



Most Important Achievements and Current Challenges

By Strategic Goal

The Department's most important FY 2007 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
<p>POLYTRAUMA CALL CENTER: VA established an OIF/OEF Polytrauma Call Center to assist our most severely injured veterans and their families. The Center may potentially serve between 3,000 and 4,000 veterans per year.</p> <p>STATE BENEFITS SEAMLESS TRANSITION PROGRAM: In February 2007, VA announced the expansion of a collaborative outreach program with states and territories to help severely injured servicemembers receive benefits from their states when they move from military hospitals to VA medical facilities in their communities.</p> <p>PHYSICAL EVALUATION BOARD (PEB): VA and DoD are collaborating to ensure VA is notified of severely ill or injured servicemembers transitioning to VA care and civilian life.</p> <p>DEFICIENCY-FREE DECISION RATES: The accuracy of rating-related decisions reviewed improved from 89 percent in FY 2005 to 94 percent in 2007. This improvement is attributed to the development and implementation of a uniform, centralized training curriculum. Additionally, the training manual was rewritten using Information Mapping, which presents information to readers in an easily understood accessible format.</p> <p>PRIORITY CLAIMS PROCESSING: All claims from veterans of the Global War on Terror are receiving priority handling, and their claims were processed in 110 days on average. Veterans with serious injuries or illnesses are case-managed and processed expeditiously.</p> <p>MAINTAINED HIGH LEVELS OF CLAIMS ACCURACY: The accuracy of rating-related compensation claims was maintained at 88 percent through July 2007, while VA hired over 1,000 new staff in 2007. New employees often take years to fully master claims review; thus, given the magnitude of hiring, the maintenance of this level of performance was remarkable.</p> <p>VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAM IMPROVEMENTS: Implemented 88 of the 100 recommendations made by the Secretary's Vocational Rehabilitation and Employment Task Force.</p> <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 more employment coordinators.
Challenges
<p>VA's ABILITY TO SUPPORT THOSE TRANSITIONING TO CIVILIAN LIFE: DoD began transmitting names of servicemembers entering DoD's PEB process to VA in October 2005. A list updated monthly 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 (VAMCs) prior to discharge from the military. VAMCs are contacting servicemembers by letter and telephone inviting them to enroll in VA for health care services.</p> <p>INCREASED WORKLOAD: The disability claims workload continues to increase in terms of the number and complexity of claims as exhibited by claims with eight or more issues, claims with chronic progressive disabilities, the aging veteran population, and the effects of the Global War on Terror.</p> <p>RECENT COURT ACTIONS: Recent court actions will negatively affect VA's efforts to process claims in a timely manner; the following is an example:</p> <ul style="list-style-type: none">○ Nehmer v. U.S. Department of Veterans Affairs ruling in the Northern District of California, which extended the reach of the Agent Orange Settlement Agreement to Chronic Lymphocytic Leukemia (CLL). Due to the unique rules and stringent time requirements imposed in the <i>Nehmer</i> settlement, these cases require significantly more development and management oversight than normal claims. <p>COMPLIANCE WITH THE VETERANS CLAIMS ASSISTANCE ACT (VCAA): Since VCAA's enactment in November 2000, the Court of Appeals for Veterans Claims has issued at least 17 precedential decisions imposing stringent requirements affecting the content and timing of notice.</p>



Strategic Goal #2 Smooth Transition to Civilian Life
Most Important Achievements
<p>MULTIFAMILY TRANSITIONAL HOUSING PILOT: Catholic Charities' \$20 million St. Leo's Residence for Veterans multifamily transitional housing complex was completed consisting of 141 studio apartments for homeless veterans, a VA outpatient clinic, resource center, and community park. Currently all 141 studio apartments are occupied by homeless veterans.</p> <p>RESTORED VISION FOR HOMELESS VETERANS: A pilot program made it possible for more than 300 homeless veterans to receive eyeglasses through donations from Faith Based and Community Organizations and foundations.</p> <p>VA STAFF AT MILITARY TREATMENT FACILITIES (MTFs): VA staff is now present at 10 MTFs throughout the country to assist the transition of injured and ill servicemembers from the military to civilian life.</p> <p>POST DEPLOYMENT HEALTH REASSESSMENT (PDHRA): VA is actively participating in DoD's PDHRA program at Reserve and Guard locations by providing information on VA care and benefits, enrolling interested Reservists and Guardsmen in the VA healthcare system, and arranging appointments for referred servicemembers.</p> <p>ARMY SPECIALISTS HELPING VA: VA is hosting Army Wounded Warrior Soldier Family Management Specialists (SFMS) to work closely with VA's Polytrauma Rehabilitation Centers and the Network Polytrauma Centers.</p> <p>EDUCATION BENEFITS: VA added more than 102,000 new students to the education rolls and provided benefits to approximately 540,000 total students in 2007.</p> <p>PAPERLESS BENEFITS AT DELIVERY (BDD) PROCESSING: VA began paperless processing of BDD claims at the Winston-Salem Rating Activity Site in 2006 and expanded it to the Salt Lake City Rating Activity Site in 2007. Through August 2007, the two sites have processed over 2,300 BDD paperless claims.</p> <p>OUTREACH: VA benefits briefings to Reserve and Guard members have increased from 108 per month in 2006 to 150 per month in 2007, reaching approximately 7,559 members per month.</p>
Challenges
<p>RAMPING UP VA STAFF AT MILITARY TREATMENT FACILITIES: VA will need to quickly expand the number of liaisons to accommodate and support the Army Warrior in Transition population (servicemembers awaiting transition to veteran status). To date, VA has been asked by the Army Medical Department to provide liaisons at seven additional sites (military installations) for a total of 14 Army sites. The projected OIF/OEF population to be served at each new site is approximately 300 servicemembers and veterans.</p> <p>OUTREACH TO RESERVE AND GUARD MEMBERS: Providing VA benefits briefings to demobilizing Reserve and Guard members continues to be difficult. VA does not receive timely notification that a unit is demobilizing; the demobilizations are widely dispersed; and the availability of units to attend benefits briefings is limited.</p>



Strategic Goal #3 Honoring, Serving, and Memorializing Veterans

Most Important Achievements

OPENED TWO NEW CEMETERIES: VA began interment operations at the new **Sacramento Valley VA National Cemetery** in October 2006 and at the new **South Florida VA National Cemetery** in April 2007. Combined, these two national cemeteries will provide a burial option to more than **700,000 veterans**.

NEW NATIONAL CEMETERY SCHEDULING OFFICE: In January 2007, the new National Cemetery Scheduling Office (NCSO) began operations. In its first year, the NCSO provided **centralized interment scheduling**, 7 days a week, for 27 existing national cemeteries in 9 Midwestern states and VA's two newly opened national cemeteries in Sacramento, California, and South Florida. Implemented as a pilot program in 2007, NCA plans to extend the NCSO to provide interment scheduling support to VA national cemeteries nationwide.

GRAVE MARKING TIMELINESS: **94 percent of graves** in national cemeteries were marked within 60 days of the date of interment. This is well above the performance goal of 90 percent, and a significant improvement over the 2002 baseline level of 49 percent.

NATIONAL CEMETERY CUSTOMER SATISFACTION: The 2007 survey found that **94 percent** of respondents rated the quality of service provided by national cemeteries as excellent. This is the **seventh consecutive year** that the quality of service provided by national cemeteries has been rated excellent by more than 90 percent of survey respondents.

HIGH PATIENT SATISFACTION: The **American Customer Satisfaction Index survey**, long recognized as a national indicator of customer evaluation of the quality of goods and services available to residents of the U.S., found that VA's inpatient hospital services achieved a score of 84 (5 percentage points higher than private sector hospitals) and outpatient services scored 82 (4 points higher than private sector scores). ACSI said that VA's results "should be considered a benchmark for other agencies." VA also rated highly (94 inpatient and 92 outpatient on a 100-point scale) in veteran loyalty, meaning that nearly all veterans that VA treats are willing to use VA health care facilities in the future and are likely to speak positively to others about their experiences.

VA HOSPITALS' QUALITY EVALUATED: All VA hospitals are accredited by The Joint Commission, which is the Nation's predominant standards-setting and accrediting body in health care. The Joint Commission, an independent, not-for-profit organization, evaluates and accredits nearly 15,000 health care organizations and programs in the U.S. In the most recent Joint Commission Quality Report, VA's performance measurement scores met or exceeded the national scores for Joint Commission-accredited hospitals in almost every category of care (pneumonia, heart failure, acute myocardial infarction, and Surgical Care Improvement Project).

TRAUMATIC INJURY PROTECTION: In 2007, the Traumatic Injury Protection program paid \$217.3 million to over 6,300 severely wounded servicemembers and veterans.

HOUSING FORECLOSURE AVOIDANCE: VA achieved an "**Efficiency-Foreclosure Avoidance Through Servicing (E-FATS)**" ratio of 6.8. This means VA avoided \$6.80 in potential claim payments for every dollar spent on Loan Administration personnel assisting veterans who had a VA-guaranteed loan in default.

INCREASED CLAIMS ACCURACY: The accuracy of nonrating-related (authorization) pension claims processed improved from **88 percent in 2006 to 91 percent through July 2007**. Separate and dedicated Systematic Technical Accuracy Review (STAR) is done on claims decisions at the three Pension Maintenance Centers (PMCs). The PMC accuracy review results are used for quality improvement, training, and performance assessment.

TRANSITIONING TO PAPERLESS PENSION CLAIMS PROCESSING: VA began the transition to front-end paperless processing by completing over 2,150 claims electronically. VA transitioned to **100 percent** paperless repository for historical pension documents resulting in faster claims review.



<p>Strategic Goal #3, continued Honoring, Serving, and Memorializing Veterans</p>
<p>Challenges</p>
<p>HEADSTONE AND MARKER PROCESSING TIMELINESS: In 2007 VA processed 38 percent of applications for headstones and markers for the graves of veterans who were not buried in national cemeteries within 20 days of the date of receipt. VA has established a long-range performance goal to process 90 percent of these applications within 20 days of receipt. To improve performance in this area, NCA is revising staffing plans and working with the VA Office of Information and Technology to investigate possible enhancements to the current technology for scanning and processing applications.</p> <p>HIRING SPECIALTY STAFF: VHA continues to have challenges in recruiting specialty staff especially in geographically remote areas. For example, orthopedists, urologists, and psychiatrists are difficult to recruit in remote areas such as Maine and Wyoming.</p> <p>IMPACT OF AN ECONOMIC DOWNTURN: Any significant downturn in the national or local economies will likely 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 in general, and are particularly sensitive to regional downturns.</p>

<p>Strategic Goal #4 Contributing to the Nation's Well-Being</p>
<p>Most Important Achievements</p>
<p>POST-TRAUMATIC STRESS DISORDER (PTSD) RESEARCH:</p> <ul style="list-style-type: none"> • Veterans with PTSD commonly experience nightmares and sleep disturbances, which can seriously impair their mood, daytime functioning, relationships, and overall quality of life. In initial studies, VA research scientists have found that prazosin, an inexpensive generic drug already used by millions of Americans for high blood pressure and prostate problems, improves sleep and reduces trauma nightmares for veterans with PTSD. Plans are being developed for a definitive clinical trial to confirm the drug's effectiveness. • In the largest, women-only clinical trial on PTSD, VA researchers and colleagues found that prolonged-exposure--a type of cognitive behavioral therapy--was effective in reducing PTSD symptoms and that such reductions remained stable over time. Women who received prolonged-exposure therapy--in which therapists helped them recall their trauma memories under safe, controlled conditions--had greater reductions of PTSD symptoms than women who received only emotional support and counseling focused on current problems. <p>HIV/AIDS RESEARCH: VA research scientists previously showed that people with a below-average number of copies of a particular immune-response gene called CCL3L1 have a greater likelihood of acquiring HIV and, once infected, of progressing to full-blown AIDS. Further VA research now shows that a person's genetic makeup could be a more accurate predictor of disease progression than currently used laboratory markers. The researchers also demonstrated that the combination of laboratory and genetic markers captures a broader spectrum of AIDS risk than either set of markers alone.</p> <p>EMERGENCY MANAGEMENT: During the aftermath of Hurricane Katrina, the VA Health Revenue Center (HRC) activated an emergency call center to assist displaced employees, provide advisory assistance to displaced veterans seeking medical care, and assist veteran patients in obtaining and refilling medications provided by VA physicians and providers. The HRC has been designated through formal Memorandum of Understanding at the Departmental level as the VA National Disaster Contact Center (NDCC). The designation of the HRC as the VA NDCC ensures that VA has the necessary communications resource for veterans and employees should VA face similar challenges in the future.</p> <p>CUSTOMER SATISFACTION SURVEY: 98 percent of respondents to VA's 2007 Survey of Satisfaction with National Cemeteries indicated that they would recommend the national cemetery to veteran families in their time of need. This is the seventh consecutive year that 97 percent or more have indicated a high level of trust that VA's national cemeteries continue to honor veterans and their service to our Nation.</p>



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

Challenges

MAINTAINING CEMETERY APPEARANCE: National cemeteries must meet 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 158 cemeterial installations.

BALANCE BETWEEN RESEARCH AND PROVIDING CARE: Many VA researchers are clinicians. Because the veteran population has been increasing, these dedicated individuals are finding it **difficult to maintain a balance** between time spent on clinical care and research activities. Therefore, both VA's patient care and VA's research efforts might ultimately suffer if those individuals wish to spend more time on research and leave VA.

Enabling Goal
Applying Sound Business Principles

Most Important Achievements

GREEN BUILDINGS ACTION PLAN: VA developed a **Green Buildings Action Plan** and set up an internal council to coordinate Department-wide efforts to meet the sustainable/green building requirements of Executive Order 13423. These requirements will reduce the energy intensity and environmental impacts of new VA construction -- benefiting constituents, local communities, and the Nation.

ENERGY MANAGERS HIRED: VA hired 35 energy managers, each of whom is responsible for one or more VA facilities around the country. The energy managers are focusing on optimizing the **energy** and **water** efficiency of these facilities to control energy costs and meet federal energy mandates.

ENERGY ASSESSMENTS: VA completed **64 facility energy assessments**, identifying energy and water conservation opportunities to reduce both consumption and cost.

AGGRESSIVE ASSET DISPOSAL: In 2006 VA **disposed of 77 buildings** – 6 via sales, 19 through demolition, and 52 by Enhanced Use Leasing. In 2007, VA disposed of 43 buildings.

STREAMLINED BILLING PROCESSES: VA established **payer agreements** with insurance carriers including national payers to ensure that VA receives the same reimbursement for the same service in the same geographic area as non-governmental providers.

VETERAN ENROLLMENT MADE EASIER: Veterans can now **apply for health benefits online** and maintain and update their personal information (for example, address, contact, and other information).

IMPROVING VA'S IT PROJECT MANAGEMENT WORKFORCE: VA increased the number of **Level III** certified IT project managers from **360** in 2006 to **390** in 2007. This will result in increased confidence in the skills and knowledge of individuals managing VA projects, which should enhance project execution.

ESTABLISHED EARNED VALUE MANAGEMENT SYSTEM (EVMS): VA's newly established EVMS is compliant with the American National Standards Institute/Electronic Industries Alliance Standards. **VA uses EVM standards** and measures and established baselines with cost, schedule, and performance goals **for 90 percent of its major IT development projects**. EVM provides increased confidence in the accuracy of project status reports, which will allow early identification of problems in individual projects during execution.



Enabling Goal, *continued*
Applying Sound Business Principles

Challenges

FULLY IMPLEMENTING EXECUTIVE ORDER (EO) 13423: This EO requires **integration of energy, environmental, and vehicle fleet management**, as well as the designation of a single senior agency official accountable for EO implementation and agency performance against the EO mandates. During FY 2007, VA began this integration by expanding the energy program and policy office to include fleet and environment. Much remains to be done to continue integrating these areas for maximum organizational efficiency.

OPTIMIZING PROMISED EFFICIENCIES OF ELECTRONIC THIRD PARTY BILLING: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) mandated electronic health care billing and payment technologies to streamline and reduce the costs of health care billing and payment activities. To maximize the benefit of these technologies, VA, in addition to implementing extensive enhancements to VA's VistA billing system and making business process changes nationwide, is very often dependent upon third party health plans to make changes to their systems, which can often be complex and time-consuming.

For example, few health plans business models included electronically accepting secondary health care claims directly from the health care provider, yet HIPAA provides for this. Therefore, for the large portion of VA's claims portfolio that involves Medicare secondary claims, VA (which does not bill Medicare) is working with the individual health plans requesting that they modify their systems according to HIPAA provisions to enable this business line to flow electronically. These types of one-on-one collaboration with third party health plans are also needed to enable related insurance eligibility and payment data transactions. Other unique-to-VA business issues include changes to health plan systems to accommodate payments to VA for drugs repackaged by VA (an economical practice for VA and for veterans), and for 90-day prescription fills dispensed by VA rather than the more customary health plan mail-out pharmacies (also a practice that benefits veterans and allows for significant economies for VA).

IMPROVE DATA SECURITY AND ACCOUNTABILITY: VA needs to **complete certification and accreditation for over 600 Department information systems**. In addition, VA is working to remediate the longstanding information technology security controls material weakness.