



## Strategic Goal Three

*Honor and serve veterans in life and memorialize them in death for their sacrifices on behalf of the Nation.*

### STRATEGIC OBJECTIVE 3.1

#### *Delivering Health Care*

*Provide high-quality, reliable, accessible, timely, and efficient health care that maximizes the health and functional status of enrolled veterans, with special focus on veterans with service-connected conditions, those unable to defray the costs, and those statutorily eligible for care.*

### Making a Difference for the Veteran

## VA's MOVE Program Helps Veterans Manage Weight

By the start of Healthy Weight Week in January, more than 41,000 veterans were participating in a weight management program designed by the Department of Veterans Affairs (VA) to reduce the high rates of illness among VA's patients caused by obesity.

"There is a growing epidemic of obesity and diabetes in the Nation, especially among veterans," said former Secretary of Veterans Affairs Jim Nicholson. "Seventy percent of the veterans VA cares for are overweight and one in five has diabetes, both of which increase the risk of many diseases."

The MOVE! Program - "Managing Overweight Veterans Everywhere" - not only encourages veterans enrolled in VA care to get in shape but also offers information through an Internet link to family members and anyone trying to lose weight.

VA started MOVE! to encourage veterans to increase their physical activity and improve their nutrition. Through individual and group counseling, physicians, nurses, dieticians, and recreational therapists help enrollees change their eating behavior and increase their exercise.

Primary care teams at all VA medical centers stay in touch with participants to track their progress. Increasing numbers of VA community-based clinics are also enrolling veterans. Among activities the teams promote are competing in fitness challenges, joining community exercise programs that partner with VA medical facilities, and leading families and friends into movement and nutrition routines.

Anyone can log onto [www.move.va.gov](http://www.move.va.gov), where a questionnaire helps identify personal barriers to weight control. The questions link to about 100 informational materials on the site. People not enrolled in VA health care can take the information about themselves to their personal health care providers.

Hall of Fame quarterback John Elway is promoting the VA campaign. He began appearing in television public service announcements (PSAs) nationwide in early January. In the PSAs, Elway is seen at the playing field of the Denver Broncos, encouraging veterans to become more active and improve their nutrition habits.



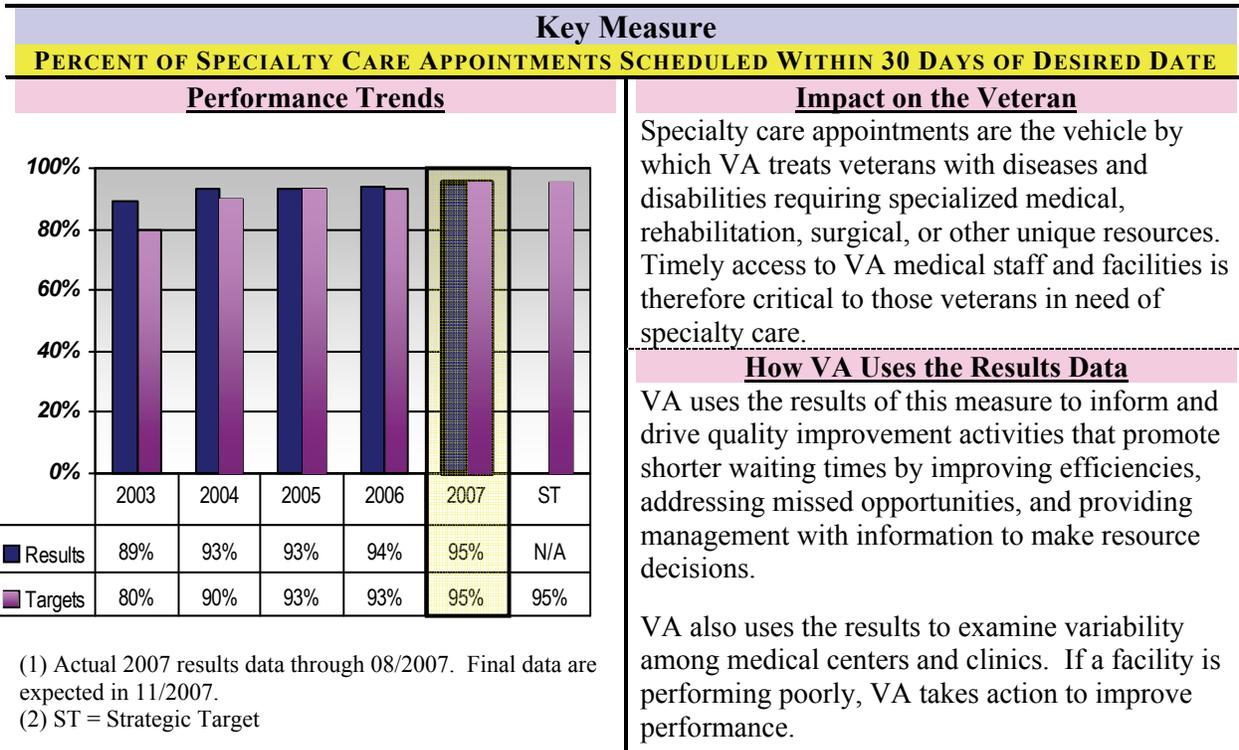
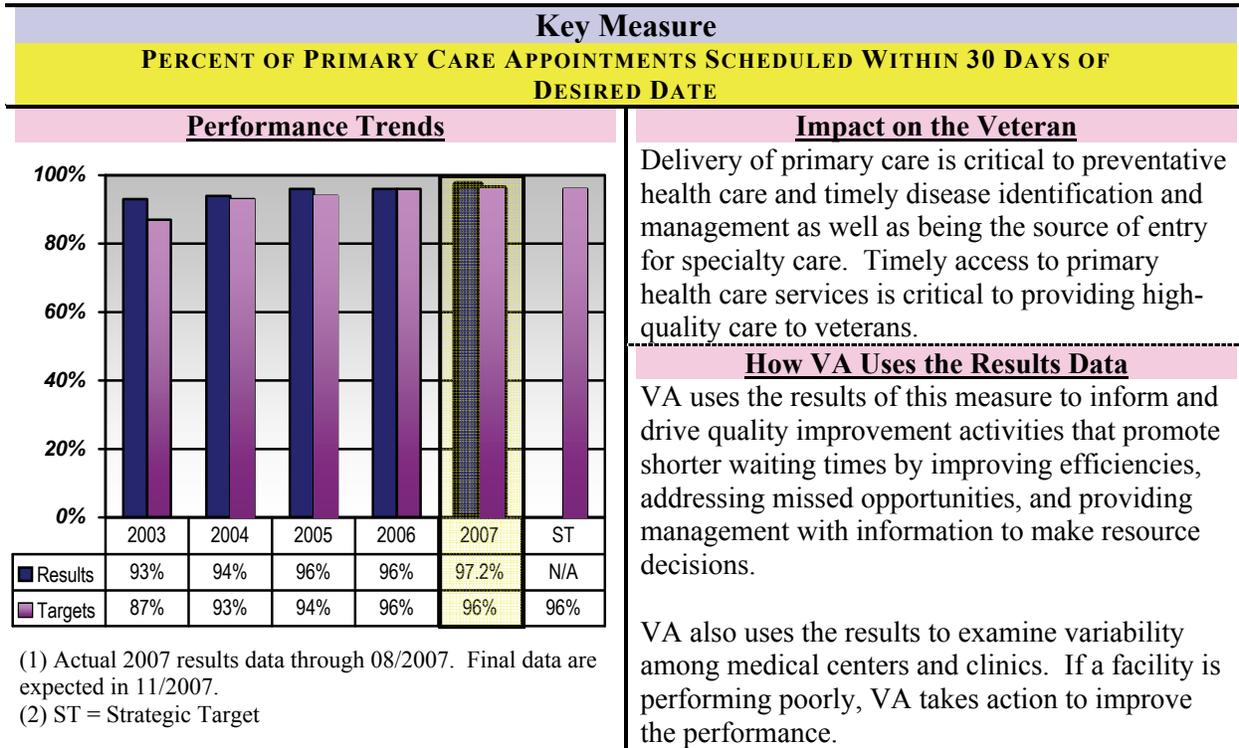
John Elway, Football Hall of Fame quarterback for the Denver Broncos, visited Connie Tally, Eligibility and Enrollment Trainer for VA's Health Administration Center, after attending a kick-off luncheon for the Healthier U.S. Veterans program in Denver. Elway is VA's spokesman for the program.



**Significant Trends, Impacts, and Use of FY 2007 Results**

Key Measure															
CLINICAL PRACTICE GUIDELINES INDEX II															
Performance Trends	Impact on the Veteran														
<table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th></th> <th style="background-color: #ffff00;">2006</th> <th style="background-color: #ffff00;">2007</th> <th style="background-color: #ffff00;">ST</th> </tr> </thead> <tbody> <tr> <td style="background-color: #d9e1f2;">■ Results</td> <td style="text-align: center;">83%</td> <td style="text-align: center;">83%</td> <td style="text-align: center;">N/A</td> </tr> <tr> <td style="background-color: #d9e1f2;">■ Targets</td> <td style="text-align: center;">77%</td> <td style="text-align: center;">84%</td> <td style="text-align: center;">87%</td> </tr> </tbody> </table> <p>(1) Actual 2007 results data through 05/2007. Final data are expected in 11/2007.                      (2) ST = Strategic Target</p>		2006	2007	ST	■ Results	83%	83%	N/A	■ Targets	77%	84%	87%	<p>This measure targets promotion of early identification and treatment of potentially disabling and/or deadly diseases such as acute cardiac diseases, hypertension, diabetes, major depressive disorder, and schizophrenia, as well as tobacco use cessation. VA uses this measure to assess the quality of health care being delivered to its patients in accordance with industry standards.</p> <p style="text-align: center;"><b>How VA Uses the Results Data</b></p> <p>Early identification and intervention of acute and potentially disabling chronic diseases enable VA to target education, disease management, and care access to prevent and/or limit the effects of potentially disabling diseases and improve the quality of life for the veteran.</p>		
	2006	2007	ST												
■ Results	83%	83%	N/A												
■ Targets	77%	84%	87%												

Key Measure															
PREVENTION INDEX III															
Performance Trends	Impact on the Veteran														
<table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th></th> <th style="background-color: #ffff00;">2006</th> <th style="background-color: #ffff00;">2007</th> <th style="background-color: #ffff00;">ST</th> </tr> </thead> <tbody> <tr> <td style="background-color: #d9e1f2;">■ Results</td> <td style="text-align: center;">88%</td> <td style="text-align: center;">87%</td> <td style="text-align: center;">N/A</td> </tr> <tr> <td style="background-color: #d9e1f2;">■ Targets</td> <td style="text-align: center;">88%</td> <td style="text-align: center;">88%</td> <td style="text-align: center;">88%</td> </tr> </tbody> </table> <p>(1) Actual 2007 results data through 05/2007. Final data are expected in 11/2007.                      (2) ST = Strategic Target</p>		2006	2007	ST	■ Results	88%	87%	N/A	■ Targets	88%	88%	88%	<p>This measure targets promotion of healthy lifestyle changes such as immunizations, smoking cessation, and early screening for chronically disabling diseases. A high score means that more VA-treated veterans are taking the necessary steps to develop or maintain healthy lifestyles.</p> <p style="text-align: center;"><b>How VA Uses the Results Data</b></p> <p>Early identification and intervention for risky behaviors and disease risk enable VA to target education, immunization programs, and clinic access to prevent and/or limit potential disabilities resulting from these activities and/or diseases. VA targets all outpatients for its prevention measures. VA targets the inpatient population for education on disease-specific care such as discharge instructions for the congestive heart failure patient and the need for immunizations for patients with pneumonia.</p>		
	2006	2007	ST												
■ Results	88%	87%	N/A												
■ Targets	88%	88%	88%												





**Key Measure**

**PERCENT OF PATIENTS RATING VA INPATIENT SERVICE AS "VERY GOOD" OR "EXCELLENT"**

**Performance Trends**

	2003	2004	2005	2006	2007	ST
Results	74%	74%	77%	78%	77%	N/A
Targets	70%	70%	74%	74%	78%	80%

(1) Actual 2007 results data through 05/2007. Final data are expected in 11/2007.  
 (2) ST = Strategic Target

**Impact on the Veteran**

Veterans are entitled to health care that includes emotional support, education, shared decision-making, safe environments, family involvement, respect, and management of pain and discomfort. The veteran's level of overall satisfaction is impacted by the extent to which his or her needs are met.

Satisfaction is a key indicator of how well VA rises to these expectations. This measure addresses how well these expectations are met in the *inpatient* setting.

**How VA Uses the Results Data**

VA leadership targets improvement efforts on areas and/or facilities where scores are less than "very good." Facilities that achieve high scores serve as models and mentors for lower-scoring facilities.

**Key Measure**

**PERCENT OF PATIENTS RATING VA OUTPATIENT SERVICE AS "VERY GOOD" OR "EXCELLENT"**

**Performance Trends**

	2003	2004	2005	2006	2007	ST
Results	73%	72%	77%	78%	77%	N/A
Targets	71%	72%	73%	73%	78%	80%

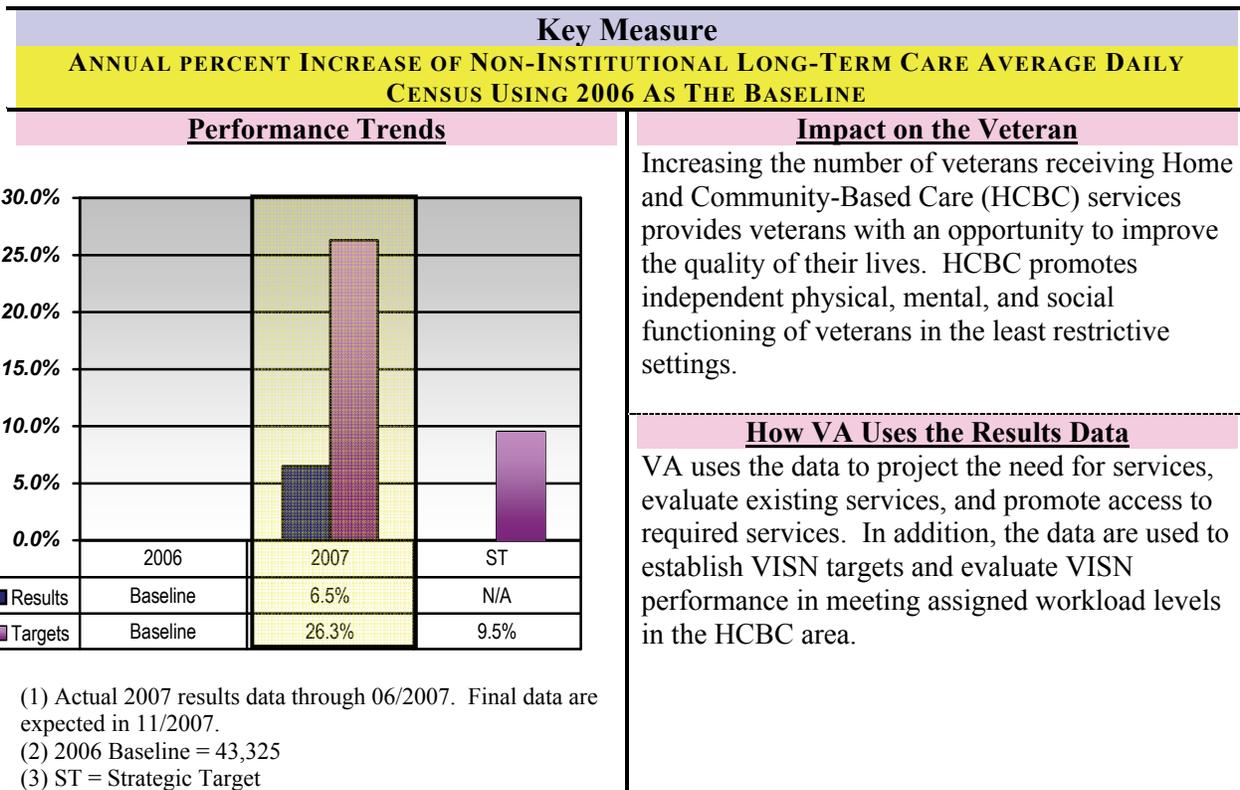
(1) Actual 2007 results data through 05/2007. Final data are expected in 11/2007.  
 (2) ST = Strategic Target

**Impact on the Veteran**

Veterans are entitled to health care that includes emotional support, education, shared decision-making, safe environments, family involvement, respect, and management of pain and discomfort. The veteran's level of overall satisfaction is impacted by the extent to which his or her needs are met. Satisfaction is a key indicator of how well VA rises to these expectations. This measure addresses how well these expectations are met in the *outpatient* setting.

**How VA Uses the Results Data**

VA leadership targets improvement efforts on areas where scores are less than "very good." Facilities that achieve high scores serve as models and mentors for lower-scoring facilities. These improvement efforts may target any part of the facility from programs to individual clinics.



### Additional Performance Information Related to Strategic Objective 3.1

#### OIG Major Management Challenges

- Quality of Health Care (see page 254 for more details)
- Electronic Medical Records (see page 257 for more details)
- New and Significantly-Increased Health Problems associated with OIF/OEF (see page 260 for more details)

#### GAO High-Risk Areas

The Government Accountability Office did not identify any high-risk areas related to this objective.

#### Program Assessment Rating Tool (PART) Evaluation

In relation to this strategic objective, the Administration conducted a PART evaluation of VA’s Medical Care program during CY 2003, which resulted in a rating of “Adequate.”

Please see OMB PART reviews on page 81 for more information.

#### Program Evaluations

A program evaluation of VA’s oncology program is being conducted by Abt Associates in conjunction with Harvard Medical School. It was begun in 2005 and will be completed in 2009.

Given the complexity and unique nature of the different types of cancer, the scope of the study is limited to a subset of six oncologies which represent either the highest prevalence or special populations: lung, colorectal, prostate, myeloma, non-Hodgkins lymphoma, and breast cancer. **These six cancers account for about 73 percent of the 42,000 newly-diagnosed cancer cases in VA each year.** The evaluation examines the quality of care for veteran patients and their clinical outcomes, as well as questions on access, availability and utilization of services, pain and end-of-life management, the use of



pharmaceuticals and clinical trials, cancer care capabilities within each medical center, and cost. Deliverables for FY 2007 include performance indicators for quality care for each of the cancers. The indicators are developed and vetted by cancer experts. We have received the measures of performance for colon, prostate, and lung cancers, and expect to receive them for breast and hematologic cancers, symptom management, and end-of-life care later this year.

VHA will implement these performance measures in the External Peer Review Program. They provide objective, specific measures for quality care to be followed by VA practitioners; they are also used to grade network directors' performance. Additional deliverables are reports on VISN comparisons for colorectal and prostate cancer that will give us concrete information on such things as mortality and morbidity, cancer services, and patient outcomes. These will allow us to address any recommendations to improve outcomes and services.

#### **New Policies, Procedures, or Process Improvements**

VA has mandated that all OIF/OEF veterans who come to VA for care are screened for TBI. Screening policy and procedures have been defined in a directive. Veterans with positive screens are offered follow-up evaluations by providers with training and expertise in TBI. In addition, an algorithm for the management of positive symptoms has been developed by VA experts and disseminated nationally.

VA produced and published Web site checklists for human research protections and research privacy; these are available for use by the VA research community in meeting requirements for regulatory and policy compliance. VA also developed a checklist for research information security to help ensure compliance with VA regulations and policies.

#### **Other Important Results**

More than 100 measures are now analyzed by medical care program experts on a quarterly basis with focus on such areas as access,

prevention/health promotion, cardiovascular disease, mental health, and, most recently, measures related to health care for OIF/OEF servicemembers and veterans.

Measures have been designed to assess the quality of patient care in a variety of settings including inpatient, outpatient, emergency, and mental health. Quality is further evaluated in special populations such as women, mentally ill, spinal cord injury, and OIF/OEF.

#### **Data Verification and Measure Validation**

Verification and validation information for the key measures that support this objective is provided in the Key Measures Data Table on pages 208-213.



## STRATEGIC OBJECTIVE 3.2

### *Decisions on Pension Claims*

*Provide eligible veterans and their survivors a level of income that raises their standard of living and sense of dignity by processing pension claims in a timely and accurate manner.*

## Making a Difference for the Veteran

### **Aid and Attendance: A Special Monthly Pension Benefit for Veterans and Surviving Spouses**



The Aid and Attendance pension benefit is available to wartime veterans and surviving spouses who have in-home care or live in nursing homes or assisted-living facilities.

The Department of Veterans Affairs (VA) is reaching out to inform wartime veterans and surviving spouses of deceased wartime veterans about an under-used, special monthly pension benefit called Aid and Attendance.

“Veterans have earned this benefit by their service to our Nation,” said former Secretary of Veterans Affairs Jim Nicholson. “We want to ensure that every veteran or surviving spouse who qualifies has the chance to apply.”

Although this is not a new program, not everyone is aware of his or her potential eligibility. The Aid and Attendance pension benefit may be available to wartime veterans and surviving spouses who have in-home care or who live in nursing homes or assisted-living facilities.

Many elderly veterans and surviving spouses whose incomes are above the congressionally mandated legal limit for a VA pension may still be eligible for the special monthly Aid and Attendance benefit if they have large medical expenses, including nursing home expenses, for which they do not receive reimbursement.

To qualify, claimants must be incapable of self support and in need of regular personal assistance. The basic criteria for the Aid and Attendance benefit include the inability to feed oneself, to dress and undress without assistance, or to take care of one’s own bodily needs. People who are bedridden or need help to adjust special prosthetic or orthopedic devices may also be eligible, as well as those who have a physical or mental injury or illness that requires regular assistance to protect them from hazards or dangers in their daily environment.

The Aid and Attendance income threshold for a veteran without dependents is now \$18,234 annually. The threshold increases to \$21,615 if a veteran has one dependent, and by \$1,866 for each additional dependent. The annual Aid and Attendance threshold for a surviving spouse alone is \$11,715. This threshold increases to \$13,976 if there is one dependent child, and by \$1,866 for each additional child.



**Significant Trends, Impacts, and Use of FY 2007 Results**

Key Measure																								
AVERAGE DAYS TO PROCESS COMPENSATION AND PENSION RATING-RELATED ACTIONS																								
Performance Trends				Impact on the Veteran																				
<table border="1"> <thead> <tr> <th>Year</th> <th>Results</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>2003</td> <td>182</td> <td>165</td> </tr> <tr> <td>2004</td> <td>166</td> <td>145</td> </tr> <tr> <td>2005</td> <td>167</td> <td>145</td> </tr> <tr> <td>2006</td> <td>177</td> <td>185</td> </tr> <tr> <td>2007</td> <td>183</td> <td>160</td> </tr> </tbody> </table>				Year	Results	Targets	2003	182	165	2004	166	145	2005	167	145	2006	177	185	2007	183	160	<p>The average length of time it takes to process claims for compensation or pension has increased by 6 days from 177 days in 2006 to 183 days in 2007. Therefore, on average it takes about 6 months for claimants to receive their benefits.</p>		
Year	Results	Targets																						
2003	182	165																						
2004	166	145																						
2005	167	145																						
2006	177	185																						
2007	183	160																						
				How VA uses the Results Data																				
				<p>VA uses the results data to manage the compensation and pension programs and to implement performance improvement strategies. For example, as performance declines are manifested in certain field offices, management takes corrective actions such as providing additional training and realigning workload or staffing levels.</p>																				
				<p>To improve the average days to process, VA is adding more resources. VA hired over 1,000 new staff in 2007, and further staff increases are expected in 2008. In addition, death pension claims and disability pension claims will be consolidated to the three PMCs—this increases the number of resources dedicated to disability claims processing.</p>																				

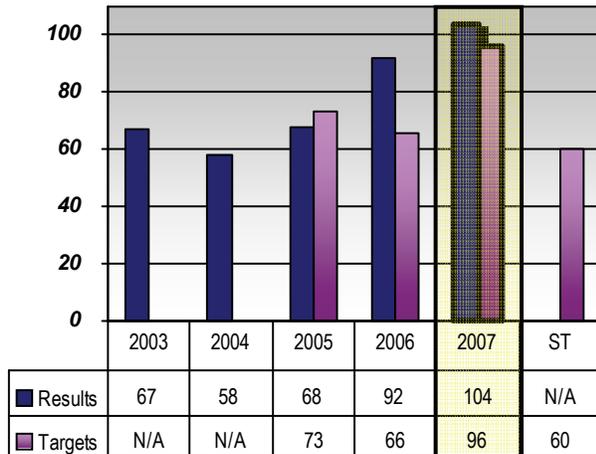
ST = Strategic Target



**Key Measure**

**AVERAGE DAYS TO PROCESS NON-RATING PENSION ACTIONS**

**Performance Trends**



ST = Strategic Target

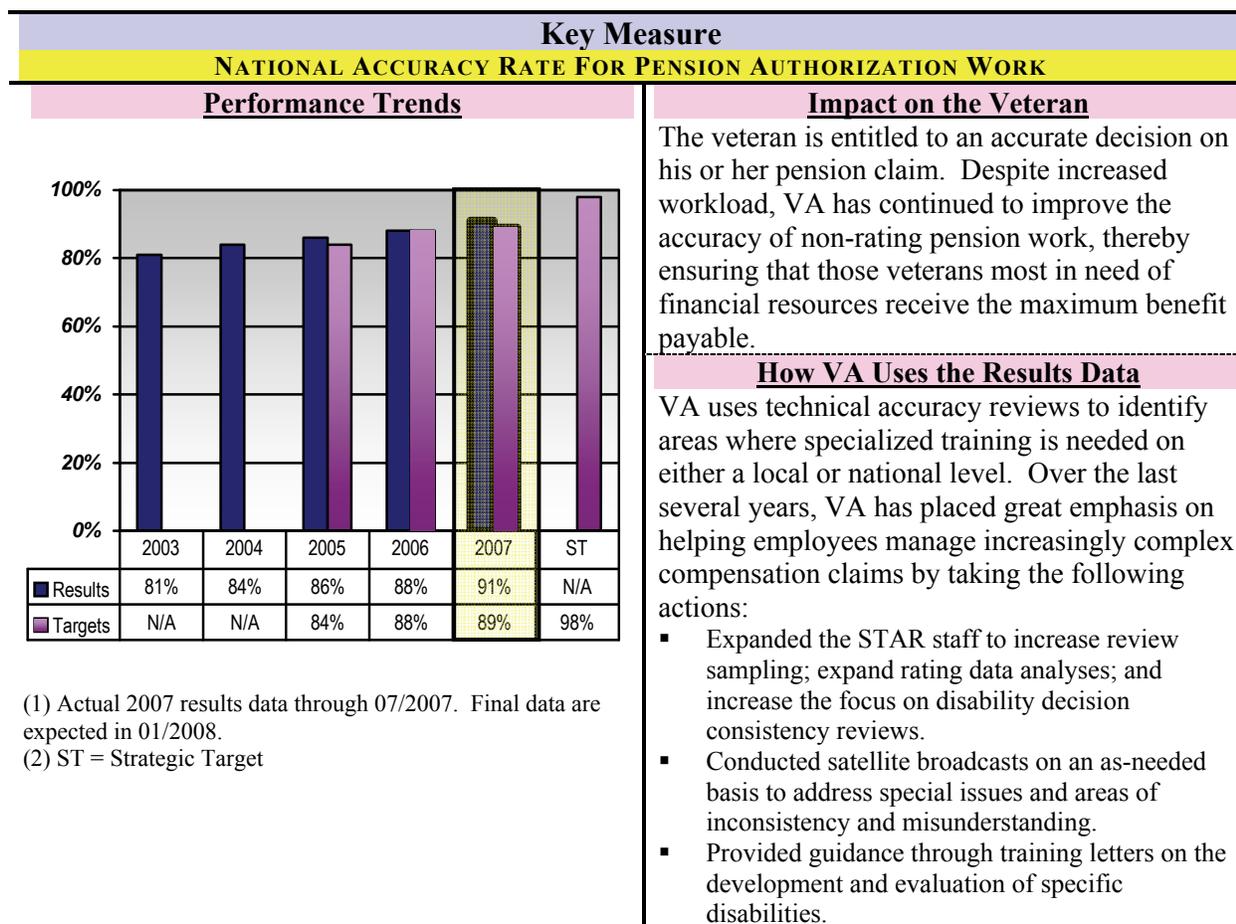
**Impact on the Veteran**

The average length of time it takes to process non-rating pension actions has increased by 12 days from 92 days in 2006 to 104 days in 2007. Therefore, on average, it takes over 3 months for claimants to receive a decision on their claim.

**How VA Uses the Results Data**

VA uses the results data to manage the compensation and pension programs and to implement performance improvement strategies. For example, as performance declines are manifested in certain field offices, management takes corrective actions such as providing additional training and realigning workload or staffing levels.

In addition, VA is consolidating death pension claims and disability pension claims to the three PMCs in FY 2008. This specialization will result in greater efficiency and improved timeliness.



(1) Actual 2007 results data through 07/2007. Final data are expected in 01/2008.  
 (2) ST = Strategic Target

### Additional Performance Information Related to Strategic Objective 3.2

#### OIG Major Management Challenges

- Pending Claims and Estimated Receipts (see page 264 for more details)
- Appeals (see page 266 for more details)
- Accuracy and Variance (see page 267 for more details)

#### GAO High-Risk Areas

- Modernizing Federal Disability Programs (see page 289 for more details)

### Program Assessment Rating Tool (PART) Evaluation

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Pension program during CY 2005, which resulted in a rating of "Adequate." Please see OMB PART reviews on page 83 for more information.

#### Program Evaluations

No independent program evaluations have been conducted recently that specifically address this objective.



### **New Policies, Procedures, or Process Improvements**

VA's PMCs traditionally receive one batch of Income Verification Matches during the last quarter of the year. In 2007 the PMCs received data for 2 tax years (2004 and 2005), which negatively impacted the cumulative timeliness of claims processing.

VA implemented the following actions to strengthen efficiencies at the three PMCs:

- Each PMC has quality review coordinators responsible for quality improvement oversight.
- In September 2006, VA released a refresher training curriculum to ensure standardized processing of pension claims.
- VA developed eight new job aids to reduce errors associated with the infrequent processing of specialized awards. These job aids were implemented in September 2006.
- VA developed an electronic application that stores and sorts Compensation and Pension system messages associated with pension maintenance activities by categories such as frequency, claim number, and terminal digit to assist with timelier processing of the messages. This application was released to the PMCs in June 2007.

### **Data Verification and Measure Validation**

Verification and validation information for the three key measures that support this objective is provided in the Key Measures Data Table on pages 212-215.



## STRATEGIC OBJECTIVE 3.3

### Providing Insurance Service

*Maintain a high level of service to insurance policyholders and their beneficiaries to enhance the financial security of veterans' families.*

## Making a Difference for the Veteran

### VA Provides Life Insurance for Veterans



Policyholders may view their dividend options on the VA Insurance Web site.

More than a million veterans are in line to share \$369 million in annual insurance dividends during 2007, according to the Department of Veterans Affairs (VA). Dividends are paid each year to veterans holding certain government life insurance policies and who served between 1917 and 1956.

"These dividends are tangible evidence of VA's continuing commitment to safeguard the interests of America's veterans," said former Secretary of Veterans Affairs Jim Nicholson.

VA operates one of the Nation's largest life insurance programs, providing more than \$1.3 trillion in coverage to 7.2 million veterans, servicemembers, spouses, and children.

The dividend payments will be sent to an estimated 1.2 million holders of VA insurance policies on the anniversary date of their policies. Sent automatically through different payment plans, the amounts will vary based on the age of the veteran, the type of insurance, and the length of time the policy has been in force.

Veterans who have questions about their policies should contact the VA insurance toll-free number at 1-800-669-8477 or send an e-mail to [VAinsurance@va.gov](mailto:VAinsurance@va.gov). They may also visit the Internet at [www.insurance.va.gov](http://www.insurance.va.gov).



**Significant Trends, Impacts, and Use of FY 2007 Results**

Key Measure												
AVERAGE NUMBER OF DAYS TO PROCESS TSGLI DISBURSEMENTS												
Performance Trends		Impact on the Veteran										
<table border="1"> <tr> <td>2006</td> <td>2007</td> <td>ST</td> </tr> <tr> <td>Results: 3.8</td> <td>Results: 3.0</td> <td>N/A</td> </tr> <tr> <td>Targets: N/A</td> <td>Targets: 5</td> <td>5</td> </tr> </table>				2006	2007	ST	Results: 3.8	Results: 3.0	N/A	Targets: N/A	Targets: 5	5
2006	2007	ST										
Results: 3.8	Results: 3.0	N/A										
Targets: N/A	Targets: 5	5										
		<p>The purpose of the TSGLI program is to provide rapid financial assistance to traumatically injured servicemembers so that their families can be with them during the often extensive recovery and rehabilitation process. For example, families use this financial assistance to make up for lost earnings, continue making home loan payments, and provide child care.</p> <p>This program is important because a number of studies have shown that the presence or close proximity of family members aids the rehabilitation process.</p>										
		<p><b>How VA Uses the Results Data</b></p> <p>VA monitors TSGLI receipts to ensure that claims are processed in a timely manner. When VA experiences an increase in TSGLI claims, staffing adjustments are made to ensure timely processing.</p>										

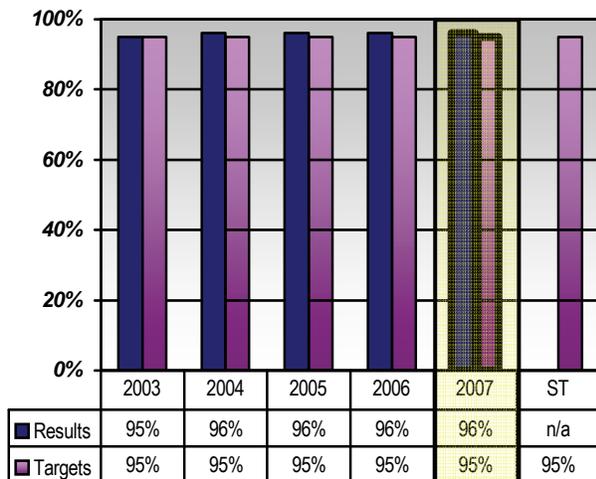
ST = Strategic Target



**Supporting Measure**

**HIGH VETERANS' SATISFACTION RATINGS ON SERVICES DELIVERED**

**Performance Trends**



ST = Strategic Target

**Impact on the Veteran**

VA's insurance program maintains high levels of customer satisfaction by providing quality service and implementing and administering insurance programs that meet the needs and lifestyles of veterans and their beneficiaries. Results over the past several years indicate that veterans' insurance needs are being met.

**How VA Uses the Results Data**

VA analyzes the results of the monthly surveys for 11 services and addresses any problems identified. In particular, one question in VA's insurance program customer satisfaction survey asks, "What could we do better?" VA takes action on these comments.

For example, previous comments from survey respondents indicated that policyholders found some forms and letters confusing. As a result, VA prioritized the application of Reader-Focused Writing principles to those items to make them easier to understand. VA also follows up on surveys where the respondent indicates a need for further assistance.

**Additional Performance Information Related to Strategic Objective 3.3**

**OIG Major Management Challenges and GAO High-Risk Areas**

VA's Office of Inspector General did not identify any major management challenges related to this objective. The Government Accountability Office did not identify any high-risk areas related to this objective.

**Program Assessment Rating Tool (PART) Evaluation**

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Insurance program during CY 2005, which resulted in a rating of "Moderately Effective." Please see OMB PART reviews on page 82 for more information.

**Program Evaluations**

A program evaluation of the Insurance program was completed by ORC Macro; Economic Systems, Incorporated; the Hay Group; and Systems Flow, Incorporated in May 2001. The evaluation concluded the program was effective in meeting its Congressional intent. However, there were several recommendations for improvement, many of which have been implemented.

The evaluation recommended that VA work with DoD to more fully publicize the conversion features of Servicemembers' Group Life Insurance (SGLI) to Veterans' Group Life Insurance (VGLI) in order to increase participation in VGLI. In 2007 VA enhanced outreach efforts to recently separated servicemembers who received a military disability rating of 50 percent or higher. The purpose of the outreach is to inform these



veterans that they may be eligible for a free 2-year extension of the SGLI coverage they held while in service, as well as to offer them the opportunity to convert their SGLI coverage to VGLI without having to meet good health requirements.

#### **New Policies, Procedures, or Process Improvements**

Policyholders who have been rated Individually Unemployable by VA are eligible for waiver of premiums on Service-Disabled Veterans Insurance (S-DVI) policies. In 2007 VA identified over 3,000 policyholders who were paying premiums but who were potentially eligible for waiver. VA invited these policyholders to apply for waiver of premiums via personalized mailings.

#### **Data Quality**

VA's data quality improvement efforts, including its work on data verification and validation, are described in the Assessment of Data Quality on page 192.

#### **Data Verification and Measure Validation**

Verification and validation information for the key measure that supports this objective is provided in the Key Measures Data Table on page 214.



## STRATEGIC OBJECTIVE 3.4

### Meeting Burial Needs

Ensure that the burial needs of veterans and eligible family members are met.

## Making a Difference for the Veteran

### Increasing Access to Burial Options

VA's 124<sup>th</sup> national cemetery, Sacramento Valley VA National Cemetery, was dedicated on April 22, 2007. In his remarks to nearly 2,000 veterans, family members and local citizens gathered in Dixon, California, Under Secretary for Memorial Affairs William Tuerk said, "For VA, the opportunity to provide resting places for veterans and to maintain memorials to their service is a sacred trust. VA continues to honor a veteran's service even after death by establishing national shrines like the one rising in the Sacramento Valley area."



Sacramento Valley VA National Cemetery Director Dean Moline, Rep. Ellen Tausher, VA Under Secretary for Memorial Affairs William Tuerk, and California Department of Veterans Affairs Secretary Tom Johnson (from left to right) participate in unveiling the dedication plaque.

Among those paying respects after the ceremony was the Hayman family. VA bought the land for the Sacramento Valley VA National Cemetery from Alvin Hayman, owner of the then 561-acre farm known as Hayman Ranch. A proud Marine and World War II

veteran, Hayman passed away 5 days after the land deal closed. He was the first burial at the cemetery.

The Sacramento Valley VA National Cemetery is located in Solano County, approximately 27 miles southwest of Sacramento between Dixon and Vacaville. Nearly 346,000 veterans and their families live within the local service area of the new national cemetery. Burials began in October 2006. More than 1,400 burials have taken place since then. Although the cemetery is open for burials, construction will continue until July 2009.

VA's 125<sup>th</sup> national cemetery, South Florida VA National Cemetery, opened on April 16, 2007. The 313-acre cemetery, located in Palm Beach County approximately 19 miles northwest of Boca Raton, will provide a burial option to more than 400,000 veterans and their families within the cemetery's local service area.

VA is in the midst of the largest national cemetery expansion since the Civil War and operates 125 national cemeteries in 39 states and Puerto Rico and 33 soldiers' lots and monument sites. More than 3 million Americans, including veterans of every war and conflict, are buried in VA's national cemeteries.



**Significant Trends, Impacts, and Use of FY 2007 Results**

Key Measure						
PERCENT OF VETERANS SERVED BY A BURIAL OPTION WITHIN A REASONABLE DISTANCE (75 MILES) OF THEIR RESIDENCE						
Performance Trends				Impact on the Veteran		
100.0%						
80.0%						
60.0%						
40.0%						
20.0%						
0.0%	2003	2004	2005	2006	2007	ST
■ Results	75.2%	75.3%	77.1%	80.2%	83.4%	N/A
■ Targets	74.4%	75.3%	78.3%	81.6%	83.8%	90.0%
<p>ST = Strategic Target</p>						
How VA Uses the Results Data						
<p>VA analyzes census data to determine areas of the country that have the greatest unmet need for service by a burial option. This information is used in planning for new national cemeteries and for gravesite expansion projects to extend the service lives of existing national cemeteries, as well as in prioritizing funding requests for state veterans cemetery grants.</p>						

Key Measure						
PERCENT OF RESPONDENTS WHO RATE THE QUALITY OF SERVICE PROVIDED BY THE NATIONAL CEMETERIES AS EXCELLENT						
Performance Trends				Impact on the Veteran		
100%						
80%						
60%						
40%						
20%						
0%	2003	2004	2005	2006	2007	ST
■ Results	94%	94%	94%	94%	94%	N/A
■ Targets	95%	95%	95%	96%	97%	100%
<p>ST = Strategic Target</p>						
How VA Uses the Results Data						
<p>VA's annual Survey of Satisfaction with National Cemeteries is the source of data for this key measure. The survey collects data from family members and funeral directors who have recently received services from a national cemetery. These data are shared with NCA managers at the Central Office, Memorial Service Network, and national cemetery levels who use the data to improve the quality of service provided at national cemeteries.</p>						



## Additional Performance Information Related to Strategic Objective 3.4

### OIG Major Management Challenges and GAO High-Risk Areas

VA's Office of Inspector General did not identify any major management challenges related to this objective. The Government Accountability Office did not identify any high-risk areas related to this objective.

### Program Assessment Rating Tool (PART) Evaluation

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Burial program during CY 2002, which resulted in a rating of "Moderately Effective." Please see OMB PART reviews on page 84 for more information.

### Program Evaluations

The Veterans Millennium Health Care and Benefits Act, Public Law 106-117, directed VA to contract for an independent demographic study to identify those areas of the country where veterans do not have reasonable access to a burial option in a national or state veterans cemetery, and identify the number of additional cemeteries required through 2020. Volume 1: Future Burial Needs, published in May 2002, identified those areas having the greatest need for burial space for veterans. VA continues to use this report as a valuable tool for planning new national cemeteries.

In 2007 VA continued a comprehensive program evaluation of the full array of burial benefits and services that the Department provides to veterans and their families. The program evaluation will assess, develop, and update program outcomes, goals, and objectives and compare actual program results with established goals.

### New Policies, Procedures, or Process Improvements

From 2007 through 2009, NCA will establish eight new national cemeteries (two have already opened in Sacramento, California and South

Florida). The development of these cemeteries is consistent with current policy to locate national cemeteries in areas with the largest concentration of veterans. Each location will provide a burial option to at least 170,000 veterans not currently served.

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. The NCSO delivers more consistent eligibility determination in standard eligibility requests and quicker eligibility determination when eligibility cannot be immediately established. The NCSO also provides a vehicle for NCA to capitalize on new technologies that support paperless, secure recordkeeping, and future enhancements such as online interment scheduling for funeral homes.

### Other Important Results

In 2007 Sacramento Valley VA and South Florida VA National Cemeteries began interment operations. These two new cemeteries will provide reasonable access to a burial option to approximately 700,000 veterans.

As directed by the National Cemetery Expansion Act of 2003, Public-Law 108-109, action is underway to establish six new national cemeteries to serve veterans in the areas of Bakersfield, California; Birmingham, Alabama; Columbia/Greenville, South Carolina; Jacksonville, Florida; Sarasota County, Florida and Southeastern Pennsylvania. These cemeteries are expected to begin operations by 2009 and will provide service to about 1 million veterans.

VA also completed construction projects to extend burial operations at two currently operational national cemeteries.



In addition to building, operating, and maintaining national cemeteries, VA also administers the State Cemetery Grants program, which provides grants to states for up to 100 percent of the cost of establishing, expanding, or improving state veterans cemeteries. Increasing the availability of state veterans cemeteries is a means to provide a burial option to those veterans who may not have reasonable access to a national cemetery.

In 2007, three states opened new veterans cemeteries in Fort Knox, Kentucky; Shreveport, Louisiana; and Mission, Texas. A new veterans cemetery was also opened in Saipan, Commonwealth of the Northern Mariana Islands. In 2007, 66 operating state veterans cemeteries performed more than 23,000 interments of veterans and eligible family members, and grants were obligated to establish, expand, or improve state veterans cemeteries in 10 states. Also in 2007, state veterans cemeteries provided a burial option to more than 2 million veterans and their families.

**Data Verification and Measure Validation**

Verification and validation information for the two key measures that support this objective is provided in the Key Measures Data Table on page 214-217.



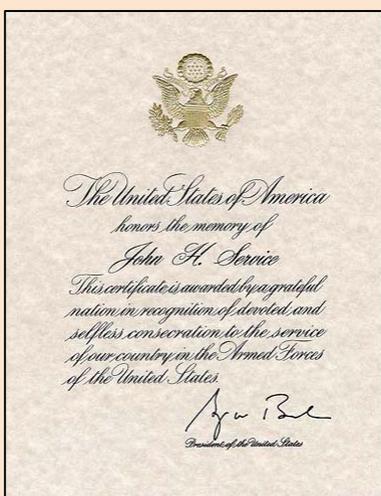
## STRATEGIC OBJECTIVE 3.5

### *Symbolic Expressions of Remembrance*

*Provide veterans and their families with timely and accurate symbolic expressions of remembrance.*

## Making a Difference for the Veteran

### Presidential Memorial Certificates



NCA processes more than 400,000 certificate requests each year. To date, more than 11 million certificates have been issued since the program began in 1962.

VA has made it easier for next of kin and loved ones of honorably discharged deceased veterans to request Presidential Memorial Certificates. The certificates bear the President's signature and express the country's grateful recognition of the veteran's service in the United States Armed Forces. A request form can be accessed online at

<http://www.va.gov/vaforms/va/pdf/VA40-0247.pdf>.

The Presidential Memorial Certificate program was initiated in March 1962 by President John F. Kennedy and has been continued by all subsequent presidents. More than one certificate may be provided if requested. VA's National Cemetery Administration processes more than 400,000 certificate requests each year. More than 11 million Presidential Memorial Certificates have been issued since the program began. More information about the program may be found at

<http://www.cem.va.gov/cem/pmc.asp> or by calling 202-565-4964.



**Significant Trends, Impacts, and VA’s Use of FY 2007 Results**

Key Measure						
PERCENT OF GRAVES IN NATIONAL CEMETERIES MARKED WITHIN 60 DAYS OF INTERMENT						
Performance Trends				Impact on the Veteran		
				<p>The amount of time it takes to mark the grave after an interment is extremely important to veterans and their families. The headstone or marker is a lasting memorial that serves as a focal point not only for present-day survivors, but also for future generations. In addition, it may bring a sense of closure to the grieving process to see the grave marked.</p>		
				<p><b>How VA Uses the Results Data</b></p> <p>NCA field and Central Office employees have online access to monthly and fiscal year-to-date tracking reports on timeliness of marking graves in national cemeteries. Increasing the visibility and access of this information reinforces the importance of marking graves in a timely manner. This information is also used to drive process improvements, such as the development of NCA’s local inscription program, which further improves NCA’s ability to provide veterans and their families with these symbolic expressions of remembrance.</p>		
	2003	2004	2005	2006	2007	ST
■ Results	72%	87%	94%	95%	94%	N/A
■ Targets	70%	78%	88%	90%	90%	92%

ST = Strategic Target

**Additional Performance Information Related to Strategic Objective 3.5**

**OIG Major Management Challenges and GAO High-Risk Areas**

VA's Office of Inspector General did not identify any major management challenges related to this objective. The Government Accountability Office did not identify any high-risk areas related to this objective.

**Program Assessment Rating Tool (PART) Evaluation**

In relation to this strategic objective, the Administration conducted a PART evaluation of VA’s Burial program during CY 2002, which resulted in a rating of “Moderately Effective.” Please see OMB PART reviews on page 84 for more information.

**Program Evaluations**

In 2007, VA continued a comprehensive program evaluation of the full array of burial benefits and services that the Department provides to veterans and their families. The program evaluation will assess, develop, and update program outcomes, goals, and objectives and compare actual program results with established goals.

**New Policies, Procedures, or Process Improvements**

The Veterans Education and Benefits Expansion Act of 2001, Public Law 107-103, as amended by the Veterans Benefits Improvement Act of 2002, Public Law 107-330, allows VA to furnish an appropriate marker for the graves of eligible veterans buried in private cemeteries, whose deaths occur on or after September 11, 2001, regardless of whether the grave is already marked with a non-government marker.



Authority provided under this legislation was originally due to expire on December 31, 2006.

In February 2006, VA submitted a report to Congress recommending the extension of the authority. Congress has approved VA's recommendation and has granted authority to VA to continue the provision of this benefit until December 31, 2007. VA also recommended that it be granted permanent authority to furnish headstones and markers for graves in private cemeteries previously marked with a non-government marker, and that the date of death clause under the authority be changed to November 1, 1990.

Legislation proposed by VA was enacted into law expanding NCA's ability to honor the memory of family members of eligible veterans. Public Law 109-461, *The Veterans Benefits, Health Care, and Information Technology Act of 2006*, grants NCA the authority to furnish memorial markers in national and State veterans cemeteries for veterans' eligible deceased children whose remains are unavailable for burial. Under Section 2306 of Title 38 of the United States Code (U.S.C.), NCA previously had the authority to furnish memorial markers only for veterans and eligible spouses. Section 2402 of Title 38 U.S.C grants VA the authority to bury the remains of veterans' eligible dependent children in VA national cemeteries. When remains are unavailable, this new law enables VA to honor the memory of dependent children in a manner consistent with burial eligibility in national cemeteries of these individuals.

#### **Other Important Results**

In addition to VA national cemeteries, VA also furnishes headstones and markers for national cemeteries administered by the Department of the Army and the Department of the Interior and contracts for all columbaria niche inscriptions at Arlington National Cemetery. In 2007 VA processed more than 359,000 applications for headstones and markers for placement in national, state, other public, or private cemeteries. Since 1973 VA has furnished

almost 10 million headstones and markers for the graves of veterans and other eligible persons.

VA is committed to ensuring that timely and accurate symbolic expressions of remembrance are provided for veterans who are not buried in national cemeteries. In 2007 VA processed 38 percent of the applications for headstones and markers for such veterans within 20 days of receipt. VA's long-range performance goal is to process 90 percent of the applications within 20 days of receipt.

Headstones and markers must be replaced when either the government or the contractor makes errors in the inscription, or if the headstone or marker is damaged during installation. When headstones and markers must be replaced, it further delays the final portion of the interment process, the placing of the headstone or marker at the gravesite. NCA continues to improve accuracy and operational processes in order to reduce the number of inaccurate or damaged headstones and markers delivered to the gravesite. In 2007, 96 percent of headstones and markers were delivered undamaged and correctly inscribed. In 2007, inscription data for 99 percent of headstones and markers ordered by national cemeteries were accurate and complete. VA will continue to focus on business process reengineering, including improving accuracy and operational processes, in order to reduce delays in marking graves caused by inaccurate or damaged headstones and markers.

In 2007 VA issued more than 423,000 Presidential Memorial Certificates, bearing the President's signature, to convey to the family of the veteran the gratitude of the Nation for the veteran's service. To convey this gratitude, it is essential that the certificate be accurately inscribed. The accuracy rate for inscription of Presidential Memorial Certificates provided by VA is consistently 98 percent or better.



**Data Verification and Measure Validation**

Verification and validation information for the key measure that supports this objective is provided in the Key Measures Data Table on page 216.



## STRATEGIC OBJECTIVE 3.6

### *Home Purchase and Retention*

*Improve the ability of veterans to purchase and retain a home by meeting or exceeding lending industry standards for quality, timeliness, and foreclosure avoidance.*

## Making a Difference for the Veteran

### VA Continues to Provide Home Ownership Opportunities for Veterans

From the inception of the VA-guaranteed home loan program, VA has backed approximately 18.2 million home loans for veterans, servicemembers, and eligible reservists who have earned this benefit. VA makes it possible for veterans to compete in the marketplace for credit with persons who did not serve in the military.

Since 1944 when President Franklin Roosevelt signed the Servicemen's Readjustment Act into law, the GI Bill, as it is popularly known, has secured more than \$927 billion of financing for veterans' and servicemembers' home loans. In 2007 alone, VA guaranteed more than 133,300 loans valued at more than \$24.8 billion.

"The no-downpayment VA program has been a cornerstone of the Nation's housing finance system for more than 60 years," said National Association of Home Builders Immediate Past President David Pressly. "It has opened the door to homeownership for millions of veterans who have, in turn, been able to build equity and household wealth, put down roots in the communities where they live, and enjoy the many benefits of owning a home."

VA-guaranteed home loans are made by banks and mortgage companies. VA guarantees lenders against loss up to a certain amount. In 2007, this guarantee means veterans can obtain a no-downpayment loan for up to \$417,000 (\$625,500 in Hawaii, Alaska, Guam and U.S. Virgin Islands). However, loans above this amount will likely require a downpayment.



#### ***1<sup>st</sup> VA Loan***

This Washington, DC home purchased in 1944 was the first home purchased using the VA Home Loan Program. Since that time, VA has guaranteed nearly 18.2 million home loans.



**Significant Trends, Impacts, and Use of FY 2007 Results**

Key Measure																											
FORECLOSURE AVOIDANCE THROUGH SERVICING (FATS) RATIO																											
Performance Trends				Impact on the Veteran																							
<table border="1"> <thead> <tr> <th>Year</th> <th>Results (%)</th> <th>Targets (%)</th> </tr> </thead> <tbody> <tr> <td>2003</td> <td>45.0%</td> <td>44.0%</td> </tr> <tr> <td>2004</td> <td>44.0%</td> <td>47.0%</td> </tr> <tr> <td>2005</td> <td>48.0%</td> <td>47.0%</td> </tr> <tr> <td>2006</td> <td>54.0%</td> <td>47.0%</td> </tr> <tr> <td>2007</td> <td>57.0%</td> <td>51.0%</td> </tr> <tr> <td>ST</td> <td>N/A</td> <td>51.0%</td> </tr> </tbody> </table>				Year	Results (%)	Targets (%)	2003	45.0%	44.0%	2004	44.0%	47.0%	2005	48.0%	47.0%	2006	54.0%	47.0%	2007	57.0%	51.0%	ST	N/A	51.0%	<p>The 2007 FATS ratio means that 57.0 percent of veterans who otherwise could have lost their homes through foreclosure were able to retain ownership with VA assistance, or at least had the impact of loss lessened by either tendering a deed in lieu of foreclosure or arranging a private sale with VA claim payment to help close the sale. VA avoided claim payments in most of the FATS cases or else paid smaller claims than if foreclosure had occurred.</p>		
Year	Results (%)	Targets (%)																									
2003	45.0%	44.0%																									
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2007	57.0%	51.0%																									
ST	N/A	51.0%																									
				How VA Uses the Results Data																							
				<p>VA uses the data to measure the effectiveness of field station efforts to assist veterans in avoiding foreclosure.</p>																							
				<p>Since veterans benefit substantially from foreclosure avoidance, and at the same time VA realizes cost savings, VA has begun to redesign the program to promote greater loss mitigation efforts by primary servicers.</p>																							

ST = Strategic Target

**Additional Performance Information Related to Strategic Objective 3.6**

**OIG Major Management Challenges and GAO High-Risk Areas**

VA's Office of Inspector General did not identify any major management challenges related to this objective. The Government Accountability Office did not identify any high-risk areas related to this objective.

**Program Assessment Rating Tool (PART) Evaluation**

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Housing program during CY 2004, which resulted in a rating of "Results Not Demonstrated." Please see OMB PART reviews on page 81 for more information.

**Program Evaluations**

No independent program evaluations have been conducted recently that specifically address this objective.

**New Policies, Procedures, or Process Improvements**

In 2007 VA experienced increased inquiries and usage of the Specially Adapted Housing (SAH) grants and the Native American Direct Loan (NADL) program. Legislation passed in June 2006 changed the one-time-only usage of SAH grant benefits to a total of three times, not to exceed the maximum amounts established. This legislation also made the NADL program permanent and removed the \$80,000 maximum loan amount. The new law changed the NADL limits to the Freddie Mac single-family conventional conforming loan limit. That limit is currently \$417,000 for loans in the 48 contiguous states and \$625,500 for loans in Alaska, Hawaii, and the South Pacific.



### **Other Important Results**

During 2007 VA continued the implementation of new processes and procedures associated with the redesign of our guaranteed loan default servicing. Full implementation will occur in 2008. This will bring VA very close to performance and operational standards used by large private sector servicers and lenders. The emphasis will be on providing financial incentives and greater flexibility to primary servicers.

### **Data Verification and Measure Validation**

Verification and validation information for the key measure that supports this objective is provided in the Key Measures Data Table on page 216.