

Executive Summary

INTRODUCTION

In years past, the Vocational Rehabilitation and Employment Program was proudly called the Department of Veterans Affairs “crown jewel.” Today, the Task Force believes that the jewel – and the pride – can be restored to an even greater brilliance. It will take effort, but the Department of Veterans Affairs must build a new, comprehensive, employment-driven service delivery system

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No VA mission is more important at this time in our history – especially now when the United States is at war – than enabling our injured soldiers, sailors, and airmen and other veterans with disabilities to have a seamless transition from military service to a successful rehabilitation and on to suitable employment after service to our Nation. For some severely-disabled veterans, this success will be

measured by their ability to live independently, achieve the highest quality of life possible, and realize the hope for employment given advances in medical science and technology.

Today, the Veterans Benefits Administration’s Vocational Rehabilitation and Employment (VR&E) Service is vested with delivering timely and effective vocational rehabilitation services to veterans with service-connected disabilities. Unfortunately, the VR&E Program remains the subject of criticism after many previous studies and reports have recommended changes. The most persistent criticisms from the Congress, the General Accounting Office, and others over

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the last 10 years and more have been that the VR&E Service has not implemented the types of changes necessary to comply with the intent of Title 38, U.S.C. Chapter 31 to enable veterans to obtain and maintain suitable employment.

This report by the VA Task Force on Vocational Rehabilitation and Employment responds to the Secretary’s charge in May 2003 to give the program an “...unvarnished, top-to-bottom independent examination, evaluation and analysis.” The report provides

recommendations that address the fundamental issues that have prevented reform of the VR&E Service. It is essential that these recommendations be implemented in a timely manner – and in their entirety – so that veterans can receive the services needed to work and live productively in the 21st Century.

The Task Force wants to state at the outset that it has been impressed with the dedication and desire of the VR&E Service staff and contract professionals to do a good job for veterans. While this report highlights those things that are wrong with the VR&E Program, there are many things that are done right. During visits to VA Regional Offices, the Task Force heard testimonials from veterans

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that if not for the efforts of a VR&E counselor, they would not have succeeded in turning their lives around and achieving their career goals. From our perspective, the VR&E officers in the field and their staffs have done a superb job of weathering what has been a long period in which there has been limited leadership, strategic vision, and commitment from Central Office (CO) to improve the program. We also commend the Under Secretary for Benefits for taking the initiative to ask the Secretary to solicit this outside,

independent assessment and to aggressively work to seek the advice of the Task Force to improve the leadership and management of the program even while the Task Force was completing its report.

KEY FINDINGS

The Task Force found the VR&E Service – its program, organization and people, current work processes, and internal capacities for management and integration – under stress. Comments from VR&E staff reflect their concerns that the demands and expectations being placed on the VR&E Service are exceeding

Feeding the Dragon: *“Counselors, who have little or no clerical support, often carry a caseload of more than 200 clients. In a workday I can see two veterans and the rest of the time is spent feeding the documentation and accountability dragon.” – Comment from the field.*

the organization’s current capabilities to effectively deliver an array of comprehensive services.

The VR&E Service Has Not Been a VBA Priority

Over the past decade, the Veterans Benefits Administration (VBA) has reduced its focus on the ultimate VA mission of returning veterans with service-connected disabilities to the workforce and the preeminent role of vocational rehabilitation in achieving that goal. Since the “war to end all wars,” men and women have made career and personal sacrifices to serve our Nation. As General Omar Bradley stated 45 years ago, “... *In the modern concept of rehabilitation, disability compensation has*

an important, but secondary role.” While VA’s focus on claims processing has been appropriate to address timeliness and backlog issues, the processing of claims has become the dominant end goal of VBA, rather than being one of the means to accomplish the Department’s strategic goal of successful transition and rehabilitation of veterans with disabilities.

The VR&E Service is the only business line within VBA that delivers a personalized service. In many instances, face-to-face contact with the veteran is required over several years to facilitate achievement of successful transition and employment. As a result, the VR&E Service has become an island within a VBA

processing and production culture where the emphasis on one of VA's historic missions – counseling and rehabilitation – has significantly diminished.

In this environment, the administration and oversight of the VR&E Program have not been a VBA leadership, management, and resource priority. While VBA's other lines of business benefited from investments in technology, organizational capacities, process improvements, and human capital, the VR&E program stagnated. As a result, major deficiencies have been created over time in the core capacities that are essential to have an effective and efficient VR&E organization – CO leadership and accountability; the ability to effectively plan and manage field operations, the workforce, and projects; technology planning and use; and the full range of data collection, analysis, and evaluation activities. These deficiencies have led to inconsistent administration of regulations and policies, lax standards of practice and protocols, ineffective oversight of contract services, concerns about data and fiscal integrity, training that is not comprehensive, limited use of technology solutions, and a weakened CO staff tasked to perform program management and oversight functions.

The VR&E Service Has Limited Capacities to Manage the Growing Workload

The VR&E Service is neither data centric nor an integrated organization in its planning and management. This may be the result of a philosophy that exists within the organization that the VR&E Service is not a process. On the contrary, it is a process that can be measured, standardized, and managed. However, the VR&E Service does not presently have the data and management information to effectively analyze those factors that drive the demand for services and the population of veterans applying for these services. Further, the VR&E Service does not have the productivity and performance measurement systems to:

- know and understand the labor hours required to provide services,
- manage the case workload and available VBA personnel and contract resources,
- distinguish among veterans receiving short vs. long-term services,
- design and implement interventions to reduce the number of veterans who drop out of the program or have to interrupt their rehabilitation plans,
- oversee a national contract services strategy and employment process, or
- provide for long-term evaluation of program outcomes.

These limited VR&E Service capacities exist at a time that is reminiscent of the period in the early 1990s when the Compensation and Pension (C&P) Service's management capacities declined and its workload reached a crisis stage that was compounded by timeliness and backlog issues. In terms of the VR&E workload, the following facts are a major concern:

- The number of veterans applying for Chapter 31 benefits increased by 73 percent from 37,829 in FY 1992 to 65,298 in FY 2003.
- The number of veterans in various active phases of the Chapter 31 program was 58,155 at the end of FY 1992 compared to 97,158 at the end of FY 2003, a 67 percent increase.

- Annually, about 20 to 25 percent of new applicants are veterans who previously had to drop out of the program and then reapplied.
- In FY 2003, about 12 percent of the veterans in the program had to interrupt their rehabilitation plans primarily due to health problems,

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family and financial issues, and problems arising from their disabilities.

The VR&E Service and VBA Office of Field Operations do not currently analyze the underlying dynamics and complexities that drive the VR&E workload composition and trends. The potential for these workload trends to continue, or even increase, into a crisis situation should not be discounted. The

Task Force also believes there is great uncertainty about the total number of veterans being provided services.

Workload Is Undercounted

At present, the number of unique veterans being served in some capacity during a fiscal year is *not* reported. The number of veterans who are in various active phases of the Chapter 31 program (97,158 at the end of FY 2003) does *not* include veterans:

- in discontinued status,
- receiving Chapter 36 counseling,
- referred by VHA or other organizations for counseling,
- evaluated 60 days after achieving their vocational rehabilitation goal, or
- in receipt of counseling that does not result in Chapter 31 program participation.

Further, the VR&E reported workload does not account for evaluations conducted on veterans who were found not entitled to Chapter 31 services.

VR&E data suggest that as many as one-third of the participants in the VR&E program at any one time do not progress directly through the program without interruption for one reason or another. In FY 2002, the average number of days to rehabilitation (application to job ready status) for a veteran who went straight

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through the program without any interruption in his or her plan of rehabilitation was 1,095 days. For a veteran who was discontinued from the program, the average number of days a veteran was in rehabilitation before he or she was discontinued was 1,625 days. These factors suggest that there may be an inherent ceiling on the success rate for getting through the current serial vocational rehabilitation process unless the VR&E Service implements interventions that will ensure veterans do not have to discontinue or

interrupt their rehabilitation. The rehabilitation statistics are of concern. Despite the tens of thousands of VR&E program participants in a given year, the number

of veterans rehabilitated by obtaining a job or achieving independent living goals averages only about 10,000 a year for several years.

VR&E System Must Be Redesigned for the 21st Century Employment Environment

In order for VA to fulfill its mission “to care for him who shall have borne the battle, and for his widow and his orphan,” the delivery of vocational employment services for disabled veterans must be changed – and in fact, it must become a totally new program. Previous reforms of the VR&E Program have not been successful. This is due in large measure to the fact that the VR&E Service has been modifying a multi-step, serial process system that is wedded to an outdated, traditional view of vocational rehabilitation that emphasizes veteran training.

In the view of the Task Force there are six principal reasons why VA should transform the VR&E Service now, not later. These reasons are presented in more detail in Chapter 7.

- The U.S. is at war. The treatment of our injured service members and their seamless transition and rehabilitation to achieve their quality of life and employment goals must become cardinal priorities. Vocational rehabilitation and employment must become the organization’s paradigm for focusing VA’s attention and resources on the challenge.

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- This sense of urgency has never been more acute than now. The VR&E Service is facing a new challenge: the thousands of Guard and Reserve personnel who have been mobilized from their civilian jobs and who will return directly to employment or to college.

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- Significant numbers of veterans – in war and during peacetime – will continue to experience illnesses or impairments that impact their lives forever. The advances in medical rehabilitation, biomedical technology, rehabilitation engineering, and assistive technology will enable many disabled veterans who were not previously employable to now be employed and for veterans to be employed for longer periods of time after military service than in previous generations.

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- After every war, programs must adjust to the needs of the veteran and the environment. The structure of the VR&E Program and its process are now out of sync with providing the type and timeliness of employment-driven services needed today and in the future because of the economic shift that has impacted the 21st Century labor market. This shift has reduced the demands for physical labor in favor of service and knowledge-based skills.

- The VR&E Program is also out of sync with 21st Century attitudes towards persons with disabilities. The economic shift in the labor market has marched in tandem with a seismic shift in societal attitudes toward persons with disabilities, especially since the passage of the Americans with Disabilities Act (ADA) in 1990, the world's first comprehensive civil rights legislation for people with disabilities. Twenty-first Century views of disabilities have shifted from the negative aspects of *disabilities* to a focus on the *abilities* of persons with disabilities with a rapid return-to-work strategy.
- There are also strong indicators pointing to the fact that the current VR&E program, organization, and traditional vocational rehabilitation process are stressed. These signs include high caseloads among the VR&E staff and increasing demand for both vocational rehabilitation training and independent living services. Essential functions of employment readiness, job placement, and marketing are not being performed either adequately or in a standardized way across the system, and veterans are dissatisfied with the current level of employment services.

SUMMARY OF RECOMMENDATIONS

In order to be effective in the 21st Century, the Task Force recommends that the VR&E Service refocus its organization and implement a new, integrated service delivery system based on an employment-driven process. The Task Force refers to this new service delivery approach as the Five-Track Employment Process. This new process includes five specialized program and service delivery options based on informed choice for disabled veterans:

- Reemployment of veterans with their previous employers,
- Access to rapid employment services with new employers,
- Self-employment for veterans,
- Long-term (traditional) vocational rehabilitation services including education, and
- Independent Living services with the possibility of employment when appropriate.

The Task Force has made further recommendations about changes that must be made to rebuild the VR&E program for the 21st Century, including the implementation of this new service delivery strategy. While the changes proposed by the Task Force are strategic in direction, scope, and timing for the VR&E Service, the Task Force believes these changes must also be addressed by the entire Department.

The Task Force's recommendations were shaped, in large part, by comments received from VR&E field staff combined with VBA survey feedback from Chapter 31 program participants. Implementation of this proposed integrated service delivery model and other changes will require major adjustments to the VR&E organization, program, work processes, and the integrating capacities that support the delivery of services. The following changes define the key operational features of this new VR&E service delivery system.

Program Changes

- Streamline eligibility and entitlement criteria for the most seriously disabled veterans to speed Chapter 31 service delivery.
- Expand the Chapter 36 Educational and Vocational Counseling Program to fully use its inherent capabilities to assist veterans.
- Improve administration of VA's role in the Disability Transition Assistance Program (DTAP) to be led by the VR&E Service with a near-term emphasis on returning Guard and Reserve personnel.
- Redesign the Independent Living Program to be more encompassing and integrated with VHA and community-based services.
- Create new programs to supplement the Veterans Health Administration's (VHA) Compensated Work Therapy Program and the current VR&E Program to provide a seamless bridge of services and options for veterans with mental illness or in need of life rehabilitation as the key to employability.
- Leverage partnerships with VHA, Department of Defense (DoD), Department of Labor (DOL) and a new agreement with state departments of vocational rehabilitation to provide rehabilitation and employment services to veterans with disabilities.

It's a Flood: "Allocate more counseling staff...Where will the vets from the Iraq conflict be heading? Where are the guys from Desert Storm who are growing increasingly ill coming? Where are the thousands of vets who have been laid off due to the poor economy coming? It's not a trickle, it's a FLOOD." – Comment from the field.

Organizational Changes

- Redesign the VR&E Central Office and implement systems for leadership; centralized program and fiscal direction, control and accountability; strategic and operational management; and knowledge of 21st Century disability, rehabilitation, and employment best practices.
- Increase Central Office staffing to enhance current capacities that are understaffed and to add new 21st Century capacities.
- Create four new VR&E specialist positions – Employment Readiness, Marketing and Placement, Independent Living, and Contract/Purchasing – and increase the number of VR&E field staff.

Work Process Changes

- Implement the new Five-Track Employment Process using triage techniques for rapid assessment of veteran needs so as to quickly direct the veteran into specialized services emphasizing the concept of veteran's choice and allowing for movement among the tracks.
- Specialize the workforce to achieve efficiency and effectiveness improvements as well as responsiveness.
- Incorporate the use of trained contract professional counselors as an inherent part of the process.

- Mandate and enforce the use of evidence-based best practices, including Functional Capacity Evaluation to shift the focus from a veteran's disabilities to his or her abilities for employment.
- Develop in-house VR&E capacities to make greater use of online services for employment readiness, job development, job search, and job placement so that VR&E performance is not totally dependent upon organizations outside the control of VR&E.
- Improve the design and administration of the traditional vocational rehabilitation work process to promote staff efficiency and effectiveness.

Integrating Capacities

- Design and implement a centralized training program to address consistency and proficiency of the staff and provide a program of professional continuing education.
- Develop and implement new work measurement, workload management, and performance measurement systems as well as operation analysis capabilities.
- Implement a long-term research and program evaluation agenda to assess the life cycle outcomes of the vocational rehabilitation program.
- Standardize the use of the CWINRS information system and implement systematic training along with priority upgrades to address deficiencies.

Measurements Are Full of Holes:
"The entire measurement system and the manner in which we determine success is full of holes. Some statistics are so easy to manipulate that they are totally invalid. How can we purchase a computer for a veteran and say that we have enhanced his ability to live independently to the extent that we can call it a 'rehabilitation'." – Comment from the field.

- Leverage technology to implement priority solutions to facilitate the new VR&E service delivery model, enable electronic education certification, and automate VR&E requests to VHA for medical services to Chapter 31 veterans.
- Integrate VHA and VBA services to better serve those populations of veterans needing specialized independent living and other services to speed the delivery of Chapter 31 benefits.

A list of 110 recommendations follows this Executive Summary.

Estimated Number of New FTE Positions

The Task Force believes that VBA should consider adding more than 200 new FTE positions to the VR&E workforce in Central Office and the Regional Offices. In the area of Independent Living, the Task Force recommends creating Independent Living Specialist positions and VBA management should determine the number of these IL positions based on appropriate geographic areas. These new positions are discussed in Chapters 4 and 6.

ORGANIZATION OF THE REPORT

To address the scope and complexity of the tasks included in the Secretary's charter, this report is organized into seven chapters plus separate appendices:

Chapter 1, Introduction, provides a synopsis of the VR&E Program. It describes the legislative history of the program emphasizing the cyclic eligibility changes for 10 and 20 percent disabled veterans, the dramatic shift in the purpose and intent of the program, and the Charter for the VR&E Task Force with a description of how the Task Force was organized and accomplished its mission.

Chapter 2, 21st Century World of Disability, describes the greater world of disability that exists today and within which the VR&E Service and program operate. This description provides the context for understanding the trends and issues associated with the knowledge and technology of disability, rehabilitation, and the employment of persons with disabilities. This chapter expresses the concern of the Task Force that VR&E has not kept up with this larger world of disability outside of VA. As VR&E rebuilds its program into a comprehensive, integrated service delivery system, it must do so within the context of this larger environment that continues to lead the way for persons with disabilities.

Chapter 3, VR&E Today, presents the Task Force's findings as they relate to the administration of VR&E today. The chapter includes a description of the characteristics of the VR&E system upon which these findings are based. This system is described in terms of the VR&E work process, the workload associated with this process, the organization that administers this process, and the attendant statistical exhibits.

Chapter 4, VR&E for the 21st Century: A New Service Delivery System, discusses the Task Force's conclusions that the service delivery system used by the VR&E Service is not designed to readily provide employment services. In order to be effective in the 21st Century, the Task Force recommends that the VR&E Service implement a new Five-Track Employment Process. This chapter provides a description and operational concept for this model system. It also provides considerations regarding the implementation of this service delivery system.

Chapter 5, Integrating Services and Strategies: A Continuum of Care, discusses the issues associated with achieving better integration of services with other agencies. The integration of services across agencies is essential if veterans with service-connected disabilities are to achieve the goal of successful transition and employment. The Task Force focused on how best to integrate the efforts of four primary federal and state agencies – VA (VBA and VHA), Department of Defense, Department of Labor, and State Vocational Rehabilitation (SVR) agencies – to achieve the goal of seamless delivery of services. This chapter also addresses the need for the VR&E Service to join the mainstream communities that have advanced the knowledge and technologies related to disability, rehabilitation, and employment for persons with disabilities.

Chapter 6, Recommendation, presents 110 recommendations for consideration by the Secretary. These recommendations are organized into four categories – program, organization, work processes, and integrating capacities. These recommendations identify near-term, mid-term, and long-term actions to improve performance of the VR&E Service. Where appropriate,

recommendations are cross-referenced to each other. This Chapter also includes a charter compliance matrix that aligns each category of recommendations with specific elements of the Task Force charter.

Chapter 7, Moving Forward: The Need for Change, provides the summary thoughts and conclusions of the Task Force. These include the reasons VR&E must change the way it does business and the top recommended priorities that the Task Force believes the Department of Veterans Affairs should focus on immediately.

Additional Thoughts

The consensus of the Task Force is that the publication of this report at this time – when the U.S. is at war – presents an opportunity to modernize the VR&E Program for the 21st Century veteran. In the overall scheme of the Department of Veterans Affairs, the VR&E Program is not large. Although the VR&E Program is the smallest with regard to resources within VBA, the Task Force believes it has the most critical mission and is the only program and service where face-to-face interaction with the veteran is required to deliver benefits.

The recommendations in this report can transform the organization. Success will depend on leadership commitment, timely action, and persistence in the face of today's policy and resource constraints. VA's goal should be to transform

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the VR&E Program into the premier 21st Century vocational employment program, not to merely reform the current VR&E Program. Today's service members – whether they serve in Iraq, Afghanistan, or some other country, or at home – will soon become tomorrow's veterans. They deserve to be served by the premier vocational employment program and nothing less should be considered acceptable. The VR&E Service and Program must be modernized to be on the leading edge – even breaking new ground – in leveraging 21st Century technology and knowledge to improve the life of disabled veterans.

More Challenges Await: A Final Word

The report also includes a separate message from the Task Force Chairman in which she outlines major challenges for today and tomorrow that were beyond the scope of the Task Force charter.