Understanding the Geographic Distribution of VA Expenditures (GDX) Report: Purpose, Revision, and Data Approach

Bottom Line Up Front: The Geographic Distribution of VA Expenditures (GDX) Report details VA spending across major programs at state, county, and congressional district levels. The FY2024 GDX Report offers more accurate insights into how VA resources support Veterans by aggregating individual-level data and addresses instead of indirect accounting codes**.**

What is GDX?

The GDX Report, published annually by the National Center for Veterans Analysis and Statistics (NCVAS), provides a comprehensive breakdown of Department of Veterans Affairs (VA) spending across major benefit and healthcare programs, disaggregated geographically by state, county, and Congressional District (CD). To clearly present how VA resources support Veterans and their families, GDX program categories can be divided into two types of expenditures:

1. Direct Benefits to Individuals:
This type includes financial benefits delivered directly to Veterans and their dependents. It covers programs such as:

- **Compensation and Pension (C&P):** Disability and pension payments based on service-related conditions or financial need.
- **Dependency & Indemnity Compensation (DIC) and Survivors Pension:** Expenditures for benefits to spouses and dependents of deceased Veterans.
- **Insurance and Indemnity (I&I):** Payments related to Veterans' insurance claims.

2. Institutional and Community Expenditures (Expenditures Incurred on Behalf of Veterans):
This type includes spending that supports the infrastructure, institutional care, and community-level services enabling the delivery of benefits and care. It includes:

- **Construction:** Capital investments in VA medical centers, clinics, and other VA facilities, geographically mapped by place of performance.
- **Medical Care:** Expenditures for direct or VA-authorized inpatient and outpatient healthcare, including property, infrastructure, supplies, staff, research, canteen services, and prosthetics. Travel Pay will be added as a direct expense in future updates.
- **Education and Vocational Rehabilitation and Employment (EVRE) Benefits:** Support for Veterans' education and training, including housing payments related to educational programs and assistance for Veterans to gain employment and training.
- **Loan Guaranty (LGY):** VA expenditures from Veterans Housing Guaranteed and Insured Loans, Veterans Housing Direct Loans for Certain Disabled Veterans, and the Native American Veteran Direct Loan Program.
- **Specially Adapted Housing and Automobiles and Adaptive Equipment (SAH)**: Expenditures related to adapted housing and equipment for disabled Veterans
- **Memorial Benefits:** Expenditures related to burial, cemeteries, and memorial services

for deceased Veterans.

Why We Revised the GDX Methodology

The revision of GDX methodology was driven by the recognition that the prior approach attempted to replicate and disaggregate budget or accounting statements. This conflicted with the objective of the GDX which is to accurately describe where VA expenditures occur geographically in relation to the Veterans served. Historically, the GDX relied heavily on Program Expenditure data calculated using financial transaction codes that do not necessarily reflect the physical location of the benefiting individuals. Moreover, this methodology excluded significant categories such as retroactive disability compensation payments, lawyer fees, and recoupments due to overpayments. These omissions and reliance on financial coding introduced distortions, undermining the report's accuracy. More importantly, the previous approach only partially fulfilled the fundamental purpose of the GDX, which is to illustrate the VA's contribution to Veterans and the communities that serve them. To address these issues, the methodology was revised to incorporate financial data tied to Veterans' addresses obtained directly from VA administrations and program offices. This shift enables a more precise geographic mapping of expenditures, better reflecting where resources are utilized to benefit Veterans and their families. The revision enhances data accuracy, reliability, and the overall usefulness of the GDX report for stakeholders seeking to understand and improve VA resource distribution across states, counties, and Congressional Districts.

Approach for Data Gathering and Compilation

The revised GDX methodology focuses on collecting and aggregating individual-level program and expenditure data with geographic identifiers to reflect the geographic distribution of VA spending. Instead of solely relying on various financial and accounting systems with non-specific accounting codes, we relied primarily on expenditure and workload data directly from VA program offices, enabling precise geographic aggregation:

- **Medical Care:** Expenditure by county and congressional district are sourced from the VHA Allocation Resource Center (ARC).
- **Memorial Benefits:** Expenditure data with addresses come from the National Cemetery Administration (NCA) Office of Finance Service.
- **Construction:** Expenditure data by place of performance (specific VA facilities) are provided by the VA Office of Construction and Facilities Management (CFM).
- **C&P, EVRE, LGY, DIC and Survivors Pension, and SAH:** Expenditure data are obtained from the Veterans Benefits Administration (VBA) Office of Performance Analysis & Integrity (PA&I), aggregated by county.
- **Insurance:** Expenditure data include Social Security Numbers (SSNs) and addresses, broken down by program and transaction. Insurance data obtained from the Insurance Budget & Oversight, Insurance Service.
- **Veteran Location Data:** Provided by NCVAS, Veteran address data contextualizes expenditures relative to Veteran populations by geographic area.

This approach improves data accuracy by linking expenditures directly to Veteran addresses, allowing aggregation at state, county, and congressional district levels without reliance on ambiguous fund codes.

Outstanding Data Challenges

Despite improvements in 2024, GDX development still faces some broad challenges, including inconsistent and incomplete data formats in raw data, difficulties in accurately linking financial data to geographic locations, ability to more accurately disaggregate direct and indirect expenditures, and the lack of unified or up-to-date master files for facilities and administrative codes. Data timeliness and quality vary across sources, requiring manual reconciliation and workaround solutions. Despite these complexities, DGA remains firmly committed to collaborating closely with VA administrations and staff offices to address these issues. These ongoing partnerships seek to streamline data collection, enhance accuracy, and establish a more consistent, reliable process that supports effective reporting and better serves stakeholders. While technical challenges persist, ongoing efforts aim to enhance data quality, consistency, and usability in future reports.

APPENDIX: List of Data Sources

Indirect Expenditures					
	CFM	NCA	VBA		FMS
	Construction	Memorial Benefits	Specially Adapted Housing, Automobiles and Adaptive Equipment	Loan Guarant y	Indirect Medical Care
	Expenditures	Expenditures	Expenditures	Expenditures	Expenditures
SSN					
Name					
Date of Birth					
Address		x			
City		x			
State		x	x	x	
Zip Code		x			
Country					
County			x	x	x
CD					x
Project Code	x				
Notes:					
1. Project Codes are linked to Facility List. Facility lookup in the VA Facility file helps identify State, County, CD.					
2. Not all NCA recipient files have complete addresses. File layouts were not consistent.					
3. VBA only provided aggregated expenditure data by state and county.					
4. FMS indirect medical care includes canteen services, prostheses and healthcare research.					

	Direct Expenditures								
	VBA						VHA		
	Compensation & Pension	Education & Vocational Rehabilitation/ Employment		Insurance		DIC and Survivors	Direct Medical Care		
	Expenditures	Expenditures		Expenditures	Recipients	Expenditures	Expenditures	Patients	
SSN				x	x				
Name				x	x				
Date of Birth				x	x				
Address				x	x				
City				x	x				
State	x	x		x	x	x	x	x	
Zip Code				x	x				
Country				x	x				
County	x	x				x	x	x	
CD							x	x	
Project Code									
Notes:									
1. VBA PA&I only provided expenditure data by county for FY2024.									