>Dependents & Survivors</td><td>37</td></tr> </table>	Category	Value	All Other Residents	239	Living Veterans	24	Dependents & Survivors	37	<ul style="list-style-type: none"> • Currently there are about 24 million living U.S. veterans, 7 percent of whom are women. The percentage of women veterans is expected to increase over time given the increased role of women in the Armed Forces. • There are an estimated 37 million dependents (spouses and dependent children) of living veterans and survivors of deceased veterans in the U.S. • Together, veterans, dependents, and survivors make up 20 percent of America's population. 																						
Category	Value																														
All Other Residents	239																														
Living Veterans	24																														
Dependents & Survivors	37																														
<p>Veteran Population by Period of Service* (Thousands)</p>  <table border="1"> <caption>Veteran Population by Period of Service* (Thousands)</caption> <tr><th>Period</th><th>Male</th><th>Female</th><th>Total</th></tr> <tr><td>Peacetime</td><td>~5,800</td><td>~300</td><td>6,142</td></tr> <tr><td>World War II</td><td>~2,800</td><td>~300</td><td>3,151</td></tr> <tr><td>Korea</td><td>~3,000</td><td>~100</td><td>3,187</td></tr> <tr><td>Vietnam</td><td>~7,500</td><td>~400</td><td>7,956</td></tr> <tr><td>Gulf War</td><td>~3,800</td><td>~800</td><td>4,646</td></tr> </table>	Period	Male	Female	Total	Peacetime	~5,800	~300	6,142	World War II	~2,800	~300	3,151	Korea	~3,000	~100	3,187	Vietnam	~7,500	~400	7,956	Gulf War	~3,800	~800	4,646	<ul style="list-style-type: none"> • Nearly 18 million (74 percent) of veterans served during at least one wartime period. • The nearly 8 million Vietnam Era veterans account for the largest segment of the veteran population. • About 70 percent of all women veterans served during the post-Vietnam Era compared to 31 percent of men. • The number of women veterans enrolled in VA's health care system is 398,621 as of June 30, 2006. 						
Period	Male	Female	Total																												
Peacetime	~5,800	~300	6,142																												
World War II	~2,800	~300	3,151																												
Korea	~3,000	~100	3,187																												
Vietnam	~7,500	~400	7,956																												
Gulf War	~3,800	~800	4,646																												
<p>Age Distribution of the Veteran Population By 5-Year Age Groups (Thousands)</p>  <table border="1"> <caption>Age Distribution of the Veteran Population By 5-Year Age Groups (Thousands)</caption> <tr><th>Age Group</th><th>Number (Thousands)</th></tr> <tr><td>20-24</td><td>~300</td></tr> <tr><td>25-29</td><td>~600</td></tr> <tr><td>30-34</td><td>~800</td></tr> <tr><td>35-39</td><td>~1,200</td></tr> <tr><td>40-44</td><td>~1,500</td></tr> <tr><td>45-49</td><td>~1,800</td></tr> <tr><td>50-54</td><td>~2,000</td></tr> <tr><td>55-59</td><td>~3,100</td></tr> <tr><td>60-64</td><td>~3,000</td></tr> <tr><td>65-69</td><td>~2,200</td></tr> <tr><td>70-74</td><td>~2,200</td></tr> <tr><td>75-79</td><td>~2,100</td></tr> <tr><td>80-84</td><td>~1,700</td></tr> <tr><td>85+</td><td>~1,100</td></tr> </table>	Age Group	Number (Thousands)	20-24	~300	25-29	~600	30-34	~800	35-39	~1,200	40-44	~1,500	45-49	~1,800	50-54	~2,000	55-59	~3,100	60-64	~3,000	65-69	~2,200	70-74	~2,200	75-79	~2,100	80-84	~1,700	85+	~1,100	<ul style="list-style-type: none"> • As of September 2006, the median age of all living veterans was 60 years. • Men's median age was 60; women's 47. • The number of veterans 85 and older totaled about 1,075,000, compared to 164,000 in 1990. • Between 2004 and 2012, veterans 85 and older enrolled in VA's health care system are expected to increase from 278,000 to 681,000, or 145 percent.
Age Group	Number (Thousands)																														
20-24	~300																														
25-29	~600																														
30-34	~800																														
35-39	~1,200																														
40-44	~1,500																														
45-49	~1,800																														
50-54	~2,000																														
55-59	~3,100																														
60-64	~3,000																														
65-69	~2,200																														
70-74	~2,200																														
75-79	~2,100																														
80-84	~1,700																														
85+	~1,100																														

*There are too few living World War I veterans to estimate their number with an acceptable level of reliability. Sum of period of service will exceed number of all veterans because veterans who served in multiple periods are shown in each period.



Data

**Veteran Population by State
As of September 30, 2006
(in thousands)**



Analysis

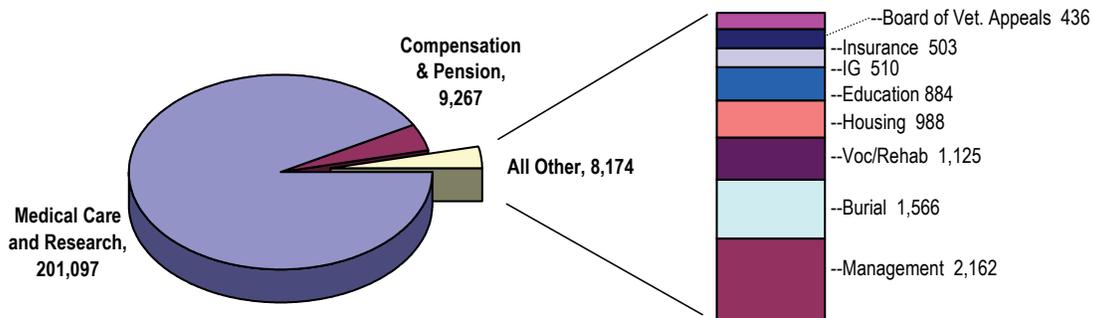
- Veterans in just three states – California, Florida, and Texas – comprised over 23 percent of the total number of veterans living in the United States.
- The three next largest states in terms of veteran population are New York, Pennsylvania, and Ohio.
- Together, these six states account for more than 37 percent of the total veteran population.



Resources: *Our People*

As of September 30, 2006, the Department employed almost 220,000 staff nationwide. The charts below show the distribution of full-time equivalent employees by program area.

Number of Full-Time Equivalent Employees
as of September 30, 2006

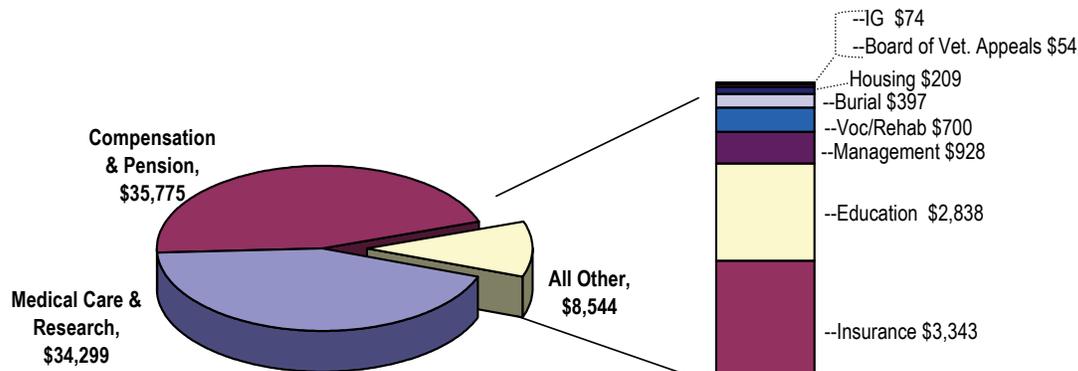


As shown above, more than 200,000 employees support VA's health care system, one of the largest in the world. Of the remaining employees, approximately 12,000 are involved with providing compensation and pension as well as other benefits to veterans and their families. More than 1,500 provide burial and memorial services for veterans and their eligible spouses and children, and about 2,100 employees provide administrative and management support to the programs.

Resources: *Budgetary*

In 2006 VA obligated nearly \$80 billion. Approximately 85 percent of total funding went directly to veterans in the form of monthly payments of benefits or for direct services such as medical care. The following charts show how VA spent the funds with which it was entrusted.

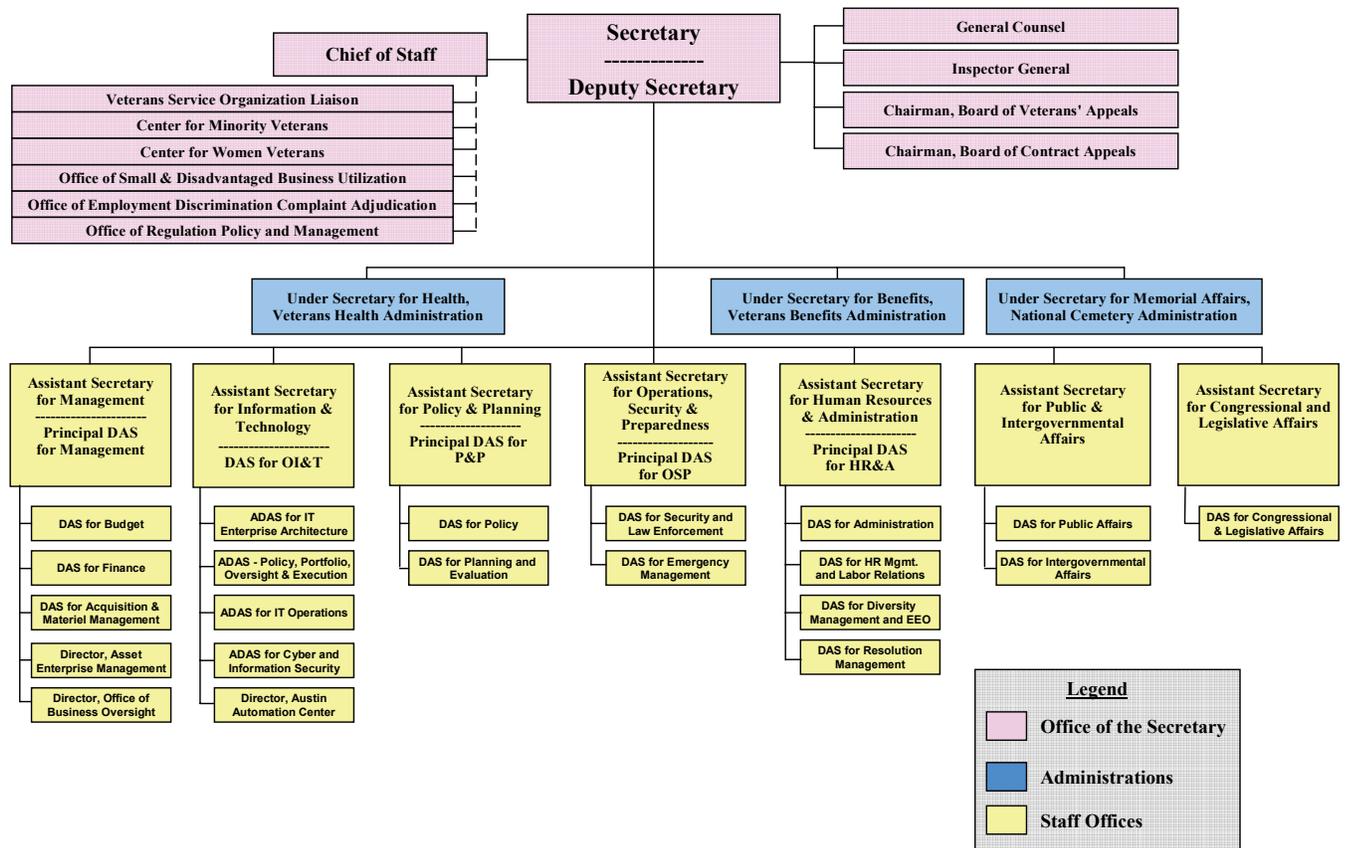
FY 2006 Obligations
(\$ Millions)





Our Organization

Department of Veterans Affairs





Leadership and Governance

VA senior leadership makes policy decisions through internal governing boards including those cited below.

Governance	Major FY 2006 Actions
Strategic Management Council	
<p>The Strategic Management Council (SMC), chaired by the Deputy Secretary, includes the six Assistant Secretaries; the Deputy Under Secretaries for Health, Benefits, and Memorial Affairs; the Deputy General Counsel; Chair for the Board of Veterans' Appeals; Chief of Staff; Counselor to the Secretary; and the Senior Advisor to the Deputy Secretary. The SMC serves as a collaborative and deliberative body that provides oversight and guidance on key strategic management issues that confront VA decision-makers.</p>	<p>The Council accomplished the following actions:</p> <ul style="list-style-type: none"> • Validated a new, realigned IT system model as the framework to implement the Secretary's decisions with respect to the IT reorganization within VA. • Approved the establishment of the Office of Operations, Security and Preparedness, and an Assistant Secretary position. • Reviewed and provided direction on the Draft <i>VA Strategic Plan 2006-2011</i>. • Reviewed and provided direction on conducting the program evaluations for the Oncology and Seriously Mentally Ill (SMI) programs. • Reviewed and directed changes to legislative proposals for the FY 2007 VA budget to increase the Survivors' Pension basic benefit from \$6,814 to \$9,500 annually, and the restructuring of the Parents' Dependency and Indemnity Compensation (DIC) program to increase the DIC benefit payable using the same benefits structure as the Survivors' Pension program. • Approved the consolidation of pension programmatic functions, including original claims, death claims, and re-opened claims. • Reviewed and directed changes to the Compensation and Pension Regulation Rewrite Project and the Office of Regulation Policy and Management's role in the centralized management of VA regulations. • Addressed the regulatory requirements of the VA Personal Identification Verification program.
Monthly Performance Reviews	
<p>The Monthly Performance Reviews, chaired by the Deputy Secretary, focus on financial and program performance. In this context, the Department's leadership discusses and makes decisions on mission-critical issues within the context of performance, budget, and workload targets and associated results.</p>	<ul style="list-style-type: none"> • Using financial and performance metrics as the basis, each VA administration and staff office reports on progress in meeting established monthly and/or fiscal-year-to-date goals. • Actual obligations, FTE, workload, and performance levels are compared to those in the operating plans. • Projects are reviewed noting milestones achieved and timeliness of milestone accomplishment. At the end of a given fiscal year, annual results are recorded in the Department's Performance and Accountability Report.