



Most Important Achievements and Current Challenges By Strategic Goal

The Department's most important FY 2006 operational achievements as well as its current challenges are summarized as follows by strategic goal.

Strategic Goal #1
Restoration and Improved Quality of Life for Disabled Veterans
Most Important Achievements
<ul style="list-style-type: none">• REDUCED REMAND INVENTORY: As a result of the joint effort between VBA and BVA to reduce unnecessary remands, the Department reduced the inventory of remands by 7 percent to 20,183 and decreased the remand rate from 38 percent to 32 percent.• INCREASED CLAIMS ACCURACY: The accuracy of rating-related compensation claims processed improved from 84 percent at the end of FY 2005 to 88 percent as of July 2006.• SPEED OF PROCESSING: VBA reached its goal of processing dependency and indemnity compensation claims to within 48 hours of receipt from surviving spouses and dependents of servicemembers who die on active duty.• QUALITY OF SERVICE: VBA employees conducted over 6 million telephone interviews. To maintain the highest quality of service, VBA piloted a national silent monitoring program and developed a special training program for Public Contact Team employees.• OUTREACH: VBA conducted direct mail outreach to all veterans in receipt of benefits in the six states with the lowest average annual compensation rate. The Department also conducted media outreach to all veterans in these states.• IMPLEMENTED PROGRAM IMPROVEMENTS: VBA implemented 72 of the 100 recommendations made by the Secretary's Vocational Rehabilitation and Employment Task Force.<ul style="list-style-type: none">○ One of the key recommendations resulted in development and implementation of the Five-Track Employment Model to increase the program's focus on employment. The model features job resource labs, the Vetsuccess.gov Web site, and deployment of increased numbers of employment coordinators.
Challenges
<ul style="list-style-type: none">• COURT DECISION: A ruling by the Federal District Court for the Northern District of California in <i>Nehmer</i> extended the reach of the Agent Orange Settlement agreement to Chronic Lymphocytic Leukemia based upon the extension of the lapsed Agent Orange Act. This ruling means that a veteran claiming any future Agent Orange-related conditions made presumptive will be paid compensation from the earliest date in the claims files that the veteran claimed the condition. In all other cases when a new presumption is created, the earliest payment date is the date the presumption was created.• NEW OUTREACH METHODS: VA must develop new methods of outreach aimed at reaching the hard-to-find aging, homeless, and poor veteran populations.• INCREASED WORKLOAD: VA faces an increasing disability claims workload in terms of the number of claims submitted with eight or more issues, reopened claims submitted by veterans with chronic progressive conditions, additional claims submitted by the aging veteran population, and the effects of the Global War on Terror.• PAPERLESS PROCESSING CAPABILITY: VA needs to improve the existing IT tools to enhance capabilities for veterans' self-service in completing paperwork.• COMPLETING OUTCOME STUDY: The Department needs to conduct a study of the Independent Living program services and outcomes to obtain information for effective strategic planning.• PROGRAM EXPANSION: VA needs to expand the Coming Home To Work program from eight military treatment facilities in FY 2006 to full national deployment, which would involve having a presence at four polytrauma centers.



Strategic Goal #2 Smooth Transition to Civilian Life

Most Important Achievements

- **VA AND DoD COLLABORATION:** VA and DoD are collaborating to ensure VA is notified of severely ill or injured **servicemembers transitioning** to VA and civilian life. Under this initiative, DoD began transmitting names of servicemembers entering the Physical Evaluation Board process to VA in October 2005. The monthly list enables VBA to contact servicemembers to inform them of potential VA benefits and VHA to initiate the transfer of health care services to VA medical centers prior to discharge from the military.
- **ESTABLISHED CALL CENTER:** VHA established an **OIF/OEF Polytrauma Call Center** to assist our most seriously injured veterans. The call center, which opened in February 2006, is operational 24/7 to answer questions on administrative and benefit inquiries from OIF/OEF polytrauma patients and their families.
- **VA AND NATIONAL GUARD COLLABORATION:** VA and the National Guard Bureau teamed up to train 54 recently returned veterans as **National Guard State Benefits Advisors (SBAs)** – one for each of the 50 states and 4 territories. The SBAs will serve as statewide points of contact providing advice to Guard members and their families. They will participate in the Reserve and National Guard mobilization and demobilization process and provide materials on VA benefits and services.
- **USE OF EDUCATIONAL BENEFIT:** VA added over **99,000 new students** to the education rolls and provided benefits to over 520,000 students in 2006.
- **FORECLOSURE AVOIDANCE:** VA achieved a **foreclosure avoidance through servicing (FATS)** ratio of 54 percent. This ratio measures the effectiveness of VA supplemental servicing of defaulted loans. A higher ratio represents dollar savings to the government.

Challenges

- **MEETING SPECIAL NEEDS:** VA must meet the special needs of Guard/Reserve, younger veterans, older reservists, and combat women veterans as well as those in remote locations.
- **OUTREACH:** VA needs to formalize its outreach program to include Navy and Marine Corps Reserve components.
- **INCREASED PTSD CASES:** VA must treat and manage the increased number of patients with combat stress and post-traumatic stress disorder (**PTSD**).
- **DEVELOPING COALITIONS:** The Department needs to support the further **development of state coalitions** to ensure the delivery of integrated benefits and services at the state and local level. Relationships need to be strengthened at the state level among VA directors, State Directors of Veterans Affairs, the State Adjutant General, and all reserve components.
- **MEASURING IMPACT:** VA must establish a way to measure the impact of **seamless transition** on the lives of the war wounded and their families.
- **ESTABLISHING SUPPORT SYSTEM:** VA needs to establish a **support system for families** and caregivers of severely injured veterans, especially those with traumatic brain injury, as well as spinal cord injury, amputation, severe disfigurement, blindness, and PTSD.
- **EDUCATIONAL ASSISTANCE WORKLOAD:** An **increased workload** is associated with paying educational assistance benefits for new programs such as the Reserve Educational Assistance Program.
- **ECONOMIC SENSITIVITY:** Any significant downturn in the national or local economies will increase the number of **defaults** and **foreclosures** of **VA-guaranteed loans**. The levels of defaults, foreclosures, and property acquisitions are related to interest rates and the economy, and are particularly sensitive to regional downturns.



Strategic Goal #3 Honoring, Serving, and Memorializing Veterans

Most Important Achievements

- **ELECTRONIC HEALTH RECORDS:** VA's system of **electronic health records**, developed with extensive involvement of front-line health-care providers, won the prestigious "Innovations in American Government Award." The annual award, sponsored by Harvard University and the Council for Excellence in Government, honors excellence and creativity in the public sector.
- **TWO NEW CEMETERIES:** In October 2005, the new **Great Lakes National Cemetery** began interment operations. In April 2006, the new **Georgia National Cemetery** began interment operations. Combined, these two national cemeteries will provide a burial option to nearly 900,000 veterans.
- **CUSTOMER SATISFACTION SURVEY:** The 2006 **Survey of Satisfaction with National Cemeteries** results were as follows:
 - **94 percent** of respondents rated the quality of service provided by national cemeteries as excellent. This is the sixth consecutive year that the quality of service provided by VA national cemeteries has been rated excellent by more than 90 percent of survey respondents.
- **HEADSTONE AND MARKER QUALITY:** Ninety-six percent of all **headstones** and **markers** furnished by VA were delivered **undamaged** and correctly inscribed in 2006. Inscription data on headstones and markers ordered by national cemeteries were accurate and complete 99 percent of the time.
- **GRAVE MARKING TIMELINESS:** In 2006, VA **marked 95 percent of graves** in national cemeteries within 60 days of the interment. This achievement was well above the performance goal of 90 percent, and a significant improvement over the 49 percent in 2002, the first year that data were collected.
- **CLAIMS PROCESSING ACCURACY:** The accuracy of **non-rating pension claims** processing improved from 86 percent at the end of FY 2005 to 88 percent as of July 2006, and the accuracy of burial claims processed increased to 94 percent from 93 percent for the same time period.
- **VA AND HHS COLLABORATION:** VA and the Department of Health and Human Services (HHS) formed **HealthierUS Veterans**, a collaboration to educate veterans and their families about ways to combat diabetes and the obesity that creates a risk for the disease.
 - VA medical centers will promote good nutrition and exercise with local groups in 40 communities that have HHS grants in a program called "Steps to a HealthierUS." The American Diabetes Association has given formal recognition to VA medical centers' patient self-management education programs at more than 40 sites.
- **IMPROVED NATIONWIDE GRAVESITE LOCATOR:** VA improved its Web-based (Internet) **Nationwide Gravesite Locator (NGL) system** to include a mapping feature that shows the burial sections of each VA national cemetery and some state veterans cemeteries.
 - This feature enables families, friends, and researchers to more easily find an exact grave location. Making it easier to identify burial locations may bring more visitors to the honored resting places that VA considers national shrines and historic treasures.
 - The NGL also includes data for headstones and markers that are furnished to mark the graves of veterans who are not buried in national cemeteries.
- **COMPLETED MEMORIAL INVENTORY PROJECT:** VA completed its **Memorials Inventory Project (MIP)**. The MIP was performed in partnership with **Save Outdoor Sculpture! (SOSI)**, a non-profit organization that uses volunteers to survey public outdoor sculpture nationwide. The MIP identified **843 memorials** located in the 156 cemeterial installations managed by NCA. NCA shared photos and data of 80 historic sculptural memorials with the **Smithsonian Institution** for inclusion in the Smithsonian Institution Research Information System database.



Strategic Goal #3, continued
Honoring, Serving, and Memorializing Veterans

Challenges

- **PAPERLESS PENSION PROCESSING:** VA is working to improve **paperless pension processing** in the Virtual VA application to encompass full pension claims workflow integrated with payment and accounting components.
- **MEETING SERVICE EXPECTATIONS:** As VA opens new cemeteries, it must continue to provide high-quality, courteous, and responsive service in all of its contacts with veterans and their families and friends.
 - These contacts schedule the committal service, arrange for and conduct interments, and provide information about the cemetery and the location of specific graves.
- **PROCESSING TIMELINESS:** In 2006 within 20 days of receipt, VA processed 62 percent of **applications for headstones and markers** for the graves of veterans who were not buried in national cemeteries. VA has established a long-range performance goal to process 90 percent of these applications within 20 days of receipt.
- **NATIONWIDE GRAVESITE LOCATOR:** VA continues to add approximately **1,000 new records per day** to the online gravesite locator to further enhance access to information and improve service to veterans and their families.



Strategic Goal #4 Contributing to the Nation's Well-Being

Most Important Achievements

- **SECURITY OFFICE ESTABLISHED:** In April 2006 the Secretary approved establishment of the Office of Operations, Security and Preparedness (OS&P) to provide oversight for all **VA emergency preparedness** activities. The office provides a direct line of authority to VA leadership and more immediate access to operational decision-makers.
- **CONTRACTING WITH SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES:** In June 2006, for the first time, VA exceeded the 3 percent minimum statutory goal for **awarding contracts to service-disabled veteran-owned small businesses**. Related to this was the award of a 6-year, \$342 million contract to a service-disabled veteran-owned small business for licensing of software products and related services.
- **PROTEIN DISCOVERY:** Researchers from the Bronx VAMC recently identified three proteins that were significantly lower in concentration in the cerebrospinal fluid from patients with **amyotrophic lateral sclerosis (ALS)** than in normal subjects. The combination of these three proteins correctly identified patients with ALS with 95 percent accuracy from normal subjects. The change in content of the three proteins may help identify patients with ALS early in the course of the disease. The results were published in the Journal of Neuroscience.
- **SCHIZOPHRENIA GENE DISCOVERY:** A team from the **Denver VA Schizophrenia Research Center** discovered that **CHRNA7**, which codes for part of the alpha-7-nicotinic (a7N) acetylcholine receptor, is one of the genes responsible for the inheritance of risk for schizophrenia, a finding that has been replicated by eight other scientists. This discovery has taken years, with research initially conducted on mice, followed by genetic investigation of patients and their relatives.
- **BONE MARROW STEM CELLS:** VA researchers demonstrated that intravenous infusion of adult-derived, **bone marrow stem cells** can protect against brain damage in a rat model of cerebral ischemia. This has implications for an early, cell-based, intervention for such conditions as stroke, brain trauma, and spinal cord injury. The results were published in the Journal of Neuroscience.
- **PHANTOM PAIN MOLECULE:** Researchers from the West Haven VAMC identified a **molecular basis for "phantom pain,"** a phenomenon in which amputees and patients with SCI experience the sensation of excruciating pain in a limb that is no longer there, or that has lost all perception.
- **VA ROLE IN MEDICAL EDUCATION:** The Report of the Federally Chartered Advisory Committee on Resident Education affirmed the critical role that VA plays in providing high-quality **graduate medical education** in terms of preparing the Nation's future physicians and meeting VA's healthcare delivery needs.
 - The committee concluded, "*VA-medical school partnerships for graduate medical education are integral to the provision of high-quality health care for the Nation's veterans. VA's educational programs provide excellent training in areas that are directly relevant to veteran patient care.*"
- **CUSTOMER SATISFACTION SURVEY:** The 2006 **Survey of Satisfaction with National Cemeteries** results were as follows:
 - 98 percent of respondents (family members and funeral directors who have recently received services from a national cemetery) indicated that they would recommend the national cemetery to veteran families in their time of need. This is the sixth consecutive year that 97 percent or more have responded that they would recommend the national cemetery.

Challenges

- **STRENGTHEN PARTNERSHIPS WITH MEDICAL SCHOOLS:** VA has a 60-year history of mutually beneficial affiliations with U.S. medical schools and teaching hospitals. For the past 10 years, however, the academic affiliation relationships have undergone transformation. Plans are underway to **strengthen VA's partnerships with medical schools** through several initiatives.
- **MAINTAINING CEMETERY APPEARANCE:** VA must ensure that the appearance of national cemeteries meets the standards our Nation expects of its national shrines. To meet these standards and fulfill the National Shrine Commitment, VA needs to make improvements in the appearance of burial grounds and historic structures as well as to conduct regular maintenance and repair projects on more than **600 buildings** and over **16,000 acres of land** contained within 156 cemeterial installations.



Enabling Goal
Applying Sound Business Principles

Most Important Achievements

- **GREEN STATUS ON REAL PROPERTY:** VA earned a “green” status on the President’s Management Agenda Real Property Initiative by meeting several stringent criteria.
- **ACTION PLAN APPROVED:** The Secretary approved the **Energy Task Force** action plan outlining how VA will address its five main energy challenges in the newly legislated Energy Act of 2005. The **five challenges** are to understand energy consumption and costs; optimally manage energy systems; purchase energy wisely; make prudent energy investments; and implement renewable and alternative energy purchasing and projects.
- **ELECTRONIC CONTRACT MANAGEMENT:** VA began deploying an **electronic contract management system (eCMS)** to enhance enterprise level (VA-wide) acquisition processes to increase VA’s purchasing power leverage.
- **STRENGTHENING DATA SECURITY:** VA has taken the following steps to improve the security of its data:
 - Procured and installed **encryption software** on VA laptops.
 - Provided **security and privacy awareness training** to all VA employees.
 - Increased **awareness** of Privacy Impact Assessments requirements and the necessity of systems compliance with all current privacy regulatory standards such as System of Records of Notices.
 - Completed assessment of security controls for all VA information systems.
- **PROJECT MANAGER CERTIFICATION & EDUCATION:** VA increased the number of **Level III-certified IT project managers** by over 35 percent, from 263 in 2005 to 360 in 2006, and implemented a continuing education program for active project managers to maintain Level III certification.
- **EARNED VALUE MANAGEMENT:** Eighty percent of the required project managers (PMs) established earned value management (EVM) baselines, and 60 percent of the required PMs are reporting EVM performance measures.

Challenges

- **VA BUILDING/FACILITY CONDITION:** VA must develop short-and long-term plans to improve building/facility condition.
- **IMPLEMENTING ACQUISITION-RELATED MANDATES:** VA must implement OMB mandates to establish an Acquisition Career Management program and a comprehensive Strategic Sourcing program.
- **IMPROVE IT PROJECT MANAGEMENT:** VA must establish a “One VA” earned value management system compliant with the American National Standards Institute/Electronic Industries Alliance Standards to improve management of Department and contractor project development work.
- **DATA SECURITY ACCOUNTABILITY:** VA needs to develop and implement critical information security policies and procedures that inform VA employees and hold them accountable for data security.
- **PUBLIC TRUST:** VA must regain the public’s trust and confidence in its commitment to the protection of sensitive data.