# Volume I
# Supplemental Information and Appendices
# Congressional Submission, 2019

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# Budget Authority by Account

| Budget Authority (dollars in thousands) | | | | |
|---|---|---|---|---|
| | 2017 | 2018 | 2018 | 2019 |
| **BA/Fund Account** | Actual | Full CR | Request | Request |
| **Federal funds:** | | | | |
| **Benefit programs:** | | | | |
| Disability Compensation | $80,445,477 | $84,419,529 | $84,419,529 | $91,341,826 |
| Burial Mandatory Benefits | 251,234 | 257,756 | 257,756 | 261,943 |
| Pensions Mandatory Benefits | 5,386,416 | 5,442,164 | 5,442,164 | 5,575,025 |
| **Compensation and Pensions - Legislative Proposal** | *0* | *0* | *0* | *-110,301* |
| **Subtotal, Compensation and Pension** | **86,083,127** | **90,119,449** | **90,119,449** | **97,068,493** |
| Education Mandatory Benefits | 14,918,526 | 11,955,535 | 11,955,535 | 9,960,316 |
| Vocational rehabilitation and employment Mandatory Benefits | 1,422,302 | 1,753,113 | 1,753,113 | 1,871,859 |
| Vocational rehabilitation loan subsidy | 129 | 7 | 7 | 0 |
| **Readjustment Benefits - Legislative Proposal** | 0 | 0 | 0 | 29,338 |
| **Subtotal, Readjustment Benefits** | **16,340,828** | **13,708,648** | **13,708,648** | **11,861,513** |
| Insurance Mandatory Benefits | 108,525 | 120,338 | 120,338 | 106,372 |
| Housing Mandatory Benefits | 80,684 | 626,511 | 626,511 | 0 |
| Housing Program Original Loan Subsidy | 891,309 | 434,365 | 434,365 | 110,404 |
| **Housing Proposed Legislation** | 0 | 0 | 0 | 118,235 |
| **Non-Appropriated Accounts** | | | | |
| Vocational Rehabilitation Upward Reestimate | 129 | 7 | 7 | 0 |
| Native American Veteran Housing | 1,491 | 1,621 | 1,621 | 0 |
| Housing Benefit Program fund Liquidating | -12,247 | -9,262 | -9,262 | -7,072 |
| Trust Funds | 759,968 | 676,459 | 681,121 | 592,903 |
| General Post Fund | 21,581 | 24,900 | 24,900 | 25,000 |
| Proprietary receipts | -1,965,268 | -2,789,784 | -2,784,535 | -228,706 |
| Intragovernmental transactions | -9,000 | 5,000 | 5,000 | 5,000 |
| **Total Benefits Mandatory** | **102,301,127** | **102,918,252** | **102,928,163** | **109,652,142** |
| | | | | |
| **Veterans Health Administration (VHA):** | | | | |
| Medical and Prosthetic Research | 673,366 | 668,793 | 640,000 | 727,369 |
| **Medical Programs:** | | | | |
| Medical Services 3/ | 45,221,039 | 45,469,316 | 45,704,721 | 57,763,445 |
| Medical Care Collections Fund (MCCF) | 2,292,919 | 3,003,684 | 3,003,684 | 3,443,133 |
| **Total Medical Services with MCCF** | **47,513,958** | **48,473,000** | **48,708,405** | **61,206,578** |
| Medical Community Care | 7,290,161 | 9,317,147 | 9,637,001 | 0 |
| Medical Care Collections Fund (MCCF) | 1,250,000 | 255,853 | 255,853 | 0 |
| **Total Community Care with MCCF** | **8,540,161** | **9,573,000** | **9,892,854** | **0** |
| Veterans Choice Program | 0 | 0 | 0 | 1,900,000 |
| Medical Support and Compliance 3/ | 6,407,029 | 6,581,497 | 6,911,085 | 7,000,287 |
| Medical Facilities 3/ | 5,278,002 | 5,606,810 | 6,477,607 | 6,126,672 |
| DoD-VA Health Care Sharing Incentive Fund | -10,000 | -10,000 | 30,000 | 30,000 |
| Joint DoD-VA Medical Facility Demonstration Fund | 397,106 | 412,763 | 412,763 | 414,650 |
| Medical Care Collections Fund (MCCF) 4/ | 18,722 | 15,601 | 15,601 | 18,084 |
| **Total Demonstration Fund with MCCF** | **415,828** | **428,364** | **428,364** | **432,734** |
| **Total Medical Programs with MCCF** | **68,144,978** | **70,652,671** | **72,448,315** | **76,696,271** |
| **Total Medical Programs without MCCF** | **64,583,337** | **67,377,533** | **69,173,177** | **71,335,054** |
| **Total VHA with MCCF** | **68,818,344** | **71,321,464** | **73,088,315** | **77,423,640** |
| **Total VHA without MCCF** | **65,256,703** | **68,046,326** | **69,813,177** | **73,962,423** |
| | | | | |
| **Veterans Choice Program (New Funding)** | 2,100,000 | 4,000,000 | 2,100,000 | 0 |
| **National Cemeteries Administration** | 286,193 | 284,249 | 306,193 | 315,836 |
| | | | | |
| **Department Administration:** | | | | |
| General Administration | 345,391 | 343,045 | 346,891 | 367,629 |
| Board of Veterans' Appeals | 145,596 | 154,539 | 155,596 | 174,748 |
| *Credit Reform - General Counsel (non-add)* | *5,620* | *5,620* | *2,626* | *3,073* |
| VBA-GOE | 2,854,160 | 2,824,845 | 2,844,000 | 2,868,909 |
| Credit Reform - VBA (non-add) | *154,188* | *154,188* | *154,943* | *156,331* |
| **Subtotal, GOE** | **3,345,147** | **3,322,429** | **3,346,487** | **3,411,286** |
| Filipino Veterans Equity Compensation Fund | 0 | 0 | 0 | 0 |
| Office of Inspector General | 159,606 | 158,522 | 159,606 | 172,054 |
| Construction Major | 305,490 | 524,110 | 512,430 | 1,127,486 |
| Construction Minor | 372,069 | 369,069 | 342,570 | 706,889 |
| Grants for State Extended Care | 90,000 | 89,000 | 90,000 | 150,000 |
| Grants for State Cemeteries | 45,000 | 45,000 | 45,000 | 45,000 |
| Credit Reform | 200,444 | 200,444 | 180,215 | 202,196 |
| Electronic Health Records Modernization | 0 | 0 | 0 | 1,207,000 |
| Information Technology 3/ | 4,262,958 | 4,233,959 | 4,047,982 | 4,176,830 |
| **Total Departmental Administration** | **8,780,714** | **8,942,533** | **8,724,290** | **11,198,741** |
| **Total Budget Authority** | **$182,286,378** | **$187,466,499** | **$187,146,961** | **$198,590,359** |
| | | | | |
| **Total Mandatory** | **$104,401,127** | **$106,918,252** | **$105,028,163** | **$109,652,142** |
| **Total Discretionary without MCCF** | **$74,323,610** | **$77,273,109** | **$78,843,660** | **$85,477,000** |
| **Total Discretionary with MCCF** | **$77,885,251** | **$80,548,247** | **$82,118,798** | **$88,938,217** |

1/ 2018 and 2019 amounts does include mandatory legislative proposals

2/ 2017 include collections actually or anticipated to be transferred to the Joint DoD-VA Medical Facility Demostration Fund, in support of FHCC.

3/Amounts are post-transfer to the two joint VA-DOD accounts.

4/ Joint DOD-VA Medical Facility MCCF are DOD resources that will be transferred to VA

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# *Mission*

## Our Mission: *What We Are Here to Do*

**To fulfill President Lincoln's promise – "To care for him who shall have borne the battle, and for his widow, and his orphan" – by serving and honoring the men and women who are America's Veterans.**

President Lincoln's immortal words – delivered in his Second Inaugural Address more than 150 years ago – best describe the mission of the Department of Veterans Affairs (VA). We care for Veterans, their families, and survivors – men and women who have responded when their Nation needed help. Our mission is clear-cut, direct, and historically significant. It is a mission that every employee is proud to fulfill.

VA fulfills these words by providing world-class benefits and services to the millions of men and women who have served this country with honor in the military. President Lincoln's words guide all VA employees in their commitment to providing the best medical care, benefits, social support, and lasting memorials that Veterans and their dependents deserve in recognition of Veterans' service to this Nation.

## Our Programs: *What We Do*

VA is comprised of three administrations that deliver services to Veterans and staff offices that support the Department:

- The **Veterans Health Administration** (VHA) provides a broad range of primary care, specialized care, and related medical and social support services that are uniquely related to Veterans' health or special needs. VHA advances medical research and development in ways that support Veterans' needs by pursuing medical research in areas that most directly address the diseases and conditions that affect Veterans.

- The **Veterans Benefits Administration** (VBA) provides a variety of benefits to Veterans and their families. These benefits include compensation, pension, fiduciary services, educational opportunities, vocational rehabilitation and employment services, home ownership promotion, and life insurance benefits.

- The **National Cemetery Administration** provides burial and memorial benefits to Veterans and their eligible family members. These benefits include burial at

national cemeteries, cemetery grants, headstones and markers and medallions and Presidential Memorial Certificates.

- The **VA staff offices** provide a variety of services to the Department, including information technology, human resources management, strategic planning, Veterans outreach and education, financial management, acquisition, and facilities management.

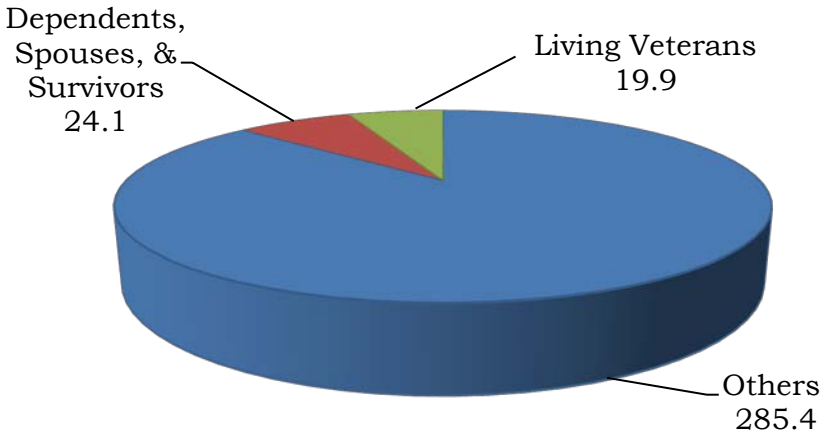
# Population of American Veterans

**Veterans Population**

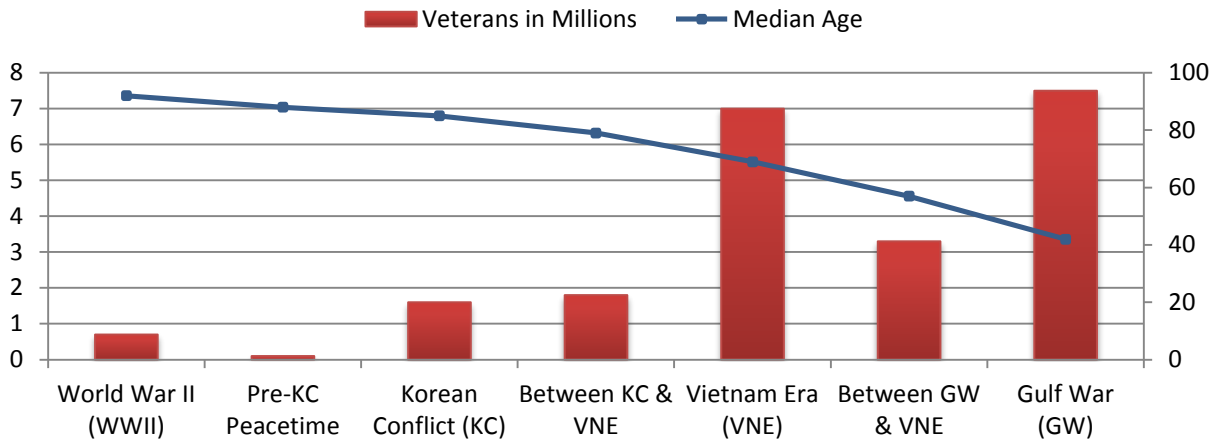
On September 30, 2017, there were an estimated 20.0 million living Veterans, with 19.9 million of them in the United States and Puerto Rico. There were an estimated 23.5 million dependents (spouses and dependent children) of living Veterans in the U.S. and Puerto Rico. Additionally, there were about 579,000 survivors of deceased Veterans receiving survivor benefits (either Dependency and Indemnity Compensation or death pension payments) in the U.S. and Puerto Rico. Thus, approximately 44.0 million people, or 13.4 percent of the total estimated resident population of the U.S. and Puerto Rico (329.4 million), were recipients, or potential recipients, of Veterans' benefits from the Federal Government.

The pie chart represents the estimated number (in millions) in the resident population of the U.S. and Puerto Rico classified as living Veterans, dependents of living Veterans and survivors of Veterans receiving VA survivor benefits, and others (the remainder of the resident population) as of September 30, 2017.

stimated Population (in Millions) of Living Veterans, Dependents of Living Veterans, Survivors of Veterans Receiving VA Survivor Benefits, and Others
U.S. and Puerto Rico, September 30, 2017



**Estimated Number and Median Age of Veterans by Period of Service*, September 30, 2017**




| 9/30/2017 | Median Age | Veterans in Millions |
|---|---|---|
| World War II (WWII) | 92 | 0.6 |
| Pre-KC Peacetime | 88 | 0.1 |
| Korean Conflict (KC) | 85 | 1.5 |
| Between KC & VNE | 79 | 1.5 |
| Vietnam Era (VNE) | 69 | 6.7 |
| Between GW & VNE | 57 | 3.0 |
| Gulf War (GW) | 42 | 7.3 |

* Veterans are included in all wartime periods in which they served. Therefore, period categories do NOT add to total Veteran population.

Source – Veteran Population Projection Model 2016

# Estimates & Projections of the Veterans Population

**Estimates and Projections[4] of the Veteran Population of the United States, Puerto Rico, US Island Areas[5], and Foreign Countries**

September 30, 2016 -- September 30, 2026

Veteran populations projected as of September 30, 2017.

| Period | 9/30/2016 | 9/30/2017 | 9/30/2018 | 9/30/2019 | 9/30/2020 | 9/30/2021 | 9/30/2022 | 9/30/2023 | 9/30/2024 | 9/30/2025 | 9/30/2026 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **All Veterans[1]** | 20,392,192 | 19,998,799 | 19,602,316 | 19,209,704 | 18,823,868 | 18,444,658 | 18,074,699 | 17,716,722 | 17,368,353 | 17,028,497 | 16,698,750 |
| **Wartime Veterans[1]** | 15,718,528 | 15,449,817 | 15,180,741 | 14,917,973 | 14,664,114 | 14,418,623 | 14,159,619 | 13,896,544 | 13,618,410 | 13,310,949 | 13,000,828 |
| **Gulf War[2]** | 7,084,380 | 7,271,465 | 7,441,870 | 7,602,375 | 7,755,819 | 7,902,092 | 8,019,811 | 8,119,007 | 8,189,461 | 8,217,738 | 8,231,456 |
| GW Only | 6,719,813 | 6,914,043 | 7,091,944 | 7,260,317 | 7,422,024 | 7,576,948 | 7,703,737 | 7,812,427 | 7,892,795 | 7,931,401 | 7,955,854 |
| GW,VNE Only | 364,566 | 357,422 | 349,926 | 342,058 | 333,795 | 325,145 | 316,073 | 306,580 | 296,666 | 286,337 | 275,602 |
| **Vietnam Era[2]** | 6,834,995 | 6,650,524 | 6,459,748 | 6,262,436 | 6,058,417 | 5,847,569 | 5,629,912 | 5,405,633 | 5,174,982 | 4,938,359 | 4,696,242 |
| VNE Only | 6,305,800 | 6,145,215 | 5,978,014 | 5,803,909 | 5,622,669 | 5,434,091 | 5,238,145 | 5,034,959 | 4,824,729 | 4,607,825 | 4,384,707 |
| VNE,KC Only | 139,870 | 127,621 | 115,458 | 103,482 | 91,806 | 80,543 | 69,820 | 59,750 | 50,435 | 41,954 | 34,367 |
| VNE,KC,WWII Only | 24,759 | 20,266 | 16,349 | 12,987 | 10,147 | 7,791 | 5,874 | 4,345 | 3,152 | 2,243 | 1,567 |
| **Korean Conflict[2]** | 1,637,718 | 1,475,383 | 1,317,340 | 1,164,774 | 1,018,962 | 881,177 | 752,621 | 634,329 | 527,106 | 431,479 | 347,670 |
| KC Only | 1,417,494 | 1,281,864 | 1,148,622 | 1,018,915 | 893,995 | 775,141 | 663,565 | 560,343 | 466,343 | 382,175 | 308,173 |
| KC,WWII Only | 55,594 | 45,633 | 36,911 | 29,391 | 23,014 | 17,702 | 13,362 | 9,890 | 7,176 | 5,106 | 3,564 |
| **WWII[2]** | 770,984 | 623,653 | 496,777 | 389,292 | 299,824 | 226,756 | 168,278 | 122,485 | 87,443 | 61,256 | 42,127 |
| WWII Only | 690,631 | 557,754 | 443,517 | 346,914 | 266,663 | 201,263 | 149,042 | 108,250 | 77,115 | 53,907 | 36,996 |
| **Peacetime Veterans[3]** | 4,673,664 | 4,548,982 | 4,421,574 | 4,291,731 | 4,159,754 | 4,026,035 | 3,915,080 | 3,820,179 | 3,749,942 | 3,717,549 | 3,697,921 |
| Between GW & VNE | 2,991,009 | 2,962,487 | 2,932,480 | 2,900,997 | 2,868,005 | 2,833,471 | 2,797,305 | 2,759,398 | 2,719,625 | 2,677,848 | 2,633,955 |
| Between KC & VNE | 1,593,840 | 1,509,737 | 1,423,509 | 1,335,381 | 1,245,653 | 1,154,722 | 1,063,084 | 971,333 | 880,165 | 790,382 | 702,857 |
| Pre-KC | 88,816 | 76,758 | 65,586 | 55,352 | 46,096 | 37,841 | 30,588 | 24,319 | 18,996 | 14,566 | 10,961 |

[1] Veterans serving in more than one period of service are counted only once in the total.

[2] This sum includes Veterans who served in multiple periods.

[3] Veterans who served both in wartime and peacetime are only counted as serving in wartime.

[4] These data differ slightly from published Census data because they include 17 year-old Veterans, Veterans in foreign countries, and Veterans in US Island Areas, none of which are included in the published Census data.

[5] US Island Areas is composed of Virgin Islands, Guam, American Samoa, and the Northern Marianas.

Source: Veteran Population Projection Model 2016 as of September 30, 2017

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**Medical Care – Proposed Legislation**

**The 17 following legislative proposals have budgetary impacts:**

**Amendment of Policy to Eliminate Pay Cap for Registered Nurses:** Legislation would establish a higher maximum amount of pay for registered nurses to address the growing recruitment and retention problem with VA's cadre of highly skilled nurses. Currently, the maximum rate of basic pay for nurses for any grade may not exceed the maximum rate of basic pay established for positions in level IV of the Executive Service under 38 U.S.C. §5316. VA proposes eliminating the current pay cap for all registered nurses as the restriction is resulting in an inability to remain competitive in local labor markets.

**Enable Recruitment of Therapeutic Medical Physicists (TMPs) through Aggregate Pay Cap Relief:** Legislation will be proposed to remove the GS-601 Therapeutic Medical Physicist (TMP) occupation series from the salary cap implemented by 38 U.S.C. § 7404. This proposal will help meet the goal to put Veteran care first while substantially decreasing the cost of TMP services in the VA. Permitting the successful recruiting of Federal TMPs also helps achieve goals of quality care and patient safety.

**Extension of Health Professional Scholarship Program (HPSP) Sunset Date:** The Health Professional Scholarship Program (HPSP) is a critical component of the Health Professionals Educational Assistance Program (HPEAP). The HPSP authority allows the Department of Veterans Affairs (VA) to provide scholarship awards to VA and non-VA employees enrolled in accredited academic programs leading to an appointment in one of the mission critical health professional occupations. The current HPSP authority is set to expire December 31, 2019 and the Veterans Health Administration (VHA) recommends extending the 2019 sunset date to December 31, 2028.

**Legal Services for Homeless Veterans:** This proposal seeks to amend chapter 20 of Title 38 U.S.C. to add a new section, 38 U.S.C. § 2022A, that authorizes the Secretary of Veterans Affairs to enter into cooperative agreements with or make grants to entities to provide legal services to Veterans who are either homeless or at risk of homelessness. This proposal would help Veterans with a lack of access to legal representation to address outstanding warrants or fines, child support matters, driver's license revocation, and other legal matters continues to contribute to their risk of becoming and remaining homeless.

**Reimbursement of Continuing Professional Education (CPE) Requirements for Board Certified Advanced Practice Registered Nurses (APRNs)**: Legislation would amend 38 U.S.C. § 7411 to include authority to reimburse continuing professional

education (CPE) for full-time board certified APRNs. Title 38 U.S.C § 7411 allows for CPE reimbursement, up to $1,000 per year, for full-time board certified physicians and dentists. The VA physician CPE reimbursement program originated from legislation establishing CPE funding as a permanent standing budget item each year to benefit physicians and dentists only.

In 2011, the Institute of Medicine report titled, "Future of Nursing," documented that continuing education for APRNs is imperative for the continued improvement of quality outcomes in patient care. In agreement with recommendations from the National Institute of Health, American Association of Colleges of Nursing (AACN), The Robert Wood Johnson Group, and others; the importance of ensuring continuing education for APRNs is essential to maintaining high-quality care.

**Smoke-Free Environment:** This proposed legislation would repeal requirements under Public Law 102-585, section 526 for designated smoking areas at certain VA facilities. It would eliminate all smoking on the grounds of all VA health-care facilities to make them completely smoke-free. Currently, section 526 of P.L. 102-585, enacted in 1992, requires VHA to provide suitable smoking areas, either an indoor area or detached building, for patients or residents who desire to smoke tobacco products. Currently, there are approximately 3,800 facilities in the United States that have adopted 100 percent smoke-free policies that extend to all their facilities, grounds, and office buildings. For example, as of January 1, 2015, there are over 3,822 local and/or state/territory/commonwealth hospitals, healthcare systems and clinics and 4 national healthcare systems (Kaiser Permanente, Mayo Clinic, SSM Health Care, and CIGNA Corporation) in the United States that have adopted 100 percent smoke-free policies that extend to all their facilities, grounds, and office buildings. Numerous Department of Defense medical treatment facilities have become tobacco-free as well. VHA health care providers and visitors do not have the same level of protection from the hazardous effects of second-hand smoke exposures as do patients and employees in these other systems. Currently, approximately 20 percent of Veterans enrolled in VA health care are smokers. Many of the non-smokers are also older Veterans who may be at higher risk for cardiac or other conditions that may make them even more vulnerable to the cardiovascular events associated with secondhand smoke. As with patients of other health care systems, Veteran patients have a right to be protected from secondhand smoke exposures when seeking health care at a VA facility. For Veterans who are inpatients, nicotine replacement therapy is currently available so they would not have to experience nicotine withdrawal during hospital admissions.

**Title 38 Appointment and Compensation System for Medical Center Directors and Network Directors:** Legislation would establish an appointment and compensation system under title 38 for the Veterans Health Administration (VHA) occupations of Medical Center Director and Network Directors. These positions have a significant impact on the overall management of the Department's health care system.

**VA Payment for Medical Foster Homes (MFHs):** Legislation would give VA authority to pay for Veterans' care (room, board and caregiver services) in VA-approved MFHs. For Veterans who would otherwise need nursing home care, MFHs provide care in a

private home at much lower cost than nursing home care. MFHs have already proven to be safe, preferable to Veterans, and highly Veteran-centric, at less than half the cost to VA as care in a nursing home. Currently, all Veterans in VA's MFH program must pay for MFH, as VA does not have authority to pay. Under this proposal, VA payment for MFH would be exclusively for Veterans who would otherwise need nursing home care, while assisted living by most definitions and in most states routinely excludes individuals who would otherwise need nursing home level of care. Authorizing VA to pay for care in certain MFHs would result in more Veterans receiving long-term care in a preferred setting, with substantial reductions in cost to VA.

**Authority to Reduce Improper Payments Utilizing VA Internal Audits:** Legislation would amend 38 U.S.C. § 1703(d)(1) to remove the requirement for the Secretary to conduct a program of recovery audits of non-VA medical claim payments by contract. VA presently contracts for an annual audit focusing on overpayments for non-VA care and services. However, the contracted annual audit does not currently identify weaknesses in Agency improper payment prevention controls and recovery audit programs. VA has added additional staff to complete internal audits and has the ability to identify improper payments for medical care and services, initiate medical cost care recovery, and establish additional improper payment prevention and oversight controls for recovery audit programs. By allowing the Secretary the flexibility to perform recovery audits through a contract or with VA audit staff, VA will leverage its ability to decrease improper payments and increase recovery of erroneous payments to providers.

**Amendments to Domiciliary Care Statutes – Income Limitation:** This legislative would amend 38 U.S.C. §1710(b) to remove the income limitation requirement for admission to a Domiciliary Care program. This legislative proposal is part of VA's Mental Health Residential Rehabilitation and Treatment Programs' (MH RRTP) larger effort to align the program's dated Domiciliary Care statutory and regulatory authority with MH RRTP's state of the art clinical care model. VA's domiciliary care authority dates back to 1958 and has only been substantially changed once, in 1988. Although regulatory changes will address some of the needed reforms, VA proposes this statutory change that will assist in fully modernizing MH RRTP. Currently, 38 U.S.C. 1710(b) outlines the "income limitation" requirement for admission to VHA Domiciliary care programs. The statute is an admission criteria and has the potential to limit access particularly to specialty mental health residential treatment for serious mental illness, posttraumatic stress disorder, and substance use disorder. This legislative proposal will address pressing needs and will aid in fully modernizing the MH RRTP program by aligning statutory authority with MH RRTP's domiciliary care model.

**Amendments to Domiciliary Care Statutes – Numerical Limit on Programs:** This legislative proposal is part of VA's Mental Health Residential Rehabilitation and Treatment Programs' (MH RRTP) larger effort to align the program's dated Domiciliary Care statutory and regulatory authority with MH RRTP's state of the art clinical care model. All MH RRTP beds (with the exception of Compensated Work Therapy/Transitional Residence beds) are classified as domiciliary beds in the VA Bed Control System.

VA proposes to amend 38 U.S.C. § 2043 to remove the numerical limit on the number of Domiciliary Care for Homeless Veteran (DCHV) programs. In order to fully address Veterans' emergent mental health needs and accomplish VA's goal of preventing and ending homelessness, VA must have the flexibility to assess Veteran need when planning and implementing domiciliary facilities throughout the Nation. Furthermore, VA's Enrollee Health Care Projection Model projects a need for fewer residential beds, but for additional smaller programs geographically located throughout the country based on Veteran demographics and needs. Amending 38 U.S.C. § 2043 will allow VA the flexibility to effectively provide specialized mental health residential services throughout the Nation.

**Eliminate Performance Pay for VHA Physicians and Dentists:** This proposal seeks to modify 38 U.S.C. § 7431 in order to eliminate the performance pay component of the physician and dentist pay system under 38 U.S.C. §§ 7431(a)(3) and (d). In its place, VHA intends to modify market pay criteria in order to revise physician compensation practices to include productivity and performance measures. This change will allow VHA to more effectively and efficiently compensate physicians and dentists based on desired clinical outcomes in a way that is more advantageous to our providers.

**Acceptance of VA as a Participating Provider by Third Party Payers:** This proposal would allow VA to be treated as a participating provider for reimbursement purposes whether or not an agreement is in place with a third party payer or health plan. This proposed legislation would also exempt VA from any benefit plan or third party payer requirements for referrals, primary care provider selection, pre-authorizations, notifications or similar requirements, thus preventing the effect of excluding coverage or limiting payment of charges for VA care. Currently, VA has authority under 38 U.S.C. §1729 to recover from third party health plans and third party payers the reasonable charges for treatment of non-service-connected care for Veterans who have third party health plans. However, VA is treated as an out-of-network provider, and therefore benefits are either limited or non-existent. This proposal would prevent health plans or third party payers from denying or reducing payment, absent an existing agreement between VA and any health maintenance organization, competitive medical plan, health care prepayment plan, preferred provider organization, or other similar plan, based on the grounds that VA is not a participating provider.

**Aligning with Industry Standards by Eliminating Offsets of First Party Copayments:** This proposed legislation would amend 38 U.S.C. §1729 to provide statutory authority to discontinue reducing the first party copayment due from Veterans for non-service-connected care from funds collected from third party health plan carriers. As a condition for receiving VA health-care services, Veterans with income greater than VA income thresholds currently must agree to pay a required copayment (first party liability) for care that is not related to a service-connected disability. When Veterans have third party health plans, VA bills the health plan for non-service-connected care and reduces the Veterans copayment dollar for dollar based on the collection from the third party health plan. This proposal would align VA with private sector health plan carriers by eliminating the

practice of reducing VA first party copayments with collection recoveries from third party health plans.

**Improving Timeliness of Billing by Authorizing the Release of Protected Patient Information for Health Care Services:** This proposed legislation would amend 38 U.S.C. §7332(b) by including a provision for the disclosure of VA records of the identity, diagnosis, prognosis or treatment of a patient relating to drug use, alcoholism or alcohol abuse, infection with the human immunodeficiency virus (HIV) or sickle cell anemia to health plans for the purposes of VA obtaining reimbursement for care. Currently, VHA is prohibited from disclosing information identifying a patient as having been treated for drug abuse, alcoholism or alcohol abuse, HIV infection, or sickle cell anemia for any purposes not outlined in 38 U.S.C. §7332 unless a signed, written consent is obtained from the patient. Since one of the main objectives of the Community Care program is to consolidate and streamline community care and provide VA with the authorities to improve access to care while phasing out unnecessary barriers to providing care, this proposal would allow VA to work more easily with community care providers and is critical to meeting the needs of Veterans today and in the future.

**Mandatory Insurance Capture Enforcement:** This proposal seeks to create an enforcement mechanism to enforce disclosure of third party health plan contract information as required by Public Law (P. L.) 114-315, section 604. Currently, VA is authorized to bill and collect from third party health plan contracts (OHI) for the Veteran's non-service-connected care when VA has furnished or paid for such care on the Veterans behalf. Dollars collected from OHI is utilized by VA to supplement funding for Veteran health care services. This proposal creates an enforcement mechanism for Veterans who fail to provide third party health plan coverage information and any other information necessary to VA for the purpose of billing and collecting from the third party payer.

**Third Party Payer Enforcement Provision (Recover Lost Collections from Third Party Payer):** This legislative proposal is intended to provide a provision that will allow VA to institute administrative enforcement actions against third party payers who fail to comply with provisions of 38 U.S.C § 1729 and supporting regulations 38 CFR 17.101 and 38 CFR 17.106. Any funds collected through this enforcement provision will be returned to the Medical Care Collections Fund (MCCF) to provide additional services to Veterans across the nation. The proposed legislation would allow the VA to assess fines against third party payers for non-compliance with the statutory and regulatory provisions relative to VA collections from third party payers. The legislation should allow the VA to collect annual assessments against payers for repeat offenses. In addition, if the payer is contacted numerous times within a year for repeated infractions of VA collection rules, there would be an additional assessment per occurrence with an annual maximum assessment. These fees would be identified via regulations to ensure they reflect current operations if the proposed legislation is implemented.

**The 15 following legislative proposals have no budgetary impact:**

**Establishment of Veterans Care Agreements:** This legislative proposal would authorize VA to purchase care in certain circumstances through agreements that are not subject to certain provisions of law governing Federal contracts. The proposal would also amend 38 U.S.C. §1745 to permit VA to enter into similar agreements with State Veterans Homes. An agreement under the proposed legislation could be awarded without regard to competitive procedures and would not subject a provider to certain laws that are not applicable to providers and suppliers of health care services through the Medicare program. In general, VA is currently required to utilize federal contracting law when purchasing care and services in the community under existing statutory authorities. This legislative action is necessary because current law requires VA to utilize federal contracting law when purchasing care under 38 U.S.C §1703 when Department facilities are not capable of furnishing hospital care or medical services because of geographical inaccessibility or a general inability to furnish the care or services required. VA has authority under 38 U.S.C. §8153 to enter into health care resources sharing agreements between Department health-care facilities and any provider, or other entity or individual. VA also has limited other authorities to enter into contracts for health care. However, all of these authorities require following strict statutory and regulatory requirements associated with government contracting. Entering into these agreements generally takes months and is not conducive to meeting the immediate real-time needs of Veterans. By contrast, the Medicare provider agreement process takes an average of 45-60 days to complete. Failure to address this issue will have an enormous negative impact on our Veterans' access to health care.

**Amend Military Sexual Trauma Treatment Authority to Improve Access and Ensure Continuity of Care:** This legislation is proposed to amend VA's special treatment authority for military sexual trauma, as specified in title 38 USC § 1720D, to: remove references to "psychological trauma" and replace such with "any condition"; and remove the requirement that a VA mental health professional must determine whether a patient's condition qualifies for care under this authority, and permit the treating provider (either medical or mental health) to make this determination. Since the term "psychological trauma" has no clear, consensus meaning in the scientific literature or health care community of practice; it does not identify a particular class of clinical conditions or disorders. This creates ambiguity for providers and policymakers attempting to determine which of a patient's conditions do and do not qualify for care under VA's MST treatment authority. It also potentially introduces an arbitrary limitation on the scope of services that may be provided. Veterans frequently experience both mental health and physical problems as a result of MST, and the latter do not always have a clear "psychological trauma" component (e.g., physical injuries from a sexual assault, sexually transmitted diseases). Replacing references to "psychological trauma" with "any condition" would bring the MST authority into alignment with VA's other treatment authorities, resolve the ambiguity that hinders implementation, and permit VA to focus on Veterans' overall recovery.

**Advance Medical Directives of Veterans: Requirement for Recognition of Completed VA Form 10-0137 by States:** This proposal seeks to amend Title 38 by adding a new section 7335 to create parity between VA and the Department of Defense (DOD) by

specifying that a valid VA advance directive (VA Form 10-0137) (as determined by VA) shall be exempt from form, substance, formality, or recording requirements under the laws of a State and given the same legal effect as an advance directive executed in accordance with the laws of the State concerned. DOD's comparable provision for recognition of military advance medical directives by States is 10 U.S.C. §1044c. Currently, there is no formal mechanism allowing legal recognition of completed VA Form 10-0137 ("VA Advance Directive: Durable Power of Attorney for Health Care and Living Will") outside of VA health care facilities. As a result, although the Veteran population is highly mobile, Veteran's VA advance directives are not portable except within the national VA system. If a Veteran seeks care at a community hospital or is transported there in an emergency situation, the Veteran's wishes and preferences stated on VA Form 10-0137 have no legal weight.

**Modernizing VA: Anywhere to Everywhere VA Telehealth:** The proposed legislation would amend chapter 17 of title 38, U.S.C., to add after section 1730A a new section 1730B, which would authorize a "covered health care professional" to deliver care via telemedicine to any VA patient or beneficiary using telecommunications technology and information technology, regardless of the location of the patient or provider. To qualify as a covered health care professional, a VA employee must be authorized under chapter 17 to provide health care and be licensed to practice the health care profession in any State, territory, commonwealth, or the District of Columbia. New section 1730B would provide that neither the covered health care professional nor the patient need to be physically present at a VA site during the provision of VA telemedicine services. The proposals would specifically invoke Federal supremacy would prevail over any general or specific provisions of law, rule, or regulation of a State that are inconsistent with this section. It would also prohibit any State from denying or revoking the license, registration, or certification of a VA health care professional who otherwise meets the requirements of the State for such license, registration, or certification, on the basis of practicing under this authority.

**Authority for VA to Release Patient Information under 38 U.S.C. § 7332 to Health Care Providers for Treatment of Shared Patients:** This legislative would amend 38 U.S.C. § 7332(b)(2) to include a provision for the disclosure of VA records of the identity, diagnosis, prognosis or treatment of a patient relating to drug abuse, alcoholism or alcohol abuse, infection with the human immunodeficiency virus (HIV) or sickle cell anemia to a health care provider in order to treat or provide care to all shared patients. Currently, 38 U.S.C. § 7332(b)(2) prevents VHA from providing or sharing patient information relating to drug abuse, alcoholism or alcohol abuse, infection with HIV or sickle cell anemia (referred to as "7332-protected information" in the rest of the document) with public or private health care providers, including with Indian Health Service health care providers, providing care to the shared patient under normal treatment situations unless the care has been authorized by the Secretary or the patient has provided assigned, written consent. This restriction poses potential barriers to the coordination and quality of care provided to all our Veterans and patients by public or private health care providers and actual barriers to providing health information to Indian Health Service for the treatment of shared patient populations when the care is not authorized by the Secretary.

VA is requesting legislative relief by amending section 38 U.S.C. § 7332(b)(2)(H)(i), which states,"(H)(i) To a non-Department entity (including private entities and other Federal agencies) that provides hospital care or medical services to veterans as authorized by the Secretary." to replace "to veterans as authorized by the Secretary" with "to patients."

**Modification of Qualifications for Peer Specialist:** This proposed legislation modifies the health conditions qualifications for peer specialists established in Public Law 110-387, Section 405, that added the position of "Peer Specialist" to 38 U.S.C. § 7402 - Qualifications of appointees. This change will provide Veterans receiving care for non-mental health conditions the same kind of support and advocacy that Veterans who have mental health conditions are currently receiving from the highly-acclaimed and effective peer specialists in VHA's mental health programs. It will also allow for the expansion of peer support to Veterans with a multitude of physical chronic diseases, injuries, and medical conditions.

**Extension of VA's Authority to Bill Third Party Payers for Non-Service-Connected Care:** This proposed legislation would amend 38 U.S.C. § 1729(a)(2)(E) to make permanent VA authority to recover or collect reasonable charges for care or services for care of non-service connected conditions from a third party to the extent that the Veteran who has a service connected disability would be eligible to receive payment for care or services from a third party if the care or service were not provided by VA. This current authority expired on October 1, 2017. Clarification of VA's collection authority is needed to maintain VA's ability to recoup reasonable charges from health insurers and other third parties. Anticipated revenue from this proposal is included in the base budget.

**Extension of VA's Authority to Collect Copayments from Veterans for Hospital Care:** This proposed legislation would amend 38 U.S.C. §1710(f)(2)(B) to make permanent the VA authority to collect an amount equal to $10 for every day the Veteran receives hospital care for a Veteran who is required to agree to pay to the United States the applicable amount determined under paragraph (2) or (4) or this subsection. This current authority expires in September 30, 2019. In the case of a Veteran covered by this subsection who is also described by 38 U.S.C. §1705(a)(7), the amount for which the Veteran shall be liable to the United States for hospital care under this subsection shall be an amount equal to 20 percent of the total amount for which the Veteran would otherwise be liable for such care. It is proposed to strike the provision under 38 U.S.C. §1710(f)(2)(B) which requires these certain Veterans to pay $5 for every day the Veteran receives nursing home care. This requirement was stopped due to P.L. 106-117 mandating the establishment of copayments for Extended Care Services. VA and VHA support services (e.g., contracting, human resources, and information technology) will be aligned and coordinated in ways to ensure agile responses to Veterans Integrated Service Networks (VISN)/program needs related to health care. Anticipated revenue from this proposal is included in the base budget.

**Services for Severely Mentally Ill Veterans, Including Homeless Veterans:** This proposed legislation would extend VA's current statutory authority in Title 38 USC § 2031 for the services provided through the Health Care for Homeless Veterans (HCHV) Program. The HCHV program is an essential and critical part of VHA, providing an entry portal to VA and community-based supportive services for eligible Veterans who are homeless. HCHV programs provide outreach services; care, treatment, and rehabilitative services, including case management services; and therapeutic transitional housing assistance. This legislation can be accomplished by adding the following language - Section 2031 is amended in subsection (b) by striking "September 30, 2019" and inserting "September 30, 2024".

**Additional Services for Veterans with Severe Mental Illness:** This proposed legislation would provide a five year extension for authority at 38 U.S.C. § 2033. This legislation supports VA's efforts in eliminating and preventing homelessness among Veterans. Title 38 U.S.C. § 2033 authorizes VA, subject to appropriations, to operate a program to expand and improve the provision of benefits and services to homeless Veterans. The program includes establishing sites under VA jurisdiction to be centers for the provision of comprehensive services to homeless veterans in at least each of the 20 largest metropolitan statistical areas. This authority has been extended several times since November 21, 1997. This legislation can be accomplished by rewriting section 2033(d) to read, "The program under this section shall terminate on September 30, 2024."

**Supportive Services for Very Low-Income Veterans' Families:** This proposed legislation would extend the authority for the Supportive Services for Veterans Families (SSVF) program, which is found at Section 604 of the Veterans' Mental Health and Other Care Improvements Act of 2008, Public Law 110-387, codified at 38 U.S.C. § 2044. The SSVF Program is critical in preventing future episodes of homelessness and is the only VA homeless program that is national in scope that can provide direct services to both Veterans and their family members (including the provision of child care). Recent Community Homelessness Assessment, Local Education and Networking Groups (CHALENG) reports indicate that homeless and formerly homeless Veterans consider family concerns as their highest unmet need. Since the SSVF Program is one of the cornerstones of VA's Plan to End Homelessness among Veterans, it is critical that the SSVF Program appropriation authorization be increased to allow for funding in FY 2017 and beyond. This legislation can be accomplished by amending section 2044(e)(1)(E) by replacing "2019" with "2024."

**Advisory Committee on Homeless Veterans:** This proposed legislation would extend current authority to authorize continuation of the Advisory Committee on Homeless Veterans which was established by 38 U.S.C. § 2066(d). If the authority is extended, the Committee would continue to provide valuable advice to the Secretary on the provision of benefits and services to Veterans who are at risk of homelessness or become homeless. VHA is projecting no additional costs associated with this provision as it only modifies the statute to authorize continuation of the committee through December 31, 2022. This legislation could be accomplished through the following: Section 2066(d) is amended by striking ''September 30, 2018 and inserting ''September 30, 2023.''

**Extension of Authority for the Monthly Assistance Allowance for Disabled Veterans:** This proposal extends 38 U.S.C. § 322(d) authorizations for the Veterans Monthly Assistance Allowance (VMAA) program through the end of Fiscal Year (FY) 2022 by amending the current expiration date (end of FY 2019). Currently, authorization of appropriations for the VMAA program under 38 U.S.C. § 322(d) will end on September 30, 2019. If extension is not authorized, VA's ability to provide allowances to support training expenses of disabled Veterans for Paralympic sports, or for Veterans participating in Olympic sports, would be jeopardized. There is no alternative means authorized for VA to provide equivalent assistance to disabled Veterans training in Paralympic and Olympic sports in support of their ongoing rehabilitation, and general health and wellness. Extension of this authority will sustain funding and implementation of the VMAA program beyond FY 2019.

**Extension of VA-DOD Joint Funding Authority for the Medical Facility Demonstration Fund:** This proposal seeks to extend the authority, initially granted in section 1704 of P.L. 111-84, to use the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund to operate the James A. Lovell Federal Health Care Center (FHCC) under a unified budget until September 30, 2020. The current expiration date for this authority is September 30, 2019.

**Extension of Authority for the Adaptive Sports Grant (ASG):** Legislation is being proposed to extend the authority currently provided by 38 U.S.C. § 521A for the ASG program for disabled Veterans and disabled members of the Armed Forces through the end of FY 2022. If the extension is not authorized, the ASG program that provides funding to support adaptive sport activities for disabled Veterans and disabled members of the Armed Forces would be terminated. Further, strategic partnerships would be terminated with over 1,000 adaptive sport entities that provide adaptive sports for disabled Veterans at national, regional, and community-based levels. This legislation could be accomplished through the following: Section 521A(g)(1) and section 521A(l) by striking "2019" and inserting "2022."

## Construction - Proposed Legislation

**Authority to Amend the Definition of Medical Facility Allowing VA to Plan, Design, Construct, or Lease Joint VA/DoD Shared Medical Facilities; and to Transfer and Receive Funds for those Purposes:** VA proposes legislation that would expand the Departments capacity to do more detailed planning and design, leasing, and construction of joint facilities in an integrated manner. The proposal would allow the Department to transfer and/or receive funds (to/from the Major and Minor Construction appropriations) to/from another Federal agency for use in the planning, design, and/or construction of a medical facility that would be shared with another Federal agency (for example, the Department of Defense). It would also allow the transfer and/or receipt of funds (to/from the Medical Facilities appropriation) to/from other Federal agencies for the purpose of leasing space for a shared medical facility, after section 8104 authorization requirements

have been met. In order to foster collaboration, VA will also request to amend the definition of a "medical facility" to include any facility or part thereof which is, or will be, under the jurisdiction of the Secretary, or as otherwise authorized by law, for the provision of health-care services. This change would allow VA to build extra capacity into its construction projects to meet the needs of other Federal agencies, including DoD.

**Increase to the Threshold between Major and Minor Construction:** VA proposes legislation that would increase from $10 million to $20 million the maximum dollar threshold for minor construction projects. 38 U.S.C. § 8104(a)(3)(A) defines a major medical facility project as "a project for the construction, alteration, or acquisition of a medical facility involving a total expenditure of more than $10,000,000." The last increase for the minor construction threshold was in FY 2007, from $7 million to the current $10 million. The proposed increase will increase the Department's flexibility to meet its capital needs.

## Compensation and Pensions - Proposed Legislation

**Clarify Evidentiary Threshold for Ordering VA Examinations:** VA seeks to amend 38 U.S.C. § 5103A(d)(2) to clarify the evidentiary threshold at which VA, under its duty to assist obligation in § 5103A, is required to request a medical examination for compensation claims. This proposal aims to eliminate delays in claims processing by establishing a more reasonable policy in determining when a VA examination is warranted in connection with a claim for compensation. In recent years, the courts have held that evidence necessary to satisfy the requirements of 38 U.S.C. § 5103A(d)(2) is much lower than VA or Congress contemplated. This proposed change would require, in general, the existence of objective evidence of an in-service event, injury, or disease to trigger VA's duty to request an examination under 38 U.S.C. § 5103A(d)(2)(B). Mandatory savings are estimated to be $79.3 million in 2019, $421.1 million for five years, and $909.3 million for ten years.

**Elimination of Payment of Benefits to the Estates of Deceased *Nehmer* Class Members and to the Survivors of Certain Class Members:** VA seeks to amend 38 U.S.C. § 1116 to eliminate payment of benefits to the estates of deceased *Nehmer* class members and to survivors of certain class members when such benefits are the result of presumptions of service connection established pursuant to § 1116 for diseases associated with exposure to certain herbicide agents. The Agent Orange Act of 1991 expired on September 30, 2015. This proposed legislation prevents allocation of extensive resources to claims not contemplated by Congress and avoids potential for creating or substantially adding to VA's backlog.

**Clarify Chemicals at Issue for Purposes of Presumptive Service Connection for Veterans Serving in the Republic of Vietnam:** VA seeks to amend 38 U.S.C. § 1116 to define the harmful chemicals, specifically Tetrachlorodibenzo-p-dioxin (TCDD), used in herbicides. IOM has determined that the only chemical in herbicides for which there are adverse health effects is TCDD. The Department knows that TCDD was not used in

commercial herbicides on bases outside of Vietnam. Defining the harmful chemical (TCDD) used in herbicides within the Republic of Vietnam would allow VA to clarify complex rules for exposure claims outside Vietnam.

**Attendance at Transition Assistant Program (TAP) or Access to eBenefits Meets the Requirements to Notify Veterans by Letter of VA Benefits and Services:** This proposal would amend 38 U.S.C. § 6303(b) to authorize VA to use TAP or eBenefits to notify each transitioning Veteran of all VA benefits and services for which they may be eligible by the most effective mean available. Currently, statute requires VA to send each Veteran a letter with benefits information. For those Veterans discharged or separated without a high-school diploma, this proposal would also eliminate the requirement for VA to make in-person or telephone contact regarding their eligibility for benefits, except in instances where they did not attend a TAP briefing or were not receiving information through eBenefits. No benefit costs are associated with this proposal.

**Automatic Annual Cost-of-Living Adjustments (COLA) for Disability Compensation and Dependency and Indemnity Compensation (DIC):** This proposal would amend 38 U.S.C. §§ 1104, 1303, and 5312 to provide for the annual COLA to be made automatically by law each year in the rates of disability compensation and DIC. The amendment would also provide for automatic COLA for clothing allowance and the additional compensation for dependents. No benefit costs are associated with this proposal.

**Eliminate the Direct Payment of Fees from VA to Accredited Agents and Attorneys:** This proposal seeks to amend 38 U.S.C. § 5904 (d) to eliminate the authority for VA to make direct payments of fees to agents or attorneys. This function is unnecessary and time consuming for VA claims representatives. Administering such payments consumes a considerable amount of VA's time and resources that should be focused on providing disability compensation benefits to Veterans in timely fashion.

**Extend the Authority for Operations of the Manila VA Regional Office:** VA proposes to extend the authority currently provided by 38 U.S.C. § 315(b) to maintain the operations of the Manila RO to December 31, 2022.

**Reimbursement of Credentialing Costs:** VA seeks to add 38 U.S.C § 5729 to allow VA to collect, from private attorneys and claims agents, a reasonable fee necessary to offset the costs of performing necessary background and other investigations and issuing credentials allowing access to sensitive electronic claims processing systems. It would also eliminate the need for appropriation act authority to retain and use fees authorized to be collected under this section. In addition, it would permit VA to use collections within two fiscal years, ensuring that fees collected near the end of a fiscal year would not expire before they could be obligated.

**Round-Down of the Computation of the Cost of Living Adjustment (COLA) for Service-Connected Compensation and Dependency and Indemnity Compensation (DIC) for Ten Years:** This proposal would amend title 38, U.S.C §§ 1303(a) and 1104(a) to provide a ten-year round-down provision of the computation of the cost of living

adjustment (COLA) for service-connected compensation and dependency and indemnity compensation (DIC). Benefit savings are estimated to be $34.1 million in 2019 and $749.2 million for five years and $2.83 billion over ten years.

**Reissue VA Benefit Payments to all Victims of Fiduciary Misuse:** VA seeks to amend 38 U.S.C. § 6107, which authorizes VA to reissue benefits to a beneficiary if the beneficiary's VA-appointed fiduciary misuses the beneficiary's benefits. This amendment would extend VA's reissuance authority to allow the reissuance of benefits to a beneficiary in cases of misuse by individual fiduciaries, who manage benefits for less than 10 beneficiaries, without regard to VA negligence in appointing or overseeing such fiduciaries. The amendment would prescribe that VA would pay the beneficiary or the beneficiary's successor fiduciary an amount equal to the amount of the misused benefits in any case in which a fiduciary misuses a beneficiary's VA benefits. Benefit costs are estimated to be $1.3 million in 2019, $7.0 million over five years, and $15.9 million over 10 years.

**Remove Annual Income from Net Worth Calculation:** VA seeks to amend 38 U.S.C. §§ 1522 and 1543 to remove the requirement that VA consider annual income in its net worth determinations. VA believes that removing annual income as a component of net worth would simplify and render more consistent net worth determinations. VA's intent with this proposal is to allow more fair and consistent net worth calculations and to promote pension automation with respect to net worth calculations. Benefit costs are estimated to be $56 thousand during the first year, $729 thousand for five years, and $2.5 million over ten years.

**Authorize VA to Rely on Unearned and Earned Income Information Supplied by IRS and SSA for Purposes of Determining Eligibility for its Needs-Based Pension Program, and Eliminate the Need for VA to Independently Verify the Information:** VA seeks to amend 38 U.S.C. § 5317(b) and (e) to authorize VA to rely on information it obtains from the Internal Revenue Service (IRS) and Social Security Administration (SSA) when making initial pension eligibility determinations. VA also proposes to remove the requirement that VA independently verify the information.

**Allow VBA to Pay a Flat Rate for Non-Service-Connected Burial for Veterans Who Die in a VHA or VA Facility:** VA seeks to amend 38 U.S.C. §2303(a)(1) to authorize payment of a flat-rate, non-service-connected, burial allowance for Veterans who die in a qualifying VHA or VA facility. This one-time allowance would be equal to the maximum payment authorized under current law. This amendment would allow VA to expedite delivery of benefits to surviving spouses through automation and to all other claimants through streamlined processing of flat rate payments.

**Authorize VA to Pay a Flat Rate for the Costs of Domestic Transportation of a Deceased Veteran to a National Cemetery:** VA seeks to amend 38 U.S.C. §2308 to authorize VA to pay claimants a one-time, inflation indexed, flat-rate benefit for the domestic transportation of a deceased Veteran to a national cemetery, or upon the qualifying death of a Veteran. After the first year, the flat rate fee would be adjusted

annually by the Consumer Price Index. Benefit savings are estimated to be $541 thousand in 2019, $2.2 million for five years, and $2.2 million over ten years.

**Modernizing VA's Records Management Program:** This proposal would amend title 38, U.S. Code, by creating a new section 5707 to codify VBA's procedures with respect to imaged source paper files, input records, reports, or other documents under the Records Control Schedule required by title 44, U.S. Code. No benefits costs are associated with this proposal.

**Extension of reduction in amount of pension furnished by the Department for certain Veterans covered by Medicaid plans for services furnished by nursing facilities:** To provide an extension of the current policy to limit to $90 the pension payable to certain recipients of Medicaid-covered nursing home care, and to protect that pension payment from being applied to the cost of the recipient's nursing-home care. This proposal would extend the current authorization from 2027 to 2028, resulting in a cost savings of $296 million in 2028.

**Extend the Time for Medical Examinations for Certain Veterans with Mental Disorders:** This legislative proposal would amend title 38 U.S.C. 1156(a)(3) to require VA to schedule a medical examination for veterans discharged from the military due to a mental disorder no later than 18 months (rather than 6 months) after separation or discharge of such veteran from active duty. Performing the examination no later than eighteen months after discharge allows the clinician to more accurately evaluate the condition and would better align with VA's and DoD's current practice of scheduling review examinations. No benefit costs are associated with this proposal.

## Burial - Proposed Legislation

**Spousal and Dependent Inscriptions on Veteran Headstones and Markers:** VA seeks to amend 38 U.S.C. §2306 to allow the inscription, if feasible and upon request, on a government-furnished headstone and marker for placement on a gravesite in a non-VA cemetery, information about the Veteran's spouse or dependent child. The proposed applicability date would be to add such an inscription for the headstones and markers of Veterans whose date of death is on or after January 1, 2014.

**Burial of Spouses and Dependents Who Predecease Active Duty Servicemembers:** VA seeks to amend 38 U.S.C. §§2306 and 2402 to authorize the Department to inter in a VA national cemetery and mark the gravesite of the spouse and dependent child of a member of the Armed Forces serving on active duty at the time of the spouse's or child's death.

**Authorization to Pay Cost of Transporting Certain Deceased Veterans to a State or Tribal Organization Cemetery:** VA seeks to amend 38 U.S.C. §2308 to expand the provision of the transportation allowance to cover those unclaimed remains of Veterans transported to a VA-funded Veterans cemetery owned by a State or tribal organization.

Currently, the Department of Veterans Affairs (VA) is only authorized to provide an allowance for the cost of transporting the remains to the nearest VA national cemetery.

**Authorization to Provide Headstone or Marker for Unmarked Grave of Spouse or Child in Tribal Organization Cemetery:** VA seeks to amend 38 U.S.C. § 2306 to provide headstones and markers for burial and memorialization of Veterans' eligible spouses and dependent children interred at tribal Veterans cemeteries. Under current law, spouses and dependents are eligible for a headstone or marker for placement in a national and state Veterans cemetery, but not a tribal Veterans cemetery.

**Burial Benefit Eligibility Requirement for Other-Than-Dishonorable Service for Deaths in Active Service:** Amend 38 U.S.C. § 2402(a)(1) to require that a Servicemember who dies in active service must have been serving under conditions other than dishonorable to be eligible for burial in a national cemetery. Amend 38 U.S.C. §§ 2306(b)(4)(A) and (g)(2) to impose the same requirement for eligibility for a memorial headstone or marker. Amend 38 U.S.C. § 2301(d) to do the same for eligibility for a burial flag.

**Establish a Consistent Applicability Date for Provision of Memorial Headstones and Markers for Eligible Non-Veteran Individuals:** VA seeks to amend 38 U.S.C. § 2306(b) to establish a consistent applicability date of "after November 11, 1998," for the provision of memorial headstones and markers for all eligible non-Veteran individuals. As a result of this proposal, all eligible non-Veteran individuals will have the same applicability date for the memorial headstone and marker benefit for placement in national and state Veterans cemeteries. It would not expand eligibility for placement in private cemeteries for non-Veterans.

**Expansion of Eligibility for Government-Furnished Headstone, Marker or Medallion for Medal of Honor Recipients:** VA seeks to amend 38 U.S.C. § 2306(d) to allow VA to furnish or replace a headstone, marker or medallion for the privately marked graves of all eligible Medal of Honor (MOH) recipients, regardless of a recipient's date of service. This proposal would allow VA to provide a headstone, marker, or medallion for the historic gravesite of a Medal of Honor recipient who served in the Armed Forces prior to 1917 and whose gravesite is already marked by a privately-furnished or a government-furnished headstone or maker.

**Establishment of Natural Burial Sections in VA National Cemeteries:** VA seeks to amend 38 U.S.C. § 2404 to allow the Secretary of Veterans Affairs to designate sections in national cemeteries as natural burial sections, and to make conforming amendments to section 2404(c), to allow marking of gravesites by means other than upright headstones; and to section 2306, to allow for an exception to using outer burial receptacles. VA national cemeteries presently offer two main types of interment: burial of casketed remains and interment of cremated remains in an in-ground burial site, within a columbarium, or scattered in a memorial garden. As VA embraces its goal to become a more Veteran- and family-centric organization, NCA is challenged with ensuring that its

burial and memorialization services meet the changing needs and preferences of Veterans in the twenty-first century.

**Prohibiting Interment of Individuals Who Are Found to Have Committed a Tier III Sex Offense under State Law but Avoided Conviction due to Death or Flight to Avoid Prosecution:** VA seeks to amend 38 U.S.C. § 2411 to prohibit interment or memorialization in a national cemetery of a person who is found to have committed a tier III sex offense under State law but avoided conviction due to death or flight to avoid prosecution.

Under the current statutory language, an otherwise eligible person who is found to have committed a qualifying tier III sex offense may or may not be memorialized anywhere or interred in a VA national cemetery or in Arlington National Cemetery, dependent solely on whether the alleged crime is a Federal crime or State crime. The deciding factor is whether prosecution would have occurred at the Federal or State level. This is particularly problematic when the alleged criminal act could have been prosecuted under either Federal or State law, and the choice of which body of law is applied depends solely on law enforcement and prosecutorial discretion.

To prohibit interment or memorialization of persons who committed a tier III sex offense chargeable under Federal law, but not under State law, could result in adverse media and public scrutiny.

**Increase the Annual Statutory Limit on Grants for the Purpose of Operation and Maintenance Provided through the Veterans Cemetery Grants Program:** VA seeks to amend 38 U.S.C. § 2408(e)(2) to increase to $10 million the annual statutory limit on operation and maintenance grants that VA may award to state and tribal Veterans cemeteries. This proposal would enable the Veterans Cemetery Grants Program to address the need to assist states and tribal organizations in the key areas of cleanliness of headstones, marker height and alignment, and leveling of gravesites and turf conditions, which are projects that support the high appearance standards set for our Nation's Veterans cemeteries.

**Transfer Jurisdiction of Land from Department of Interior to VA for Black Hills (SD) National Cemetery and Elko (NV) National Veterans Burial Ground:** VA seeks authorization for the transfer of jurisdiction of land from the Department of the Interior, Bureau of Land Management to the Department of Veterans Affairs for use as a national cemetery under 38 U.S.C. Chapter 24. NCA submits this proposal for consideration to ensure a continued burial option for Veterans and their dependents at the Black Hills National Cemetery in South Dakota, as well as the establishment of a burial option in Elko, Nevada.

**Establishment of Grant Program to Fund Education Tools for the Veterans Legacy Program:** VA seeks to establish grant authority for the Veterans Legacy Program (VLP). The VLP within NCA supports this mission by providing engagement and educational tools and opportunities for the public to learn about Veterans' service and sacrifice. The

VLP proudly shares the stories of all those who served to engage educators, students, researchers, and the general public to build an appreciation of what earlier generations have given to the nation, and help individuals understand why national cemeteries are set aside as national shrines.

## Readjustment Benefits – Proposed Legislation

**Prevent VA from Providing Unlimited Amounts of Payments for Flight Training at Public Schools:** VA proposes to amend 38 U.S.C. § 3313(c) and add new section (j) to impose tuition and fee payment caps at Institutions of Higher Learning with flight training programs and establish a maximum allowable fee structure for all VA-funded flight programs. Savings are estimated to be $43 million in FY 2019, $230.0 million over five years, and $504.4 million over 10 years.

**Approve Preparatory Courses of Licensing and Certification Exams:** This proposal seeks to amend 38 U.S.C. § 3002(3)(B), to add a preparatory course for a test that is required to enter into, maintain, or advance in a given vocation or profession. Costs are estimated to be $1.4 million in 2019, $7.3 million over five years, and $16.0 million over 10 years.

**Vocational Rehabilitation for Servicemembers:** This proposal seeks to extend for five years the sunset date in Section 1631(b)(2) of Public Law 110-181 (The National Defense Authorization Act (NDAA) of 2008), as amended by Section 231 of Public Law 112-56, Section 724 of Public Law 113-291, and Public Law 115-62 by amending title 38 § 3102(a). Benefit costs represent a shift in expected obligations over a ten-year period. Costs are estimated to be $91.6 million in the 2019, $92.5 million over five years, and $92.5 million over 10 years.

**Allow for Extension of a Period of Employment Services Under Chapter 31:** Amend 38 U.S.C. § 3105(b)(1) to allow the period of employment services to be extended for not more than two three-month increments for a total of 24 months, if needed, to accomplish rehabilitation. This would ensure Veterans with service-connected disabilities would be able to receive the services necessary to obtain and maintain suitable employment.

**Extend In-State Tuition and Fee Requirements to Vocational Rehabilitation:** This proposal seeks to extend in-state tuition and fee requirements of the Veterans Access, Choice, and Accountability Act of 2014 (VACAA), or "Choice Act", to apply to vocational rehabilitation programs provided under title 38 of the United States Code (U.S.C.) chapter 31. Savings are estimated to be $25.0 million in 2019, $143.4 million over five years, and $339.0 million over 10 years.

**Expand Eligibility for Specially Adapted Housing (SAH) Grants under 38 U.S.C. § 2101(b):** This proposal would add certain severe injuries and dismemberment disabilities that affect ambulation and loss or loss of use of an upper extremity to the eligibility

criteria for the SAH program under 38 U.S.C. § 2101(b). Costs are estimated to be $1.2 million in 2019, $5.3 million over five years, and $10.0 million over ten years.

**Eliminate Certain Provisions Which Limit the Amount of Specially Adapted Housing (SAH) Assistance Which May be Used to Pay for the Veteran Acquisition:** VA seeks to amend 38 U.S.C. § 2101 to eliminate the dollar use restrictions on the use of SAH grant funds for home acquisition. VA proposes to remove the 50 percent reduction elements from the statutory formulas. The proposal would allow grant recipients to apply more grant funds against their cost to construct an adapted home and purchase the land upon which the home is or will be situated. This would allow for more grant recipients to have their acquisition of an adapted home and land fully covered by an SAH grant.

**Move the Authority for Home Modifications Under a Rehabilitation Program to the Specially Adapted Housing (SAH) program:** VA proposes to amend chapters 21 and 31 of title 38, United States Code., so that housing modifications required under a rehabilitation program would be provided as SAH assistance. Savings to the VA are estimated to be $538 thousand in 2019, $3.0 million over five years, and $6.7 million over ten years.

**Authorize the Secretary to Collect Overpayments of Grant Funds Made Under Chapter 21:** Amend 38 U.S.C. §2102 to authorize the Secretary to establish debts against any Veteran or responsible party in connection with the acquisition of specially adapted housing (SAH). This change is consistent with the authority of the Department of Veterans Affairs (VA) under 38 U.S.C. §3685(a) to collect overpayments made in connection with its education programs. Savings associated with this proposal are estimated to be insignificant.

**Extension of Authority for Specially Adapted Housing (SAH-AT) Assistive Technology Grant Program:** This proposal would extend the authority of the Secretary to administer the Special Adapted Housing Assistive Technology Grant (SAH-AT) program through September 30, 2023. Section 203 of Public Law 111-275 (Veterans Benefits Act of 2010), codified at 38 U.S.C. § 2108, established the SAH-AT grant program through September 30, 2016. Section 409 of Public Law 114-228 extended this authority through September 30, 2017 and section 408 of Public Law 115-62 extended this authority to September 30, 2018. Costs associated with this proposal are estimated to be $1 million in 2019 and $5 million over five years.

**Extension of Specially Adapted Housing Assistance for Certain Veterans with Disabilities:** This proposal seeks to extend the authority established in Public Law 112-154, Honoring American's Veterans and Caring for Camp Lejeune Families Act, expanding eligibility for Specially Adapted Housing (SAH) assistance for certain Veterans with disabilities that cause difficulty ambulating. Public Law 115-62 extended this authority though September 30, 2018. Costs are estimated to be $2.6 million in FY 2019, $14.1 million over five years, and $14.1 million over 10 years.

## Housing – Proposed Legislation

**Amend Authorizing Language in 38 U.S.C. § 3722 (b) for the Veterans Housing Benefit Program Fund to Provide a "Such Sums as Necessary" Appropriation.** The amendment would expressly clarify VA's statutory authority to continue program operations during a lapse of general appropriations, thereby providing Veterans, lenders, and the secondary mortgage market with more certainty in regard to Veterans' housing benefits delivery. No benefit costs are associated with this proposal.

**Extend Loan Funding Fee Rates:** This proposal would extend the current loan funding fee schedule through September 30, 2028. The existing statutory requirement, set forth with P.L. 115–46, VA Choice and Quality Employment Act of 2017, Section 402 extended the funding fee rates through September 30, 2027. Savings are estimated at $356.0 million in 2028.

**Extension of Net Value Authority.** This proposal would extend VA's authority for calculating the net value of a property and using that calculation to determine VA's liability to pay claims at the time of foreclosure to October 1, 2023. Public Law 115-62 extended the requirements to September 30, 2018. This proposal would also provide the Secretary with the discretion to determine what costs should be included in the net value calculation, based on prevailing economic conditions. The tangible benefits gained by this proposal are predictability of foreclosure liabilities for VA.

**Extend Vendee Loan Securitization Authority.** This proposal would extend, through September 30, 2028, the Secretary's authority to issue and guarantee the timely payment of principal and interest on certificates or other securities evidencing an interest in a pool of mortgage loans made in connection with the sale of VA-acquired properties. Currently, section 409 of Public Law 115-62 amended 38 U.S.C. § 3720(h) (2) to extend this authority through September 30, 2018. The proposal is estimated to incur loan subsidy costs of $89.1 million in 2019, $213.4 million over 5 years, and $333.4 million over 10 years.

**Extend Housing Assistance for Homeless Veterans Under 38 U.S.C § 2041 to Include Permanent Housing Options:** This proposal would extend the Secretary's authority to use homes acquired through the guaranteed loan program to assist homeless Veterans, including through the Homeless Shelter Program (HSP), through September 30, 2028. Without extension of the proposal, the Secretary would stop using HSP, but would continue to sell already acquired properties and to acquire new properties and sell them. The acquired properties that were already sold using HSP would continue serving homeless Veterans.

Upon extension of the authority VA would seek to amend 38 U.S.C. § 2041 by adding that properties acquired under this section may also be used to provide permanent housing. This change would better reflect current Federal housing policy regarding homelessness. Section 304 of the Department of Veterans Affairs Expiring Authorities Act of 2016, P.L. 114-228 extended the requirements through September 30, 2017. This

authority was not extended for 2018 and the VA subsequently suspended the Homeless Service Provider program. The proposal is estimated to incur loan subsidy costs of $29.1 million in 2019, $29.1 million over five years, and $29.1 million over 10 years. This cost is derived from proposed acquired property sales discounts, or reductions in cash inflows, of $74.1 million for already existing and new budget baseline loan guarantees over the 10 years. The $29.1 million cost is the proposal budgetary impact on the cash inflows for already existing loan guarantees as of 2019 and over the 10 year period. The portion of the sales discounts for new loan guarantees would produce insignificant cost over the 10 years.

## Board of Veterans' Appeals – Proposed Legislation

**Decisions of the Board-Reasons and Bases:** VA proposes to define the term "reasons and bases" in 38 U.S.C. § 7104(d) (1) to mean a plausible statement of the reasons for the Board's ultimate findings of fact and conclusions of law. This proposal seeks to simplify the content requirements of Board decisions, making them more understandable to Veterans.

## Other Legislative Proposals

**Removal of Authority to Accredit Individuals as Claims Agents:** VA is proposing to amend chapter 59 of Title 38 to remove any reference to agents or claims agents, such that individuals could no longer become accredited as claims agents for the purposes of preparing, presenting, or prosecuting claims for the VA.

**Clarify the Secretary's Authority on Interest and Administrative Costs Charged on Delinquent Debts:** Amend Title 38 by changing the words "shall be charged, under regulations which the Secretary shall prescribe" to "may be charged, under regulations which the Secretary shall prescribe".

**Authority to Expand VA's Current Enhanced-Use Lease Authority Beyond Supportive Housing:** VA is proposing certain amendments to expand the scope of VA's enhanced-use lease (EUL) authority (codified at 38 U.S.C. § 8161-8169) to include projects that are supportive housing and projects that provide services and/or mixed uses, which incorporate other important benefits to Veterans. VA's original enhanced use lease (EUL) authority was enacted in 1991 and subsequently expired on December 31, 2011. In August 2012, a new EUL authority was authorized via Section 211 of P.L. 112-154 that limited VA's EUL public/private partnership efforts to "supportive housing" projects. This limited EUL authority hinders VA's ability to enter into a wider range of EULs that would benefit Veterans, and VA's mission and operations.

**Authority to Contract for Long-Term Provision of Renewable Electric Energy and Alternative Energy:** VA is proposing legislation for authority to enter into long-term contracts not to exceed 30 years, with third parties to provide renewable electric energy and alternative energy, where lifecycle cost effective. The authority to enter into long-

term contracts for the provision of renewable electric energy and alternative energy would allow for more effective, long-term budgeting of energy costs. In addition, many energy projects, especially renewable energy projects (e.g. solar), require substantial up-front investments, rendering projects unfeasible despite long-term advantages in the form of cost savings, energy security, and environmental sustainability. In the private sector, this is often done via a partnership with a specialized developer and involves a long-term contract to purchase energy from a financed project at a fixed rate. This allows for investments in projects larger than current-year operational budgets would allow. Enactment of this legislation would permit more efficient long-term budget planning and provide additional flexibility to install large-scale energy projects, including many renewable energy projects with relatively large capital investments. The ability to enter into long-term renewable electric energy and alternative energy contracts is critical to the sustained viability of VA's energy program.

**Authority to Sell Environmental Assets Created Through Energy Projects and Retain the Proceeds:** VA is proposing legislation for authority to sell environmental assets created through energy projects, and to retain the proceeds from the sale. Sales shall be made through auction or other appropriate form, in accordance with the rules for the applicable market. Depending on the state, some VA energy projects create environmental assets in the form of emissions reductions credits, emissions reduction certificates, environmental air quality credits, and renewable energy certificates. In locations where a market for their sale and trade is available, these assets have value. VA lacks the authority to sell these assets in the relevant markets and keep the proceeds from the sale. This prevents VA from realizing the full value of the energy efficiency and renewable energy assets and from taking full credit for energy efficiency and renewable energy projects implemented in market areas that would improve local and state air quality. The ability to sell these assets as government property will make certain energy projects more economically viable.

Authority to sell environmental assets could reduce the amount VA would need to finance in an energy performance contract. The less we need to finance, the lower the interest expenses VA incurs over the course of a long-term contract like energy savings performance contracts and utility energy services contracts. Savings vary by state and by market conditions, but in certain areas such as southern California the savings are potentially in the millions of dollars. Because VA has a number of facilities with aging central plant equipment, it has the potential to replace inefficient systems with those that are significantly lower emitting. In a constrained budgetary environment, any mechanism that makes projects less expensive, or which will bring in additional revenue, should be explored.

**Working Capital Fund:** This proposal would establish a no-year revolving Working Capital Fund (WCF) to provide centralized financial management services for the Department of Veterans Affairs. These services are currently performed and funded by various VA organizations, which results in duplication and inefficiencies. A WCF will provide a cohesive Departmental approach to identifying and addressing new financial

requirements, improving accountability and internal controls, and identifying and preventing fraud, waste and abuse.

**General Transfer Authority:** The Department is requesting appropriations language that would provide the Secretary the authority to transfer funds across all discretionary appropriations up to two percent of the total discretionary appropriations made available to the Department to address emerging needs for a higher priority than those undertaken in the account from which the funding was transferred, as determined by the Secretary.

**Authority to Amend the Definition of Medical Facility:** This proposal will allow VA to plan, design, construct, or lease joint VA/DoD Shared Medical Facilities, and to transfer and receive funds for those purposes. VA is proposing legislation that would expand our capacity to do more detailed planning and design, leasing, and construction of joint facilities in an integrated manner. The proposal would allow the Department to transfer and/or receive funds (to/from the Major and Minor Construction appropriations) to/from another Federal agency for use in the planning, design, and/or construction of a medical facility that would be shared with another Federal agency (for example, the Department of Defense). It would also allow the transfer and/or receipt of funds (to/from the Medical Facilities appropriation) to/from other Federal agencies for the purpose of leasing space for a shared medical facility, after section 8104 authorization requirements have been met. In order to foster collaboration, VA will also request to amend the definition of a "medical facility" to include any facility or part thereof which is, or will be, under the jurisdiction of the Secretary, or as otherwise authorized by law, for the provision of health care services. This change would allow VA to build extra capacity into its construction projects to meet the needs of other Federal agencies, including the Department of Defense.

**Authority for the Secretary to Regulate Leave Pay for Title 38 Hybrid Employees and Title 5 health Care Workers**: This proposal would modify title 38 to expand the definition of compensation to include pay earned by employees when performing work or when using paid leave or other paid time off. Under this proposal the Secretary will have the authority to issue policy prohibiting weekend pay and night differential for periods of leave consistent with government wide regulations.

**Align Employee Awards and Incentives with Veteran-Facing Outcomes:** Award limitations imposed by the Comprehensive Addiction and Recovery Act (CARA) will significantly impede the Department's ability to recruit and retain highly-qualified employees to meet Veterans' health care and other needs. VA is proposing to modify Title 38 of the United States Code to cap aggregate spending on individual superior performance and individual special contribution awards at $360,000,000 for fiscal years 2019-2024, which is consistent with the Veterans Choice Act (P.L. 113-146). This level will provide the Secretary with the flexibility to align employee awards and bonuses with organizational performance and Veteran-facing outcomes. It will also provide the Secretary the ability to attract and retain top talent while also exercising appropriate fiscal under the cap.

**Eliminate Requirement for Quarterly Conference Reporting:** This proposal would relieve VA from certain overly burdensome reporting requirements relating to conferences. VA seeks to amend 38 U.S.C. § 517 to remove the requirement for the Secretary to submit quarterly reports on conferences to the Senate Committee on Veterans' Affairs and the House Committee on Veterans' Affairs. While we understand the need for appropriate oversight and controls over conference expenditures, in practical effect these requirements have impeded VA's ability to conduct vital education and collaborative efforts that play a great part in improving VA services, advance medical care initiatives, and improve customer service. Existing processes we believe serve the same oversight and control interests that the requirement in current law was aimed to serve. These policies and procedures (which would remain even if this reporting requirement was removed) provide accountability and oversight previously found to be lacking. Since implementing the policies and procedures, VA has robust oversight and management controls over all covered conferences and has had no known instances of unconstrained conference costs. Relief from this requirement will also provide cost savings that will enable VA to better serve Veterans.

**Advisory Committee on Minority Veterans:** This proposal would permanently change the reporting requirement of the Advisory Committee on Minority Veterans from annual to an even number year.

**Authority to Make Grants and to Enter into Cooperative Agreements to Promote Engagement and Develop Responses to Emerging Veterans Issues:** This proposal would provide the Secretary greater flexibility to engage with private partners while allowing the agency to still have significant oversight. This grant and cooperative agreement authority will allow VA to work with federal partners and other stakeholders who possess the capability to develop and utilize multidisciplinary research and analysis. Moreover, VA will be able to comprehensively leverage future partnerships that could ultimately benefit Veterans' programs and services.

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# Proposed Legislation Chart

***Proposed Legislation***
***(dollars in thousands)***

The following items with budgetary impact are included in the President's legislative program for the Second Session of the 114th Congress

| | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | 2019 to 2023 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **$ in thousands** | **BA** | **Outlays** | **BA** | **Outlays** | **BA** | **Outlays** | **BA** | **Outlays** | **BA** | **Outlays** | **BA** | **Outlays** |
| **Disability Compensation and Pension Benefits:** | | | | | | | | | | | | |
| Clarify Evidentiary Threshold for Ordering VA Examinations | (79,321) | (79,321) | (81,700) | (81,700) | (84,152) | (84,152) | (86,676) | (86,676) | (89,276) | (89,276) | (421,126) | (421,126) |
| Elimination of Payment of Benefits to the Estates of Deceased Nehmer Class Members and to the Survivors of Certain Class Members | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clarify Chemicals at Issue for Purposes of Presumptive Service Connection for Veterans Serving in the Republic of Vietnam | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Attendance at Transition Assistant Program (TAP) or Access to eBenefits Meets the Requirements to Notify Veterans by Letter of VA Benefits and Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Automatic Annual Cost-of-Living Adjustments (COLA) for Disability Compensation and Dependency and Indemnity Compensation (DIC) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Eliminate the Direct Payment of Fees from VA to Accredited Agents and Attorneys | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Extend the Authority for Operations of the Manila VA Regional Office | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reimbursement of Credentialing Costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Round-Down of the Computation of the Cost of Living Adjustment (COLA) for Service-Connected Compensation and Dependency and Indemnity Compensation (DIC) for Ten Years | (34,144) | (34,144) | (92,089) | (92,089) | (147,733) | (147,733) | (206,827) | (206,827) | (268,408) | (268,408) | (749,201) | (749,201) |
| Reissue VA Benefit Payments to all Victims of Fiduciary Misuse | 1,262 | 1,262 | 1,326 | 1,326 | 1,395 | 1,395 | 1,468 | 1,468 | 1,544 | 1,544 | 6,996 | 6,996 |
| Provide a Fixed Net Worth Limit and Remove Annual Income from Net Worth Calculation | 56 | 56 | 107 | 107 | 147 | 147 | 191 | 191 | 227 | 227 | 729 | 729 |
| Authorize VA to Rely on Unearned and Earned Income Information Supplied by the Internal Revenue Service (IRS) and the Social Security Administration (SSA) for Purposes of Determining Eligibility for its Needs-Based Pension Program, and Eliminate the Need for VA to Independently Verify the Information | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Allow VBA to Pay a Flat Rate for Non-Service-Connected Burial for Veterans who Die in a VHA or VA Facility | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Authorize VA to Pay a Flat Rate for the Costs of Domestic Transportation of a Deceased Veteran to a National Cemetery | (541) | (541) | (513) | (513) | (460) | (460) | (388) | (388) | (307) | (307) | (2,210) | (2,210) |
| Modernizing VA's Records Management Program | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Extension of reduction in amount of pension furnished by the Department for certain Veterans covered by Medicaid plans for services furnished by nursing facilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Extend the Time for Medical Examinations for Certain Veterans with Mental Disorders | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Total Disability Compensation and Pensions Benefits*** | ***(112,687)*** | ***(112,687)*** | ***(172,869)*** | ***(172,869)*** | ***(230,802)*** | ***(230,802)*** | ***(292,232)*** | ***(292,232)*** | ***(356,221)*** | ***(356,221)*** | ***(1,164,812)*** | ***(1,164,812)*** |
| **Burial Benefits:** | | | | | | | | | | | | |
| Spousal and Dependent Inscriptions on Veteran Headstones and Markers | 1,057 | 1,057 | 1,111 | 1,111 | 1,134 | 1,134 | 680 | 680 | 720 | 720 | 4,702 | 4,702 |
| Burial of Dependents Who Predecease Active Duty Servicemembers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Authorization to Pay Cost of Transporting Certain Deceased Veterans to a State or Tribal Organization Cemetery | 1,329 | 1,329 | 1,394 | 1,394 | 1,464 | 1,464 | 1,538 | 1,538 | 1,615 | 1,615 | 7,340 | 7,340 |
| Authorization to Provide Headstone or Marker for Unmarked Grave of Spouse or Child in Tribal Organization Cemetery | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Burial Benefit Eligibility Requirement for Other-Than-Dishonorable Service for Deaths in Active Service | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Establish a Consistent Applicability Date for Provision of Memorial Headstones and Markers for Eligible Non-Veteran Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Expansion of Eligibility for Government-Furnished Headstone, Marker, or Medallion for Medal of Honor Recipients | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Total Burial Benefits*** | **2,386** | **2,386** | **2,505** | **2,505** | **2,598** | **2,598** | **2,218** | **2,218** | **2,335** | **2,335** | **12,042** | **12,042** |
| | | | | | | | | | | | | 0 |
| **Readjustment Benefits:** | | | | | | | | | | | | 0 |
| Prevent VA From Providing Unlimited Amounts of Payments for Flight Training at Public Schools | (42,979) | (42,979) | (44,558) | (44,558) | (45,802) | (45,802) | (47,364) | (47,364) | (49,127) | (49,127) | (229,830) | (229,830) |
| Approve Preparatory Courses of Licensing and Certification Exams | 1,358 | 1,358 | 1,406 | 1,406 | 1,453 | 1,453 | 1,504 | 1,504 | 1,561 | 1,561 | 7,282 | 7,282 |
| Vocational Rehabilitation for Servicemembers | 91,611 | 91,611 | 427 | 427 | 443 | 443 | 0 | 0 | 0 | 0 | 92,481 | 92,481 |
| Allow for Extension of a Period of Employment Services under Chapter 31 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Extend In-State Tuition and Fee Requirements to Vocational Rehabilitation | (24,989) | (24,989) | (26,761) | (26,761) | (28,602) | (28,602) | (30,519) | (30,519) | (32,516) | (32,516) | (143,387) | (143,387) |
| Expand Eligibility for Specially Adapted Housing (SAH) Grants under 38 U.S.C. 2101(b) | 1,157 | 1,157 | 1,213 | 1,213 | 1,272 | 1,272 | 785 | 785 | 823.000 | 823.000 | 5,250 | 5,250 |
| Eliminate Certain Provisions which Limit the Amount of Specially Adapted Housing (SAH) Assistance which May be Used to Pay Veteran Acquisition | 202 | 202 | 212 | 212 | 222 | 222 | 233 | 233 | 245 | 245 | 1,115 | 1,115 |
| Move the Authority for Home Modifications Under a Rehabilitation Program to the Specially Adapted Housing (SAH) program | (538) | (538) | (565) | (565) | (592) | (592) | (621) | (621) | (651) | (651) | (2,967) | (2,967) |
| Authorize the Secretary to Collect Overpayments of Grant Funds Made Under Chapter 21 | (35) | (35) | (37) | (37) | (39) | (39) | (41) | (41) | (43) | (43) | (195) | (195) |
| Extension of Authority for Specially Adapted Housing (SAH-AT) Assistive Technology Grant Program | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 5,000 | 5,000 |
| Extension of Specially Adapted Housing Assistance for Certain Veterans with Disabilities | 2,551 | 2,551 | 2,676 | 2,676 | 2,806 | 2,806 | 2,943 | 2,943 | 3,087 | 3,087 | 14,063 | 14,063 |
| ***Total Readjustment Benefits*** | **29,338** | **29,338** | ***(64,987)*** | ***(64,987)*** | ***(67,839)*** | ***(67,839)*** | ***(72,080)*** | ***(72,080)*** | ***(75,621)*** | ***(75,621)*** | ***(251,188)*** | ***(251,188)*** |
| **Housing** | | | | | | | | | | | | |
| Amend Authorizing Language in 38 U.S.C. § 3722 (b) for the Veterans Housing Benefit Program Fund to Provide a "Such Sums as Necessary" Appropriation. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Extend Loan Funding Fee Rates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Extension of Net Value Authority | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Extend Vendee Loan Securitization Authority | 89,118 | 89,118 | 18,835 | 18,835 | 52,344 | 52,344 | 3,296 | 3,296 | 49,774 | 49,774 | 213,367 | 213,367 |
| Extend Housing Assistance for Homeless Veterans Under 38 U.S.C § 2041 to Include Permanent Housing Options | 29,117 | 29,117 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 29,117 | 29,117 |
| ***Total Housing*** | ***118,235*** | ***118,235*** | ***18,835*** | ***18,835*** | ***52,344*** | ***52,344*** | **3,296** | **3,296** | ***49,774*** | ***49,774*** | ***242,484*** | ***242,484*** |
| **Medical Care:** | | | | | | | | | | | | |
| **Disretionary Proposals (Programs)** | | | | | | | | | | | | |
| Amendment of Policy to Eliminate the Pay Cap for Registered Nurses | 3,522 | 2,642 | 3,645 | 3,614 | 3,773 | 3,741 | 3,905 | 3,872 | 4,042 | 4,008 | 18,887 | 17,877 |
| Enable Recruitment of Therapeutic Medical Physicists (TMPs) through Aggregate Pay Cap Relief | (440) | (330) | (914) | (796) | (1,900) | (1,654) | (3,948) | (3,436) | (4,922) | (4,679) | (12,124) | (10,894) |
| Extension of Health Professional Scholarship Program (HPSP) Sunset Date | 6,122 | 4,592 | 6,140 | 6,136 | 6,158 | 6,154 | 6,176 | 6,172 | 6,196 | 6,191 | 30,792 | 29,243 |
| Legal Services for Homeless Veterans | 750 | 563 | 774 | 768 | 799 | 793 | 824 | 818 | 851 | 844 | 3,998 | 3,785 |
| Reimbursement of CPE for Full-Time Board Certified Advanced Practice Registered Nurses | 6,931 | 5,198 | 6,931 | 6,931 | 6,931 | 6,931 | 6,931 | 6,931 | 6,931 | 6,931 | 34,655 | 32,922 |
| Smoke-Free Environment | (7,533) | (5,650) | (7,663) | (7,631) | (7,797) | (7,764) | (7,936) | (7,901) | (8,079) | (8,043) | (39,008) | (36,988) |
| Title 38 Appointment & Compensation System for Medical Center & Network Directors | 22,244 | 16,683 | 23,023 | 22,828 | 23,828 | 23,627 | 24,662 | 24,454 | 25,526 | 25,310 | 119,283 | 112,902 |
| VA Payment for Medical Foster Home (MFH) | (12,261) | (9,196) | (14,550) | (13,978) | (17,248) | (16,574) | (20,435) | (19,638) | (24,150) | (23,221) | (88,644) | (82,607) |
| Authority to Reduce Improper Payments Utilizing VA Internal Audit | (375) | (281) | (450) | (431) | (525) | (506) | (600) | (581) | (675) | (656) | (2,625) | (2,456) |
| Amendments to Domiliciary Care Statutes - Income Limitation | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD |
| Amendments to Domiliciary Care Statutes - Numerical Limit on Programs | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD |
| Eliminate Performance Pay for VHA Physicians and Dentists | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD |
| **Disretionary Proposals (Collections)** | | | | | | | | | | | 0 | 0 |
| Acceptance of VA as a Participating Provider by Third Party Payers | (105,901) | (79,426) | (107,379) | (107,010) | (111,115) | (110,181) | (114,748) | (113,840) | (118,296) | (117,409) | (557,439) | (527,865) |
| Aligning with Industry Standards by Eliminating Offset of First Party Copayments | (53,909) | (40,432) | (53,697) | (53,750) | (53,457) | (53,517) | (53,184) | (53,252) | (52,869) | (52,948) | (267,116) | (253,899) |
| Improving Timeliness of Billing by Authorizing the Release of Protected Patient Information for Health Care Services | (42,393) | (31,795) | (44,047) | (43,634) | (45,765) | (45,336) | (47,549) | (47,103) | (49,404) | (48,940) | (229,158) | (216,807) |
| Mandatory Insurance Capture Enforcement | (8,549) | (6,412) | (8,669) | (8,639) | (8,970) | (8,895) | (9,263) | (9,190) | (9,550) | (9,478) | (45,001) | (42,614) |
| Third Party Payer Enforcement Provision (Recover Lost Collections from Third Party Payer) | 0 | 0 | 0 | 0 | 0 | 0 | 25,975 | 19,481 | 28,572 | 27,923 | 54,547 | 47,404 |
| ***Total Medical Care Costs*** | ***(191,792)*** | ***(143,844)*** | ***(196,856)*** | ***(195,590)*** | ***(205,288)*** | ***(203,180)*** | ***(189,190)*** | ***(193,215)*** | ***(195,827)*** | ***(194,168)*** | ***(978,953)*** | ***(929,996)*** |

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# Legislative Authorization of Programs

The authorizations for VA's programs are contained in title 38 of the U.S. Code. With the exception of major medical construction projects and certain leases, annual authorization by the legislative committees and the Congress is not required. However, title 38 does provide for certain multiple-year authorizations for specific purposes. The authorization of the following items is limited by title 38 in regard to the time and/or amount as indicated:

| Section of U.S.C- Citation | Public Law- Citation | Public Law- Citation Most Recent Extension | Title | Description | Expiration Date |
|---|---|---|---|---|---|
| **Compensation and Pension** | | | | | |
| 38 USC 5503(d)(7) | P.L. 101-508, § 8003(a) | P.L. 115-46, § 401 | Pension Limitations Regarding Medicaid (Medicaid Offset) | Reduction of pension to certain Medicaid-eligible veterans and surviving spouses receiving care in nursing homes. | 9/30/2027 |
| 38 USC 1116(e) | P.L. 102-4, § 2(a)(1) | P.L. 107-103 § 201(d)(1) | Agent Orange- Presumptions of Service Connection | Presumptions of Service Connection for Diseases Associated with Exposure to Certain Herbicide Agents: Presumption of Exposure for Veterans who Served in the Republic of Vietnam | 9/30/2015 |
| 38 USC 1116, note | P.L. 102-4, § 3 | P.L. 115-62, § 410 | Agent Orange - Agreement with National Academy of Sciences | Requires VA to contract with National Academies of Sciences for biennial review of literature on health effects of Agent Orange exposure | 9/30/2018 |
| 38 USC 5317(g); 26 USC 6103(l))7)(D)(viii) | P.L. 101-508 § 8051 | P.L. 115-46, § 403 | IRS Data Matching | Access to IRS data for purposes of verifying eligibility for pension (Use of Income Information from IRS and SSA) | 9/30/2027 |
| 38 USC 503(c) | PL 102-83 § 2(a) | P.L. 115-62, § 404 | Administrative Error for Equitable Relief | Required reports on dispositions of recommendations for equitable relief | 12/31/2018 |
| 38 U.S.C. 5110(b) | P.L. 112-154, sec. 506 | N/A | Disabilty Comp- Retroactive Effective Date for Fully Developed Claims | Authority for retroactive effective date for awards of disability compensation in connection with applications that are fully-developed at submittal | 8/6/2015 |
| **Readjustment Benefits** | | | | | |
| 10 U.S.C. 1071 note | P.L. 110-181 § 1631 (b)(2) | P.L. 115-62 § 203 | Voc Rehab for Seriously Disabled Servicemembers | Vocational rehabilitation for certain seriously disabled servicemembers | 9/30/2018 |
| 38 USC 3485(a)(4)(A), (C), and (F) | P.L. 107-103 | P.L. 114-315, § 406 | Enhanced Work-Study Allowance | Enhanced Work Study Allowance | 6/30/2022 |

| Section of U.S.C- Citation | Public Law- Citation | Public Law- Citation Most Recent Extension | Title | Description | Expiration Date |
|---|---|---|---|---|---|
| **Housing** | | | | | |
| 38 U.S.C. 3729(b)(2)(A) & (B) | P.L. 108-183, § 405 | P.L. 115-46, § 402 | Housing Loans-Collection of Increased Fees | Loan Fees Collections [adjusts the loan fee for certain loans] | 9/30/2027 |
| 38 U.S.C. 2101(a)(4) | P.L. 112-154, § 202 | P.L. 115-62, § 407 | Temporary Expansion of SAH Assistance | Temporary Expansion of Specially Adapted Housing Assistance for Certain Veterans with Disabilities Causing Difficulty with Ambulating | 9/30/2018 |
| 38 U.S.C. 3720(h)(2) | P.L. 102-291, § 5<br>P.L. 107-103, § 405 | P.L. 115-62, § 409 | Vendee Loans-Mortgage Certificates | Mortgage Certificates for Pooled (Vendee) Loans (pooled loans asset sales - Authority to guarantee sold loans) | 9/30/2018 |
| 38 U.S.C. 2102A | P.L. 109-233, § 101(a) | P.L. 112-154, § 205 | SAH for Veterans Temporarily Residing w/Family | Specially-Adapted Housing Assistance (SAH) for Veterans temporarily residing with family members. | 12/31/2022 |
| 38 U.S.C. 3732(c) | P.L. 98-369, § 2514 | P.L. 115-62, § 201 | Calculation of Net Value of Liquidation Sales | Calculation of Net Value at time of foreclosure | 9/30/2018 |
| 38 U.S.C. 3733(a)(7) | P.L. 108-183, § 404(a) | P.L. 115-62, § 202 | Vendee Loans-Change in Program Requirements | Change Vendee Loan Program | 9/30/2018 |
| 38 U.S.C. 2108 | P.L. 111-275, § 203 | P.L. 115-62, § 408 | SAH Assistive Technology Grant | Specially Adapted Housing Assistive Technology Grant | 9/30/2018 |

| Section of U.S.C- Citation | Public Law- Citation | Public Law- Citation Most Recent Extension | Title | Description | Expiration Date |
|---|---|---|---|---|---|
| **Programs for Homeless Veterans** | | | | | |
| 38 USC 2044(e)(1)(E) | P.L. 110-387 §606 | P.L. 115-62 §304 | Homeless Veterans- Financial Assistance for Supportive Services (for very low income veterans in permanent housing) | Financial assistance for supportive services for very low- income veteran families in permanent housing | 9/30/2019 |
| 38 USC 2061(d) | P.L. 107-95 § 5(a)(1) | P.L. 115-62 § 305 | Homeless Veterans- Grant Program for Homeless Veterans with Special Needs | Grant Program for Homeless Veterans with Special Needs | 9/30/2019 |
| 38 USC 2021(e)(1)(F) | PL 107-95 § 5(a)(1) | P.L. 115-62 § 301 | Homeless Veterans- Reintegration Programs | Homeless Veterans reintegration programs | 9/30/2018 |
| 38 USC 8118(a)(5) | P.L. 102-54 §9(a) | P.L. 112-37 § 10(g) | Homeless Veterans- Assistance through Real Property Transfers | Real Property Transfers for Homeless Veterans Assistance (Housing Assistance for Homeless Veterans) | 12/31/2018 |
| **Medical Care** | | | | | |
| 38 USC 2066(d) | P.L. 107-95 § 5(a)(1) | P.L. 115-62 § 306 | Homeless Veterans- Advisory Committee | Advisory Committee on Homeless Veterans | 9/30/2018 |
| 38 USC 2031(b) | P.L. 105-114 § 202(a) | P.L. 115-62 § 307(a) | Homeless & Seriously Ill Veterans- Treatment/Rehab | Treatment and Rehabilitation for Seriously Mentally Ill and Homeless Veterans- General treatment | 9/30/2019 |
| 38 USC 2033(d) | P.L. 105-114 § 202(a) | P.L. 115-62 § 307(b) | Homeless & Mentally Ill Veterans- Additional Services | Treatment and Rehabilitation for Seriously Mentally Ill and Homeless Veterans-Additional services at certain locations | 9/30/2019 |
| 38 USC 1703, Note | P.L. 110-387 § 403 | P.L. 114-223, Division A, § 242 | Contract Care Authority for Highly Rural Veterans [Pilot Program; AKA Project ARCH] | Pilot program under which the Secretary provides covered health services to covered veterans through qualifying non-Department of Veterans Affairs health care providers | 9/30/2017 |
| 38 USC 1710A(d) | P.L. 106-117 § 101(a) | P.L. 115-62 § 102 | Nursing Home Care for Certain Service-Connected Veterans | Required nursing home care for certain service-connected veterans | 9/30/2019 |
| 38 USC 1712A, Note | P.L. 111-163 §203 | P.L. 115-62 § 108 | Counseling in Retreat Settings [Pilot] | Pilot Program on Counseling in retreat settings for women Veterans newly seperated from service in the Armed Forces | 9/30/2019 |
| 38 USC 1710, Note | P.L. 111-163 § 307 | P.L. 115-62 § 106 | Grants to VSOs for Transportation of Highly Rural Veterans | Grant program to provide innovative transportation options to veterans in highly rural areas. | 9/30/2019 |
| 38 USC 1710, Note | P.L. 111-163 §205 | P.L. 115-62 § 105 | Child Care Assitance for Certain Veterans Receiving Health Care [Pilot] | Pilot Program on assistance for Child Care for certain Veterans receiving health care | 9/30/2019 |
| 38 USC 1710 C, Note | P.L. 110-181 § 1705 | P.L. 115-62 § 107 | Assisted Living Services for TBI [Pilot] | Pilot program to assess the effectiveness of providing assisted living services to eligible Veterans to enhance the rehabilitation, quality of life, and community integration of such Veterans. | 1/6/2018 |
| 38 USC 1712C | P.L. 111-163, sec. 510 | P.L. 114-218 | Dental Insurance Plans [Pilot] | Program on provision of dental insurance plans to Veterans and survivors and dependents of Veterans. | 12/31/2021 |

| Section of U.S.C- Citation | Public Law- Citation | Public Law- Citation Most Recent Extension | Title | Description | Expiration Date |
|---|---|---|---|---|---|
| **Medical Care** | | | | | |
| 38 USC 1720G(e) | P.L. 110-387 §101 | P.L. 115-62 § 103 | Family Caregivers Program | Assistance and support services for caregivers. | 9/30/2019 |
| 38 USC 111A(a)(2) | P.L. 112-260 section 202 | P.L. 115-62 § 401 | Transportation of Beneficiaries | Transportation of beneficiaries to and from facilities of Department of Veterans Affairs. | 9/30/2019 |
| 38 U.S.C. 7619 | P.L. 113-146 | P.L. 113-146 § 302 | Health Professionals Educational Assistance Scholarship Program | Health Professionals Educational Assistance Scholarship Program | 12/31/2019 |
| 38 USC 322(d)(4) | P.L. 110-389 § 703 | P.L. 115-62 § 403 | Monthly Assistance Allowance for Disabled American Veterans | Office of National Veterans Sports Programs and Special Events - Monthly Assistance Allowance | 9/30/2019 |
| 38 USC 521A | P.L. 110-389 §§ 701-702 | P.L. 115-62 § 405 | Grants for Adaptive Sports Assistance Program (formerly limited to Paralympics) | VA/VHA initiatives in support of disabled Veterans and disabled Servicemembers participating in adaptive sports. | 9/30/2019 |
| **Co-Payments and Medical Care Cost Recovery** | | | | | |
| 38 USC 1710(f)(2)(B) | P.L. 111-163, section 517 | P.L. 115-62 § 101 | Co-pays for Hospital and Nursing Home Care | Copayments for Hospital Care and Nursing Home Care | 9/30/2019 |
| 38 USC 1729(a)(2)(E) | P.L. 111-163 §518 | P.L. 115-62 § 104 | Medical Care Cost Recovery | Medical care cost recovery authority (Third-party Billing) | 9/30/2019 |
| 38 USC§ 1703(d)(4) | P.L. 108-422 § 601 | P.L. 112-37 § 10(a) | Recovery Audits | Recovery Audits for certain contracts under 38 USC 1703 | 9/30/2020 |
| **VA/DoD Joint Sharing Funds** | | | | | |
| 38 USC 8111 (d) | | P.L. 114-92, div. A, title VII, sec. 722 | VA-DOD Joint Incentives for Sharing Initiatives | VA-DOD Joint Incentives for Sharing Initiatives | 9/30/2020 |
| | P.L. 111-84 § 1704 , as amended | P.L. 114-328, sec. 741(a) | VA -DoD Joint Funding for Medical Facility Demonstration Fund | VA-DoD Joint funding authority for Medical facility demonstration fund | 9/30/2019 |

| Section of U.S.C- Citation | Public Law- Citation | Public Law- Citation Most Recent Extension | Title | Description | Expiration Date |
|---|---|---|---|---|---|
| **General Operating Expenses** | | | | | |
| 38 USC 315(b) | P.L. 102-83, § 2 (a) | P.L. 115-62 sec. 402 | Manila, Philippines Regional Office | Philippines Regional Office | 9/30/2018 |
| 38 USC 5101, Note | P.L. 108-183, § 704 | P.L. 114-228,sec. 412 | Contract Disability Claims | Contract medical Disability Exams - (Temporary authority for performance of medical disability examinations by contract physicians) | 12/31/2017 |
| 38 USC 5317 A(d); 42USC 653 (j) (11) | P.L 110-157 § 301 | P.L. 113-146, sec 706 3(b) | NDNH Income Verification | Authority to use National Directory of New Hires for income verification purposes for certain veterans benefits | 9/30/2024 |
| 38 USC 3692(c) | P.L. 89-358, sec. | P.L. 115-48, sec. 306 | Advisory Committee on Education | Advisory Committee on Education | 12/31/2022 |
| 38 USC 544(e) | P.L. 103-446 § 510(a) | P.L. 115-62, sec. 406 | Advisory Committee on Minority Veterans | Advisory Committee on Minority Veterans | 9/30/2018 |
| **Information Technology** | | | | | |
| 38 USC 7907 | P.L 109-461, sec. 903 | P.L 109-461, sec. 903 | VA Information Security Education Assistance Program | Provides educational assistance to IT professionals who then work for the Department. | 7/31/2017 |
| **Construction** | | | | | |
| 38 USC 8161-8169 | P.L. 102-86, Title IV, Section 401(a) | P.L. 112-154 §211(j) | Enhanced Use Leasing | Authority to outlease VA property for selected Lessees to provide Supportive Housing for Veterans on a priority basis, and provide VA with negotiated monetary consideration. | 12/31/2023 |
| **EXPIRED** | | | | | |
| 38 U.S.C. 3703 (annotation) | P.L. 110-389, § 501 | P.L. 112-154, § 702(c) | Housing Loans-Temporary Increase to Maximum Guaranty Amount | Temporary Increase to Maximum Guaranty Amount | 12/31/2014 |
| 38 U.S.C. 2041(c) | P.L. 102-54, § 9(a) | P.L. 114-228, § 304 | Homeless Veterans Housing Assistance | Housing assistance for homeless veterans | 9/30/2017 |
| 38 USC 1117(c)(2); 38 USC 1118(e) | P.L. 105-277 § 1602(a), (c) | P.L. 107-103 § 202(d)(1) | Gulf War-Presumption of Service Connection | Presumption of service-connection for Gulf War Illness | 9/30/2011 |
| 38 U.S.C. 3710(a)(12) | P.L. 109-461, § 501 | N/A | Loan Guarantees for Residential Co-op | Loan Guarantees for Residential Cooperative Housing Units (CO-OP loan guarantees) | 12/21/2011 |
| 38 USC 1303(a) | P.L. 105-33, § 8031(b)(1) | P.L. 108-183 § 706 | COLA Adjustment for DIC for Service Connected Deaths | Rounding Down of Cost-of-Living Adjustments for Dependency and Indemnity Compensation for Service-Connected Deaths | 9/30/2013 |
| 38 USC 1104 (a) | P.L. 105-33, § 8031(a)(1) | P.L. 108-183 § 706 | COLA Adjustment for Comp for Service Connected Deaths | Rounding Down of Cost-of-Living Adjustments for Compensation for Service-Connected Disability or Death | 9/30/2013 |
| 38 USC 3015(h) & 38 USC 3564 | P.L. 105-178 § 8201 | P.L. 108-183 § 304 | COLA Adjustment in Chapters 30 & 35 | Rounding down of Cost-of-Living Adjustments in chapters 30 and 35 rates through FY 2013 | 9/30/2013 |
| 38 USC 4100 (Note) | P.L 112-56 § 211 | N/A | Veterans Retraining Assistance Program | Authority for up to 12 months of retraining assistance for unemployed Veterans ages 35-60 | 3/31/2014 |

Note 2: "Mandatory" means budget authority and outlays controlled by permanent laws. "Discretionary" means budget authority controlled by annual appropriations acts
Note 3: "YES" means that, although the appropriations authorization expires, the program could continue to operate without an extension of the appropriations
Note 4: Entries signify the best available prediction of VA's initial positions, obtained from discussions between OGC attorneys and Administration and Staff Officials at the
Note 5: PSG POCs-- I: Doug Bradshaw, 202.461.4900, doug.bradshaw@va.gov II: Dick Hipolit, 202.461.7699, richard.hipolit@va.gov III: Walt Hall, 202.461.7694,

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# *GAO Audit Reports*
# *Introduction*

The reports provided in the Summary Volume are those received by VA during the period of October 1, 2016 through September 30, 2017.

The reports are identified by title and are presented in calendar year order. Each report is summarized to include the responsible organization, the actual GAO recommendations, VA's "actions taken," and budget implications, if any, are noted. The "actions taken" portion of the report follows closely from VA's comments that are represented in the draft reports that VA provides for all GAO reports. The narrative summarizes the instances where VA has incorporated GAO recommendations into current operations (e.g., where VA has employed a different approach in the budgeting process, or where specific steps have been utilized to improve forecasting results). Budget implications are presented to emphasize the need to recognize the impact of the recommendations on VA resources.

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| 2. **VETERANS HEALTH CARE: Improvements Needed in Operationalizing Strategic Goals and Objectives;** GAO-17-50. Report provided to VA 11/21/2016. | |
| 3. **VA HEALTH CARE: Improved Monitoring Needed for Effective Oversight of Care for Women Veterans;** GAO-17-52. Report provided to VA 12/2/2016. | |
| 4. **Department of Veterans Affairs' (VA) Enhanced-Use Leasing (EUL) Effort to Provide Housing for Homeless Veterans;** GAO-17-101. Report provided to VA 12/21/2016. | |
| 5. **FEDERAL HEALTH CARE CENTER: VA and DOD Need to Develop Better Information to Monitor Operations and Improve Efficiency;** GAO-17-197. Report provided to VA 1/23/2017. | |
| 6. **VETERANS HEALTH ADMINISTRATION: Management Attention Is Needed to Address Systemic, Longstanding Human Capital Challenges;** GAO-17-30. Report provided to VA 1/23/2017. | |
| 7. **Union Activities: VA Could Better Track the Amount of Official Time Used by Employees;** GAO-17-105. Report provided to VA 2/3/2017. | |
| 8. **VA HEALTH CARE: Actions Needed to Ensure Medical Facility Controlled Substance Inspection Programs Meet Agency Requirements;** GAO-17-242. Report provided to VA 2/15/2017. | |
| 9. **VA Construction: Improved Processes Needed to Monitor Contract Modifications, Develop Schedules, and Estimate Costs;** GAO-17-70. Report provided to VA 3/7/2017. | |
| 10. **VA DISABILITY BENEFITS: Additional Planning Would Enhance Efforts to Improve the Timeliness of Appeals Decisions;** GAO-17-234. Report provided to VA 3/23/2017. | |
| 11. **VA Real Property: VA Should Improve Its Efforts to Align Facilities with Veterans';** GAO-17-349. Report provided to VA 5/5/2017. | |

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| 12. **Data Center Optimization: Agencies Need to Complete Plans to Address Inconsistencies in Reported Savings;** GAO-17-388. Report provided to VA 5/18/2017. | |
| 13. **VA INFORMATION TECHNOLOGY: Pharmacy System Needs Additional Capabilities for Viewing, Exchanging, and Using Data to Better Serve Veterans;** GAO-17-179. Report provided to VA 6/14/2017. | |
| 14. **Veterans Affairs: Improved Management Processes Are Necessary for IT Systems That Better Support Health Care;** GAO-17-384. Report provided to VA 6/21/2017. | |
| 15. **VA Health Care: Improvements Needed in Data and Monitoring of Clinical Productivity and Efficiency;** GAO-17-480. Report provided to VA 6/23/2017. | |
| 16. **GULF WAR ILLNESS: Improvements Needed for VA to Better Understand, Process, and Communicate Decisions on Claims;** GAO-17-511. Report provided to VA 7/10/2017. | |
| 17. **Homeless Veterans: VA Should Improve Reporting on the Benefits Provided by Leases of Unneeded Property;** GAO-17-636. Report provided to VA 7/20/2017. | |
| 18. **VA HEALTH CARE: Opportunities Exist for Improving Implementation and Oversight of Enrollment Processes for Veterans;** GAO-17-709. Report provided to VA 9/5/2017. | |
| 19. **DATA CENTER OPTIMIZATION: Agencies Need to Address Challenges and Improve Progress to Achieve Cost Saving Goal;** GAO-17-448. Report provided to VA 9/6/2017. | |
| 20. **Federal Telework: Improved Guidance and Communication on Recording Telework Hours Needed at Veterans Benefits Administration;** GAO-17-621R. Report provided to VA 9/6/2017. | |
| 21. **VETERANS AFFAIRS: Actions Needed to More Effectivity Manage Outgoing Mail;** GAO-17-581. Report provided 8/29/2017. | |
| 22. **EMPLOYEE RELOCATION: VA Strengthened Appraised Value Offer's Controls, Can Improve Efforts to Track Effects on Retention and Recruitment;** GAO-17-700. Report provided to VA 9/19/2017. | |
| 23. **Veterans Health Care: Additional Actions Could Further Improve Policy Management;** GAO-17-748. Report provided to VA 9/22/2017. | |
| 24. **Small Business Contracting: Actions Needed to Demonstrate and** | |

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| **Better Review Compliance with Select Requirements for Small Business Advocates;** GAO-17-675. Report provided to VA 9/25/2017. | |
| 25. **VA HEALTH CARE QUALITY: VA Should Improve the Information It Publicly Reports on the Quality of Care at Its Medical Facilities;** GAO-17-741. Report provided to VA 9/29/2017. | |

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# *GAO Audits*

1. **VA HEALTH CARE: Processes to Evaluate, Implement, and Monitor Organizational Structure Changes Needed;** GAO-16-803. Report provided to VA 10/27/2016

**RESPONSIBLE OFFICE:** **Veterans Health Administration**

**RECOMMENDATIONS:**

- The Secretary of Veterans Affairs should direct the Under Secretary for Health to conduct an evaluation of the implementation of the VISN realignment to determine whether deficiencies exist that need corrective actions, and apply lessons learned from the evaluation to future organizational structure changes, such as possible changes to VISN staffing models or actions to implement Commission on Care recommendations.
- The Secretary of Veterans Affairs should direct the Under Secretary for Health to develop a process to ensure that organizational structure recommendations resulting from internal and external reviews of VHA are evaluated for implementation. This process should include the documentation of decisions and assigning officials or offices responsibility for ensuring that approved recommendations are implemented.

**ACTIONS TAKEN:**

- VHA awarded a contract to conduct an independent assessment of the VISN consolidation experience, and to make recommendations for future actions in October 2017. In addition to internal analyses, this independent assessment will augment our understanding of what consolidation actions were effective and worthy of replication, versus those actions that presented challenges to be prevented for the next round of VISN organization design. The independent assessment is expected to be complete in January 2018.
- The Acting Under Secretary for Health approved a new procedure for documenting and implementing organizational changes on July 12, 2017. This Standard Operating Procedure (SOP) incorporates the guidance as recommended by GAO, including a clear mechanism for evaluating, recording, promulgating and implementing proposed organization changes. The SOP also includes an evaluation mechanism to determine the completion and effectiveness of the proposed change after implementation.

**BUDGET IMPLICATIONS:** None

2. **VETERANS HEALTH CARE: Improvements Needed in Operationalizing Strategic Goals and Objectives;** GAO-17-50. Report provided to VA 11/21/2016

**RESPONSIBLE OFFICE:** **Veterans Health Administration**

**RECOMMENDATIONS:**

- The Secretary of Veterans Affairs should direct the Under Secretary for Health to define the roles and responsibilities of VAMCs in operationalizing VHA's strategic goals and objectives; this could be accomplished by establishing roles and responsibilities for VAMCs similar to how VHA defines roles and responsibilities for VISNs in VHA Directive 1075 and by developing guidance for VAMCs similar to guidance developed for VISNs.
- The Secretary of Veterans Affairs should direct the Under Secretary for Health to consistently develop strategies that can be used by VISNs and VAMCs to operationalize VHA's goals and objectives, ensuring that they clearly link directly to VHA's goals and objectives.
- The Secretary of Veterans Affairs should direct the Under Secretary for Health to develop an oversight process to assess progress made in meeting VHA's strategic goals and objectives, including feedback on how well activities and programs are contributing to achieving these goals and objectives.

**ACTIONS TAKEN:**

- VHA's Office of Policy and Planning (OPP) issued planning guidance to operationalize the goals, objectives and strategies based on strategic direction from the National Leadership Council Strategic Planning Summit. The guidance communicated roles and responsibilities for the Program Offices, Veterans Integrated Service Networks (VISN) and VA Medical Centers to ensure their plans consistently cascade from strategic to operational to tactical for operationalizing VHA's strategic goals and objectives. OPP also clarified the roles and responsibilities for operationalizing organizational goals and objectives, following the spring 2017 National Leadership Council (NLC) Strategic Planning Summit, via the *VHA Planners' Quick Start Guide for On-Boarding and Succession Planning, and* through VHA National Planners Training (NPT) conference and a Planner/Capital Asset Managers (CAM) Workshop Roles.
- Starting with the 2017 NLC Strategic Planning Summit in June, NLC members and other strategic thinkers representing Program Offices and VA Health Care Systems carefully articulated a set of strategies and milestones that link to and support operationalizing the five VA/VHA priorities. These 16 strategies and milestones serve as the initial framework for operational planning at the VA Health Care System, VISN and Program Office levels. The next phase of operational planning occured the week of September 18 at the VA Senior Leaders' Business Meeting (SLBM). At the meeting, VA Health Care System, VISN and Program Office leaders further detailed plans by identifying the tactics and requirements the levels of the organization will implement to operationalize the strategies and achieve the priorities. Planning details also include who – by name

– at each level of the organization will be responsible for leading implementation of tactics. The inputs from the SLBM were collated into a single document that, along with guidance, was sent to VISNs and Program Offices with guidance to work with their subcomponents (VAMCs and Divisions) to finalize details in support of the operational plan. The VHA Office of Policy and Planning's guidance provides a standard framework within which Program Offices, VISNs and VAMCs must articulate resource requirements (e.g., technology, human, capital and information), cross-functional skill and knowledge requirements, and tactics that clearly link strategic, operational and tactical activities to goals and objectives.

- VHA and VA have a number of processes in place to track and report progress in meeting goals and objectives. VHA developed an internal Healthcare Operations Dashboard (DASH) and an externally-facing Access and Quality in VA Healthcare web site. DASH provides immediate and daily information regarding timely health care access for our nation's Veterans, emphasizing on key areas such as Access, Wait Times, Productivity and Utilization as well as 'companion' areas of interest such as Staffing, Space, Patient Experience, Employee Satisfaction and VA Community Services. The Access and Quality in VA Healthcare website equips Veterans, caregivers and other stakeholders with tools to view access and quality performance at specific VA facilities, including facility wait times and facilities with same-day services, the quality of care at VA hospitals, Veteran Satisfaction with VA facilities, and overall timeliness of care in the VA system. In addition to the monitoring mechanisms cited above, VHA OPP and the Office of Strategic Integration coordinate the monitoring and quarterly reporting of progress on achievements related to the five VA/VHA priorities and the supporting strategies.

**BUDGET IMPLICATIONS:** None

3. **VA HEALTH CARE: Improved Monitoring Needed for Effective Oversight of Care for Women Veterans;** GAO-17-52. Report provided to VA 12/2/2016

**RESPONSIBLE OFFICE:** **Veterans Health Administration**

**RECOMMENDATIONS:**

- To improve care for women veterans, the Secretary of Veterans Affairs should direct the Under Secretary for Health to strengthen the environment of care inspections process and VHA's oversight of this process by expanding the list of requirements that facility staff inspect for compliance to align with VHA's women's health handbook, ensuring that all patient care areas of the medical facility are inspected as required, clarifying the roles and responsibilities of VA medical facility staff responsible for identifying and addressing compliance, and establishing a process to verify that noncompliance information reported by facilities to VHA Central Office is accurate and complete.
- To improve care for women veterans, the Secretary of Veterans Affairs should direct the Under Secretary for Health to monitor women veterans' access to key sex-specific care services--mammography, maternity care, and gynecology--under current and future community care contracts. For those key services, monitoring should include an examination of appointment scheduling and completion times, driving times to appointments, and reasons appointments could not be scheduled with community providers.

**ACTIONS TAKEN:**

- The Improving Oversight of Care for Women Veterans Advisory Group (IOCWAG) charter was constructed. The workgroup conducted a comprehensive review of publications, related to design of facilities (e.g. hospitals, spinal cord injury, outpatient clinics, community learning centers, transitional residences, etc.) and identified non-conformances or ambiguities with the Environment of Care requirements of VHA Directive 1330.01, *Healthcare Services for Women Veterans*. Proposed modifications are currently under review for adherence to intent and efficacy for goal attainment.

  A comprehensive national survey of compliance status and current status (where a requirement is ambiguous/open to local interpretation) of facilities was concluded at the end of FY 2017. The IOCWAG has provided a compendium of items requiring policy clarification/additions/changes in order to resolve ambiguities and provide clearer direction to the field regarding Privacy related requirements.

  Additionally, numerous modifications have been made to ensure that the recently revised Veterans Health Administration Directive 1330.01, *Healthcare Services for Women Veterans*, and the Environment of Care (EOC) Checklist are properly aligned. The workgroup scrutinized each requirement within both documents to ensure that the proper changes are implemented in order to strengthen the inspection criteria pertaining to environmental safety, security and privacy issues. The workgroup continues to meet regularly to address the survey responses, the

directive, and finalize the EOC Checklist revisions. Upon completion, the EOC Checklist will be deployed enterprise-wide.

- VA has established a Quality Assurance Surveillance Plan (QASP) to assist in measuring and monitoring care provided to Women Veterans under the Patient Centered Care program (PC3). Quality Assurance Surveillance Program (QASP) 4d, Women's Health, Performance Measure is defined as: Mammograms must be accessible within 50 mile distance or 60 minute maximum commute time (whichever is lesser commute). Maternity Care must be accessible within 50 mile distance or 60 minute maximum commute time (whichever is lesser commute).

  In the current PC3/Choice contracts, the recommended access metrics are not regularly monitored for specific categories of care or testing, but, instead for all Veterans across all categories of care. The data reflecting drive and commute time are the only measures currently monitored with regard to gender-specific care (for mammography and maternity care). Due to the costs involved with modifying the PC3/Choice contracts (e.g. portal technology updates) that will detract from medical services provided and the limited time left before the contracts expire, VA does not intend to modify the current contracts to further monitor these areas.

**BUDGET IMPLICATIONS:** There may be some budget implications if the medical facility has to reconstruct or redesign clinical spaces.

4. **Department of Veterans Affairs' (VA) Enhanced-Use Leasing (EUL) Effort to Provide Housing for Homeless Veterans;** GAO-17-101. Report provided to VA 12/21/2016

**RESPONSIBLE OFFICE:** **Office of Asset Enterprise Management**

**RECOMMENDATIONS:**

- To improve VA's supportive-housing EUL program and meet the needs of homeless veterans, the Secretary of Veterans Affairs should direct the Office of Asset Enterprise Management to clearly and completely document the selection process for all supportive-housing EULs from pre-development through completion of VA's development phase in keeping with internal control standards and VA policy.
- To improve VA's supportive-housing EUL program and meet the needs of homeless veterans, the Secretary of Veterans Affairs should direct the Office of Asset Enterprise Management to update its EUL policy to (1) address the current authority for developing supportive-housing; and (2) specify how to identify properties for supportive-housing EULs to meet the needs of homeless veterans.

**ACTIONS TAKEN:**

- The Office of Asset Enterprise Management Office has effectively and efficiently managed and all EUL project-related records, regardless of the media format throughout the project life cycle (from formulation to execution phases). This procedure is outlined in the Standard Operating Procedures for Records Management.
- The Office of Asset Enterprise Management has updated its policy to include an initial analysis/study for the use of developing supportive-housing with objectives that not only review the physical and environmental conditions of the potential asset but also a review the market conditions, such as homeless populations served, and the services they may require from the local medical center homeless coordinator; project support from the local Public Housing Agencies.

**BUDGET IMPLICATIONS:** None

5. **FEDERAL HEALTH CARE CENTER: VA and DOD Need to Develop Better Information to Monitor Operations and Improve Efficiency;** GAO-17-197. Report provided to VA 1/23/2017

**RESPONSIBLE OFFICE:** **Veterans Health Administration**

**RECOMMENDATIONS:**

- The Secretaries of Veterans Affairs and Defense should collaborate to develop time frames and interim milestones for tracking and implementing each of their jointly developed recommended improvements.
- The Secretaries of Veterans Affairs and Defense should collaborate to conduct a cost-effectiveness analysis for the FHCC to establish a baseline for measuring the facility's efficiency over time.

**ACTIONS TAKEN:**

- A joint VA/DoD workgroup modified a pre-existing tracker to include time frames and milestones to address this recommendation. The Federal Health Care Center (FHCC) Advisory Board reviewed the modified tracker and approved use of the tracker document for monitoring future progress. The tracker is presented to the FHCC Advisory Board quarterly with status updates on the jointly developed recommended improvements. As a result of these actions, GAO closed this recommendation.
- A joint VA and DoD team of subject matter experts was formed to define a methodology to conduct a cost-effectiveness analysis using existing James A. Lovell Federal Health Care Center (JALFHCC) data. The team is currently refining methodology and approach for conducting the cost-effectiveness analysis primarily leveraging data already available from the JALFHCC. The team is developing a retrospective analysis of workload compared to costs using financial reconciliation data available from the start of the FHCC demonstration project. In November 2017, a preliminary analysis was presented to the JALFHCC for review and comment.

**BUDGET IMPLICATIONS:** No current budget implications for this recommendation. Data resulting from this team may result in recommendations for budget efficiencies for future planning purposes.

6. **VETERANS HEALTH ADMINISTRATION: Management Attention Is Needed to Address Systemic, Longstanding Human Capital Challenges;** GAO-17-30. Report provided to VA 1/23/2017

**RESPONSIBLE OFFICE:** **Veterans Health Administration**
**Human Resources and Administration**

**RECOMMENDATIONS:**

- To improve the capacity of HR functions at VA medical centers, the Secretary of Veterans Affairs should instruct the Under Secretary for Health to assign the following responsibility to the Assistant Deputy Under Secretary for Health for Workforce Service: develop a comprehensive competency assessment tool for HR staff that evaluates knowledge of all three personnel systems, (Title 5, Title 38 and Title 38-Hybrid).
- To improve the capacity of HR functions at VA medical centers, the Secretary of Veterans Affairs should instruct the Under Secretary for Health to assign the following responsibility to the Assistant Deputy Under Secretary for Health for Workforce Service: ensure that all VHA HR staff complete the competency assessment tool and use this data to identify and address competency gaps within HR offices.
- To improve the capacity of HR functions at VA medical centers, the Secretary of Veterans Affairs should instruct the Under Secretary for Health to assign the following responsibility to the Assistant Deputy Under Secretary for Health for Workforce Service: evaluate the extent to which training strategies are effective for improving the skills and competencies of HR staff.
- To improve the capacity of HR functions at VA medical centers, the Secretary of Veterans Affairs should instruct the Under Secretary for Health to establish clear lines of authority that provide the Assistant Deputy Under Secretary for Health for Workforce Service the ability to oversee and hold medical center HR offices accountable for implementing initiatives to improve HR processes within HR offices as well as monitoring and reporting on the results of these initiatives.
- To improve the capacity of HR functions at VA medical centers, the Secretary of Veterans Affairs should instruct the Under Secretary for Health to establish clear lines of authority that provide the Assistant Deputy Under Secretary for Health for Workforce Service the ability to oversee and hold medical center HR offices accountable for requiring all HR staff to complete the competency assessment tool within HR offices.
- To ensure VA medical centers make needed improvements to HR functions, such as those identified by VA's Office of Oversight and Effectiveness and VHA's Consult, Assist, Review, Develop, and Sustain (CARDS) reviews, the Secretary of Veterans Affairs should provide the Assistant Secretary for Human Resources and Administration (HR&A) and the Under Secretary for Health with the oversight responsibility of effectively monitoring the status of corrective actions at medical center HR offices and ensuring that corrective actions are implemented.
- To ensure that positions across all VHA medical facilities are placed in the appropriate class and grade, the Secretary of Veterans Affairs should direct the Assistant Secretary

for HR&A and the Under Secretary for Health to clarify their lines of authority and processes for overseeing and holding Veterans Integrated Service Network (VISNs) and VHA medical facilities accountable for the consistent application of federal classification policies.

- To accelerate efforts to develop a modern, credible, and effective performance management system the Assistant Secretary for HR&A should, with input from VHA stakeholders, ensure that meaningful distinctions are being made in employee performance ratings by (1) developing and implementing a standardized, comprehensive performance management training program for supervisors of Title 5, Title 38, and Title 38-Hybrid employees based on leading practices and ensuring procedures are in place to support effective performance conversations between supervisors and employees; (2) reviewing and revising Title 5 and Title 38 performance management policies consistent with leading practices (e.g., require definition of all performance levels); and (3) developing and implementing a process to standardize performance plan elements, standards, and metrics for common positions across VHA that are covered under VA's Title 5 performance management system.
- To accelerate efforts to develop a modern, credible, and effective performance management system, the Assistant Secretary for HR&A should, with input from VHA stakeholders, ensure that ratings-based performance awards are administered in a manner that is consistent with leading practices and promotes improved employee performance.
- To accelerate efforts to develop a modern, credible, and effective performance management system, the Assistant Secretary for HR&A should, with input from VHA stakeholders, develop a plan for how and when it intends to implement a modern information technology (IT) system to support employee performance management processes.
- To better monitor and improve employee engagement, the Under Secretary for Health should establish clear and effective lines of authority and accountability for developing, implementing, and monitoring strategies for improving employee engagement across VHA, such as by establishing an employee engagement office at the VHA headquarters level with appropriate oversight of VISNs and medical center initiatives.
- To better monitor and improve employee engagement, the Under Secretary for Health should ensure that VHA and VISN entities jointly develop (1) a system to facilitate sharing of employee engagement leading practices/lessons learned; and (2) a strategy to help address barriers to improving engagement, particularly for those medical centers with the lowest engagement scores.

**ACTIONS TAKEN:**

- As of October 2017, Title 38 competencies and associated behavioral indicators integration within the VA Human Resources (HR) Competency Assessment were completed and are currently reflected within the 2018 VA Human Resources (HR) Competency Assessment released on October 4th, 2017.
- Effective March 20, 2017, the signed USH memo, VHA Human Capital Oversight and Accountability Authority, authorized the ADUSH for Workforce Services to establish

HR competencies for VHA HR staff, and to require VHA HR staff to complete HR competency assessments and training. November 2017, HR Academy held briefings with each administration to discuss over FY 2017 Competency findings-strengths and gaps by administrative office, job families (model), and competency type.

- Effective March 20, 2017, the signed USH memo, VHA Human Capital Oversight and Accountability Authority, authorized the ADUSH for Workforce Services to establish HR competencies for VHA HR staff, and to require VHA HR staff to complete HR competency assessments and training. HRD currently assesses training data via Kirkpatrick Model and Annual Customer Satisfaction questionnaire to drive training strategy and process improvement.
- VHA Workforce Management and Consulting (WMC) developed with the Office of the DUSHOM, a process of accountability to follow up on recommended and required actions as a result of VHA CARDS Team reviews. A SharePoint site has been established to track actions and this process is occurring. The signed USH Memo, authorizes the ADUSH for Workforce Services to deploy CARDS and other human capital reviews as deemed necessary to identify HRO performance issues, establish corrective action plans for facility/network HROs, and monitor HRO compliance in completing corrective actions. Schedules for CARDS reviews are complete; reviews of HR programs are on-going. WMC has finalized the reports of the required corrective actions from CARDS reviews; this action is on-going. CARDS Consultants have completed Lean Six Sigma Green Belt training and formal facilitation training to enhance the resource capabilities for on-site reviews. Site review reports have been modified to include post-site-review action plans with a more quantitative focus. WMC has disseminated CARDS review findings to a wide leadership base – including VISN and facility leadership – using the new action item process. This tool ensures accountability by requiring follow-up in 30-day increments until outstanding required and recommended actions are validated by CARDS Consultants as complete with a target 90-day timeframe.
- Effective March 20, 2017, the signed USH memo, VHA Human Capital Oversight and Accountability Authority, authorized the ADUSH for Workforce Services to establish HR competencies for VHA HR staff, and to require VHA HR staff to complete HR competency assessments and training.
- VHA's Acting Under Secretary for Health issued a Department of Veterans Affairs Memorandum, dated March 20, 2017, reaffirming the authority of VHA's CARDS team to hold HR offices accountable for follow-up on necessary actions in final CARDS reports. Clear direction was given to the Deputy Under Secretary for Health of Operations and Management (DUSHOM) to hold Veterans Integrated Service Network (VISN) Directors and facility Directors accountable for ensuring necessary actions in final CARDS reports are completed within the required timeframe. To ensure that necessary actions are completed within ninety days from delivery of the final CARDS report, formal action item requests from the DUSHOM will be sent to the VISN Directors. The action item will outline the necessary actions in the final CARDS report and require they be completed within ninety days. CARDS Consultants follow-up with the VISN HROs and the facility HRO once a month to inquire about the status towards completion of any necessary action items. VISN HROs are required to review an action plan from the facility HRO explaining how the necessary actions were completed and proof of completion (such as personnel actions or other documentation). The VISN HRO submits the completed action plan and any

supporting documentation to validate that the action item request is complete. CARDS Consultants have established a CARDS accountability SharePoint site to ensure all CARDS action items from the DUSHOM to the VISN Directors are completed within the required timeframe. Reports from reviews are being finalized with necessary corrective actions to be reported through the DUSHOM.

There are currently four CARDS Consultants onboard and trained to conduct reviews. Effective December 15, 2017 the CARDS team has one FTE (vice) vacant.

The targeted completion date of October 2017 was met.

- VHA's National Center for Organizational Development submitted an informal proposal to VHA's Chief Staff and VHA's National Leadership Council (NLC) to establish a NLC committee or subcommittee responsible for monitoring and overseeing employee engagement strategies as part of VHA's governance structure. This proposal was approved, and a charter was developed in October 2017. Committee has had initial conference call, and scheduled its first face to face meeting in January 2018.

  NCOD developed a comprehensive proposal to merge OPM Federal Employee Viewpoint Survey (FEVS)/VA All Employee Survey (AES) in FY 2017. The proposal was vetted through ADUSH for Workforce Services, VHA Chief of Staff, Assistant Secretary of Human Resource Administration, and the Department's Chief of Staff, with concurrence at each level, to be signed by the Secretary. The Secretary signed the letter approving the merge in December 2017. The merged survey will be administered in the 3rd quarter of FY 2018.

  NCOD developed and piloted a revised ILEAD 360 Degree Assessment. This revised assessment provides leaders with feedback that is aligned with the specific behaviors supported by ILEAD, while remaining consistent with other existing developmental and training efforts. It was officially launched

  In early FY 2017, NCOD developed a virtual, instructor-led training that was delivered 13 times following the release of AES data. This training supplements the AES Start the Conversation Guide, which includes best practices on how front-line supervisors can use data to improve workgroup functioning. This training was offered to any leader tasked with action planning to improve employee experience. To date, NCOD has trained nearly 1,000 VA employees, including representatives from 80 percent of tracked sites (280), and continue to offer trainings on demand.

  In December 2017, NCOD developed an AES dashboard that launched in November 2017 which allows easy access to AES data and support tools at the workgroup level to all levels of leadership as well as front-line employees. Use of the dashboard requires only internet access. There have been approximately 19,000 downloads of the dashboard, approximately 7500 registrations for virtual dashboard training, and approximately 200 executive level requests for dashboard review.
- The Office of Resolution Management (ORM, HR&A) moved away from legacy performance management feedback and began using science to improve the art of relationships. While legacy performance management requires semi-annual feedback,

ORM leaders adopted more frequent (biweekly) check-ins focused on development. They used business chemistry to identify four work styles: Pioneers (imaginative, adaptable); Drivers (focused, competitive); Integrators (diplomatic, relationship oriented); and Guardians (methodical, reserved), in a move to adopt a much more agile, employee developmental approach. Leaders were trained on how to engage in crucial conversations, and began using business chemistry to pull opposite types closer and seek input from people with non-dominant styles. ORM is in the process of measuring the success of the program through metrics such as the number of regrettable losses, production standards (e.g., investigation timeliness, etc.) and the results from the "All Employee" and "Federal Employee Viewpoint" surveys.

- For FY 2017 executive performance, the Performance Review Board process and recommendations to the Secretary will be executed as they were in FY 2016.
- For the FY 2017 Executive Performance Cycle, USA Performance will continue to be used to support the process.
- NCOD completed interviews and shared the results with the chairpersons of the VHA Diffusion Council and the VHA Workforce Committee. NCOD also presented the results of this assessment on the VHA Network Director Call and the VHA Hotline Call with all facility directors. NCOD will continue to provide customized analytics to clients throughout VA.

NCOD reached out to sites with low employee engagement scores and offered additional consultation and services. NCOD is currently awaiting a decision regarding the proposed VHA employee engagement committee as part of NLC (VHA) governance. The VA Employee Engagement Council (EEC) was stood up with VHA representation. As part of this larger effort, Employee Engagement Champions were required at each facility to support local efforts and to facilitate action planning.

Results from supervisor's best practice interviews for high scoring AES sites were shared on employee portal. Five positions from HR&A's Employee Engagement Service are being detailed to NCOD effective August 1, 2017, and moving permanently in FY 2018. NCOD will then be responsible for the "Leading Practices Exchange" website designed to promote sharing best practices among all VA employees. With the move of Employee Engagement Service to NCOD, NCOD will assume responsibility for the Employee Engagement Council and coordination with assigned Employee Engagement Champions. NCOD will again reach out to low scoring sites after FY 2017 Employee Engagement Survey results are distributed. In FY 2018, NCOD will also assume responsibility for the quarterly VA Pulse survey and will continue to support analysis and compilation of results.

Employee Engagement (EE) Strategy developed during an EE Sequester on September 6th & 7th led by NCOD and attended by representatives from the field and Central Office program offices that have connection with employee engagement efforts. The EE Strategy was presented to and approved by SecVA on October 20th (attached PPT). VHA chartered an EE Committee (EEC) with equal representation from VHA CO and VHA field entities. The EEC is responsible for oversight and implementation of employee engagement strategies and sharing of best practices.

**BUDGET IMPLICATIONS:**

- The annual competency assessment is rendered via Talent Management System (TMS) which is the system of record for learning management. TMS is being upgraded in FY 2018. TMS funding will have budget implications.
- Funding for HRD courseware development resulting from annual competency gap report findings will have budget implications.
- Funding for HR Academy's automated learning evaluation tool will have budget implications.
- Only negative budget implication is travel-related costs for face-to-face meetings of the Employee Engagement Committee. Expect positive budget impact from AES/FEVS merger.

7. **Union Activities: VA Could Better Track the Amount of Official Time Used by Employees;** GAO-17-105. Report provided to VA 2/3/2017

**RESPONSIBLE OFFICE:** **Human Resources and Administration**

**RECOMMENDATIONS:**

- To improve VA's ability to accurately track employees' use of official time, the Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration to increase efforts to ensure timekeepers at all facilities receive training and consistent guidance on recording official time in VATAS.
- To improve VA's ability to accurately track employees' use of official time, the Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration to standardize the methods used by facilities for determining the amount of official time used prior to the agency-wide implementation of VATAS by encouraging facilities to rely on time and attendance records when calculating the amount of official time used at the facility level.
- To improve VA's ability to accurately track employees' use of official time, the Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration to, in preparation for the full implementation of VATAS, take steps to transition from using the LMR system to VATAS to collect and compile information on the amount of official time used agency-wide.

**ACTIONS TAKEN:**

- VA timekeepers received training consistent with Veterans Affairs Time and Attendance (VATAS) timekeeper training guide.
- VA facilities timekeeper received training on ways to capture official time and to calculate an official time report. This training was conducted and shown within the VATAS timekeeper training guide.
- Labor Management Relations (LMR) revised its national policy to reflect the mandatory use of VATAS to track and record the use of official time.
- The steps to transition from using the LMR system are in action.

**BUDGET IMPLICATIONS:** None

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8. **VA HEALTH CARE: Actions Needed to Ensure Medical Facility Controlled Substance Inspection Programs Meet Agency Requirements;** GAO-17-242. Report provided to VA 2/15/2017

**RESPONSIBLE OFFICE:** **Veterans Health Administration**

**RECOMMENDATIONS:**

- To help VHA achieve its objective of reducing the risk of diversion through effective implementation and oversight of the controlled substance inspection program, the Secretary of Veterans Affairs should direct the Under Secretary for Health to ensure that VA medical facilities have established an additional control procedure, such as an alternate controlled substance coordinator or additional inspectors, to help coordinators meet their responsibilities and prevent missed inspections.
- To help VHA achieve its objective of reducing the risk of diversion through effective implementation and oversight of the controlled substance inspection program, the Secretary of Veterans Affairs should direct the Under Secretary for Health to ensure that VA medical facilities have established a process where coordinators, in conjunction with appropriate stakeholders (e.g., pharmacy officials), periodically compare facility inspection procedures to VHA's policy requirements and modify facility inspection procedures as appropriate.
- To help VHA achieve its objective of reducing the risk of diversion through effective implementation and oversight of the controlled substance inspection program, the Secretary of Veterans Affairs should direct the Under Secretary for Health to improve the training of VA medical facility controlled substance coordinators by ensuring the training includes the inspection procedures that VHA requires.
- To help VHA achieve its objective of reducing the risk of diversion through effective implementation and oversight of the controlled substance inspection program, the Secretary of Veterans Affairs should direct the Under Secretary for Health to ensure that medical facility directors have designed and implemented a process to address nonadherence with program requirements, including documenting the nonadherence and the corrective actions taken to remediate nonadherence or the actions that demonstrate why no remediation is necessary.
- To help VHA achieve its objective of reducing the risk of diversion through effective implementation and oversight of the controlled substance inspection program, the Secretary of Veterans Affairs should direct the Under Secretary for Health to ensure that networks review their facilities' quarterly trend reports and ensure facilities take corrective actions when nonadherence is identified.
- To help VHA achieve its objective of reducing the risk of diversion through effective implementation and oversight of the controlled substance inspection program, the Secretary of Veterans Affairs should direct the Under Secretary for Health to ensure that networks monitor their medical facilities' efforts to establish and implement a review process to periodically compare facility inspection procedures to VHA's policy requirements.

**ACTIONS TAKEN:**

- Veterans Health Administration Directive 1108.02, *Inspection of Controlled Substances*, was updated March 7, 2017 to include the requirement for every VA medical facility Director to appoint an alternate controlled substance coordinator. The revised Directive also requires missed inspections be included in the monthly report with a corrective action plan to prevent missed inspections in the future. All medical facilities have certified compliance with appointing an alternate controlled substance coordinator.
- A self-assessment guide listing all the revised Directive requirements was distributed to VA medical facilities February 22, 2017 with instructions to complete the self-assessment inter-professionally. The guide contained fields to note compliance with each item as well as fields for needed actions for items noted as partial or non-compliant. All medical facilities have certified compliance with completing the self-assessment.
- Veterans Health Administration Directive 1108.02, *Inspection of Controlled Substances*, was updated March 7, 2017 to include the requirement for controlled substance coordinators and alternate coordinators to complete the VA Talent Management System web-based Controlled Substance Inspector Certification training program in addition to the Controlled Substance Coordinator Orientation Training Course. The Controlled Substance Inspector Certification training program provides detailed training on inspection procedures. All medical facilities have certified compliance with coordinators and alternate coordinators completing both courses.
- Veterans Health Administration Directive 1108.02, *Inspection of Controlled Substances*, was updated March 7, 2017 to include the requirement for the facility Quality Management (QM) Committee review and evaluate monthly and quarterly reports for adherence with requirements and corrective actions taken documented and followed through to completion by the QM Committee and reported to the Medical Center Director. All medical facilities have certified compliance with integrating the controlled substance inspection reports into the QM committee process.
- Veterans Health Administration Directive 1108.02, *Inspection of Controlled Substances*, was updated March 7, 2017 to include the requirement for the network Quality Management Officer to review their facilities' quarterly trend reports and ensure facilities take corrective actions when nonadherence is identified. All medical facilities have certified compliance with establishing a process for network review and oversite.
- Veterans Health Administration Directive 1108.02, *Inspection of Controlled Substances*, was updated March 7, 2017 to include the requirement for the network Quality Management Officer to monitor their medical facilities' efforts to establish and implement a review process of inspection procedures when there is a change in VHA inspection program policy requirements.

**BUDGET IMPLICATIONS:** None

9. **VA Construction: Improved Processes Needed to Monitor Contract Modifications, Develop Schedules, and Estimate Costs;** GAO-17-70. Report provided to VA 3/7/2017

**RESPONSIBLE OFFICE:** **Construction and Facilities Management**

**RECOMMENDATIONS:**

- To improve VA's management of medical-facility construction projects and its accountability and to allow for more informed decision making by Congress and VA, the Secretary of Veterans Affairs should establish a mechanism to monitor the extent that major facilities projects are following guidelines on change orders' time frames and design changes.
- To improve VA's management of medical-facility construction projects and its accountability and to allow for more informed decision making by Congress and VA, the Secretary of Veterans Affairs should develop an activation cost estimate for the Denver project that is reliable and conforms with best practices as described in the *GAO Cost Estimating and Assessment Guide.*
- To improve VA's management of medical-facility construction projects and its accountability and to allow for more informed decision making by Congress and VA, the Secretary of Veterans Affairs should clarify Office of Construction and Facilities Management (CFM) policies to require that: (1) all projects have an integrated master schedule to ensure that the integrated master schedules include and link all construction and activation activities, and (2) the policies on integrated master schedule for projects managed by CFM and USACE are consistent.

**ACTIONS TAKEN:**

- **ACTIONS TAKEN:** VHA developed the Activation Cost Budget Model (ACBM) to estimate Major Construction and Major Lease activation project requirement costs; i.e., recurring and non-recurring activation costs. The ACBM provides project specific cost estimates to bring the new space into full operational status and contains assumptions regarding the timing of costs based on historical VA experience, and calculates recurring costs based on the total incremental workload and non-recurring a linear cost per square foot, by department.

  To further improve the accuracy activation costs, VHA developed the Activating Funding Process that utilizes a top-down and bottom-up cost development methods. During this assessment, the ACBM cost estimates are compared to the project requirements developed by the local project team; which results in a three year outlook and total estimated activation cost. As needed, adjustments are made to the original estimates due to variations as a result of unknown design impacts on operations, variation in the cost of furniture, fixtures and equipment, scope refinement, specification omissions or changes, operation cost increases, etc.

  Additionally, an analysis was conducted on the ACBM tool and activation funding process to improve cost forecasting and management of the activations process. The ACBM has been modified to better support short and long-term funding estimates and

to assist VHA with the portfolio management for all Major Construction and Major Lease activations across the system. New features include project tracking, requirements validation, data versioning, monthly updating capabilities, and robust reporting capabilities. The new Activation Funding Tool – Activation Cost Budget Model was deployed in February 2017.

**BUDGET IMPLICATIONS:** None

10. **VA DISABILITY BENEFITS: Additional Planning Would Enhance Efforts to Improve the Timeliness of Appeals Decisions;** GAO-17-234. Report provided to VA 3/23/2017

**RESPONSIBLE OFFICE:** **Board of Veterans Appeals**
**Veterans Benefits Administration**
**Office of Information and Technology**

**RECOMMENDATIONS:**

- To further align efforts to address appeals workload and improve timeliness of decisions, and reduce the risk that efforts will not go as planned, the Secretary of Veterans Affairs should direct the Under Secretary for Benefits; the Chairman, Board of Veterans' Appeals; and the Chief Information Officer, as appropriate, to ensure development of a timely, detailed workforce plan for recruiting, hiring and training new hires. In particular, this plan should: (1) include detailed steps and timetables for updating training curriculum (such as preparing decisions in a virtual environment) and ensuring office space (such as telework guidance); and (2) incorporate risk mitigation strategies that consider how the timing of recruitment and training dovetails with uncertain time frames for implementing a new appeals process.
- To further align efforts to address appeals workload and improve timeliness of decisions, and reduce the risk that efforts will not go as planned, the Secretary of Veterans Affairs should direct the Under Secretary for Benefits; the Chairman, Board of Veterans' Appeals; and the Chief Information Officer, as appropriate, to develop a schedule for IT updates that explicitly addresses when and how any process reform will be integrated into new systems and when Caseflow will be ready to support a potential streamlined appeals process at its onset.
- To further align efforts to address appeals workload and improve timeliness of decisions, and reduce the risk that efforts will not go as planned, the Secretary of Veterans Affairs should direct the Under Secretary for Benefits; the Chairman, Board of Veterans' Appeals; and the Chief Information Officer, as appropriate, to conduct additional sensitivity analyses based on the assumptions used in projection models to more accurately estimate future appeals inventories and timeliness. In doing so, consider running additional analyses on how these factors, in conjunction with one another, may affect the timeliness and cost of deciding pending appeals.
- To further align efforts to address appeals workload and improve timeliness of decisions, and reduce the risk that efforts will not go as planned, the Secretary of Veterans Affairs should direct the Under Secretary for Benefits; the Chairman, Board of Veterans' Appeals; and the Chief Information Officer, as appropriate, to develop a more robust plan for closely monitoring implementation of process reform that includes metrics and interim goals to help track progress, evaluate efficiency and effectiveness, and identify trouble spots.
- To better understand whether appeals process reform, in conjunction with other efforts, has improved timeliness, the Secretary of Veterans Affairs should direct the Under Secretary for Benefits; the Chairman, Board of Veterans' Appeals; and the Chief Information Officer, as appropriate to develop a strategy for assessing process reform--relative to the current process--that ensures transparency in reporting to

Congress and the public on the extent to which VA is improving veterans' experiences with its disability appeals process.

**ACTIONS TAKEN:**

- VA developed and is executing plans regarding hiring, training, and support (space and telework). The Board implemented its hiring plan in fiscal year (FY) 2017, adding an additional 667 full-time equivalents (FTE) and ended the fiscal year with a total of 944 FTE. The Board's FY 2018 hiring plan projects the Board expanding to 1,050 FTE by the end of the second quarter, and sustaining that level throughout the year. Due to extensive telework and hoteling programs which already existed at the Board, as well as conversion of several larger offices and the acquisition of additional workstations, the Board obtained enough space to accommodate the anticipated number of employees. Training will commence for both new and existing staff on the new statutory framework and proposed regulations in April 2018. FY 2017 also marked the expansion of the Board's prior approach to large-scale training of new attorney hires, where employees receive 3-months of intensive classroom and activity training. The Board's risk mitigation strategy for training as we move to implement the new legislation involves the creation of training programs that are specifically tailored to the needs of its employees. The Board's risk mitigation strategy for hiring in FY 2018 involved pre-coordination with the Board's new Human Resources (HR) service provider, the Veterans Health Administration's Consolidated Human Resources and Management Office. The Board transitioned to this new provider, effective October 1, 2017, as part of VA's HR modernization effort.
- The Digital Service, working with the Board of Veterans Appeals, has continued developing Caseflow functionality using agile processes. Caseflow Dispatch went into production in March 2017.

  Concerning the recommendation for the implementation of a schedule explicitly addressing when Caseflow will be ready to support a potential streamlined appeals process: the agile development method the Digital Service practices will enable Caseflow to adapt in a timely manner to any changes to the legal and regulatory environment, including the proposed reform. The 6-month roadmap for Caseflow development is fully prepared to make all necessary changes to Caseflow, using the agile methodology. None of the proposed legislative changes are outside of the scope of the project.

  VA requested closure of this recommendation in May 2017.
- VA is actively developing policy and processes to implement Appeals Modernization which includes an evolving set of technology needs. Digital Service at VA (DSVA) has developed a high-level six-month roadmap for Caseflow development. This allows DSVA to plan for the future but remain iterative and agile in order to respond to VA's needs.
- VA plans to analyze, update, and refine projection models as we obtain pertinent data. Although actual data regarding the administration of the new appeals system does not currently exist, VA will gather data and conduct trends analyses on aspects of Veterans' behavior, to include their decision opt-in to the new system, employee productivity, processing timeliness, and inventory measures as part of its Rapid

Appeals Modernization Program. VA will use this data to create a capacity model based upon factual data and trend analysis. VA intends to continuously update this model with new data or based on any change in resources resulting from annual budget appropriations.

- VA has developed an implementation plan which was collaboratively prepared by the Board and VBA and contains inputs from other components of VA involved in the implementation of the Veterans Appeals Improvement and Modernization Act of 2017. Many elements of this plan are currently underway and VA fully anticipates that the steps required for implementation will be completed during the 18-month implementation period that it proposed for the legislation. VA will use this period to promulgate regulations, establish procedures, create training materials, train personnel, implement information technology system changes, and conduct outreach in order to implement the new law. Due to the magnitude and scope of the statutory changes, VA has established a detailed plan to guide implementation of the new legislation. VA is using a governance structure to oversee appeals modernization implementation. In addition, VA is using project management experts to institute key project management tools and deliverables and document the tasks and activities required to implement the new appeals system. To track implementation progress, the plan includes timelines, interim goals and milestones, reporting requirements, and established deadlines to ensure timely execution. VA submitted the initial comprehensive implementation plan to Congress and the Comptroller General on November 22, 2017, as required by the legislation, and it is available online at https://benefits.va.gov/benefits/docs/90-Day-Plan-CMR-PL-115-55.pdf. In addition, the Act requires VA to submit periodic progress reports to the plan every 90 days, until the applicability date of the statute. Following the applicability date, VA is also required to submit periodic progress reports, at least once every 180 days, for seven years.
- The Veterans Appeals Improvement and Modernization Act of 2017 requires VA to periodically publish on a VA website a large number of reporting requirements. Some of these reporting requirements include metrics regarding inventory and average processing time for claims, supplemental claims, higher-level reviews, and Board appeals in the new process as well as for legacy appeals. By complying with the extensive reporting requirements delineated in Section 5 of Public Law 115-55, VA will ensure transparency to Congress and the public on how it is improving Veterans' experiences with its disability appeals process.

**BUDGET IMPLICATIONS:** None

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11. **VA Real Property: VA Should Improve Its Efforts to Align Facilities with Veterans';** GAO-17-349. Report provided to VA 5/5/2017

**RESPONSIBLE OFFICE:** **Office of Asset and Enterprise Management**

**RECOMMENDATIONS:**

- To improve VA's ability to plan for and facilitate the alignment of its facilities with veteran needs, the Secretary of Veterans Affairs should direct the appropriate offices and administrations to address identified limitations to the SCIP process, including limitations to scoring and approval, and access to information.
- To improve VA's ability to plan for and facilitate the alignment of its facilities with veteran needs, the Secretary of Veterans Affairs should direct the appropriate offices and administrations to assess the value of VAIP's facility master plans as a facility-planning tool. Based on conclusions from the review, either 1) discontinue the development of VAIP's facility master plans or 2) address the limitations of VAIP's facility master plans.
- To improve VA's ability to plan for and facilitate the alignment of its facilities with veteran needs, the Secretary of Veterans Affairs should direct the appropriate offices and administrations to develop and distribute guidance for Veterans Integrated Service Networks (VISNs) and facilities using best practices on how to effectively communicate with stakeholders about alignment change.
- To improve VA's ability to plan for and facilitate the alignment of its facilities with veteran needs, the Secretary of Veterans Affairs should direct the appropriate offices and administrations to develop and implement a mechanism to evaluate VISN and facility communication efforts with stakeholders to ensure that these communication efforts are working as intended and align with guidance and best practices.

**ACTIONS TAKEN:**

- For 2019, the SCIP model was modified to incorporate additional flexibility and adjusted scoring and priority weights to better meet local and administration needs and interests.

  The Office of Construction and Facility Management discontinued development of all VAIP Facility Master Plans pending the outcome of the Market Area Health Systems Optimization initiative (including a National Service Realignment Strategy).

  VA developed and distributed the guidance (Department of Veterans Affairs Veterans Health Administration (VHA) Office of Communications Effectively Communicating Mission Change to Internal and External Stakeholders Toolkit for Facility and VISN Public Affairs Officers) for Veterans Integrated Service Networks (VISNs) and facilities using best practices on how to effectively communicate with stakeholders about alignment change. The Department of Veterans Affairs Veterans Health Administration (VHA) Office of Communications Effectively Communicating Mission Change to Internal and External Stakeholders Toolkit for Facility and VISN

Public Affairs Officers includes guidance on evaluating communications efforts and sharing best practices.

**BUDGET IMPLICATIONS:** None

12. **Data Center Optimization: Agencies Need to Complete Plans to Address Inconsistencies in Reported Savings;** GAO-17-388. Report provided to VA 5/18/2017

**RESPONSIBLE OFFICE:** **Office of Information and Technology**

**RECOMMENDATIONS:**

- The following 17 agencies (the Secretaries of the Departments of Commerce, Defense, Energy, Health and Human Services, Interior, Labor, State, Transportation, Treasury, and Veterans Affairs; the Attorney General; and the Administrators of the Environmental Protection Agency, National Aeronautics and Space Administration, Small Business Administration, and U.S. Agency for International Development; the Chairman of the Nuclear Regulatory Commission; and the Commissioner of the Social Security Administration) should each take action to complete the missing elements in their respective DCOI strategic plan, including addressing any identified challenges, and submit their completed strategic plan to OMB.

**ACTIONS TAKEN:**

- VA has taken the adequate steps in order to complete the missing elements in Data Center Optimization Initiative (DCOI) Strategic Plan. In July 2017, VA updated the Strategic Plan to reflect the $3.8M cost savings achieved in Fiscal Year (FY) 16 as well as the challenges associated with cost savings. These updates are publicly available through VA Digital Strategy, which can be found on this hyperlink https://www.va.gov/digitalstrategy/.

- VA requested closure of this recommendation and report in July 2017.

**BUDGET IMPLICATIONS:** None

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13. **VA INFORMATION TECHNOLOGY: Pharmacy System Needs Additional Capabilities for Viewing, Exchanging, and Using Data to Better Serve Veterans;** GAO-17-179. Report provided to VA 6/14/2017

**RESPONSIBLE OFFICE:** **Office of Information and Technology**

**RECOMMENDATIONS:**

- To provide clinicians and pharmacists with improved tools to support pharmacy services to veterans and reduce risks to patient safety, the Secretary of Veterans Affairs should direct the Assistant Secretary for Information and Technology and the Under Secretary for Health to establish and implement a plan for updating the pharmacy system to address the inefficiencies with viewing patient medication data in the Outpatient Pharmacy application and between the pharmacy application and viewers.
- To provide clinicians and pharmacists with improved tools to support pharmacy services to veterans and reduce risks to patient safety, the Secretary of Veterans Affairs should direct the Assistant Secretary for Information and Technology and the Under Secretary for Health to complete a plan for the implementation of an approach to data standardization that will support the capability for clinicians and pharmacists to view complete DOD data and receive order checks that consistently include DOD data.
- To provide clinicians and pharmacists with improved tools to support pharmacy services to veterans and reduce risks to patient safety, the Secretary of Veterans Affairs should direct the Assistant Secretary for Information and Technology and the Under Secretary for Health to conduct an assessment to determine to what extent interoperability of VA's pharmacy system with DOD's pharmacy system is impacting transitioning service members.
- To provide clinicians and pharmacists with improved tools to support pharmacy services to veterans and reduce risks to patient safety, the Secretary of Veterans Affairs should direct the Assistant Secretary for Information and Technology and the Under Secretary for Health to develop and execute a plan for implementing the capability to send outbound e-prescriptions to non-VA pharmacies, in accordance with National Council for Prescription Drug Programs standards.
- To provide clinicians and pharmacists with improved tools to support pharmacy services to veterans and reduce risks to patient safety, the Secretary of Veterans Affairs should direct the Assistant Secretary for Information and Technology and the Under Secretary for Health to ensure that the department's evaluation of alternatives for electronic health records includes consideration for additional generation level 3 capability such as navigating from an alert to medication order in the electronic health record system.
- To provide clinicians and pharmacists with improved tools to support pharmacy services to veterans and reduce risks to patient safety, the Secretary of Veterans Affairs should direct the Assistant Secretary for Information and Technology and the Under Secretary for Health to reassess the priority for establishing an inventory management capability to monitor and update medication levels and track when to reorder medications.

**ACTIONS TAKEN:**

- This recommendation is anticipated to be addressed by award of the Electronic Health Record Modernization (EHRM) contract.

  In the interim, VA has taken/ will take several actions to improve data standardization. For example, DoD and VA have upgraded the joint DoD/VA Clinical Health Data Repository (CHDR) Active Dual Consumer activation and correlation process. CHDR generates standards-based, computable, electronic health records (EHRs) for patients who are either now receiving or are expected to receive healthcare at both VA and DOD medical facilities (Active Dual Customers). CHDR allows EHRs for Active Dual Consumers to be exchanged between the two agencies' healthcare systems.

  Under the Pharmacy Product System National enhancements project the following accomplishments will improve standardization and support interoperability, applying principles of Native Standardization:

  The Pharmacy Product System National (PPSN) VA National Drug File/ Product File (50.67) will be updated to natively store RxNorm information. This data will be interfaced with Standards and Terminology Service (STS) on a nightly basis and sent to sites as part of the PPS/NDF process. Therefore all VistA systems will be natively updated with RxNorm information. This upgrade is part of the PPSN version 3.0 upgrade that is in test. It is expected that PPSN version 3.0 will be released nationally in December 2017.

  There is also a project that will natively standardize with RxNorm data the dosage form file (50.606). PBM Clinical Informatics has worked to map the VA dosage forms to RxNorm values. This upgrade is dependent on PPSN version 3.0 and testing must wait until the release of PPSN version 3.0. Expected delivery is early 2018.

- VHA conducted an extensive, clinical assessment to determine whether transitioning Service members were at risk due to the current gaps in DoD and VA pharmacy system interoperability. While some process improvements were identified that could potentially improve the Service members overall experience related to medication issues during the transition period, no negative impacts associated with the current state of pharmacy system interoperability were identified. There are no outstanding actions or interventions needed.

  VA requested closure of this recommendation.

**BUDGET IMPLICATIONS:**

- Budget implications are pending award of EHRM contract.

14. **Veterans Affairs: Improved Management Processes Are Necessary for IT Systems That Better Support Health Care;** GAO-17-384. Report provided to VA 6/21/2017

**RESPONSIBLE OFFICE:** **Office of Information and Technology**

**RECOMMENDATIONS:**

- To assist VA in improving key IT management processes to ensure that investments support the delivery of health care services, the Secretary of Veterans Affairs should direct the Under Secretary for Health and the Chief Information Officer to identify performance metrics and associated targets for the goals and objectives in the department's IT strategic plans, including the Information Resources Management strategic plan and the Health Information Strategic Plan, as they relate to the delivery of health IT and the VHA mission.
- To assist VA in improving key IT management processes to ensure that investments support the delivery of health care services, the Secretary of Veterans Affairs should direct the Under Secretary for Health and the Chief Information Officer to ensure that the department-level investment review structure is implemented as planned and that guidance on the IT governance process is documented and identifies criteria for selecting new investments, and reselecting investments currently operational at VHA.
- To assist VA in improving key IT management processes to ensure that investments support the delivery of health care services, the Secretary of Veterans Affairs should direct the Under Secretary for Health and the Chief Information Officer to identify additional performance metrics to align with VHA's core business functions, and then use these metrics to determine the extent to which the department's IT systems support performance of VHA's mission.
- To assist VA in improving key IT management processes to ensure that investments support the delivery of health care services, the Secretary of Veterans Affairs should direct the Under Secretary for Health and the Chief Information Officer to ensure that unmet IT needs identified by key program areas--pharmacy benefits management, scheduling, and community care--are addressed appropriately and that related business functions are supported by IT systems to the extent required.

**ACTIONS TAKEN:**

- OIT established a new IT governance process in October 2016. Identifying criteria for selecting new investments for IT development occurs in multiple phases. We have prioritization processes in place based on the following requirements: meeting health and safety guidelines, legislation and statutes, modernization efforts, and Secretarial Breakthrough Initiatives. In the long term, VA establishes criteria for the purpose of guiding a five-year IT investment plan and apportions funding to VA's major organizational components based on that guidance in broad appropriation categories aligned to each organizational component (e.g., VHA). OIT's Portfolio Investment Management Board (PIMB) reviews specific technical solutions to meet the expressed needs of the organizational components against PIMB initiatives for technical soundness and conformance with Departmental priorities. In collaboration with

Department level officials, and through an iterative approach to evaluating outcomes, the Chief Information Officer periodically re-evaluates ongoing IT investments based on recommendations from EPMO and the Account Management Office to ensure ongoing conformance of a given investment with Departmental priorities and the promising performance of the investment that merits ongoing investment. This process is documented in EPMO and in the PIMB charters.

VA requested closure of this recommendation.

- OIT and VHA will continue to ensure that unmet information technology needs for the pharmacy benefits management, scheduling, and community care program areas are addressed appropriately based on the approved fiscal year 2018 budget formulation's identified priorities and funding constraints. VA continues to intake, track, analyze, evaluate, and prioritize ongoing requests through coordination with Account Managers and pharmacy benefits management, scheduling, and community care programs. These requests are tracked in the Veteran-Focused Integration Process Request (VIPR) process and system.

**BUDGET IMPLICATIONS:** None

15. **VA Health Care: Improvements Needed in Data and Monitoring of Clinical Productivity and Efficiency;** GAO-17-480. Report provided to VA 6/23/2017

**RESPONSIBLE OFFICE:** **Veterans Health Administration**

**RECOMMENDATIONS:**

- To improve the completeness and accuracy of VA's productivity metrics and efficiency models and strengthen the monitoring of clinical productivity and efficiency VA-wide, the Secretary of the Department of Veterans Affairs should direct the Undersecretary for Health to expand existing productivity metrics to track the productivity of all providers of care to veterans by, for example, including contract physicians who are not VA employees as well as advance practice providers acting as sole providers.
- To improve the completeness and accuracy of VA's productivity metrics and efficiency models and strengthen the monitoring of clinical productivity and efficiency VA-wide, the Secretary of the Department of Veterans Affairs should direct the Undersecretary for Health to help ensure the accuracy of underlying staffing and workload data by, for example, developing training to all providers on coding clinical procedures.
- To improve the completeness and accuracy of VA's productivity metrics and efficiency models and strengthen the monitoring of clinical productivity and efficiency VA-wide, the Secretary of the Department of Veterans Affairs should direct the Undersecretary for Health to develop a policy requiring VAMCs to monitor and improve clinical efficiency through a standard process, such as establishing performance standards based on VA's efficiency models and developing a remediation plan for addressing clinical inefficiency.
- To improve the completeness and accuracy of VA's productivity metrics and efficiency models and strengthen the monitoring of clinical productivity and efficiency VA-wide, the Secretary of the Department of Veterans Affairs should direct the Undersecretary for Health to establish an ongoing process to systematically review VAMCs' remediation plans and ensure that VAMCs and Veterans Integrated Service Networks are successfully implementing remediation plans for addressing low clinical productivity and inefficiency.

**ACTIONS TAKEN:**

- Productivity performance and productivity targets were established for the combined disciplines of Nurse Practitioners, Clinical Nurse Specialists, and Physician Assistants, commonly referred to as Advanced Practice Providers (APPs). For these disciplines, the annual productivity target of 1,956 Relative Value Units (RVUs) per Clinical FTE was established. APP Productivity is now included in the Productivity Performance and Outlier Reporting structure maintained by the VHA Office of Productivity, Efficiency, and Staffing (OPES). During November 2017, four (4) National APP Productivity Training and Informational calls were conducted to communicate the implementation of productivity standards for APPs. Additionally, in accordance with VHA Directive 1065, Productivity and Staffing Guidance for Specialty Provider

Group Practice, the annual APP productivity review process will be consistent with that of the physicians and is scheduled to occur January 2018. Contract and in-house Fee Provider workload such as encounters and RVUs are now tracked by specialty and individual provider. Current contracts are locally based and utilize VHA productivity targets in contract language specifications. Contract monitoring is performed by the local VA medical facility with determination of services received and invoiced analogous to a fee-for-service arrangement.

- In order to help ensure the accuracy of coded data utilized in productivity, efficiency and resource determinations, the Veterans Health Administration's (VHA) Office of Health Information Management (HIM) and Office of Compliance and Business Integrity (CBI) collaborated to monitor medical record coding accuracy at VA medical centers. The purpose was to identify opportunities for improvement, including the need for appropriate, targeted training. During FY 2017, the Deputy Under Secretary for Health for Operations and Management (DUSHOM) reissued guidance to the field requiring the monitoring and tracking of clinical provider and coder accuracy as well as the development of corrective action plans. Monthly Statistical Process Control (SPC) productivity triggers were generated and reported to Senior Leadership from the National Trigger System in the Health Improvement/Operation Center. SPC charts that track provider labor distributions between clinical and non-clinical effort are included in the SPC system. Productivity triggers (high) have identified aberrant labor distributions and were brought to the attention of leadership for corrective action(s). The execution of enterprise reporting review and follow-up with facilities helped to ensure that action plans were implemented to resolve issues.
- Annual VA Medical Center Efficiency performance was reported in the Strategic Analytics for Improvement and Learning (SAIL) Value Model. Based on performance, VA Medical Centers are to target efficiency improvement areas which will be incorporated into the FY 2018 Network Director Performance Reviews.
- Office of Productivity, Efficiency & Staffing (OPES) provides ongoing reporting of productivity performance to the VAMC leadership, VISN leadership, and VA Central Office Senior Leadership. Ongoing productivity performance monitoring included in Strategic Analytics for Improvement and Learning (SAIL) via the Capacity Measure which assesses the observed productivity to that of the target and calculates Facility, VISN, and National Provider Capacity. Additionally, monthly Statistical Process Control productivity triggers are generated and reported to Senior Leadership from the National Trigger System in the Health Improvement/Operation Center. Annual remediation plans on all productivity deficiencies are monitored through the quarterly DUSHOM Network Director Performance reviews. Tracking of remediation plans is incorporated into the Network Director Performance Reviews. Furthermore, Fiscal Year 2017 Network Director End of Year Performance Evaluation meetings included a process to check the status of productivity remediation plans. Lastly, OPES developed a report which tracks specialties that required remediation plans or that failed to meet the minimum productivity expectations to determine progress.

**BUDGET IMPLICATIONS:** None

16. **GULF WAR ILLNESS: Improvements Needed for VA to Better Understand, Process, and Communicate Decisions on Claims;** GAO-17-511. Report provided to VA 7/10/2017

**RESPONSIBLE OFFICE:** **Veterans Health Administration**
**Veterans Benefits Administration**

**RECOMMENDATIONS:**

- To help ensure VHA medical examiners are prepared to conduct the Gulf War general medical exam, the Secretary of Veterans Affairs should direct the Under Secretary for Health to require medical examiners to complete training, such as the 90-minute Gulf War Illness web-based course, before conducting these exams.
- To provide more complete information to veterans whose Gulf War Illness claims are denied, the Secretary of Veterans Affairs should direct the Under Secretary for Benefits to update guidance to require that decision letters indicate whether Gulf War Illness medical issues were evaluated under both a presumptive and direct service connection method.
- To increase the likelihood of making progress toward developing a single case definition of Gulf War Illness, the Secretary of Veterans Affairs should direct the Under Secretary for Health to prepare and document a plan to develop a single case definition of Gulf War Illness. This plan should include near- and long-term specific actions, such as analyzing and leveraging information in existing datasets and identifying any areas for future research to help VA achieve this goal.

**ACTIONS TAKEN:**

- The Office of Deputy Under Secretary for Health for Operations and Management released a memorandum on behalf of the Office of Disability and Medical Assessment (DMA), announcing the designation of the DMA Gulf War General Medical Examination course as a mandatory training course for all current and new VHA Compensation & Pension (C&P) disability examiners. All certified examiners were given until October 1, 2017 to complete the newly mandated training course. Those examiners failing to complete the mandatory course were to be automatically de-certified in the DMA C&P Certification Database and would no longer be allowed to conduct disability examinations until completion of the required training. As of November 3, 2017, all Network Directors signed a memorandum certifying all C&P examiners assigned to their respective facilities have completed the Gulf War General Medical Examination course.
- A workgroup of subject matter experts (SMEs) held multiple teleconferences over three months to consider existing case definitions and discuss the relative strengths and weaknesses of each. The group consisted of 14 individuals from the Veterans Health Administration, Veterans Benefits Administration and the Department of Defense. This group included clinicians and researchers. The group identified current and possible future definitions, components of a plan, the necessary data sources, and the methodology that will be used to validate the case definition. From this effort a 7-

step plan was developed that includes the use of sophisticated predictive modeling, chart reviews and Veteran information to develop and validate the case definition**.**

**BUDGET IMPLICATIONS:** Full implementation of the plan developed by the multi-agency, multi-disciplinary group is currently estimated to cost $850,000.

17. **Homeless Veterans: VA Should Improve Reporting on the Benefits Provided by Leases of Unneeded Property;** GAO-17-636. Report provided to VA 7/20/2017

**RESPONSIBLE OFFICE:** **Office of Asset and Enterprise Management**

**RECOMMENDATIONS:**

- To ensure that the financial benefits of EULs that the Department of Veterans' Affairs reports in its annual Consideration Report on the EUL program are transparent and reliable, the Secretary should revise its *Enhanced-Use Leasing Post Transaction Handbook (Handbook 7454)* and specify that VA will: (1) Report consistently the enhanced services benefits from its EULs separately from other financial benefits that directly affect VA's budget, and (2) Include an explanation in its reporting on estimated EUL enhanced services that its estimates may not adequately capture all benefits of the EUL project and that certain costs associated with providing such benefits that are incurred by parties outside VA are not included in the analysis.

**ACTIONS TAKEN:**

- VA will be addressing part 1 of the recommendation, related to reporting enhanced services, in its consideration report included in volume IV of the FY 2019 budget submission. VA already addressed part 2 of the recommendation, related to including explanatory text concerning estimates for enhanced services, in its FY 2018 budget submission as part of its EUL consideration report in Volume IV.

**BUDGET IMPLICATIONS:** None

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18. **VA HEALTH CARE: Opportunities Exist for Improving Implementation and Oversight of Enrollment Processes for Veterans;** GAO-17-709. Report provided to VA 9/5/2017

**RESPONSIBLE OFFICE:** **Veterans Health Administration**

**RECOMMENDATIONS:**

- The Secretary of Veterans Affairs should direct the Acting Under Secretary for Health to develop and disseminate a system-wide standard operating procedure that clearly defines the roles and responsibilities of VAMCs in resolving pending enrollment applications.
- The Secretary of Veterans Affairs should direct the Acting Under Secretary for Health to clearly define oversight roles and responsibilities for HEC, and for Veterans Integrated Service Networks as appropriate, to help ensure timely processing of applications and accurate enrollment determinations.
- The Secretary of Veterans Affairs should direct the Acting Under Secretary for Health to develop procedures for collecting consistent and reliable data system-wide to track and evaluate timeliness of enrollment processes, and institute an oversight mechanism to ensure VAMC and HEC enrollment staff are appropriately following the procedures.
- The Secretary of Veterans Affairs should direct the Acting Under Secretary for Health to clarify its 5-day timeliness standard for processing enrollment applications, including whether it covers the total time needed to make an enrollment determination and the time applications are pending, and ensure the clarification is communicated system-wide.

**ACTIONS TAKEN:**

- Member Services began updating the VHA policy and guidance that establishes requirements for processing enrollment applications. The changes will outline responsibilities for the Health Eligibility Center (HEC) and the Department of Veterans Affairs medical facilities. The changes will also establish standardized requirements and procedures for processing and adjudicating enrollment applications enterprise-wide.
- Member Services is establishing a cross-functional work group of VHA representatives to finalize the standardized requirements and procedures for processing enrollment. Once those requirements and procedures are established, the work group will identify the specific key performance indicators that will be used to effectively monitor enrollment accuracy and timeliness.
- Member Services continues to collaborate with VA's Office of Information and Technology to enhance system controls and improve reliability of the authoritative data within the Enrollment System (ES), and has established a schedule for continued Enrollment System Modernization (ESM) build integrations through fiscal year 2018. These enhancements to ES, along with standardized adjudication requirements and processes (recommendation 1), standardized oversight measures and accountability (recommendation 2), and clarification of existing standards (recommendation 4), will

provide VHA Member Services with the data needed to effectively monitor timeliness and accuracy. Based on this plan, VHA Member Services aligned internal control auditors to the HEC to assist with internal control design, and ensure appropriate test/audit plans and schedules are in place to regularly assess the end-to-end controls of the enrollment program.

- In August 2017, VHA Deputy Undersecretary for Health for Operations and Management issued a memorandum to VISN Directors providing clarification and guidance on processing timeliness for enrollment applications. VHA plans to incorporate this guidance into the final revised version of VHA Handbook 1601A.01, Intake Registration. VHA considers this recommendation fully implemented.

**BUDGET IMPLICATIONS**: None

19. **DATA CENTER OPTIMIZATION: Agencies Need to Address Challenges and Improve Progress to Achieve Cost Saving Goal;** GAO-17-448. Report provided to VA 9/6/2017

**RESPONSIBLE OFFICE:** **Office of Information and Technology**

**RECOMMENDATIONS:**

- The Secretaries of Agriculture, Commerce, Defense, Homeland Security, Energy, HHS, Interior, Labor, State, Transportation, Treasury, and VA; the Attorney General of the United States; the Administrators of EPA, GSA, and SBA; the Director of OPM; and the Chairman of NRC should take action to, within existing OMB reporting mechanisms, complete plans describing how the agency will achieve OMB's requirement to implement automated monitoring tools at all agency-owned data centers by the end of fiscal year 2018.

**ACTIONS TAKEN:**

- VA is developing a plan to fully comply with Office of Management and Budget (OMB) requirements to implement automated monitoring tools at all agency-owned data centers by the end of Fiscal Year (FY) 18. The Department anticipates completing the plan by February 1, 2018. As part of this plan, Office of Information and Technology (OIT) has completed 50% of a web-based portal and data warehouse backend to integrate the Department's data center inventory. In addition, OIT has: 1) completed a review of active automated IT discovery tools deployed at the VA, 2) mapped a plan to complete the remaining tasks to import and normalize data from several sources to provide the reportable elements required for OMB, and 3) awarded a significant contract for an Enterprise-wide IT Service Management (ITSM) tool to consolidate data which exists in several separate tools.

  Target Completion Date: February 1, 2018

**BUDGET IMPLICATIONS:** None

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20. **Federal Telework: Improved Guidance and Communication on Recording Telework Hours Needed at Veterans Benefits Administration;** GAO-17-621R. Report provided to VA 9/6/2017

**RESPONSIBLE OFFICE:** **Human Resources and Administration**
**Veterans Benefits Administration**

**RECOMMENDATIONS:**

- The Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration and the Under Secretary for Benefits to review and update all relevant policies and guidance to reflect the agency's requirement that employees' hours teleworked be recorded in VATAS.
- The Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration and the Under Secretary for Benefits to communicate that telework hours should be recorded in VATAS to VBA regional office employees.
- The Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration and the Under Secretary for Benefits to develop a process to monitor the quality of data and to ensure that employees' telework hours are recorded accurately and completely in VATAS.

**ACTIONS TAKEN:**

- VA Commented Response on July 11, 2017 by Deputy Chief of Staff, Gina S. Farrisee: Concur. By December 31, 2017, the Department of Veterans Affairs (VA) Office of Human Resources and Administration (HR&A) will update VA Handbook 5011 to inform managers and timekeepers of the requirement to record employee time and attendance record in VA's Time and Attendance System (VATAS). Veterans Benefits Administration's (VBA) policies and guidance on telework will be updated within 30 days after HR&A revises VA Handbook 5011 to ensure recomplete and accurate reporting of telework in accordance with the Office of Personnel Management's (OPM Guide to Human Resources Reporting, Chapter 4. Target Date: January 31, 2018.
  VA update on October 25, 2017: On July 28, 2017, the Office of Human Resources Management issued a Human Resources Management Letter (HRML) which provides guidance to Human Resources Offices regarding the requirement to record telework data in the VA's automated HR system, HR Smart. The HRML also communicates the requirement to record telework hours in VA's time and attendance system.

  VA Handbook 5011 has been revised as is currently working its way through the VA review and concurrence process. The revised handbook is expected to be issued by January 31, 2018.

- VA Commented Response on July 11, 2017 by Deputy Chief of Staff, Gina S. Farrisee: Concur. By July 31, 2017, HR&A will issue a Memorandum to Under Secretaries, Assistant Secretaries and other key officials to serve notice of OPM's requirement to record telework schedules and hours in official time and attendance

systems. VBA will provide training to timekeepers, management, and employees to ensure full awareness, implementation and compliance with telework recording requirement in VATAS during the first quarter of fiscal year 2018. Target Completion Date: December 31, 2017.

VA update on October 25, 2017: On August 4, 2107, HR&A issued a memorandum to Under Secretaries, Assistant Secretaries and other Key Officials forwarding the above-referenced HRML. The memorandum reinforced the importance of properly recording telework in the HR and time and attendance systems.

- VA Commented Response on July 11, 2017 by Deputy Chief of Staff, Gina S. Farrisee: Concur. HR&A will collaborate with the Office of Management, VA Financial Service Center, the office responsible for the deployment of VATAS, providing VATAS timekeeping guidance, and assisting local payroll offices with timekeeper training. The collaborative effort will ensure internal controls are established to monitor compliance with accurately recording telework in VATAS. Target Completion Date: October 30, 2017.

  VA update on October 25, 2017: As a result of this tasking, VATAS deployment and sustainment training has been modified to mandate the recording of telework. In addition, the telework functionality in VATAS is being modified to make it easier to record telework and provide reports capturing telework data. These enhancements will help stations ensure telework hours are being captured accurately. Target Completion Date: March 31, 2018.

**BUDGET IMPLICATIONS:** None

21. **VETERANS AFFAIRS: Actions Needed to More Effectivity Manage Outgoing Mail;** GAO-17-581. Report provided 8/29/2017

**RESPONSIBLE OFFICE:** **Human Resources and Administration**
**Office of Information and Technology**

**RECOMMENDATIONS:**

- To manage the mail program more effectively, the Secretary of Veterans Affairs should develop and document a plan to source contracts for mailing equipment in a more strategic manner. Such strategic contract sourcing should enable facilities to obtain equipment to track mail volume and expenditure data more consistently and to maximize cost savings.
- To manage the mail program more effectively, the Secretary of Veterans Affairs should update VA Directive 6340 to incorporate agency-wide goals and performance measures for mail operations.
- To manage the mail program more effectively, the Secretary of Veterans Affairs should determine and document the authority and responsibilities of the agency and administration-level mail managers to enable them to improve management and oversight of mail operations.

**ACTIONS TAKEN:**

- VA formed an Integrated Project Team (IPT) to develop a comprehensive strategic plan for the mail management program, with representation from all VA administrations and staff offices with large mailing operations. The first phase of the effort was to catalog VA's inventory of mail equipment and software, which VA completed in September 2017. By the end of January 2018, VA will complete a cost-benefit analysis comparing options for sourcing mailing equipment in the most strategic manner, thereby consolidating VA's 3,000+ current mail operations contracts. VA will develop an implementation plan for the selected option by July 2018, and begin a phased-in model allowing current contracts to expire if necessary and/or use of VA-owned resources to the end of their useful life.

  Target Completion Date: October 2018.
- VA updated and published a revised Directive 6340 "Mail Management Program" in September 2017. Work is underway to revise Handbook 6340 to incorporate changes from the revised Directive, National Archives and Records Administration guidance, and industry best practices. A central element of the revision is the inclusion of agency-wide goals and performance measures for VA's mail program. In addition, the revision adds clear lines of responsibility and authority for all stakeholders.

  Target Completion Date: December 2017.
- VA approved and funded two positions to oversee VA's mail management program at an enterprise level. The positions are located in VA's Office of Information and Technology (OIT), and ultimately report to VA's Chief Information Officer. A candidate has been selected for one of these positions, and the second is pending

Human Resources action prior to selection. The sole function of these staff members will be to oversee, coordinate, and issue guidance to the various mail managers across VA. Further, in addition to revisions to Directive and Handbook 6340 that address the roles of officials responsible for the various aspects of VA's mail management program, each administration and staff office with a mail program will also develop and publish Standard Operating Procedures (SOPs) under the signature of their respective leadership. In addition, VA is implementing mandatory bi-annual training for mail managers at all levels.

Target Completion Date: October 2018.

**BUDGET IMPLICATIONS**:

- Due to the reduced administrative burden of tracking and managing such a large number of contracts, VA anticipates the realization of significant cost savings from the new enterprise-level approach. Estimated costs for implementation are pending completion of further study.
- None. There are no budget implications associated with the revision of Directive and Handbook 6340.
- The cost associated with the two new mail management positions include the annual salaries of one GS-15 and one GS-14 on the Washington, D.C. area pay scale ($134,789 and $114,590, respectively).

22. **EMPLOYEE RELOCATION: VA Strengthened Appraised Value Offer's Controls, Can Improve Efforts to Track Effects on Retention and Recruitment;** GAO-17-700. Report provided to VA 9/19/2017

**RESPONSIBLE OFFICE:** **Human Resources and Administration**

**RECOMMENDATIONS:**

- The Secretary of Veterans Affairs should track data that can help VA determine whether AVO improves recruitment and retention.

**ACTIONS TAKEN:**

- VA's Human Resources & Administration will incorporate a requirement into the annual certification of Recruitment, Relocation and Retention (3Rs) Incentives Usage (a requirement in VA Handbook 5007, Part VI), to include tracking usage of AVO to determine whether AVO improves recruitment and retention. The Office of Management will provide the AVO data to each servicing HR office, which will then be reported, in the aggregate, at the Administration or Staff Office level in the annual 3Rs Incentives Usage report. This requirement will be incorporated into the Calendar Year 2017 Report, which will be provided by HR&A to the Administrations and Staff Offices in 4Q 2018 for their review and validation of the data.

**BUDGET IMPLICATIONS:** None

23. **Veterans Health Care: Additional Actions Could Further Improve Policy Management;** GAO-17-748. Report provided to VA 9/22/2017

**RESPONSIBLE OFFICE:** **Veterans Health Administration**

**RECOMMENDATIONS:**

- The Under Secretary for Health should further clarify when and for what purposes each national policy and guidance document type should be used, including whether guidance documents, such as program office memos, should be vetted and recertified. (Recommendation 1)
- The Under Secretary for Health should develop standard processes for consistently maintaining and disseminating guidance documents to each level of the organization. (Recommendation 2)
- The Under Secretary for Health should systematically obtain information on potential implementation challenges from VISNs and VAMCs and take the appropriate actions to address challenges prior to policy issuance. (Recommendation 3)
- The Under Secretary for Health should establish a mechanism by which program offices systematically obtain feedback from VISNs and VAMCs on national policy after implementation and take the appropriate actions. (Recommendation 4)
- The Under Secretary for Health should establish a standard policy exemption waiver process and centrally track and monitor approved waivers. (Recommendation 5)
- The Under Secretary for Health should establish a standard process, including designated oversight roles, to periodically monitor that local policies established by VISNs and VAMCs align with national policies. (Recommendation 6)

**ACTIONS TAKEN:**

- The types and purposes of VHA controlled national policy (CNP) are set forth in VHA Directive 6330 (D6330). The June 2016 revision of D6330 eliminated several former policy vehicles, the most common being Handbooks, because the purposes of these documents was not clear. In August 2017, VHA further amended D6330 to:
- Extend from June 30, 2017, to August 31, 2021, the deadline for VHA Central Office (VHACO) Program Offices to ensure that all of their policies have been timely recertified, to ensure robust review and redrafting of these documents for clarity and to allow time for meaningful consideration whether the policies were appropriately issued.
- Add required paragraphs for records management and training, in response to finding in the GAO High Risk Report concerning VHA's training programs.
- Improve the CNP development process by streamlining approvals for amendments and updating concurrence procedures to align with a new, piloted process that ensures thorough field participation.
- Relocate process maps and detailed instructional appendices to the Office of Regulatory and Administrative Affairs Intranet Web site, http://vaww.va.gov/VHAREGS/dmo_policy.asp, consistent with VHA's overall effort to clarify the purpose and content of CNP by removing such materials from CNP.

In September 2017, we again amended D6330 to add the process and requirements for expedited review of CNP.

Additionally, VHA convened a GAO High Risk List, Policy Work Group (hereinafter "Policy Work Group") from December 12-14, 2017, that provided detailed feedback on the effects of national policy on the field, with concrete suggestions for D6330. This field-advisory group input will also inform our efforts to address other guidance documents, such as 10N Memoranda (10N Memos), that have been noted by GAO as contributing to the problem of unclear policy.

Concurrently, VHA has prioritized ensuring timely policy recertification (i.e., every five years). Along with the requirement to eliminate Handbooks and other types of CNP, these actions have required VHACO Program Offices to reexamine their CNP portfolios and determine whether there is a continuing need for all of their existing policies. Over the past two years, this has led to 27 percent reduction in the number of national policies (from 805 in FY 2016 Q1 to 589 in FY 2017 Q4). In addition, the percentage of these policies that are past their recertification date has declined from 59 percent of overall inventory to 41 percent. While these improvements do not directly address the need to clarify the purposes of national policy documents, they do reflect VHA's efforts to make our inventory more manageable, and directly respond to GAO's findings in the High Risk Report concerning out-of-date national policies, as well as GAO findings in both Reports that VHA's CNP inventory is vast and confusing for the field.

- This recommendation concerns informal guidance documents and not CNP. VHA relies on non-policy documents to communicate to the field, and field compliance is hampered by a lack of a centralized library of these documents.

  Currently, the office of 10N has revised its informal procedures so that 10N Memos with potential statutory or regulatory impact are submitted to the VHA Office of Regulatory and Administrative Affairs (ORAA) for review, and 10N and ORAA are jointly creating a searchable, online database of current and past 10N memos dating back to 2012. The 10N repository (located at https://vaww.va.gov/vhapublications/publications.cfm?Pub=3) sorts 10N Memos by 10N Memo Number, Office Number, and Related CNP (when applicable). The uploading of 10N memos is anticipated to be completed in FY18. VHA is not currently taking action concerning the other documents that have been cited by GAO as informal guidance, such as standard operating procedures.

  In addition to national guidance documents, GAO has expressed concern over VISN-level and "local" guidance documents. The Policy Work Group that convened from December 12-14, 2017, has begun to address this issue as well. For example, one Work Group recommendation is that national policy be written to address organizational needs across the continuum of care, at every facility level, which is anticipated to significantly reduce the need for VISN-level and local guidance. An informal assessment at one VA Medical Center determined that 75 percent of its local policies would be unnecessary if VHA's national policy were written in this manner.

- In August 2016, ORAA instituted a new policy development process that enables all VHA employees to provide feedback prior to the promulgation or recertification of a national policy. It includes a 14-day review-and-comment period in SharePoint by VACO program offices, VISNs, and the field to increase transparency and field participation in policy development. We are receiving responses from the field at an average rate of 69 comments per policy. Feedback on new policies often addresses anticipated barriers to implementation, while feedback on recertifications reflects the field's past experience under the policy. Requests for feedback on policies that are in the SharePoint process are sent to VAMC and VISN leaders across the system, including all VHACO senior leaders and their executive assistants, as well as all VISN directors and VHA Quality Managers in the field. Policy revisions take into account issues raised by the field regarding implementation issues.

  VHACO program offices are also asked to review and concur in national policy, and their participation rate averages 81 percent. These VHA program office reviews produce valuable information about conflicts between programs that would otherwise not necessarily be identified prior to implementation.

  In March 2017, VHA conducted a listening tour to obtain input into the five risk issues, identify the top 3-4 themes/priorities, and gather field staff reflections on the challenges and causes/contributing factors. Three physical site visits and one virtual "site visit" were conducted (Wichita, Kansas VAMC; VA Connecticut Healthcare System, West Haven, Newington and CBOCs (virtually); and Washington, DC VAMC). Approximately 175 administrative and clinical staff and supervisors participated and more than 1100 data points were collected.

  Key Findings of Field Staff Perceptions:
  - Staff desire to have more input into mandates, policies, programs, and decisions/changes
  - Staff expressed they receive an overwhelming number of policies and priorities that conflict and would prefer clear, consistent, and simplified guidance
  - Staff perceive decisions/mandates are often more reactive vs. proactive
  - Staff expressed difficulties in implementing policies, changes, and initiatives, particularly regarding unclear instructions and direction, competing priorities, and a lack of adequate resourcing, training, and evaluation

  In June 2017, a 10N Memo was issued that requested permission from each VISN to hold an hour long phone interview with an individual at the facility who held primary responsibility for ensuring national policies are incorporated into your local policy documents and operational processes. Fourteen interviews with field-based staff at fourteen different VISNs representing facilities of varied size and complexity levels. Local processes were discussed with the plan to identify best practices as well as gathering input on what the field needed from VACO to ensure consistency and appropriate oversight. In October 2017, participants were emailed the findings.

  Key Finding Included:

- Respondents expressed that in the ideal end state, national and local policy should be clearer and easier for VHA field-based staff to anticipate access, understand, and administer.
- Respondents also expressed that in the ideal end state; successful VHA policy would do no harm, ensure patient safety, improve quality of care, and alleviate the administrative burden on program offices and field-based staff.
- Ultimately, respondents offered an array of solutions and an asset-based approach to the evolving VHA organization.

Also in June 2017, a Policy Waivers/Exemptions Work Group was chartered in June 2017 to develop the process to be established for a Policy Waivers/Exemptions Committee and make a recommendation to the Acting Under Secretary for Health and the Deputy Under Secretary for Health for Organizational Excellence for implementation of same.

VHA has also convened the Policy Work Group with two co-leads and senior staff from a variety of VISN that includes VISN Directors, Chief Medical Officers, Quality Management Officers, etc. The Policy Work Group held its first face-to-face meeting in Washington DC, from December 12-14, 2017. The field interview key findings were shared with the Policy Work Group as part of their review process. Findings, outcomes and recommendations from this meeting will be presented during the next Senior Leadership Policy meeting to be held in January 2018.

Throughout FY 2018, VHA will finalize and pilot a new pre-policy document to ensure adequate funding and oversight is available prior to policy publication, which will address oversight in conjunction with the accountability group. ORAA socialized initial drafts in FY 2017 during the Senior Leadership Policy meetings as well as with Field Advisory Policy.

Finally, as of November 2017, the Executive In Charge of VHA now requires VHACO program offices to articulate resource implications and quantify field impact during the policy development process, and reviews those statements before signing any CNP.

- There are several ongoing improvements in this area, which, when taken together, provide the recommended feedback system.

The new SharePoint concurrence process for recertifications offers VHA program offices, VISNs, and VAMCs the opportunity to provide information about challenges to implementation of existing policies.

The SharePoint process requires responsible program offices to take appropriate action in response to implementation feedback before a policy is submitted for recertification. These responses are recorded and are provided as part of the background to the CNP when it is submitted for senior-level reviews and concurrences. Additionally, in order to increase transparency, the ORAA Policy Informal Review Process SharePoint site includes a repository of all closed directives along with each directive's comments.

Policy Work Group charged with providing specific recommendations for a formal "real time" feedback process on national policy.

ORAA will join a quarterly Network Director's call to solicit feedback on policies published in the previous quarter to elicit direct feedback on published policy and its implementation.

ORAA presents developing policy issues to the Health Services Committee on a quarterly basis.

Implementation issues also are reflected when there is inconsistency between national policy and local policy, as well as barriers to effective local implementation. On March 1, 2017, ORAA and 10N issued a memo requesting responses to a "Facility Policy Questionnaire" via SharePoint. The questions sought insight into national and local opportunities and strengths and barriers to effective local implementation. Over 1,200 data points were elicited from the 130 responses.

As follow up to the March 2017 data call, in June 2017, ORAA conducted a qualitative evaluation of policy development, dissemination, and implementation at the facility level. Each VISN was asked to designate a facility to participate in a structured interview with ORAA to better understand what success looks like for a policy, how policy is being communicated, and how VHACO can better support policy implementation in the field.

ORAA conducts at least two site visits to VAMCs and VISNs each year, during which ORAA examines policy implementation at the local level using the "tracer methodology" that is also used by The Joint Commission. Information from these visits is used generally to improve policy development and promulgation, as well as specifically when individuals at the sites identify specific issues with specific policies; Helena, MT was visited in November 2017

10E chartered Policy Waivers/Exemptions Work Group in June 2017 to mitigate risk and develop the process to be established for a Policy Waivers/Exemptions Committee and make a recommendation to the Acting Under Secretary for Health and the Deputy Under Secretary for Heal for Organizational Excellence for implementation of a formalized waiver process.

- The Deputy Under Secretary for Health for Organizational Excellence (DUSHOE) established a committee comprised of subject-matter experts and representatives from VHA program offices, VISNs, and VAMCs to standardize the policy exemption waiver process. The work of this committee includes assessment of the challenges facilities experience in determining whether they have impediments to compliance or implementation with VHA policy and development of a process that can be initiated by VISN and facility leadership to pursue a waiver.

  In July 2017, the Policy Waiver Committee met to begin working on this recommendation. Field members have been added to reflect the full medical center complexity within the VHA system. The Committee initiated discussion of field

based challenges associated with current waiver processes and considered methods for efficiently tracking waivers.

The Committee reviewed the current state of VHA policy development and discussed ways to proactively determine if a policy does not have system-wide applicability. The Committee also identified the existence of isolated waiver processes for specific entities within VHA, e.g., facilities management.

- The Office of the Principal Deputy Under Secretary for Health will establish and oversee the standard process by which VHA program offices that are responsible for national policies review a sample of local policies for alignment against the national policy. The standard process will include:
  1. Location where program offices can identify the policies for which they are responsible;
  2. Criteria for determining the sample of local (i.e., facility or VISN) policies that will be reviewed;
  3. Frequency for reviewing local policies (e.g., yearly, quarterly);
  4. Standards for assessing alignment with national policy;
  5. Responsibilities of the Program Officials, VISN Directors, Facility Directors, and others involved with policy development, oversight, or management;
  6. Reporting of compliance with the standard process;
  7. Other elements, as needed.

  The Office of the Principal Deputy Under Secretary for Health will coordinate with the Office of Regulatory and Administrative Affairs to leverage current data repositories for policy oversight and ensure that this standard monitoring process smoothly integrates with current efforts to improve policy ambiguity and process inconsistencies.

  Improvements in this area include:

  1) A Waiver Committee has been convened to understand the current state of waivers by completing the Waiver Questionnaire. Next Steps are to determine when waivers are appropriate and provide recommendations to the Acting Principal Under Secretary for Health and the Acting Deputy Under Secretary for Health for Organizational Excellence for the implementation of a formalized waiver process.
  2) An interview was conducted with a variety of VISN and facility leaders to discuss local processes with the plan to identify best practices as well as gathering input on what the field needed from VACO to ensure consistency and appropriate oversight. Participants were emailed the findings in October 2017. This information will be shared with the Policy Work Group in December 2017 as part of their review process. This information will be shared with the Policy Work Group in December 2017 as part of their review process.
  3) The Policy Work Group held its first face-to-face meeting in Washington, DC, Dec 12-14, 2017. Findings, outcomes and recommendations from this meeting will be presented to the organization and approved at a future Policy SL meeting.

**BUDGET IMPLICATIONS:**

- Ongoing policy improvement efforts currently supported within existing budget limits. The Committee's further recommendations are under review and estimates are being developed. Most recommendations may require small investment in personnel (either contractors or FTE), and moderate investment in VHA's on-line policy library.
- At this time, recommended courses of action would be budget neutral. Anticipated resources for clinical documentation training and oversight would occur through repurposing of existing activities such as VA's External Peer Review Program.

24. **Small Business Contracting: Actions Needed to Demonstrate and Better Review Compliance with Select Requirements for Small Business Advocates;** GAO-17-675. Report provided to VA 9/25/2017

**RESPONSIBLE OFFICE:** **Office of Small and Disadvantaged Business Utilization**

**RECOMMENDATIONS:**

- To address demonstrated noncompliance with section 15(k) of the Small Business Act, as amended, the Secretary of Veterans Affairs should comply with sections 15(k)(3), (k)(8), and (k)(11) or report to Congress on why the agency has not complied, including seeking any statutory flexibilities or exceptions believed appropriate.

**ACTIONS TAKEN:**

- OSDBU has proposed specific actions to implement the GAO recommendation with respect to all three of the Small Business Act provisions. Implementation will require collaboration and concurrence with other directly affected VA stakeholders, including the Office of the Secretary and the various Heads of Contracting Activity in VHA, VBA, NCA, and OALC. Although obtaining concurrence from these stakeholders is still in process and none of the proposed actions has been finalized, OSDBU anticipates completion early in calendar year 2018. OSDBU anticipates no budgetary impact from these changes.

**BUDGET IMPLICATIONS:** None

25. **VA HEALTH CARE QUALITY: VA Should Improve the Information It Publicly Reports on the Quality of Care at Its Medical Facilities;** GAO-17-741. Report provided to VA 9/29/2017

**RESPONSIBLE OFFICE:** **Veterans Health Administration**

**RECOMMENDATIONS:**

- The Undersecretary for Health should take additional steps to ensure that VA's website reports health care quality measures that cover a broad range of health care services, highlights key differences in the clinical quality of care, and presents this information in an easily accessible and understandable way (Recommendation 1).
- The Undersecretary for Health should direct VA Central Office to conduct a systematic assessment of the completeness and accuracy of patient clinical information across VAMCs that is used to calculate the health care quality measures VA reports and address any deficiencies that affect the accuracy of these measures (Recommendation 2).

**ACTIONS TAKEN:**

- Outpatient compare data and patient experience compare data have been added to the Access and Quality of Care website. A governance structure to specify website enhancement and sustainment tasks, and track tasks to completion, has been formulated and fully implemented. Navigation between the Access and Quality in VA Healthcare website and VHA's Quality of Care website has been designed and tested. Implementation is underway.
- VA convened a multi-disciplinary workgroup, with representation from experts in health information management, clinical operations, and business compliance, to review existing processes for assuring the accuracy of clinical documentation and coding, to identify gaps, and to propose solutions.

**BUDGET IMPLICATIONS:** At this time, recommended courses of action would be budget neutral. Anticipated resources for clinical documentation training and oversight would occur through repurposing of existing activities such as VA's External Peer Review Program.

# *High-Risk Areas Identified by GAO*

The U.S. Government Accountability Office (GAO) evaluates VA's programs and operations. In February 2015, GAO issued an update to its High-Risk Series (GAO-15-290). The GAO-identified two High-Risk Areas (HRAs) that are specific to VA: Managing Risks and Improving VA Health Care and Improving and Modernizing Federal Disability Programs. VA's progress in addressing these issues can be found in the FY 2019/FY 2017 Annual Performance Plan and Report, which is released alongside the President's Budget and can be found on the VA website: https://www.va.gov/budget/products.asp.

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# *Major Management Challenges Identified by the OIG*

The Department's Office of Inspector General (OIG), an independent entity, evaluates VA's programs and operations. The OIG submitted an updated of the most serious management challenges facing VA, which was incorporated in the Department's 2017 Annual Financial Report (AFR) published in November 2017.

The Department reviewed the OIG's report and provided responses specific to each identified challenge. These responses, provided in the AFR, include the following for each Major Management Challenge (MMC): ***Estimated resolution timeframe (fiscal year)*** to resolve the challenge; ***Responsible Agency Official*** for each challenge area; and ***Completed 2017 milestones*** in response to the challenges identified by the OIG

The AFR is available online at: https://www.va.gov/finance/docs/afr/2017VAafrFullWeb.pdf. The MMC section of the AFR can be accessed on page 165. The table below lists the OIG-identified MMCs for 2017.

| Major Management Challenge | |
|---|---|
| **No.** | **Description (Responsible Office)** |
| **OIG 1** | **Health Care Delivery (VHA)** |
| 1A | Quality of Care |
| 1B | Access to Care |
| **OIG 2** | **Benefits Delivery (VBA)** |
| 2A | Improving the Accuracy and Timeliness of Claims Decisions |
| 2B | Improving Data Integrity, Internal Controls, and Management Within VA Regional Offices |
| **OIG 3** | **Financial Management (Office of Management)** |
| 3A | Compliance with the Improper Payments Elimination and Recovery Act |
| 3B | Improving Financial Reporting |
| 3C | Improving Management of Appropriated Funds |
| **OIG 4** | **Procurement Practices (VHA)** |
| 4A | Improving Contracting Practices |
| 4B | Improving Purchase Card Practices |
| **OIG 5** | **Information Management (OIT)** |
| 5A | Effective Information Security Program and System Security Controls |

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# Expenditures by States

| *Amounts Included in FY 2019 President's Budget* (dollars in thousands) | 2017 Actuals | 2018 Estimates | 2019 Estimates |
|---|---|---|---|
| **Alabama** | | | |
| Compensation and pensions | 2,051,662 | 2,313,249 | 2,439,321 |
| Readjustment benefits | 211,269 | 238,206 | 251,188 |
| General operating expenses | 36,668 | 41,343 | 43,596 |
| Medical and construction programs | 1,204,991 | 1,358,627 | 1,432,673 |
| Insurance and indemnities | 25,715 | 28,994 | 30,574 |
| **Total** | **$3,530,305** | **$3,980,419** | **$4,197,352** |
| **Alaska** | | | |
| Compensation and pensions | 281,733 | 317,654 | 334,966 |
| Readjustment benefits | 69,531 | 78,396 | 82,669 |
| General operating expenses | 28,269 | 31,874 | 33,611 |
| Medical and construction programs | 310,410 | 349,988 | 369,062 |
| Insurance and indemnities | 2,426 | 2,735 | 2,884 |
| **Total** | **$692,369** | **$780,646** | **$823,191** |
| **Arizona** | | | |
| Compensation and pensions | 1,829,392 | 2,062,639 | 2,175,053 |
| Readjustment benefits | 350,849 | 395,583 | 417,142 |
| General operating expenses | 75,133 | 84,712 | 89,329 |
| Medical and construction programs | 1,800,787 | 2,030,387 | 2,141,044 |
| Insurance and indemnities | 38,232 | 43,107 | 45,456 |
| **Total** | **$4,094,393** | **$4,616,428** | **$4,868,023** |
| **Arkansas** | | | |
| Compensation and pensions | 1,101,329 | 1,241,748 | 1,309,424 |
| Readjustment benefits | 81,817 | 92,248 | 97,276 |
| General operating expenses | 28,712 | 32,373 | 34,138 |
| Medical and construction programs | 999,296 | 1,126,706 | 1,188,112 |
| Insurance and indemnities | 13,616 | 15,352 | 16,188 |
| **Total** | **$2,224,770** | **$2,508,428** | **$2,645,137** |
| **California** | | | |
| Compensation and pensions | 7,271,511 | 8,198,628 | 8,645,454 |
| Readjustment benefits | 1,792,237 | 2,020,747 | 2,130,878 |
| General operating expenses | 200,547 | 226,117 | 238,440 |
| Medical and construction programs | 6,548,263 | 7,383,167 | 7,785,549 |
| Insurance and indemnities | 166,982 | 188,273 | 198,534 |
| **Total** | **$15,979,540** | **$18,016,931** | **$18,998,854** |

## *Amounts Included in FY 2019 President's Budget*

**(dollars in thousands)**

| | 2017 Actuals | 2018 Estimates | 2019 Estimates |
|---|---|---|---|
| **Colorado** | | | |
| Compensation and pensions | 1,683,948 | 1,898,652 | 2,002,128 |
| Readjustment benefits | 408,394 | 460,464 | 485,560 |
| General operating expenses | 61,528 | 69,373 | 73,154 |
| Medical and construction programs | 1,422,021 | 1,603,328 | 1,690,710 |
| Insurance and indemnities | 35,932 | 40,513 | 42,721 |
| **Total** | **$3,611,824** | **$4,072,331** | **$4,294,273** |
| **Connecticut** | | | |
| Compensation and pensions | 466,341 | 525,799 | 554,456 |
| Readjustment benefits | 119,356 | 134,574 | 141,908 |
| General operating expenses | 16,293 | 18,370 | 19,371 |
| Medical and construction programs | 667,362 | 752,450 | 793,459 |
| Insurance and indemnities | 24,739 | 27,893 | 29,413 |
| **Total** | **$1,294,090** | **$1,459,087** | **$1,538,607** |
| **Delaware** | | | |
| Compensation and pensions | 235,294 | 265,294 | 279,752 |
| Readjustment benefits | 35,948 | 40,532 | 42,741 |
| General operating expenses | 3,613 | 4,074 | 4,296 |
| Medical and construction programs | 194,463 | 219,257 | 231,206 |
| Insurance and indemnities | 5,770 | 6,506 | 6,860 |
| **Total** | **$475,088** | **$535,662** | **$564,855** |
| **District of Columbia** | | | |
| Compensation and pensions | 95,075 | 107,197 | 113,040 |
| Readjustment benefits | 29,688 | 33,473 | 35,297 |
| General operating expenses | 2,984,765 | 3,365,323 | 3,548,733 |
| Medical and construction programs | 414,323 | 467,150 | 492,609 |
| Insurance and indemnities | 2,532 | 2,855 | 3,010 |
| **Total** | **$3,526,384** | **$3,975,998** | **$4,192,690** |
| **Florida** | | | |
| Compensation and pensions | 6,371,816 | 7,184,223 | 7,575,763 |
| Readjustment benefits | 988,717 | 1,114,778 | 1,175,534 |
| General operating expenses | 145,493 | 164,043 | 172,983 |
| Medical and construction programs | 5,767,292 | 6,502,622 | 6,857,015 |
| Insurance and indemnities | 132,806 | 149,739 | 157,900 |
| **Total** | **$13,406,124** | **$15,115,405** | **$15,939,194** |
| **Georgia** | | | |
| Compensation and pensions | 3,636,449 | 4,100,096 | 4,323,551 |
| Readjustment benefits | 488,561 | 550,852 | 580,874 |
| General operating expenses | 100,619 | 113,448 | 119,631 |
| Medical and construction programs | 2,162,107 | 2,437,776 | 2,570,635 |
| Insurance and indemnities | 54,085 | 60,981 | 64,304 |
| **Total** | **$6,441,820** | **$7,263,152** | **$7,658,994** |

## *Amounts Included in FY 2019 President's Budget*

**(dollars in thousands)**

| | 2017 Actuals | 2018 Estimates | 2019 Estimates |
|---|---|---|---|
| **Hawaii** | | | |
| Compensation and pensions | 439,159 | 495,152 | 522,138 |
| Readjustment benefits | 193,663 | 218,355 | 230,256 |
| General operating expenses | 16,550 | 18,660 | 19,677 |
| Medical and construction programs | 349,887 | 394,498 | 415,998 |
| Insurance and indemnities | 14,677 | 16,548 | 17,450 |
| **Total** | **$1,013,936** | **$1,143,213** | **$1,205,518** |
| **Idaho** | | | |
| Compensation and pensions | 469,438 | 529,291 | 558,137 |
| Readjustment benefits | 55,480 | 62,553 | 65,963 |
| General operating expenses | 10,604 | 11,956 | 12,608 |
| Medical and construction programs | 453,845 | 511,710 | 539,598 |
| Insurance and indemnities | 8,870 | 10,001 | 10,546 |
| **Total** | **$998,236** | **$1,125,512** | **$1,186,852** |
| **Illinois** | | | |
| Compensation and pensions | 1,851,673 | 2,087,761 | 2,201,544 |
| Readjustment benefits | 309,194 | 348,617 | 367,616 |
| General operating expenses | 45,122 | 50,876 | 53,648 |
| Medical and construction programs | 2,319,117 | 2,614,805 | 2,757,312 |
| Insurance and indemnities | 63,081 | 71,124 | 75,000 |
| **Total** | **$4,588,188** | **$5,173,182** | **$5,455,121** |
| **Indiana** | | | |
| Compensation and pensions | 1,337,063 | 1,507,539 | 1,589,700 |
| Readjustment benefits | 140,444 | 158,350 | 166,980 |
| General operating expenses | 58,714 | 66,200 | 69,808 |
| Medical and construction programs | 1,395,472 | 1,573,395 | 1,659,145 |
| Insurance and indemnities | 27,236 | 30,709 | 32,382 |
| **Total** | **$2,958,929** | **$3,336,193** | **$3,518,015** |
| **Iowa** | | | |
| Compensation and pensions | 625,384 | 705,120 | 743,549 |
| Readjustment benefits | 71,711 | 80,855 | 85,261 |
| General operating expenses | 12,453 | 14,040 | 14,806 |
| Medical and construction programs | 722,023 | 814,081 | 858,449 |
| Insurance and indemnities | 17,305 | 19,512 | 20,575 |
| **Total** | **$1,448,876** | **$1,633,608** | **$1,722,640** |
| **Kansas** | | | |
| Compensation and pensions | 687,564 | 775,229 | 817,479 |
| Readjustment benefits | 108,393 | 122,213 | 128,873 |
| General operating expenses | 20,520 | 23,137 | 24,398 |
| Medical and construction programs | 671,439 | 757,047 | 798,306 |
| Insurance and indemnities | 17,360 | 19,573 | 20,640 |
| **Total** | **$1,505,276** | **$1,697,198** | **$1,789,696** |

## *Amounts Included in FY 2019 President's Budget*

**(dollars in thousands)**

| | 2017 Actuals | 2018 Estimates | 2019 Estimates |
|---|---|---|---|
| **Kentucky** | | | |
| Compensation and pensions | 1,300,429 | 1,466,234 | 1,546,144 |
| Readjustment benefits | 135,467 | 152,739 | 161,063 |
| General operating expenses | 46,691 | 52,644 | 55,514 |
| Medical and construction programs | 1,122,407 | 1,265,514 | 1,334,485 |
| Insurance and indemnities | 19,531 | 22,022 | 23,222 |
| **Total** | **$2,624,526** | **$2,959,153** | **$3,120,427** |
| **Louisiana** | | | |
| Compensation and pensions | 1,296,849 | 1,462,198 | 1,541,888 |
| Readjustment benefits | 134,653 | 151,821 | 160,095 |
| General operating expenses | 26,761 | 30,173 | 31,817 |
| Medical and construction programs | 1,181,818 | 1,332,499 | 1,405,120 |
| Insurance and indemnities | 21,774 | 24,551 | 25,889 |
| **Total** | **$2,661,855** | **$3,001,241** | **$3,164,809** |
| **Maine** | | | |
| Compensation and pensions | 560,854 | 632,362 | 666,826 |
| Readjustment benefits | 43,015 | 48,499 | 51,142 |
| General operating expenses | 19,641 | 22,145 | 23,352 |
| Medical and construction programs | 430,170 | 485,017 | 511,450 |
| Insurance and indemnities | 9,112 | 10,274 | 10,834 |
| **Total** | **$1,062,791** | **$1,198,297** | **$1,263,604** |
| **Maryland** | | | |
| Compensation and pensions | 1,442,827 | 1,626,787 | 1,715,447 |
| Readjustment benefits | 350,963 | 395,711 | 417,277 |
| General operating expenses | 27,055 | 30,505 | 32,167 |
| Medical and construction programs | 1,152,447 | 1,299,384 | 1,370,200 |
| Insurance and indemnities | 33,837 | 38,151 | 40,231 |
| **Total** | **$3,007,129** | **$3,390,538** | **$3,575,322** |
| **Massachusetts** | | | |
| Compensation and pensions | 1,224,061 | 1,380,128 | 1,455,345 |
| Readjustment benefits | 236,060 | 266,158 | 280,664 |
| General operating expenses | 26,096 | 29,423 | 31,026 |
| Medical and construction programs | 1,322,079 | 1,490,645 | 1,571,885 |
| Insurance and indemnities | 42,487 | 47,904 | 50,515 |
| **Total** | **$2,850,783** | **$3,214,258** | **$3,389,435** |
| **Michigan** | | | |
| Compensation and pensions | 2,124,528 | 2,395,405 | 2,525,955 |
| Readjustment benefits | 217,027 | 244,698 | 258,034 |
| General operating expenses | 54,256 | 61,173 | 64,507 |
| Medical and construction programs | 1,646,244 | 1,856,140 | 1,957,300 |
| Insurance and indemnities | 45,694 | 51,519 | 54,327 |
| **Total** | **$4,087,748** | **$4,608,936** | **$4,860,123** |

## *Amounts Included in FY 2019 President's Budget*

**(dollars in thousands)**

| | 2017 Actuals | 2018 Estimates | 2019 Estimates |
|---|---|---|---|
| **Minnesota** | | | |
| Compensation and pensions | 1,193,130 | 1,345,254 | 1,418,570 |
| Readjustment benefits | 125,375 | 141,361 | 149,065 |
| General operating expenses | 92,926 | 104,774 | 110,485 |
| Medical and construction programs | 1,320,144 | 1,488,462 | 1,569,583 |
| Insurance and indemnities | 35,328 | 39,833 | 42,004 |
| **Total** | **$2,766,904** | **$3,119,684** | **$3,289,706** |
| **Mississippi** | | | |
| Compensation and pensions | 880,955 | 993,276 | 1,047,410 |
| Readjustment benefits | 88,460 | 99,739 | 105,174 |
| General operating expenses | 28,715 | 32,376 | 34,140 |
| Medical and construction programs | 802,078 | 904,343 | 953,630 |
| Insurance and indemnities | 14,018 | 15,805 | 16,667 |
| **Total** | **$1,814,226** | **$2,045,540** | **$2,157,021** |
| **Missouri** | | | |
| Compensation and pensions | 1,743,612 | 1,965,923 | 2,073,066 |
| Readjustment benefits | 184,961 | 208,544 | 219,909 |
| General operating expenses | 130,159 | 146,755 | 154,753 |
| Medical and construction programs | 1,629,370 | 1,837,115 | 1,937,238 |
| Insurance and indemnities | 31,959 | 36,033 | 37,997 |
| **Total** | **$3,720,062** | **$4,194,370** | **$4,422,963** |
| **Montana** | | | |
| Compensation and pensions | 343,464 | 387,255 | 408,361 |
| Readjustment benefits | 43,854 | 49,445 | 52,140 |
| General operating expenses | 10,267 | 11,576 | 12,207 |
| Medical and construction programs | 382,805 | 431,613 | 455,136 |
| Insurance and indemnities | 7,190 | 8,107 | 8,548 |
| **Total** | **$787,579** | **$887,996** | **$936,391** |
| **Nebraska** | | | |
| Compensation and pensions | 582,542 | 656,816 | 692,613 |
| Readjustment benefits | 61,912 | 69,806 | 73,610 |
| General operating expenses | 40,735 | 45,929 | 48,432 |
| Medical and construction programs | 513,290 | 578,734 | 610,275 |
| Insurance and indemnities | 12,314 | 13,885 | 14,641 |
| **Total** | **$1,210,793** | **$1,365,169** | **$1,439,571** |
| **Nevada** | | | |
| Compensation and pensions | 964,138 | 1,087,066 | 1,146,311 |
| Readjustment benefits | 109,069 | 122,975 | 129,677 |
| General operating expenses | 16,480 | 18,581 | 19,594 |
| Medical and construction programs | 958,662 | 1,080,892 | 1,139,800 |
| Insurance and indemnities | 13,939 | 15,716 | 16,573 |
| **Total** | **$2,062,288** | **$2,325,230** | **$2,451,955** |

## *Amounts Included in FY 2019 President's Budget*

**(dollars in thousands)**

| | 2017 Actuals | 2018 Estimates | 2019 Estimates |
|---|---|---|---|
| **New Hampshire** | | | |
| Compensation and pensions | 342,423 | 386,082 | 407,124 |
| Readjustment benefits | 58,206 | 65,628 | 69,204 |
| General operating expenses | 6,815 | 7,684 | 8,103 |
| Medical and construction programs | 346,623 | 390,818 | 412,117 |
| Insurance and indemnities | 9,462 | 10,668 | 11,250 |
| **Total** | **$763,530** | **$860,880** | **$907,798** |
| **New Jersey** | | | |
| Compensation and pensions | 1,116,149 | 1,258,458 | 1,327,044 |
| Readjustment benefits | 228,103 | 257,186 | 271,202 |
| General operating expenses | 19,808 | 22,334 | 23,551 |
| Medical and construction programs | 856,816 | 966,060 | 1,018,711 |
| Insurance and indemnities | 47,330 | 53,365 | 56,273 |
| **Total** | **$2,268,207** | **$2,557,403** | **$2,696,781** |
| **New Mexico** | | | |
| Compensation and pensions | 835,879 | 942,453 | 993,817 |
| Readjustment benefits | 72,548 | 81,798 | 86,256 |
| General operating expenses | 15,206 | 17,145 | 18,080 |
| Medical and construction programs | 661,701 | 746,068 | 786,729 |
| Insurance and indemnities | 12,528 | 14,125 | 14,895 |
| **Total** | **$1,597,862** | **$1,801,590** | **$1,899,776** |
| **New York** | | | |
| Compensation and pensions | 2,535,865 | 2,859,187 | 3,015,013 |
| Readjustment benefits | 550,377 | 620,550 | 654,370 |
| General operating expenses | 101,870 | 114,858 | 121,118 |
| Medical and construction programs | 3,084,010 | 3,477,221 | 3,666,730 |
| Insurance and indemnities | 87,287 | 98,416 | 103,779 |
| **Total** | **$6,359,408** | **$7,170,233** | **$7,561,010** |
| **North Carolina** | | | |
| Compensation and pensions | 3,961,193 | 4,466,245 | 4,709,656 |
| Readjustment benefits | 478,025 | 538,973 | 568,347 |
| General operating expenses | 96,637 | 108,958 | 114,896 |
| Medical and construction programs | 2,554,310 | 2,879,985 | 3,036,944 |
| Insurance and indemnities | 62,838 | 70,849 | 74,711 |
| **Total** | **$7,153,003** | **$8,065,011** | **$8,504,554** |
| **North Dakota** | | | |
| Compensation and pensions | 180,069 | 203,028 | 214,093 |
| Readjustment benefits | 25,590 | 28,852 | 30,425 |
| General operating expenses | 5,951 | 6,710 | 7,075 |
| Medical and construction programs | 190,565 | 214,862 | 226,572 |
| Insurance and indemnities | 3,775 | 4,256 | 4,488 |
| **Total** | **$405,950** | **$457,709** | **$482,654** |

## *Amounts Included in FY 2019 President's Budget*

**(dollars in thousands)**

| | 2017 Actuals | 2018 Estimates | 2019 Estimates |
|---|---|---|---|
| **Ohio** | | | |
| Compensation and pensions | 2,417,454 | 2,725,679 | 2,874,229 |
| Readjustment benefits | 286,437 | 322,957 | 340,559 |
| General operating expenses | 3,166,039 | 3,569,709 | 3,764,259 |
| Medical and construction programs | 2,724,702 | 3,072,101 | 3,239,531 |
| Insurance and indemnities | 58,044 | 65,444 | 69,011 |
| **Total** | **$8,652,675** | **$9,755,891** | **$10,287,587** |
| **Oklahoma** | | | |
| Compensation and pensions | 1,974,309 | 2,226,034 | 2,347,353 |
| Readjustment benefits | 151,785 | 171,137 | 180,464 |
| General operating expenses | 132,879 | 149,821 | 157,986 |
| Medical and construction programs | 1,002,127 | 1,129,898 | 1,191,477 |
| Insurance and indemnities | 20,658 | 23,292 | 24,562 |
| **Total** | **$3,281,758** | **$3,700,182** | **$3,901,842** |
| **Oregon** | | | |
| Compensation and pensions | 1,359,451 | 1,532,781 | 1,616,318 |
| Readjustment benefits | 152,922 | 172,419 | 181,816 |
| General operating expenses | 38,092 | 42,949 | 45,290 |
| Medical and construction programs | 1,268,757 | 1,430,523 | 1,508,486 |
| Insurance and indemnities | 23,313 | 26,286 | 27,718 |
| **Total** | **$2,842,535** | **$3,204,958** | **$3,379,629** |
| **Pennsylvania** | | | |
| Compensation and pensions | 2,601,687 | 2,933,402 | 3,093,273 |
| Readjustment benefits | 353,659 | 398,751 | 420,483 |
| General operating expenses | 158,656 | 178,885 | 188,634 |
| Medical and construction programs | 2,473,260 | 2,788,601 | 2,940,580 |
| Insurance and indemnities | 76,411 | 86,153 | 90,848 |
| **Total** | **$5,663,674** | **$6,385,792** | **$6,733,818** |
| **Puerto Rico** | | | |
| Compensation and pensions | 839,986 | 947,085 | 998,701 |
| Readjustment benefits | 58,359 | 65,800 | 69,386 |
| General operating expenses | 24,161 | 27,242 | 28,727 |
| Medical and construction programs | 687,175 | 774,789 | 817,015 |
| Insurance and indemnities | 3,649 | 4,114 | 4,338 |
| **Total** | **$1,613,330** | **$1,819,030** | **$1,918,167** |
| **Rhode Island** | | | |
| Compensation and pensions | 235,520 | 265,549 | 280,022 |
| Readjustment benefits | 43,102 | 48,597 | 51,246 |
| General operating expenses | 28,919 | 32,606 | 34,383 |
| Medical and construction programs | 262,213 | 295,645 | 311,757 |
| Insurance and indemnities | 5,563 | 6,272 | 6,614 |
| **Total** | **$575,316** | **$648,669** | **$684,022** |

## *Amounts Included in FY 2019 President's Budget*

**(dollars in thousands)**

| | 2017 Actuals | 2018 Estimates | 2019 Estimates |
|---|---|---|---|
| **South Carolina** | | | |
| Compensation and pensions | 2,158,684 | 2,433,917 | 2,566,565 |
| Readjustment benefits | 259,650 | 292,755 | 308,710 |
| General operating expenses | 76,722 | 86,504 | 91,218 |
| Medical and construction programs | 1,303,463 | 1,469,655 | 1,549,751 |
| Insurance and indemnities | 30,372 | 34,244 | 36,111 |
| **Total** | **$3,828,891** | **$4,317,075** | **$4,552,355** |
| **South Dakota** | | | |
| Compensation and pensions | 253,310 | 285,607 | 301,173 |
| Readjustment benefits | 29,311 | 33,048 | 34,849 |
| General operating expenses | 10,515 | 11,856 | 12,502 |
| Medical and construction programs | 382,288 | 431,030 | 454,521 |
| Insurance and indemnities | 5,320 | 5,998 | 6,325 |
| **Total** | **$680,744** | **$767,539** | **$809,370** |
| **Tennessee** | | | |
| Compensation and pensions | 2,300,996 | 2,594,373 | 2,735,766 |
| Readjustment benefits | 268,345 | 302,559 | 319,048 |
| General operating expenses | 74,508 | 84,007 | 88,586 |
| Medical and construction programs | 1,748,522 | 1,971,459 | 2,078,903 |
| Insurance and indemnities | 28,611 | 32,259 | 34,017 |
| **Total** | **$4,420,981** | **$4,984,656** | **$5,256,320** |
| **Texas** | | | |
| Compensation and pensions | 8,581,720 | 9,673,832 | 10,201,056 |
| Readjustment benefits | 1,419,849 | 1,600,596 | 1,687,828 |
| General operating expenses | 237,477 | 267,708 | 282,298 |
| Medical and construction programs | 5,343,180 | 6,023,367 | 6,351,640 |
| Insurance and indemnities | 121,483 | 136,948 | 144,412 |
| **Total** | **$15,703,710** | **$17,702,451** | **$18,667,235** |
| **Utah** | | | |
| Compensation and pensions | 502,595 | 566,425 | 597,295 |
| Readjustment benefits | 98,933 | 111,497 | 117,574 |
| General operating expenses | 73,648 | 83,001 | 87,525 |
| Medical and construction programs | 499,409 | 562,834 | 593,508 |
| Insurance and indemnities | 11,841 | 13,345 | 14,072 |
| **Total** | **$1,186,426** | **$1,337,102** | **$1,409,974** |
| **Vermont** | | | |
| Compensation and pensions | 144,481 | 162,830 | 171,705 |
| Readjustment benefits | 20,906 | 23,562 | 24,846 |
| General operating expenses | 3,923 | 4,421 | 4,662 |
| Medical and construction programs | 158,837 | 179,009 | 188,765 |
| Insurance and indemnities | 3,945 | 4,446 | 4,688 |
| **Total** | **$332,093** | **$374,269** | **$394,666** |

## *Amounts Included in FY 2019 President's Budget*

**(dollars in thousands)**

| | 2017 Actuals | 2018 Estimates | 2019 Estimates |
|---|---|---|---|
| **Virginia** | | | |
| Compensation and pensions | 3,200,434 | 3,606,889 | 3,803,464 |
| Readjustment benefits | 817,754 | 921,608 | 971,836 |
| General operating expenses | 67,576 | 76,158 | 80,309 |
| Medical and construction programs | 1,804,169 | 2,033,298 | 2,144,113 |
| Insurance and indemnities | 56,699 | 63,899 | 67,382 |
| **Total** | **$5,946,631** | **$6,701,853** | **$7,067,104** |
| **Washington** | | | |
| Compensation and pensions | 2,321,741 | 2,616,602 | 2,759,207 |
| Readjustment benefits | 411,193 | 463,414 | 488,670 |
| General operating expenses | 74,755 | 84,249 | 88,840 |
| Medical and construction programs | 1,465,344 | 1,651,442 | 1,741,446 |
| Insurance and indemnities | 43,975 | 49,559 | 52,260 |
| **Total** | **$4,317,006** | **$4,865,266** | **$5,130,423** |
| **West Virginia** | | | |
| Compensation and pensions | 746,902 | 841,759 | 887,635 |
| Readjustment benefits | 47,821 | 53,895 | 56,832 |
| General operating expenses | 369,056 | 415,926 | 438,594 |
| Medical and construction programs | 780,675 | 879,821 | 927,771 |
| Insurance and indemnities | 10,829 | 12,204 | 12,869 |
| **Total** | **$1,955,284** | **$2,203,605** | **$2,323,701** |
| **Wisconsin** | | | |
| Compensation and pensions | 1,202,792 | 1,355,547 | 1,429,064 |
| Readjustment benefits | 129,167 | 145,571 | 153,432 |
| General operating expenses | 72,645 | 81,871 | 86,292 |
| Medical and construction programs | 1,428,296 | 1,609,689 | 1,696,612 |
| Insurance and indemnities | 33,906 | 38,213 | 40,276 |
| **Total** | **$2,866,806** | **$3,230,891** | **$3,405,677** |
| **Wyoming** | | | |
| Compensation and pensions | 173,021 | 194,995 | 205,622 |
| Readjustment benefits | 19,059 | 21,480 | 22,650 |
| General operating expenses | 1,843 | 2,077 | 2,190 |
| Medical and construction programs | 251,862 | 283,848 | 299,318 |
| Insurance and indemnities | 3,302 | 3,721 | 3,924 |
| **Total** | **$449,087** | **$506,121** | **$533,704** |
| **Guam** | | | |
| Compensation and pensions | 59,576 | 67,142 | 70,802 |
| Readjustment benefits | 15,096 | 17,014 | 17,941 |
| General operating expenses | 0 | 0 | 0 |
| Medical and construction programs | 34,049 | 38,373 | 40,464 |
| Insurance and indemnities | 688 | 775 | 817 |
| **Total** | **$109,409** | **$123,304** | **$130,024** |

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***Department of Veterans Affairs***

***Discretionary and Mandatory Programs Funding and Average Employment for 2017 - 2019***

***(dollars in thousands)***

| | 2017- Actuals (PY) | | | 2018- Full CR (CY) | | | 2018-Request (CY) | | | 2019- Request (BY) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | BA | Outlay | FTE | BA | Outlay | FTE | BA | Outlay | FTE | BA | Outlay | FTE |
| **Discretionary Programs** | | | | | | | | | | | | |
| **Medical Programs- VHA** | | | | | | | | | | | | |
| Medical Services | 45,221,039 | 44,388,291 | 224,112 | 45,469,316 | 44,817,458 | 234,421 | 45,704,721 | 45,008,972 | 234,421 | 57,763,445 | 57,266,143 | 240,213 |
| Medical Community Care | 7,290,161 | 5,460,410 | 0 | 9,317,147 | 7,895,950 | 0 | 9,637,001 | 8,140,985 | 0 | 0 | 0 | 0 |
| Veterans Choice Program - Discretionary | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,900,000 | 1,464,520 | 0 |
| Medical Support & Compliance | 6,407,029 | 6,210,673 | 50,922 | 6,581,497 | 6,458,290 | 51,081 | 6,911,085 | 6,751,920 | 51,081 | 7,000,287 | 6,849,905 | 51,081 |
| Medical Facilities | 5,278,002 | 4,985,463 | 24,150 | 5,606,810 | 5,366,089 | 24,378 | 6,477,607 | 6,025,456 | 24,378 | 6,126,672 | 5,836,603 | 24,378 |
| Collections (MCCF) - Medical Services | 2,292,919 | 2,829,636 | 0 | 3,003,684 | 2,672,621 | 0 | 3,003,684 | 2,672,621 | 0 | 3,443,133 | 3,324,838 | 0 |
| Collections (MCCF) - Medical Community Care | 1,250,000 | 814,055 | 0 | 255,853 | 602,611 | 0 | 255,853 | 602,611 | 0 | 0 | 0 | 0 |
| **Total Medical care** | **67,739,150** | **64,688,528** | **299,184** | **70,234,307** | **67,813,019** | **309,880** | **71,989,951** | **69,202,565** | **309,880** | **76,233,537** | **74,742,009** | **315,672** |
| DoD-VA Health Care Sharing Incentive Fund | -10,000 | 51,624 | 33 | -10,000 | 15,000 | 33 | 30,000 | 15,000 | 33 | 30,000 | 30,000 | 33 |
| Joint DoD-VA Medical Facility Demonstration Fund | 397,106 | 388,079 | 2,096 | 412,763 | 410,976 | 2,172 | 412,763 | 410,976 | 2,172 | 414,650 | 414,277 | 2,172 |
| Joint Facility Collections (MCCF) | 18,722 | 18,427 | 0 | 15,601 | 15,726 | 0 | 15,601 | 15,726 | 0 | 18,084 | 17,680 | 0 |
| Total Demonstration Fund with MCCF | **415,828** | **406,506** | **2,096** | **428,364** | **426,702** | **2,172** | **428,364** | **426,702** | **2,172** | **432,734** | **431,957** | **2,172** |
| Medical and Prosthetic Research | 673,366 | 594,062 | 3,071 | 668,793 | 657,367 | 3,249 | 640,000 | 636,921 | 3,249 | 727,369 | 686,489 | 3,214 |
| **Subtotal, VHA** | **68,818,344** | **65,740,720** | **304,384** | **71,321,464** | **68,912,088** | **315,334** | **73,088,315** | **70,281,188** | **315,334** | **77,423,640** | **75,890,455** | **321,091** |
| **National Cemetery Administration** | **286,193** | **282,000** | **1,851** | **284,249** | **297,000** | **1,881** | **306,193** | **314,615** | **1,881** | **315,836** | **279,000** | **1,903** |
| **Office of Inspector General** | **159,606** | **148,295** | **745** | **158,522** | **153,430** | **855** | **159,606** | **153,430** | **855** | **172,054** | **165,475** | **827** |
| **Board of Veterans Appeals** | **145,596** | **129,382** | **840** | **154,539** | **148,777** | **1,105** | **155,596** | **148,777** | **1,105** | **174,748** | **168,900** | **1,025** |
| **Electronic Health Record Modernization** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **1,207,000** | **579,360** | **0** |
| **Information Technology** | **4,262,958** | **4,207,065** | **7,049** | **4,233,959** | **4,221,917** | **7,889** | **4,047,982** | **4,211,897** | **7,889** | **4,176,830** | **4,129,029** | **8,138** |
| **Construction** | | | | | | | | | | | | |
| ***Major*** | | | | | | | | | | | | |
| Veterans Health Administration | 162,490 | 668,560 | | 382,110 | 1,407,610 | | 251,530 | 1,407,610 | | 1,004,286 | 1,304,649 | |
| Veterans Benefits Administration | 0 | 0 | | 0 | 0 | | 0 | 0 | | 0 | 0 | |
| National Cemetery Administration | 137,000 | 57,819 | | 137,000 | 86,590 | | 255,900 | 86,590 | | 117,200 | 100,576 | |
| Staff Offices | 6,000 | 11,641 | | 5,000 | 4,380 | | 5,000 | 4,380 | | 6,000 | 4,559 | |
| ***Subtotal Major Construction*** | ***305,490*** | ***738,020*** | ***0*** | ***524,110*** | ***1,498,580*** | ***0*** | ***512,430*** | ***1,498,580*** | ***0*** | ***1,127,486*** | ***1,409,784*** | ***0*** |
| ***Minor*** | | | | | | | | | | | | |
| Veterans Health Administration | 285,000 | 372,331 | | 282,000 | 224,585 | | 193,610 | 251,413 | | 449,149 | 258,200 | |
| Veterans Benefits Administration | 20,000 | 14,242 | | 20,000 | 29,670 | | 29,895 | 31,458 | | 46,820 | 27,069 | |
| National Cemetery Administration | 56,890 | 79,162 | | 56,890 | 58,574 | | 97,950 | 65,994 | | 171,820 | 77,539 | |
| Staff Offices | 10,179 | 8,346 | | 10,179 | 14,247 | | 21,115 | 16,223 | | 39,100 | 16,221 | |
| ***Subtotal Minor Construction*** | ***372,069*** | ***474,081*** | ***0*** | ***369,069*** | ***327,076*** | ***0*** | ***342,570*** | ***365,088*** | ***0*** | ***706,889*** | ***379,029*** | ***0*** |
| Grants For State Extended Care Facilities | 90,000 | 139,382 | 0 | 89,000 | 108,686 | 0 | 90,000 | 108,686 | 0 | 150,000 | 105,000 | 0 |
| Grants For State Cemeteries | 45,000 | 40,635 | 0 | 45,000 | 24,000 | 0 | 45,000 | 24,000 | 0 | 45,000 | 68,000 | 0 |
| **Total Construction** | **812,559** | **1,392,118** | **0** | **1,027,179** | **1,958,342** | **0** | **990,000** | **1,996,354** | **0** | **2,029,375** | **1,961,813** | **0** |
| **Departmental Administration** | | | | | | | | | | | | |
| **Veteran Benefits Administration** | | | | | | | | | | | | |
| **Filipino Veterans Equity Compensation Fund** | **0** | **84** | **0** | **0** | **78** | **0** | **0** | **33** | **0** | **0** | **69** | **0** |
| **Veteran Benefits Administration- GOE** | | | | | | | | | | | | |
| Compensation Administration | 2,071,035 | 1,887,630 | 15,327 | 1,968,444 | 2,123,420 | 15,547 | 2,003,570 | 1,984,492 | 15,527 | 2,043,225 | 2,026,245 | 16,155 |
| Pensions Administration (includes Burial) | 323,869 | 307,675 | 2,575 | 302,095 | 286,997 | 2,537 | 302,954 | 287,812 | 2,546 | 325,339 | 309,078 | 2,762 |
| **Subtotal, Compensation and Pension** | **2,394,904** | **2,195,305** | **17,902** | **2,270,539** | **2,410,417** | **18,084** | **2,306,524** | **2,272,304** | **18,073** | **2,368,564** | **2,335,323** | **18,917** |
| Education Administration | 211,690 | 201,317 | 1,774 | 218,643 | 207,931 | 1,914 | 201,207 | 191,349 | 1,826 | 223,463 | 204,431 | 1,964 |
| Vocational Rehabilitation and Employment | 231,083 | 219,529 | 1,537 | 316,914 | 296,532 | 1,586 | 317,521 | 297,286 | 1,594 | 257,644 | 244,762 | 1,586 |
| Housing SAH Program | 15,000 | 14,754 | 136 | 17,846 | 17,553 | 136 | 17,846 | 17,533 | 136 | 18,181 | 17,882 | 136 |
| Insurance Administration | 1,483 | 1,452 | 316 | 902 | 861 | 318 | 902 | 861 | 318 | 1,057 | 1,009 | 315 |
| **Subtotal GOE, VBA without Credit Reform** | **2,854,160** | **2,632,357** | **21,665** | **2,824,845** | **2,933,294** | **22,038** | **2,844,000** | **2,779,333** | **21,947** | **2,868,909** | **2,803,407** | **22,918** |

***Department of Veterans Affairs***

***Discretionary and Mandatory Programs Funding and Average Employment for 2017 - 2019***

***(dollars in thousands)***

| | 2017- Actuals (PY) | | | 2018- Full CR (CY) | | | 2018-Request (CY) | | | 2019- Request (BY) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | BA | Outlay | FTE | BA | Outlay | FTE | BA | Outlay | FTE | BA | Outlay | FTE |
| **General Administration** | | 402,924 | | | 393,149 | | | 330,000 | | | 351,117 | |
| Office of the Secretary | 10,545 | | 115 | 15,457 | | 113 | 15,457 | | 113 | 16,673 | | 120 |
| General Counsel | 93,117 | | 668 | 92,402 | | 706 | 92,402 | | 706 | 104,209 | | 781 |
| AS for Management | 61,354 | | 254 | 58,433 | | 322 | 60,779 | | 322 | 63,402 | | 339 |
| AS for Human Resources & Administration | 67,887 | | 605 | 61,572 | | 662 | 61,572 | | 662 | 62,172 | | 662 |
| AS for Enterprise Integration | 27,967 | | 102 | 28,235 | | 132 | 28,235 | | 132 | 28,416 | | 132 |
| AS for Operations, Security & Preparedness | 20,534 | | 122 | 20,932 | | 138 | 22,432 | | 138 | 24,559 | | 148 |
| AS for Public and Intergovernmental Affairs | 12,663 | | 68 | 12,931 | | 86 | 12,931 | | 86 | 12,969 | | 86 |
| AS for Congressional and Legislative Affairs | 5,900 | | 43 | 7,179 | | 49 | 7,179 | | 49 | 8,737 | | 57 |
| Office of Acquisitions, Logistics, & Construction | 45,424 | | 389 | 45,904 | | 477 | 45,904 | | 477 | 46,492 | | 458 |
| Veterans Experience Office | 0 | | 130 | 0 | | 154 | 0 | | 154 | 0 | | 154 |
| Office of Accountability & Whistleblower Protection | 0 | | 28 | 0 | | 98 | 0 | | 98 | 0 | | 98 |
| **Subtotal General Administration** | **345,391** | **402,924** | **2,524** | **343,045** | **393,149** | **2,937** | **346,891** | **330,000** | **2,937** | **367,629** | **351,117** | **3,035** |
| **Credit Reform Administration** | | | | | | | | | | | | |
| **Credit Reform Administrative- VBA** | | | | | | | | | | | | |
| Native American loan administrative | 1,143 | 1,143 | 7 | 1,143 | 1,143 | 7 | 1,143 | 1,143 | 7 | 1,129 | 1,129 | 7 |
| Vocational rehabilitation loan program - admin | *389* | *389* | *3* | *389* | *389* | *3* | *395* | *395* | *3* | *396* | *396* | *3* |
| Veterans housing benefit program fund program | 152,656 | 152,656 | 733 | 152,656 | 152,656 | 764 | 153,405 | 153,405 | 764 | 154,806 | 154,806 | 764 |
| Subtotal VBA | ***154,188*** | ***154,188*** | ***743*** | ***154,188*** | ***154,188*** | ***774*** | ***154,943*** | ***154,943*** | ***774*** | ***156,331*** | ***156,331*** | ***774*** |
| **Credit Reform Administrative- General Counsel** | | | | | | | | | | | | |
| Native American loan administrative | 20 | 20 | 0 | 20 | 20 | 0 | 20 | 20 | 0 | 20 | 20 | |
| Transitional Housing for Homeless Veterans (Non-Add) | 20 | 20 | 0 | 20 | 20 | 0 | 20 | 20 | 0 | 20 | 20 | 0 |
| Veterans housing benefit program fund program | 5,600 | 2,618 | 0 | 5,600 | 5,600 | 0 | 2,606 | 2,606 | 0 | 3,053 | 3,053 | |
| **Subtotal General Counsel** | **5,620** | **2,638** | **0** | **5,620** | **5,620** | **0** | **2,626** | **2,626** | **0** | **3,073** | **3,073** | **0** |
| **Credit Reform Administrative- VHA** | | | | | | | | | | | | |
| Transitional Housing for Homeless Veterans (Non-Add) | 730 | 730 | | 730 | 730 | | 730 | 730 | | 730 | 730 | |
| **Subtotal VHA** | **730** | **730** | **0** | **730** | **730** | **0** | **730** | **730** | **0** | **730** | **730** | **0** |
| **Credit Reform Administrative- OIT** | | | | | | | | | | | | |
| Veterans Housing | 40,600 | 38,924 | | 40,600 | 40,600 | | 22,616 | 22,616 | | 42,753 | 42,753 | |
| **Subtotal OIT** | **40,600** | **38,924** | **0** | **40,600** | **40,600** | **0** | **22,616** | **22,616** | **0** | **42,753** | **42,753** | **0** |
| **Credit Reform Subsidy** | | | | | | | | | | | | |
| Vocational rehabilitation loan program - subsidy | 36 | 22 | 0 | 36 | 36 | 0 | 30 | 30 | 0 | 39 | 39 | 0 |
| **Subtotal, Credit Reform Subsidy** | **36** | **22** | **0** | **36** | **36** | **0** | **30** | **30** | **0** | **39** | **39** | **0** |
| **Subtotal, Credit Reform Administrative** | **200,444** | **195,772** | **743** | **200,444** | **200,444** | **774** | **180,215** | **180,215** | **774** | **202,196** | **202,196** | **774** |
| **Franchise Fund** | **0** | **-41,091** | **1,314** | **0** | **111,000** | **1,750** | **0** | **-15,000** | **1,750** | **0** | **-8,000** | **1,849** |
| **Total, Other Discretionary** | **10,146,101** | **10,401,097** | **41,931** | **10,313,940** | **11,516,500** | **44,683** | **10,128,847** | **11,178,277** | **44,592** | **12,704,680** | **11,780,812** | **45,888** |
| **Total, Discretionary Program w/o Collections** | **74,323,610** | **71,427,507** | **341,115** | **77,273,109** | **76,038,561** | **354,563** | **78,843,660** | **77,089,884** | **354,472** | **85,477,000** | **83,180,303** | **361,560** |
| **Total, Discretionary Program with Collections** | **77,885,251** | **75,089,625** | **341,115** | **80,548,247** | **79,329,519** | **354,563** | **82,118,798** | **80,380,842** | **354,472** | **88,938,217** | **86,522,821** | **361,560** |

***Department of Veterans Affairs***

***Discretionary and Mandatory Programs Funding and Average Employment for 2017 - 2019***

***(dollars in thousands)***

| | 2017- Actuals (PY) | | | 2018- Full CR (CY) | | | 2018-Request (CY) | | | 2019- Request (BY) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | BA | Outlay | FTE | BA | Outlay | FTE | BA | Outlay | FTE | BA | Outlay | FTE |
| **Mandatory Programs** | 2017-Actual (PY) | | | 2018- Full CR (CY) | | | 2018- Request (CY) | | | 2019- Request (BY) | | |
| **Veterans Health Care** | | | | | | | | | | | | |
| **Veterans Access Fund - Sec 801** | **0** | **1,409,931** | **5,698** | **0** | **723,586** | **16** | **0** | **723,586** | **16** | **0** | **222,146** | **16** |
| Medical Services | *0* | *801,706* | 5,488 | *0* | *414,938* | *0* | *0* | *414,938* | *0* | *0* | *0* | *0* |
| Medical Support and Compliance | *0* | *3,045* | 17 | *0* | *6,863* | *16* | *0* | *6,863* | *16* | *0* | *6,314* | *16* |
| Medical Facilities | *0* | *422,295* | 1 | *0* | *214,883* | *0* | *0* | *214,883* | *0* | *0* | *128,930* | *0* |
| Construction, Minor Projects | *0* | *87,902* | 0 | *0* | *37,902* | *0* | *0* | *37,902* | *0* | *0* | *37,902* | *0* |
| Information Technology | *0* | *94,983* | 192 | *0* | *49,000* | *0* | *0* | *49,000* | *0* | *0* | *49,000* | *0* |
| **Veterans Choice Fund - Sec 802** | **2,100,000** | **4,831,754** | **159** | **2,100,000** | **2,159,426** | **0** | **2,100,000** | **2,159,426** | **0** | **0** | **387,004** | **0** |
| **Veterans Choice Fund - Sec 802 Proposed Legislation** | **0** | **0** | **0** | **1,900,000** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| ***Total Veterans Care*** | ***2,100,000*** | ***6,241,685*** | ***5,857*** | ***4,000,000*** | ***2,883,012*** | ***16*** | ***2,100,000*** | ***2,883,012*** | ***16*** | ***0*** | ***609,150*** | ***16*** |
| **Benefit Programs** | | | | | | | | | | | | |
| ***Compensation and Pensions*** | | | | | | | | | | | | |
| Disability Compensation Benefits | 80,445,477 | 79,321,623 | | 84,419,529 | 79,007,918 | | 84,419,529 | 78,369,516 | | 91,341,826 | 92,518,715 | |
| Pensions Benefits | 5,386,416 | 5,502,108 | | 5,442,164 | 4,990,073 | | 5,442,164 | 5,511,853 | | 5,575,025 | 5,520,888 | |
| Burial Benefits | 251,234 | 251,234 | | 257,756 | 257,756 | | 257,756 | 243,492 | | 261,943 | 261,943 | |
| **Subtotal Compensation and Pensions** | **86,083,127** | **85,074,965** | | **90,119,449** | **84,255,747** | | **90,119,449** | **84,124,861** | | **97,178,794** | **98,301,546** | |
| **Compensation and Pensions Proposed Legislation** | **0** | **0** | | **0** | **0** | | **0** | **0** | | **-110,301** | **-110,301** | |
| **Total Compensation and Pensions** | **86,083,127** | **85,074,965** | **0** | **90,119,449** | **84,255,747** | **0** | **90,119,449** | **84,124,861** | **0** | **97,068,493** | **98,191,245** | **0** |
| **Readjustment Benefits** | | | | | | | | | | | | |
| Education Benefits | 14,918,526 | 11,800,201 | | 11,955,535 | 12,021,684 | | 11,955,535 | 12,990,391 | | 9,960,316 | 13,264,885 | |
| Vocational Rehabilitation & Employment | 1,422,302 | 1,425,911 | | 1,753,113 | 1,645,540 | | 1,753,113 | 1,579,647 | | 1,871,859 | 1,851,077 | |
| **Subtotal Readjustment Benefits** | **16,340,828** | **13,226,112** | | **13,708,648** | **13,667,224** | | **13,708,648** | **14,570,038** | | **11,832,175** | **15,115,962** | |
| **Readjustment Benefits Proposed Legislation** | 0 | 0 | | 0 | 0 | | 0 | 0 | | 29,338 | 29,338 | |
| **Total Readjustment Benefits** | **16,340,828** | **13,226,112** | **0** | **13,708,648** | **13,667,224** | **0** | **13,708,648** | **14,570,038** | **0** | **11,861,513** | **15,145,300** | 0 |
| **Housing Program** | | | | | | | | | | | | |
| Housing Program Upward Reestimate | 80,684 | 80,684 | | 626,511 | 626,511 | | 626,511 | 626,511 | | 0 | 0 | |
| Housing Program Loan Subsidy | 891,309 | 891,309 | | 434,365 | 434,365 | | 434,365 | 434,365 | | 110,404 | 110,404 | |
| Native American Veteran Housing Loan Program | 1,491 | 1,491 | | 1,621 | 1,621 | | 1,621 | 1,621 | | 0 | 0 | |
| *Vocational Rehabilitation Upward Reestimate* | *129* | *129* | | *7* | *7* | | *7* | *7* | | *0* | *0* | |
| Veterans housing benefit program fund liquidating | -12,247 | -12,247 | | -9,262 | -9,262 | | -9,262 | -9,262 | | -7,072 | -7,072 | |
| **Housing Proposed Legislation** | **0** | **0** | | **0** | **0** | | **0** | **0** | | **118,235** | **118,235** | |
| ***Subtotal Housing*** | ***961,366*** | ***961,366*** | | ***1,053,242*** | ***1,053,242*** | | ***1,053,242*** | ***1,053,242*** | | ***221,567*** | ***221,567*** | |
| **Insurance Benefits** | 108,525 | 107,505 | | 120,338 | 122,338 | | 120,338 | 122,338 | | 106,372 | 106,372 | |
| **Subtotal Insurance** | **108,525** | **107,505** | | **120,338** | **122,338** | | **120,338** | **122,338** | | **106,372** | **106,372** | |
| **Trust Funds** | | | | | | | | | | | | |
| Post-Vietnam era veterans education account | 0 | 164 | | 0 | 140 | | 0 | 183 | | 0 | 146 | |
| Service-disabled veterans insurance fund | 0 | -5,921 | | 0 | -35,406 | | 0 | -31,236 | | 0 | 4,698 | |
| Veterans reopened insurance fund | 0 | 21,857 | | 0 | 23,325 | | 0 | 23,110 | | 0 | 18,810 | |
| Servicemembers' group life insurance fund | 0 | -12 | | 0 | -18 | | 0 | -18 | | 0 | -20 | |
| *National service life insurance* | 759,278 | 852,031 | | 676,151 | 795,615 | | 680,777 | 763,767 | | 592,824 | 698,954 | |
| U.S. Government life insurance | 690 | 1,080 | | 308 | 863 | | 344 | 574 | | 79 | 209 | |
| Veterans special life insurance fund | 0 | 96,963 | | 0 | 99,281 | | 0 | 143,690 | | 0 | 87,128 | |
| **Subtotal Trust Funds** | **759,968** | **966,162** | | **676,459** | **883,800** | | **681,121** | **900,070** | | **592,903** | **809,925** | |

*Department of Veterans Affairs*

*Discretionary and Mandatory Programs Funding and Average Employment for 2017 - 2019*

*(dollars in thousands)*

| | 2017- Actuals (PY) | | | 2018- Full CR (CY) | | | 2018-Request (CY) | | | 2019- Request (BY) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | BA | Outlay | FTE | BA | Outlay | FTE | BA | Outlay | FTE | BA | Outlay | FTE |
| **Medical Programs** | | | | | | | | | | | | |
| **Canteen service revolving fund** | 0 | 6,876 | 3,455 | 0 | 1,000 | 3,586 | 0 | 1,000 | 3,586 | 0 | 6,000 | 3,586 |
| **General post fund** | 21,581 | 22,302 | 8 | 24,900 | 23,700 | 8 | 24,900 | 23,700 | 8 | 25,000 | 21,000 | 8 |
| **Subtotal Veterans Health Administration** | **21,581** | **29,178** | **3,463** | **24,900** | **24,700** | **3,594** | **24,900** | **24,700** | **3,594** | **25,000** | **27,000** | **3,594** |
| **Departmental Administration** | | | | | | | | | | | | |
| **Supply Fund** | **0** | **-158,378** | **1,145** | **0** | **689,000** | **1,150** | **0** | **0** | **1,080** | **0** | **-42,000** | **1,150** |
| **Benefits Programs Proprietary receipts** | | | | | | | | | | | | |
| GI Bill - Contribution from Military Personnel | -155,675 | -155,675 | 0 | -136,235 | -136,235 | 0 | -128,665 | -128,665 | 0 | -112,639 | -112,639 | 0 |
| National service life insurance fund | -57,165 | -57,165 | 0 | -42,780 | -42,780 | 0 | -45,110 | -45,110 | 0 | -35,020 | -35,020 | 0 |
| Post-Vietnam era veterans education account | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Downward Reestimates:** | | | | | 0 | | | | | | | |
| Acquired Direct Loan | -3,242 | -3,242 | 0 | -5,696 | -5,696 | 0 | -5,696 | -5,696 | 0 | 0 | 0 | 0 |
| Transitional housing- Direct Loans | -338 | -338 | 0 | -246 | -246 | 0 | -246 | -246 | 0 | 0 | 0 | 0 |
| Vendee Direct | -14 | -14 | 0 | -20 | -20 | 0 | -20 | -20 | 0 | 0 | 0 | 0 |
| Veterans housing benefit fund guaranteed loan | -1,689,306 | -1,689,306 | 0 | -2,462,796 | -2,462,796 | 0 | -2,462,796 | -2,462,796 | 0 | 0 | 0 | 0 |
| Veterans housing benefit fund loan sales securities | -9,411 | -9,411 | 0 | -6,723 | -6,723 | 0 | -6,723 | -6,723 | 0 | 0 | 0 | 0 |
| Native American veterans program account | -242 | -242 | 0 | -265 | -265 | 0 | -265 | -265 | 0 | 0 | 0 | 0 |
| Vocational rehabilitation loan program | -4 | -4 | 0 | -12 | -12 | 0 | -12 | -12 | 0 | 0 | 0 | 0 |
| **Other Proprietary receipts:** | | | | | | | | | | | | |
| General Fund receipts | -29,000 | -29,000 | | -40,000 | -40,000 | | -40,000 | -40,000 | | -40,000 | -40,000 | |
| General Post, National Homes, deposits | -20,000 | -20,000 | | -22,000 | -22,000 | | -22,000 | -22,000 | | -22,000 | -22,000 | |
| **Negative Subsidy:** | | | | | | | | | | | | |
| Acquired Direct | 0 | 0 | | 0 | 0 | | 0 | 0 | | 0 | 0 | |
| Vendee Direct | 0 | 0 | 0 | -70,698 | -70,698 | 0 | -70,698 | -70,698 | 0 | -17,661 | -17,661 | 0 |
| Veterans housing benefit fund guaranteed loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Native American veterans program account | -867 | -867 | 0 | -2,296 | -2,296 | 0 | -2,296 | -2,296 | 0 | -1,373 | -1,373 | 0 |
| U.S. Government life insurance | -4 | -4 | | -17 | -17 | | -8 | -8 | | -13 | -13 | |
| **Subtotal, Proprietary receipts** | **-1,965,268** | **-1,965,268** | **0** | **-2,789,784** | **-2,789,784** | **0** | **-2,784,535** | **-2,784,535** | **0** | **-228,706** | **-228,706** | **0** |
| **Intragovernmental transactions** | | | | | | | | | | | | |
| National service life insurance fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Undistributed Intragovernmental Payments | -9,000 | -9,000 | | 5,000 | 5,000 | | 5,000 | 5,000 | | 5,000 | 5,000 | |
| Post-Vietnam era veterans education account | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Subtotal, Intragovernmental transactions** | -9,000 | -9,000 | 0 | 5,000 | 5,000 | 0 | 5,000 | 5,000 | 0 | 5,000 | 5,000 | 0 |
| **Total, Mandatory Programs** | **104,401,127** | **104,474,327** | **10,465** | **106,918,252** | **100,794,279** | **4,760** | **105,028,163** | **100,898,726** | **4,690** | **109,652,142** | **114,844,853** | **4,760** |
| **Total Net, Department Veterans Affairs** | **178,724,737** | **175,901,834** | **351,580** | **184,191,361** | **176,832,840** | **359,323** | **183,871,823** | **177,988,610** | **359,162** | **195,129,142** | **198,025,156** | **366,320** |
| **Total Gross, Department Veterans Affairs** | **182,286,378** | **179,563,952** | **351,580** | **187,466,499** | **180,123,798** | **359,323** | **187,146,961** | **181,279,568** | **359,162** | **198,590,359** | **201,367,674** | **366,320** |

**(1) 2018 and 2019 amounts include mandatory legislative proposals**

**(2) Estimates include collections actually or anticipated to be transferred to the Joint DoD-VA Medical Facility Demonstration Fund, in support of the FHCC.**

| *Appropriation-Reconciliation (dollars in thousands)* | | | |
|---|---|---|---|
| **Appropriation/Fund Account** | 2017 Actual | 2018 Request | 2019 Request |
| **Federal funds:** | | | |
| **Benefit programs:** | | | |
| Disability Compensation Mandatory Benefits | $80,445,477 | 83,864,740 | 91,341,826 |
| Burial Mandatory Benefits | 251,234 | 243,492 | 261,943 |
| Pensions Mandatory Benefits | 5,386,416 | 6,011,217 | 5,575,025 |
| Compensation and Pensions - Legislative Proposal | 0 | 0 | -110,301 |
| **Subtotal, Compensation and Pension** | **86,083,127** | **90,119,449** | **97,068,493** |
| Education Mandatory Benefits | 14,918,526 | 12,096,747 | 9,960,316 |
| Vocational rehabilitation and employment Mandatory Benefits | 1,422,302 | 1,611,901 | 1,871,859 |
| Readjustment Benefits - Legislative Proposal | 0 | 0 | 29,338 |
| **Subtotal, Readjustment Benefits** | **16,340,828** | **13,708,648** | **11,861,513** |
| Insurance Mandatory Benefits | 108,525 | 120,338 | 106,372 |
| Housing and Credit Reform Mandatory Benefits | 961,366 | 1,053,242 | 103,332 |
| Housing Proposed Legislation | 0 | 0 | 118,235 |
| **Total Benefits Mandatory** | **103,493,846** | **105,001,677** | **109,257,945** |
| | | | |
| Medical Research and Support | 675,366 | 640,000 | 727,369 |
| Rescission P.L. 114-223 | -2,000 | 0 | 0 |
| **Total Medical Research and Support** | **673,366** | **640,000** | **727,369** |
| **Medical programs:** | | | |
| Medical Services | 51,673,000 | 44,886,554 | 49,661,165 |
| Annual Appropriation, P.L. 114-223, Request | 1,078,993 | 1,031,808 | 0 |
| P.L. 115-31, Div L, Title II appropriated to Medical Services | 50,000 | 0 | 0 |
| Rescission P.L. 114-223, Section 217 | -7,246,181 | 0 | 0 |
| Rescission for P.L. 114-223, Section 216 | -134,000 | 0 | 0 |
| Transfer to Joint DoD/VA Medical Facility Demonstration Fund | -185,773 | -198,642 | -228,090 |
| Transfer to VA/DoD Health Care Sharing Incentive Fund | -15,000 | -15,000 | -15,000 |
| Transfer to Medical Facilities | 0 | 0 | -39,334 |
| Transfer from Medical Community Care | 0 | 0 | 8,384,704 |
| Medical Care Collections Fund | 2,292,919 | 3,003,684 | 3,443,133 |
| **Total Medical Services with Collections** | **47,513,958** | **48,708,404** | **61,206,578** |
| Medical Community Care | 7,246,181 | 9,409,118 | 8,384,704 |
| Annual Appropriation, Request | 0 | 254,000 | 0 |
| Transfer to Joint DoD/VA Medical Facility Demonstration Fund | -21,000 | -26,117 | 0 |
| Transfer from Medical Support and Compliance | 64,980 | 0 | 0 |
| Medical Care Collections Fund to Medical Community Care | 1,250,000 | 255,853 | 0 |
| Transfer to Medical Services | 0 | 0 | -8,384,704 |
| **Total Medical Community Care with Collections** | **8,540,161** | **9,892,854** | **0** |
| Veterans Choice Program - Discretionary | **0** | **0** | **1,900,000** |
| Medical Support and Compliance | 6,524,000 | 6,654,480 | 7,239,156 |
| Annual Appropriation, Request | 0 | 284,397 | 0 |
| Rescission P.L. 114-223 | -26,000 | 0 | 0 |
| Transfer to Medical Community Care | -64,980 | 0 | 0 |
| Transfer to Medical Facilities | 0 | 0 | -210,666 |
| Transfer to Joint DoD/VA Medical Facility Demonstration Fund | -25,991 | -27,792 | -28,203 |
| **Total Medical Support and Compliance** | **6,407,029** | **6,911,085** | **7,000,287** |
| Medical Facilities | 5,074,000 | 5,434,880 | 5,914,288 |
| Annual Appropriation, P.L. 113-76, P.L. 113-235 Request | 247,668 | 1,079,795 | 0 |
| Rescission P.L. 114-223 | -9,000 | 0 | 0 |
| Transfer to Joint DoD/VA Medical Facility Demonstration Fund | -34,666 | -37,068 | -37,616 |
| Transfer from Medical Support and Compliance | 0 | 0 | 210,666 |
| Transfer from Medical Services/MCC Merger | 0 | 0 | 39,334 |
| **Total Medical Facilities** | **5,278,002** | **6,477,607** | **6,126,672** |
| VA/DoD Health Care Sharing Incentive Fund | | | |
| Transfer from Medical Services | 15,000 | 15,000 | 15,000 |
| Transfer from DoD | 15,000 | 15,000 | 15,000 |
| Rescission P.L. 113-223 (Unobligated balances) | -40,000 | 0 | 0 |
| **Total VA/DoD Health Care Sharing Incentive Fund** | **-10,000** | **30,000** | **30,000** |
| Joint DoD/VA Medical Facility Demonstration Fund | | | |
| Transfer from DoD | 122,375 | 115,626 | 113,000 |
| Transfer from Medical Services | 185,773 | 198,642 | 228,090 |
| Transfer from Medical Support and Compliance | 25,991 | 27,792 | 28,203 |
| Transfer from Medical Facilities | 34,666 | 37,068 | 37,616 |
| Transfer from MedicalCommunity Care | 21,000 | 26,117 | 0 |
| Collections | 18,722 | 15,601 | 18,084 |
| Transfer from Information Technology | 7,301 | 7,518 | 7,741 |
| **Total Joint DoD/VA Medical Facility Demonstration Fund** | **415,828** | **428,364** | **432,734** |
| **Total Medical Care** | 68,144,978 | 72,448,315 | 76,696,271 |
| **Total Medical Programs** | **68,818,344** | **73,088,315** | **77,423,640** |

| *Appropriation-Reconciliation (dollars in thousands)* | | | |
|---|---|---|---|
| **Appropriation/Fund Account** | 2017 Actual | 2018 Request | 2019 Request |
| Veterans Choice Program (New Funding) | **2,100,000** | **2,100,000** | **0** |
| **National Cemetery Administration** | 286,193 | 306,193 | 315,836 |
| **Total National Cemetery Administration** | **286,193** | **306,193** | **315,836** |
| **Department Administration:** | | | |
| General administration | 345,391 | 346,891 | 367,629 |
| **Subtotal General Administration** | **345,391** | **346,891** | **367,629** |
| Board of Veterans' Appeals | 156,096 | 155,596 | 174,748 |
| Rescission P.L. 114-223 | -500 | | |
| Transfer to VBA-GOE | -10,000 | 0 | 0 |
| **Subtotal Board of Veterans' Appeals** | **145,596** | **155,596** | **174,748** |
| VBA-GOE | 2,856,160 | 2,844,000 | 2,868,909 |
| Rescission P.L. 114-223 | -12,000 | 0 | 0 |
| Transfer from BVA | 10,000 | 0 | 0 |
| Subtotal VBA GOE | **2,854,160** | **2,844,000** | **2,868,909** |
| **Subtotal, GOE** | **3,345,147** | **3,346,487** | **3,411,286** |
| Office of Inspector General | 160,106 | 159,606 | 172,054 |
| Rescission P.L. 114-223 | -500 | | |
| **Subtotal, IG** | **159,606** | **159,606** | **172,054** |
| Construction Major | 305,490 | 512,430 | 1,127,486 |
| **Subtotal, Construction Major** | **305,490** | **512,430** | **1,127,486** |
| Construction Minor | 372,069 | 342,570 | 706,889 |
| **Subtotal, Construction Minor** | **372,069** | **342,570** | **706,889** |
| Grants for State Extended Care | 90,000 | 90,000 | 150,000 |
| **Subtotal, Grants State Extended Care** | **90,000** | **90,000** | **150,000** |
| Grants for State Cemeteries | 45,000 | 45,000 | 45,000 |
| **Subtotal, Grants State Cemeteries** | **45,000** | **45,000** | **45,000** |
| Credit Reform | 200,444 | 180,215 | 202,196 |
| **Subtotal, Credit Reform** | **200,444** | **180,215** | **202,196** |
| **Electronic Health Records Modernization** | **0** | **0** | **1,207,000** |
| Information Technology | 4,278,259 | 4,055,500 | 4,184,571 |
| Transfer to North Chicago | -7,301 | -7,518 | -7,741 |
| Rescission P.L. 114-223 | -8,000 | 0 | 0 |
| **Subtotal, Information Technology** | **4,262,958** | **4,047,982** | **4,176,830** |
| **Total Departmental Administration** | **8,780,714** | **8,724,290** | **11,198,741** |
| **Total appropriations** | **$181,379,097** | **$187,120,475** | **$198,196,162** |
| | | | |
| **Total Mandatory** | **$105,593,846** | **$107,101,677** | **$109,257,945** |
| **Total Discretionary without MCCF** | **$74,323,610** | **$78,843,660** | **$85,477,000** |
| **Total Discretionary with MCCF** | **$77,885,251** | **$82,118,798** | **$88,938,217** |

Note: Due to a one-month lag timing from when the funds are received and transferred from MCCF 2017 is off $55M from the FY17 enacted levels.

| *Outlays (Net)* *(dollars in thousands)* | | | | |
|---|---|---|---|---|
| **Appropriation/Fund Account** | 2017 Actual | 2018 Full CR | 2018 Request | 2019 Request |
| **Federal funds:** | | | | |
| **Benefit programs:** | | | | |
| Disability compensation benefits | $79,321,623 | $79,007,918 | $78,369,516 | $92,518,715 |
| Pensions benefits | 5,502,108 | 4,990,073 | 5,511,853 | 5,520,888 |
| Compensation and Pensions - Legislative Proposal | 0 | 0 | 0 | -110,301 |
| Burial Benefits | 251,234 | 257,756 | 243,492 | 261,943 |
| Education Benefits | 11,800,201 | 12,021,684 | 12,990,391 | 13,264,885 |
| Vocational rehabilitation and employment benefits | 1,425,911 | 1,645,540 | 1,579,647 | 1,851,077 |
| Readjustment Benefits - Legislative Proposal | 0 | 0 | 0 | 29,338 |
| Insurance benefits | 107,505 | 122,338 | 122,338 | 106,372 |
| Veterans housing benefit program fund liquidating account | -12,247 | -9,262 | -9,262 | -7,072 |
| Housing program account benefits | 80,684 | 626,511 | 626,511 | 0 |
| Housing Program Original Loan Subsidy | 891,309 | 434,365 | 434,365 | 110,404 |
| Housing Proposed Legislation | 0 | 0 | 0 | 118,235 |
| Native American Veteran housing Loan Program | 1,491 | 1,621 | 1,621 | 0 |
| Vocational Rehabilitation Upward Reestimate | 129 | 7 | 7 | 0 |
| Credit Reform | 195,772 | 200,444 | 180,215 | 202,196 |
| Service-disabled veterans insurance fund | -5,921 | -35,406 | -31,236 | 4,698 |
| Veterans reopened insurance fund | 21,857 | 23,325 | 23,110 | 18,810 |
| Servicemembers' group life insurance fund | -12 | -18 | -18 | -20 |
| **Total benefit programs** | **99,581,644** | **99,286,896** | **100,042,550** | **113,890,168** |
| | | | | |
| **Medical programs:** | | | | |
| Medical services | 44,388,291 | 44,817,458 | 45,008,972 | 57,266,143 |
| Medical care collections fund | 2,829,636 | 2,672,621 | 2,672,621 | 3,324,838 |
| Total medical services | **47,217,927** | **47,490,079** | **47,681,593** | **60,590,981** |
| Medical Community Care | 5,460,410 | 7,895,950 | 8,140,985 | 0 |
| Medical care collections fund | 814,055 | 602,611 | 602,611 | 0 |
| Total medical community care | **6,274,465** | **8,498,561** | **8,743,596** | **0** |
| Veterans Choice Program | **0** | **0** | **0** | **1,464,520** |
| Medical Support and Compliance | 6,210,673 | 6,458,290 | 6,751,920 | 6,849,905 |
| Medical facilities | 4,985,463 | 5,366,089 | 6,025,456 | 5,836,603 |
| VA/DoD Healthcare Sharing Incentive Fund | 51,624 | 15,000 | 15,000 | 30,000 |
| Joint VA/DoD Medical Facility Demonstration Fund | 388,079 | 410,976 | 410,976 | 414,277 |
| Medical care collections fund | 18,427 | 15,726 | 15,726 | 17,680 |
| Total joint VA/Dod Medical Facility | **406,506** | **426,702** | **426,702** | **431,957** |
| Medical and prosthetic research | 594,062 | 657,367 | 636,921 | 686,489 |
| Canteen service revolving fund | 6,876 | 1,000 | 1,000 | 6,000 |
| **Total medical programs** | **65,747,596** | **68,913,088** | **70,282,188** | **75,896,455** |
| | | | | |
| **Departmental Administration** | | | | |
| Veterans Choice Act | 6,241,685 | 2,883,012 | 2,883,012 | 609,150 |
| Veterans Choice Program (New Funding) | 0 | 0 | 0 | 0 |
| General Administration | 402,924 | 393,149 | 330,000 | 351,117 |
| Board of Veterans' Appeals | 129,382 | 148,777 | 148,777 | 168,900 |
| Veterans Benefits Administration-GOE | 2,632,357 | 2,933,294 | 2,779,333 | 2,803,407 |
| Filipino Veterans Equity Compensation Fund | 84 | 78 | 33 | 69 |
| National Cemetery Administration | 282,000 | 297,000 | 314,615 | 279,000 |
| Construction-Major | 738,020 | 1,498,580 | 1,498,580 | 1,409,784 |
| Construction-Minor | 474,081 | 327,076 | 365,088 | 379,029 |
| Grants for State Extended Care Facilities | 139,382 | 108,686 | 108,686 | 105,000 |
| Grants for State Cemeteries | 40,635 | 24,000 | 24,000 | 68,000 |
| Information Technology | 4,207,065 | 4,221,917 | 4,211,897 | 4,129,029 |
| Office of Inspector General | 148,295 | 153,430 | 153,430 | 165,475 |
| Electronic Health Records | 0 | 0 | 0 | 579,360 |
| Franchise fund | -41,091 | 111,000 | -15,000 | -8,000 |
| Supply fund | -158,378 | 689,000 | 0 | -42,000 |
| **Total GOE & Miscellaneous** | **15,236,441** | **13,788,999** | **12,802,451** | **10,997,320** |
| **Total appropriations & funds** | **180,565,680** | **181,988,983** | **183,127,189** | **200,783,943** |

| *Outlays (Net)* | | | | |
|---|---|---|---|---|
| *(dollars in thousands)* | | | | |
| | 2017 | 2018 | 2018 | 2019 |
| **Appropriation/Fund Account** | Actual | Full CR | Request | Request |
| **Proprietary receipts from the public:** | | | | |
| GI Bill | -155,675 | -136,235 | -128,665 | -112,639 |
| Downward reestimates: | | | | |
| Direct Loans | -3,242 | -5,696 | -5,696 | 0 |
| Vendee Direct | -14 | -20 | -20 | 0 |
| Transitional Housing - Direct Loans | -338 | -246 | -246 | 0 |
| Veterans housing benefit fund guaranteed loan | -1,689,306 | -2,462,796 | -2,462,796 | 0 |
| Veterans housing benefit fund loan sale securities | -9,411 | -6,723 | -6,723 | 0 |
| Native American veterans program account | -242 | -265 | -265 | 0 |
| Vocational rehabilitation loan program | -4 | -12 | -12 | 0 |
| Other Proprietary receipts: | | | | |
| General Fund receipts | -29,000 | -40,000 | -40,000 | -40,000 |
| General Post, National Homes, deposits | -20,000 | -22,000 | -22,000 | -22,000 |
| Negative subsidy: | | | | |
| Acquired Direct | 0 | 0 | 0 | 0 |
| Vendee Direct | 0 | -70,698 | -70,698 | -17,661 |
| Veterans housing benefit fund guaranteed loan | 0 | 0 | 0 | 0 |
| Native American veteran housing loan program account | -867 | -2,296 | -2,296 | -1,373 |
| Medical care collections fund | -3,662,118 | -3,290,958 | -3,290,958 | -3,342,518 |
| **Total proprietary receipts from the public** | **-5,570,217** | **-6,037,945** | **-6,030,375** | **-3,536,191** |
| **Total federal funds** | **174,995,463** | **175,951,038** | **177,096,814** | **197,247,752** |
| | | | | |
| **Trust funds:** | | | | |
| General post fund | 22,302 | 23,700 | 23,700 | 21,000 |
| Post-Vietnam era veterans education account | 164 | 140 | 183 | 146 |
| National service life insurance | 852,031 | 795,615 | 763,767 | 698,954 |
| U.S. Government life insurance | 1,080 | 863 | 574 | 209 |
| Veterans special life insurance | 96,963 | 99,281 | 143,690 | 87,128 |
| National cemetery gift fund | 0 | 0 | 0 | 0 |
| **Total trust funds (gross)** | **972,540** | **919,599** | **931,914** | **807,437** |
| **Proprietary receipts from the public** | -57,169 | -42,797 | -45,118 | -35,033 |
| Post-Vietnam era veterans education account | 0 | 0 | 0 | 0 |
| U.S. Government life insurance | -4 | -17 | -8 | -13 |
| National service life insurance | -57,165 | -42,780 | -45,110 | -35,020 |
| **Total trust funds (net)** | **915,371** | **876,802** | **886,796** | **772,404** |
| **Intragovernmental transactions** | **-9,000** | **5,000** | **5,000** | **5,000** |
| Post-Vietnam era veterans education account | 0 | 0 | 0 | 0 |
| Undistributed Intragovernmental payments | -9,000 | 5,000 | 5,000 | 5,000 |
| U.S. Government life insurance | 0 | 0 | 0 | 0 |
| National service life insurance | 0 | 0 | 0 | 0 |
| **Total Department of Veterans Affairs** | **$175,901,834** | **$176,832,840** | **$177,988,610** | **$198,025,156** |

**(1) 2018 amounts does include mandatory legislative proposals**

| Functional Distribution of Budget Authority (Net) (dollars in thousands) | | | | |
|---|---|---|---|---|
| Function and Program | 2017 Actual | 2018 Full CR | 2018 Request | 2019 Request |
| **701: Income security for veterans:** | | | | |
| Disability compensation benefits | $80,445,477 | $84,419,529 | $84,419,529 | $91,341,826 |
| Pensions benefits | 5,386,416 | 5,442,164 | 5,442,164 | 5,575,025 |
| Compensation and Pensions - Legislative Proposal | 0 | 0 | 0 | -110,301 |
| Burial benefits | 251,234 | 257,756 | 257,756 | 261,943 |
| Insurance benefits | 108,525 | 120,338 | 120,338 | 106,372 |
| Service-disabled veterans insurance fund | 0 | 0 | 0 | 0 |
| Veterans reopened insurance fund | 0 | 0 | 0 | 0 |
| National service life insurance | 759,278 | 676,151 | 680,777 | 592,824 |
| US Government life insurance | 690 | 308 | 344 | 79 |
| Veterans special life insurance fund | 0 | 0 | 0 | 0 |
| Servicemember's group life insurance fund | 0 | 0 | 0 | 0 |
| US Government life insurance | -4 | -17 | -8 | -13 |
| **Subtotal, income security for veterans** | **86,951,616** | **90,916,229** | **90,920,900** | **97,767,755** |
| | | | | |
| **702: Veterans education, training and rehabilitation:** | | | | |
| Education benefits | 14,918,526 | 11,955,535 | 11,955,535 | 9,960,316 |
| Readjustment Benefits - Legislative Proposal | 0 | 0 | 0 | 29,338 |
| Vocational rehabilitation and employment benefits | 1,422,302 | 1,753,113 | 1,753,113 | 1,871,859 |
| Post-Vietnam era veterans education account | 0 | 0 | 0 | 0 |
| Post-Vietnam era veterans education receipts | 0 | 0 | 0 | 0 |
| National service life insurance receipts | 0 | 0 | 0 | 0 |
| Intragovernmental transactions | -9,000 | 5,000 | 5,000 | 5,000 |
| Downward reestimates: | | | | |
| Vocational Rehabilitation loan program | -4 | -12 | -12 | 0 |
| GI Bill receipts | -155,675 | -136,235 | -128,665 | -112,639 |
| National service life insurance fund | -57,165 | -42,780 | -45,110 | -35,020 |
| **Subtotal, veterans education, training and rehabilitation** | **16,118,984** | **13,534,621** | **13,539,861** | **11,718,854** |
| | | | | |
| **703: Hospital & Medical Care for veterans:** | | | | |
| Medical Services | 45,221,039 | 45,469,316 | 45,704,721 | 57,763,445 |
| Medical care collections fund | 2,292,919 | 3,003,684 | 3,003,684 | 3,443,133 |
| **Total Medical Services with collections** | **47,513,958** | **48,473,000** | **48,708,405** | **61,206,578** |
| Medical Community Care | 7,290,161 | 9,317,147 | 9,637,001 | 0 |
| Medical care collections fund | 1,250,000 | 255,853 | 255,853 | 0 |
| **Total Medical Community Care with collections** | **8,540,161** | **9,573,000** | **9,892,854** | **0** |
| **Veterans Choice Program** | **0** | **0** | **0** | **1,900,000** |
| Medical Support and Compliance | 6,407,029 | 6,581,497 | 6,911,085 | 7,000,287 |
| Medical facilities | 5,278,002 | 5,606,810 | 6,477,607 | 6,126,672 |
| VA/DoD Health Sharing Incentive Fund | -10,000 | -10,000 | 30,000 | 30,000 |
| Joint DoD/VA Medical Facility Demonstration Fund | 397,106 | 412,763 | 412,763 | 414,650 |
| Medical care collections fund | 18,722 | 15,601 | 15,601 | 18,084 |
| **Total Demonstration Fund with collections** | **415,828** | **428,364** | **428,364** | **432,734** |
| Medical and prosthetic research | 673,366 | 668,793 | 640,000 | 727,369 |
| Medical care collections fund | -3,561,641 | -3,275,138 | -3,275,138 | -3,461,217 |
| **Subtotal, hospital and medical care for veterans** | **65,256,703** | **68,046,326** | **69,813,177** | **73,962,423** |

## *Functional Distribution of Budget Authority (Net)*

*(dollars in thousands)*

| Function and Program | 2017 Actual | 2018 Full CR | 2018 Request | 2019 Request |
|---|---|---|---|---|
| **704: Veterans housing:** | | | | |
| Veterans housing benefit program fund liquidating account | -12,247 | -9,262 | -9,262 | -7,072 |
| Housing program account mandatory | 80,684 | 626,511 | 626,511 | 0 |
| Housing Program Original Loan Subsidy | 891,309 | 434,365 | 434,365 | 110,404 |
| Native American Veterans Housing Loan Program | 1,491 | 1,621 | 1,621 | 0 |
| Vocational Rehabilitation Upward Reestimates | 129 | 7 | 7 | 0 |
| Downward reestimates: | | | | |
| Veterans housing benefit guaranteed loan | -1,689,306 | -2,462,796 | -2,462,796 | 0 |
| Veterans housing benefit fund loan sale securities | -9,411 | -6,723 | -6,723 | 0 |
| Veterans housing benefit direct loan | 0 | 0 | 0 | 0 |
| Native American veterans program account | -242 | -265 | -265 | 0 |
| Acquired Direct Loan | -3,242 | -5,696 | -5,696 | 0 |
| Vendee Direct | -14 | -20 | -20 | 0 |
| Transitional Housing-Direct Loans | -338 | -246 | -246 | 0 |
| Other Proprietary receipts | | | | |
| General Fund receipts | -29,000 | -40,000 | -40,000 | -40,000 |
| General Post, National Homes, deposits | -20,000 | -22,000 | -22,000 | -22,000 |
| Negative subsidy: | | | | |
| Acquired Direct Loan | 0 | 0 | 0 | 0 |
| Vendee Direct | 0 | -70,698 | -70,698 | -17,661 |
| Veterans housing benefit fund guaranteed loan account | 0 | 0 | 0 | 0 |
| Housing Proposed Legislation | 0 | 0 | 0 | 118,235 |
| Native American veterans program account | -867 | -2,296 | -2,296 | -1,373 |
| **Subtotal, veterans housing** | **-791,054** | **-1,557,498** | **-1,557,498** | **140,533** |
| | | | | |
| **705: Other veterans benefits and services:** | | | | |
| Veterans Choice Program (New Funding) | 2,100,000 | 4,000,000 | 2,100,000 | 0 |
| National Cemeteries Administration | 286,193 | 284,249 | 306,193 | 315,836 |
| General post fund | 21,581 | 24,900 | 24,900 | 25,000 |
| General Administration | 345,391 | 343,045 | 346,891 | 367,629 |
| Board of Veteran's Appeals | 145,596 | 154,539 | 155,596 | 174,748 |
| Office of Inspector General | 159,606 | 158,522 | 159,606 | 172,054 |
| VBA-GOE | 2,854,160 | 2,824,845 | 2,844,000 | 2,868,909 |
| Filipino Veterans Compensation Fund | 0 | 0 | 0 | 0 |
| Construction Major | 305,490 | 524,110 | 512,430 | 1,127,486 |
| Construction Minor | 372,069 | 369,069 | 342,570 | 706,889 |
| Grants for State Extended Care | 90,000 | 89,000 | 90,000 | 150,000 |
| Grants for State Cemeteries | 45,000 | 45,000 | 45,000 | 45,000 |
| Credit Reform | 200,444 | 200,444 | 180,215 | 202,196 |
| Franchise Fund | 0 | 0 | 0 | 0 |
| Information Technology | 0 | 0 | 0 | 1,207,000 |
| Electronic Health Record Modernization | 4,262,958 | 4,233,959 | 4,047,982 | 4,176,830 |
| **Subtotal, other veterans benefits and services** | **9,088,488** | **9,251,683** | **9,055,383** | **11,539,577** |
| **Total, function 700 distribution of Budget Authority for the Department of Veterans Affairs** | **178,724,737** | **184,191,361** | **183,871,823** | **195,129,142** |
| **Total Department of Veterans Affairs** | **178,724,737** | **184,191,361** | **183,871,823** | **195,129,142** |

**(1) 2018 amounts does include mandatory legislative proposals**

| *Functional Distribution of Outlays* (dollars in thousands) | | | | |
|---|---|---|---|---|
| | 2017 | 2018 | 2018 | 2019 |
| **Function and Program** | Actual | Full CR | Request | Request |
| **701: Income security for veterans:** | | | | |
| Disability compensation benefits | $79,321,623 | $79,007,918 | $78,369,516 | $92,518,715 |
| Pensions benefits | 5,502,108 | 4,990,073 | 5,511,853 | 5,520,888 |
| Compensation and Pensions - Legislative Proposal | 0 | 0 | 0 | -110,301 |
| Burial benefits | 251,234 | 257,756 | 243,492 | 261,943 |
| Insurance benefits | 107,505 | 122,338 | 122,338 | 106,372 |
| Service-disabled veterans insurance | -5,921 | -35,406 | -31,236 | 4,698 |
| Veterans reopened insurance fund | 21,857 | 23,325 | 23,110 | 18,810 |
| Servicemembers' group life insurance fund | -12 | -18 | -18 | -20 |
| National service life insurance | 852,031 | 795,615 | 763,767 | 698,954 |
| U.S. Government life insurance | 1,080 | 863 | 574 | 209 |
| Veterans special life insurance | 96,963 | 99,281 | 143,690 | 87,128 |
| NSLI & USGLI receipts | -57,165 | -42,780 | -45,110 | -35,020 |
| **Subtotal, income security for veterans** | **86,091,303** | **85,218,965** | **85,101,976** | **99,072,376** |
| | | | | |
| **702: Veterans education, training, and rehabilitation:** | | | | |
| Education benefits | 11,800,201 | 12,021,684 | 12,990,391 | 13,264,885 |
| Readjustment Benefits - Legislative Proposal | 0 | 0 | 0 | 29,338 |
| Vocational rehabilitation and employment benefits | 1,425,911 | 1,645,540 | 1,579,647 | 1,851,077 |
| Vocational rehabilitation Upward Reestimate | 129 | 7 | 7 | 0 |
| Credit Reform | 195,772 | 200,444 | 180,215 | 202,196 |
| Post-Vietnam era veterans education | 164 | 140 | 183 | 146 |
| Post-Vietnam era veterans education receipts | 0 | 0 | 0 | 0 |
| Downward reestimates: | | | | |
| Vocational rehabilitation loan program | -4 | -12 | -12 | 0 |
| GI Bill receipts | -155,675 | -136,235 | -128,665 | -112,639 |
| **Subtotal, veterans education, training and rehabilitation** | **13,266,498** | **13,731,568** | **14,621,766** | **15,235,003** |
| | | | | |
| **703: Hospital and medical care for veterans:** | | | | |
| Medical services | 47,217,927 | 47,490,079 | 47,681,593 | 60,590,981 |
| Community Care | 6,274,465 | 8,498,561 | 8,743,596 | 0 |
| Veterans Choice Program - Discretionary | 0 | 0 | 0 | 1,464,520 |
| Medical Support and Compliance | 6,210,673 | 6,458,290 | 6,751,920 | 6,849,905 |
| Medical facilities | 4,985,463 | 5,366,089 | 6,025,456 | 5,836,603 |
| VA/DoD Health Sharing Incentive Fund | 51,624 | 15,000 | 15,000 | 30,000 |
| Joint VA/DoD Medical Facility Demonstration Fund | 406,506 | 426,702 | 426,702 | 431,957 |
| Medical and prosthetic research | 594,062 | 657,367 | 636,921 | 686,489 |
| Medical care collections fund, receipts | -3,662,118 | -3,290,958 | -3,290,958 | -3,342,518 |
| **Subtotal, hospital and medical care for veterans** | **62,078,602** | **65,621,130** | **66,990,230** | **72,547,937** |

## *Functional Distribution of Outlays*
*(dollars in thousands)*

| Function and Program | 2017 Actual | 2018 Full CR | 2018 Request | 2019 Request |
|---|---|---|---|---|
| **704: Veterans Housing** | | | | |
| Veterans housing benefit program fund liquidating account | -12,247 | -9,262 | -9,262 | -7,072 |
| Housing program account benefits | 80,684 | 626,511 | 626,511 | 0 |
| Housing program original loan subsidy | 891,309 | 434,365 | 434,365 | 110,404 |
| Native American Veteran housing Loan Program | 1,491 | 1,621 | 1,621 | 0 |
| Housing Proposed Legislation | 0 | 0 | 0 | 118,235 |
| Downward reestimates: | | | | |
| Vendee Direct | -14 | -20 | -20 | 0 |
| Transitional Housing - Direct Loans | -338 | -246 | -246 | 0 |
| Veterans housing benefit guaranteed loan | -1,689,306 | -2,462,796 | -2,462,796 | 0 |
| Veterans housing benefit loan securities | -9,411 | -6,723 | -6,723 | 0 |
| Veterans housing benefit direct loan | -3,242 | -5,696 | -5,696 | 0 |
| Native American veterans program account | -242 | -265 | -265 | 0 |
| Other Proprietary receipts: | | | | |
| General Fund receipts | -29,000 | -40,000 | -40,000 | -40,000 |
| General Post, National Homes, deposits | -20,000 | -22,000 | -22,000 | -22,000 |
| Negative subsidy: | | | | |
| Acquired Direct | 0 | 0 | 0 | 0 |
| Vendee Direct | 0 | -70,698 | -70,698 | -17,661 |
| Veterans housing benefit fund guaranteed loan | 0 | 0 | 0 | 0 |
| Native American veteran housing loan program account | -867 | -2,296 | -2,296 | -1,373 |
| U.S. Government life insurance | -4 | -17 | -8 | -13 |
| **Subtotal, veterans housing** | **-791,187** | **-1,557,522** | **-1,557,513** | **140,520** |
| | | | | |
| **705: Other veterans benefits and services:** | | | | |
| Veterans Choice Act | 6,241,685 | 2,883,012 | 2,883,012 | 609,150 |
| Veterans Choice Program (New Funding) | 0 | 0 | 0 | 0 |
| Veterans Benefits Administration-GOE | 2,632,357 | 2,933,294 | 2,779,333 | 2,803,407 |
| Filipino Veterans Equity Compensation Fund | 84 | 78 | 33 | 69 |
| National Cemetery Administration | 282,000 | 297,000 | 314,615 | 279,000 |
| Canteen service revolving fund | 6,876 | 1,000 | 1,000 | 6,000 |
| Supply fund | -158,378 | 689,000 | 0 | -42,000 |
| General post fund | 22,302 | 23,700 | 23,700 | 21,000 |
| General Administration | 402,924 | 393,149 | 330,000 | 351,117 |
| Board of Veterans' Appeals | 129,382 | 148,777 | 148,777 | 168,900 |
| Construction-Major | 738,020 | 1,498,580 | 1,498,580 | 1,409,784 |
| Construction- Minor | 474,081 | 327,076 | 365,088 | 379,029 |
| Grants for State Extended Care | 139,382 | 108,686 | 108,686 | 105,000 |
| Grants for State Cemeteries | 40,635 | 24,000 | 24,000 | 68,000 |
| Information Technology | 4,207,065 | 4,221,917 | 4,211,897 | 4,129,029 |
| National cemetery gift fund | 0 | 0 | 0 | 0 |
| Office of Inspector General | 148,295 | 153,430 | 153,430 | 165,475 |
| Electronic Health Records | 0 | 0 | 0 | 579,360 |
| Franchise fund | -41,091 | 111,000 | -15,000 | -8,000 |
| **Subtotal, other veterans benefits and services** | **15,265,619** | **13,813,699** | **12,827,151** | **11,024,320** |
| | | | | |
| **Intragovernmental transactions** | | | | |
| National service life insurance fund | 0 | 0 | 0 | 0 |
| undistributed Intragovernmental payments | -9,000 | 5,000 | 5,000 | 5,000 |
| Post-Vietnam era veterans education account | 0 | 0 | 0 | 0 |
| | | | | |
| **Total, function 700 Distribution of Budget Outlays for the Department of Veterans Affairs** | **$175,901,834** | **$176,832,840** | **$177,988,610** | **$198,025,156** |
| | | | | |
| Deduction for offsetting receipts (Function 902) | | | | |
| | | | | |
| **Total Department of Veterans Affairs** | **$175,901,834** | **$176,832,840** | **$177,988,610** | **$198,025,156** |

**(1) 2018 amounts does include mandatory legislative proposals**

| *Obligations* | | | |
|---|---|---|---|
| *(dollars in thousands)* | | | |
| **Appropriation/Fund Account** | **2017** | **2018** | **2019** |
| **Federal funds:** | | | |
| **Benefit programs:** | | | |
| Disability compensation benefits | $79,977,512 | $85,469,650 | $93,425,948 |
| Pensions benefits | 5,386,416 | 6,011,217 | 5,575,025 |
| Compensation and Pensions - Legislative Proposal | 0 | 0 | -110,301 |
| Burial benefits | 251,234 | 243,492 | 261,943 |
| Education benefits | 12,329,432 | 13,550,079 | 13,666,281 |
| Post-Vietnam era veterans' education account | 161 | 201 | 147 |
| Vocational rehabilitation and employment benefits | 1,422,302 | 1,611,901 | 1,871,859 |
| Readjustment Benefits - Legislative Proposal | 0 | 0 | 29,338 |
| Insurance benefits | 113,791 | 128,458 | 112,852 |
| Housing and Credit Reform -- Mandatory | 952,775 | 877,495 | 377,751 |
| Service-disabled veterans insurance fund | 157,361 | 163,320 | 175,850 |
| Veterans reopened insurance fund | 26,796 | 25,830 | 20,460 |
| Servicemembers' group life insurance fund | 769,785 | 795,840 | 793,650 |
| Filipino Veterans Equity Compensation Fund | 84 | 33 | 69 |
| **Total benefits programs** | **101,387,649** | **108,877,516** | **116,200,872** |
| | | | |
| **Medical programs:** | | | |
| Medical care | **66,495,236** | **73,675,901** | **76,713,933** |
| Medical Services | 46,698,407 | 50,792,443 | 61,649,446 |
| Medical Community Care | 8,069,787 | 9,363,164 | 0 |
| Medical Support and Compliance | 6,431,813 | 7,003,833 | 7,019,350 |
| Veterans Choice Program - Discretionary | 0 | 0 | 1,900,000 |
| Medical Facilities | 5,295,229 | 6,516,461 | 6,145,137 |
| Medical prosthetics and research | 716,769 | 737,921 | 761,369 |
| VA/DoD Health Care Sharing Incentive Fund | 31,794 | 32,493 | 33,111 |
| Joint DoD/VA Medical Facility Demonstration Fund | 419,412 | 448,483 | 456,105 |
| Canteen service revolving fund | 500,489 | 520,437 | 520,437 |
| **Veterans Choice Act (Mandatory)** | **957,980** | **64,031** | **52,633** |
| Medical Services | 792,859 | 29,025 | 38,633 |
| Medical Community Care | 0 | 0 | 0 |
| Medical Support and Compliance | 2,861 | 8,633 | 9,000 |
| Medical Facilities | 162,260 | 26,373 | 5,000 |
| Veterans Choice Program (New Funding) | 5,574,251 | 3,665,853 | 0 |
| **Total medical programs** | **74,695,931** | **79,145,119** | **78,537,588** |
| | | | |
| **National Cemetery Administration:** | **287,518** | **309,293** | **316,936** |
| **Departmental administration:** | | | |
| VBA- GOE | 3,878,028 | 3,893,864 | 3,868,944 |
| General administration | 630,508 | 742,187 | 773,517 |
| | | | |
| Board of Veterans' Appeals | 130,823 | 169,539 | 174,748 |
| Pershing Hall revolving fund | 21 | 200 | 200 |
| Franchise fund | 949,795 | 924,212 | 956,031 |
| Office of Inspector General | 155,088 | 173,945 | 172,591 |
| Supply fund | 1,164,062 | 2,100,000 | 2,100,000 |
| Information Technology | 4,502,019 | 4,317,712 | 4,226,066 |
| Construction, Major & Minor | 1,272,304 | 1,714,916 | 1,863,683 |
| Grants for State Extended Care | 31,830 | 197,841 | 155,491 |
| Grants for State Cemeteries | 45,000 | 45,000 | 45,000 |
| **Total Departmental administration** | **12,759,478** | **14,279,416** | **14,336,271** |
| **Total federal funds** | **189,130,576** | **202,611,344** | **209,391,667** |
| | | | |
| **Trust funds:** | | | |
| General post fund | 22,641 | 23,700 | 24,800 |
| National service life insurance | 809,855 | 742,687 | 643,454 |
| U.S. Government life insurance | 695 | 352 | 92 |
| Veterans special life insurance | 201,870 | 204,260 | 195,618 |
| National cemetery gift fund | 769 | 1,500 | 1,500 |
| **Total trust funds** | **1,035,830** | **972,499** | **865,464** |
| | | | |
| **Total Department of Veterans Affairs** | **$190,166,406** | **$203,583,843** | **$210,257,131** |
| | | | |
| **Non-Budget** | | | |
| Veterans housing benefit program direct loan financing account | 33,632 | 359,967 | 366,957 |
| Veterans housing benefits program loan sale securities financing account | 24,945 | 24,124 | 15,784 |
| Veterans housing benefit program guaranteed loan financing account | 4,191,519 | 5,397,179 | 3,546,413 |
| Native American and transitional housing direct loan financing account | 7,503 | 16,756 | 15,699 |
| Vocational rehabilitation loan financing account | 1,558 | 2,381 | 2,081 |
| **Total Non-Budget** | **$4,259,157** | **$5,800,408** | **$3,946,935** |

**(1) 2018 and 2019 amounts does include mandatory legislative proposals**

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## *Budget Authority*
## *2008 - 2017 Actuals*
*(dollar in thousands)*

| Appropriation/Fund Account | 2008 (Net) | 2009 (Net) | 2010 (Net) | 2011 (Net) | 2012 (Net) | 2013 (Net) | 2014 (Net) | 2015 (Net) | 2016 (Net) | 2017 (Net) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Federal funds:** | | | | | | | | | | |
| **Benefit programs** | | | | | | | | | | |
| Compensation and pensions | $41,238,855 | $43,505,909 | $61,176,942 | $53,039,657 | $51,237,567 | $61,424,693 | $71,476,104 | $79,071,000 | $76,865,545 | $86,083,127 |
| Readjustment benefits | 3,300,289 | 4,132,944 | 8,820,722 | 11,334,634 | 12,108,487 | 11,198,620 | 13,135,898 | 14,997,136 | 14,313,357 | 16,340,828 |
| Veterans insurance and indemnities | 41,250 | 48,072 | 56,288 | 77,589 | 100,252 | 104,600 | 77,567 | 63,257 | 77,160 | 108,525 |
| Veterans housing benefit program fund account | 969,168 | 486,232 | 974,811 | 1,553,906 | 1,727,314 | 1,542,523 | 2,203,039 | 1,023,919 | 1,128,164 | 1,170,849 |
| Veterans housing benefit program fund | | | | | | | | | | |
| liquidating account, permanent | -20,242 | -7,930 | -6,813 | -7,329 | -7,383 | -16,000 | -14,412 | -12,837 | -10,261 | -12,247 |
| Native American veteran housing loan program account | 628 | 646 | 664 | 663 | 1,116 | 1,088 | 2,437 | 2,222 | 1,807 | 2,654 |
| Vocational rehabilitation loans program account | 355 | 381 | 357 | 354 | 358 | 362 | 437 | 481 | 477 | 554 |
| **Total benefits programs** | **45,530,303** | **48,166,254** | **71,022,971** | **65,999,474** | **65,167,711** | **74,255,886** | **86,881,070** | **95,145,178** | **92,376,249** | **103,694,290** |
| | | | | | | | | | | |
| **Medical programs:** | | | | | | | | | | |
| Medical care | | | | | | | | | | |
| Medical services | 30,445,908 | 33,512,421 | 37,588,065 | 39,718,911 | 42,331,830 | 44,032,452 | 46,354,583 | 48,464,754 | 53,197,413 | 47,513,958 |
| Medical Community Care | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,540,161 |
| Medical support and compliance | 3,956,617 | 4,405,500 | 4,882,000 | 5,252,367 | 5,405,482 | 5,698,104 | 5,898,430 | 5,788,131 | 6,033,276 | 6,407,029 |
| Medical facilities | 4,233,182 | 6,029,000 | 4,859,000 | 5,703,116 | 5,388,838 | 5,409,938 | 4,924,002 | 4,620,775 | 4,672,787 | 5,278,002 |
| **Total Medical care programs** | 38,635,707 | 43,946,921 | 47,329,065 | 50,674,394 | 53,126,150 | 55,140,494 | 57,177,015 | 58,873,660 | 63,903,476 | 67,739,150 |
| Medical and prosthetic research | 480,000 | 510,000 | 581,000 | 579,838 | 581,000 | 581,905 | 585,664 | 588,513 | 610,535 | 673,366 |
| DoD/VA health care sharing Incentive fund | 90,000 | 34,000 | 55,000 | 130,000 | 130,000 | 30,000 | 30,000 | 15,000 | 0 | -10,000 |
| Joint DoD/VA Medical Facility Demonstration Fund | | | | 104,004 | 375,758 | 378,156 | 383,749 | 398,706 | 392,430 | 415,828 |
| **Total medical programs** | **39,205,707** | **44,490,921** | **47,965,065** | **51,488,236** | **54,212,908** | **56,130,555** | **58,176,428** | **59,875,879** | **64,906,441** | **68,818,344** |
| **Veterans Choice Act** | | | | | | | 15,000,000 | | | 2,100,000 |

## *Budget Authority*
## *2008 - 2017 Actuals*
*(dollar in thousands)*

| Appropriation/Fund Account | 2008 (Net) | 2009 (Net) | 2010 (Net) | 2011 (Net) | 2012 (Net) | 2013 (Net) | 2014 (Net) | 2015 (Net) | 2016 (Net) | 2017 (Net) |
|---|---|---|---|---|---|---|---|---|---|---|
| Construction, major projects | 1,531,477 | 923,382 | 1,194,000 | 1,073,734 | 589,604 | 738,767 | 342,130 | 692,000 | 1,221,000 | 305,490 |
| Construction, minor projects | 630,535 | 741,534 | 703,000 | 466,765 | 482,386 | 606,728 | 714,870 | 492,200 | 321,491 | 372,069 |
| Grants for the construction of State extended care facilities | 165,000 | 325,000 | 100,000 | 84,830 | 85,000 | 84,888 | 85,000 | 90,000 | 140,000 | 90,000 |
| Grants for the construction of State veterans cemeteries | 39,500 | 42,000 | 46,000 | 45,908 | 46,000 | 45,939 | 45,000 | 46,000 | 46,000 | 45,000 |
| **Total construction programs** | **2,366,512** | **2,031,916** | **2,043,000** | **1,671,237** | **1,202,990** | **1,476,322** | **1,187,000** | **1,320,200** | **1,728,491** | **812,559** |
| Information Technology | 2,358,122 | 2,798,182 | 3,307,000 | 2,991,624 | 3,104,771 | 3,514,979 | 3,696,555 | 3,895,070 | 4,050,474 | 4,262,958 |
| National cemetery administration | 193,858 | 280,000 | 250,000 | 249,500 | 250,934 | 260,043 | 249,000 | 256,630 | 271,220 | 286,193 |
| **General operating expenses and misc.:** | | | | | | | | | | |
| General operating expenses | 1,751,758 | 1,954,167 | 2,086,707 | | | | | | | |
| VBA General Operating Expenses | | | | 2,132,502 | 2,018,764 | 2,161,403 | 2,465,490 | 2,531,900 | 2,703,680 | 2,854,160 |
| General Adminstration | | | | 396,705 | 416,737 | 424,176 | 413,885 | 320,015 | 333,050 | 345,391 |
| Board of Veterans' Appeals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 99,180 | 109,884 | 145,596 |
| Filipino veterans equity compensation fund | 0 | 198,000 | 67,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Franchise Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -36,030 | 0 | 0 |
| Office of Inspector General | 80,500 | 88,818 | 109,000 | 108,782 | 112,391 | 114,848 | 121,411 | 126,686 | 136,766 | 159,606 |
| **Total GOE and miscellaneous** | **1,832,258** | **2,240,985** | **2,262,707** | **2,637,989** | **2,547,892** | **2,700,427** | **3,000,786** | **3,041,751** | **3,283,380** | **3,504,753** |
| **Total appropriations (adjusted)** | **88,934,780** | **96,930,076** | **123,293,743** | **121,796,936** | **123,131,501** | **134,563,190** | **164,245,284** | **159,383,008** | **162,294,561** | **178,929,946** |
| DEDUCT: Proprietary receipts from the public | -2,477,000 | -2,766,908 | -2,847,565 | -2,770,663 | -2,814,245 | -2,887,062 | -3,087,989 | -3,445,136 | -3,503,146 | -3,561,641 |
| **Total federal funds** | **86,457,780** | **94,163,168** | **120,446,178** | **119,026,273** | **120,317,256** | **131,676,128** | **161,157,295** | **155,937,872** | **158,791,415** | **175,368,305** |
| **Trust funds:** | | | | | | | | | | |
| Post-Vietnam era veterans education account | 820 | 49 | 6 | 8 | 6 | 0 | 0 | 0 | 0 | 0 |
| General post fund | 39,718 | 36,365 | 26,950 | 28,024 | 25,962 | 31,097 | 28,539 | 23,447 | 23,144 | 21,581 |
| Pershing Hall revolving fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| National service life insurance | 1,144,755 | 1,117,152 | 1,078,083 | 1,042,461 | 979,393 | 1,043,205 | 898,244 | 907,298 | 821,203 | 759,278 |
| U.S. Government life insurance | 5,295 | 4,688 | 4,294 | 3,690 | 3,221 | 2,061 | 2,139 | 1,389 | 1,069 | 690 |
| Service-disabled veterans insurance fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Veterans reopened insurance fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Veterans special life insurance fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Servicemembers' group life insurance fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| National cemetery gift fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total trust funds (gross)** | **1,190,588** | **1,158,254** | **1,109,333** | **1,074,183** | **1,008,582** | **1,076,363** | **928,922** | **932,134** | **845,416** | **781,549** |
| DEDUCT: Proprietary receipts from the public | -1,691,506 | -1,372,124 | -684,058 | -531,188 | -530,144 | -402,618 | -238,934 | -492,005 | -535,632 | -1,965,268 |
| **Total trust funds (net)** | **-500,918** | **-213,870** | **425,275** | **542,995** | **478,438** | **673,745** | **689,988** | **440,129** | **309,784** | **-1,183,719** |
| DEDUCT: Intragovernmental transactions | -1,191 | -1,303 | -1,269 | -1,015 | -793 | -195 | -162 | -133 | 0 | -9,000 |
| **Total Department of Veterans Affairs** | **$88,507,651** | **$97,026,177** | **$124,427,184** | **$122,809,377** | **$124,150,606** | **$136,124,700** | **$165,792,676** | **$160,529,568** | **$163,422,893** | **$178,724,737** |

## *Budget Outlays*
## *2008 - 2017 Actuals*
*(dollar in thousands)*

| Appropriation/Fund Account | 2008 (Net) | 2009 (Net) | 2010 (Net) | 2011 (Net) | 2012 (Net) | 2013 (Net) | 2014(Net) | 2015 (Net) | 2016 (Net) | 2017 (Net) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Federal Funds:** | | | | | | | | | | |
| **Benefit programs:** | | | | | | | | | | |
| Compensation & pensions | $40,241,426 | $44,734,687 | $47,901,439 | $57,577,997 | $54,754,081 | $64,759,196 | $69,817,427 | $75,230,757 | $85,737,331 | $85,074,965 |
| Readjustment benefits | 3,209,553 | 3,875,395 | 8,316,712 | 10,705,469 | 10,330,493 | 12,807,152 | 13,355,332 | 13,235,989 | 14,250,257 | 13,226,112 |
| Veterans insurance and indemnities | 41,332 | 47,659 | 44,927 | 81,667 | 99,777 | 104,044 | 76,684 | 63,257 | 77,410 | 107,505 |
| Veterans housing benefit program fund liquidating account | -24,632 | -11,868 | -9,892 | -8,828 | -8,545 | -17,115 | -15,555 | -13,550 | -11,582 | -12,247 |
| Veterans housing benefit program fund | 969,168 | 467,660 | 974,811 | 1,533,530 | 1,729,965 | 1,535,044 | 2,203,308 | 1,023,919 | 1,125,058 | 1,166,191 |
| Native American veteran housing loan program | 628 | 617 | 664 | 663 | 1,116 | 1,088 | 2,437 | 2,222 | 1,797 | 2,654 |
| Service-disabled veterans insurance fund | 3,407 | 8,004 | 5,974 | -16,423 | -22,934 | -17,706 | 7,904 | 18,942 | 19,876 | -5,921 |
| Veterans reopened insurance fund | 23,121 | 24,649 | 23,110 | 26,733 | 28,080 | 27,462 | 26,703 | 28,608 | 25,882 | 21,857 |
| Vocational rehabilitation loans program account | 355 | 375 | 357 | 354 | 358 | 362 | 437 | 481 | 464 | 540 |
| Servicemembers' group life insurance fund | -17 | -11,247 | 11,208 | -17 | -15 | -8 | -6,000 | 6,266 | 0 | -12 |
| **Total benefits programs** | **44,464,341** | **49,135,931** | **57,269,310** | **69,901,145** | **66,912,376** | **79,199,519** | **85,468,677** | **89,596,891** | **101,226,493** | **99,581,644** |
| | | | | | | | | | | |
| **Medical programs:** | | | | | | | | | | |
| Medical care | | | | | | | | | | |
| Medical services | 30,038,203 | 33,969,490 | 36,580,626 | 39,583,974 | 40,198,800 | 42,382,283 | 46,027,803 | 49,749,412 | 50,779,216 | 47,217,927 |
| Medical Community Care | | | | | | | | 0 | 0 | 6,274,465 |
| Medical support and compliance | 3,634,998 | 4,224,639 | 4,711,724 | 5,344,172 | 5,288,202 | 5,431,770 | 5,726,631 | 5,818,150 | 5,868,385 | 6,210,673 |
| Medical facilities | 4,241,189 | 4,639,594 | 5,057,072 | 5,478,874 | 5,442,108 | 5,505,289 | 5,158,341 | 5,016,838 | 4,739,835 | 4,985,463 |
| Total Medical care programs | 37,914,390 | 42,833,723 | 46,349,422 | 50,407,020 | 50,929,110 | 53,319,342 | 56,912,775 | 60,584,400 | 61,387,436 | 64,688,528 |
| Medical and prosthetic research | 436,626 | 507,911 | 520,904 | 558,875 | 584,297 | 536,142 | 608,343 | 612,105 | 583,148 | 594,062 |
| VA/DoD health care sharing Incentive fund | 41,567 | 42,538 | 46,920 | 88,800 | 61,000 | 35,006 | 56,058 | 76,109 | 67,112 | 51,624 |
| Joint DoD/VA medical Facility Demonstration Fund | | | | 64,456 | 342,312 | 350,467 | 365,756 | 359,350 | 387,577 | 406,506 |
| Canteen service revolving fund | 3,762 | 16,313 | 6,120 | 7,862 | -21,392 | -16,136 | -20,437 | -11,495 | 3,446 | 6,876 |
| **Total medical programs** | **38,396,345** | **43,400,485** | **46,923,366** | **51,127,013** | **51,895,327** | **54,224,821** | **57,922,495** | **61,620,469** | **62,428,719** | **65,747,596** |

## *Budget Outlays*
## *2008 - 2017 Actuals*
*(dollar in thousands)*

| Appropriation/Fund Account | 2008 (Net) | 2009 (Net) | 2010 (Net) | 2011 (Net) | 2012 (Net) | 2013 (Net) | 2014(Net) | 2015 (Net) | 2016 (Net) | 2017 (Net) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Construction programs:** | | | | | | | | | | |
| Construction, major projects | 528,791 | 658,137 | 990,942 | 1,011,708 | 738,251 | 698,505 | 914,491 | 1,207,209 | 1,352,729 | 738,020 |
| Construction, minor projects | 412,682 | 507,720 | 535,426 | 578,966 | 549,607 | 442,158 | 387,000 | 507,115 | 525,316 | 474,081 |
| Grants for the construction of State extended care facilities | 115,634 | 128,794 | 108,716 | 124,369 | 201,011 | 94,762 | 109,530 | 94,751 | 77,430 | 139,382 |
| Grants for the construction of State veterans cemeteries | 31,092 | 29,848 | 36,406 | 49,872 | 27,697 | 55,072 | 40,000 | 44,000 | 40,210 | 40,635 |
| **Total construction programs** | **1,088,199** | **1,324,499** | **1,671,490** | **1,764,915** | **1,516,566** | **1,290,497** | **1,451,021** | **1,853,075** | **1,995,685** | **1,392,118** |
| Information Technology | 1,988,974 | 2,395,337 | 2,525,805 | 3,354,500 | 3,265,767 | 3,217,999 | 3,432,096 | 3,792,122 | 3,766,689 | 4,207,065 |
| National cemetery administration | 167,002 | 209,275 | 250,431 | 254,521 | 255,005 | 258,138 | 267,874 | 269,758 | 275,000 | 282,000 |
| **General operating expenses and misc.:** | | | | | | | | | | |
| General operating expenses | 1,628,150 | 1,839,593 | 1,897,029 | | | | | | | |
| VBA General Operating Expenses | | | | 2,232,616 | 2,143,680 | 2,131,134 | 2,357,710 | 2,602,792 | 2,453,335 | 2,632,357 |
| General Administration | | | | 404,860 | 283,965 | 322,389 | 414,052 | 313,538 | 281,842 | 402,924 |
| Board of Veterans' Appeals | | | | | | | 0 | 89,065 | 105,746 | 129,382 |
| Filipino veterans equity compensation fund | 0 | 82,438 | 113,131 | 10,099 | 1,659 | 1,080 | 558 | 177 | 51 | 84 |
| Franchise fund | 33,784 | 13,101 | -28,243 | -54,809 | 13,462 | -40,313 | -54,716 | -21,906 | 12,711 | -41,091 |
| Office of Inspector General | 71,583 | 88,445 | 96,650 | 109,148 | 111,563 | 117,788 | 114,638 | 126,493 | 134,094 | 148,295 |
| Supply fund | 2,564 | -27,367 | -30,874 | -45,803 | 64,631 | 83,906 | 131,156 | -73,999 | -17,000 | -158,378 |
| Veterans Choice Act | | | | | | | 0 | 1,917,338 | 4,463,543 | 6,241,685 |
| Pershing hall revolving fund | -136 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total GOE and miscellaneous** | **1,735,945** | **1,996,210** | **2,047,693** | **2,656,111** | **2,618,960** | **2,615,984** | **2,963,398** | **4,953,498** | **7,434,322** | **9,355,258** |
| **Total appropriations (adjusted)** | **85,684,830** | **95,857,125** | **107,911,859** | **125,449,184** | **122,943,229** | **137,330,821** | **147,805,591** | **158,023,933** | **173,085,219** | **176,076,616** |
| DEDUCT: Proprietary receipts from the public | -2,477,000 | -2,766,908 | -2,421,010 | -2,588,294 | -2,887,965 | -2,711,985 | -3,120,455 | -3,429,026 | -3,654,429 | -3,662,118 |
| **Total federal funds** | **83,207,830** | **93,090,217** | **105,490,849** | **122,860,890** | **120,055,264** | **134,618,836** | **144,685,136** | **154,594,907** | **169,430,790** | **172,414,498** |
| **Trust funds:** | | | | | | | | | | |
| Post-Vietnam era veterans education account | 2,030 | 1,909 | 1,498 | 1,341 | 825 | 598 | 426 | 275 | 214 | 164 |
| General post fund | 27,082 | 37,589 | 26,466 | 25,799 | 24,321 | 19,752 | 19,507 | 21,222 | 21,963 | 22,302 |
| National service life insurance | 1,163,064 | 1,188,023 | 1,147,080 | 1,130,388 | 1,070,913 | 1,025,809 | 952,271 | 1,013,495 | 914,689 | 852,031 |
| U.S. Government life insurance | 6,190 | 6,290 | 5,537 | 5,169 | 5,012 | 3,622 | 2,647 | 1,995 | 1,687 | 1,080 |
| Veterans special life insurance | -14,164 | -1,582 | 4,434 | 15,322 | 27,275 | 39,029 | 56,801 | 71,888 | 85,053 | 96,963 |
| National cemetery gift fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total trust funds (gross)** | **1,184,202** | **1,232,229** | **1,185,014** | **1,178,019** | **1,128,346** | **1,088,810** | **1,031,652** | **1,108,875** | **1,023,606** | **972,540** |
| DEDUCT: Proprietary receipts from the public | -1,691,506 | -1,366,596 | -689,584 | -531,188 | -530,144 | -402,855 | -238,969 | -492,005 | -535,632 | -1,965,268 |
| **Total trust funds (net)** | **-507,304** | **-134,367** | **495,430** | **646,831** | **598,202** | **685,955** | **792,683** | **616,870** | **487,974** | **-992,728** |
| DEDUCT: Intragovernmental transactions | -1,191 | -1,303 | -1,269 | -1,015 | -793 | -195 | -162 | -133 | 0 | -9,000 |
| **Total Department of Veterans Affairs** | **$84,855,311** | **$95,559,159** | **$108,761,246** | **$127,115,727** | **$124,173,445** | **$138,780,731** | **$149,177,628** | **$159,273,524** | **$173,960,453** | **$175,901,834** |

## *Total Average Employment*
## *2008 - 2017 Actuals*

| Appropriation/Fund Account | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Medical Programs** | | | | | | | | | | |
| Medical Services | 158,263 | 172,338 | 178,913 | 185,064 | 187,313 | 195,679 | 205,003 | 216,337 | 224,846 | 229,600 |
| Medical Support and Compliance | 35,847 | 39,851 | 42,434 | 45,258 | 47,021 | 48,610 | 50,323 | 49,479 | 50,554 | 50,939 |
| Medical Facilities | 22,291 | 23,430 | 23,790 | 23,908 | 23,321 | 23,641 | 23,023 | 23,644 | 23,924 | 24,151 |
| Total Medical Care Programs | 216,401 | 235,619 | 245,137 | 254,230 | 257,655 | 267,930 | 278,349 | 289,460 | 299,324 | 304,690 |
| Medical and Prosthetic Research | 3,142 | 3,226 | 3,352 | 3,526 | 3,496 | 3,445 | 3,446 | 3,521 | 3,138 | 3,071 |
| DoD-VA Health Care Sharing Incentive Fund | 126 | 126 | 127 | 132 | 151 | 165 | 44 | 57 | 47 | 33 |
| Joint DoD-VA Medical Facility Demonstration Fund | | | | 479 | 1,957 | 2,016 | 2,082 | 2,127 | 2,038 | 2,096 |
| Veterans Choice | | | | | | | | 30 | 58 | 159 |
| Canteen Service Revolving Fund | 3,008 | 3,170 | 3,246 | 3,274 | 3,294 | 3,307 | 3,258 | 3,351 | 3,410 | 3,455 |
| **Total Medical Programs** | **222,677** | **242,141** | **251,862** | **261,641** | **266,554** | **276,863** | **287,179** | **298,546** | **308,015** | **313,504** |
| **Construction Programs** | | | | | | | | | | |
| Construction, major projects | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Construction, minor projects | 19 | 12 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total Construction Programs** | **19** | **12** | **8** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| General Operating Expenses | | | | | | | | | | |
| Veterans Benefits Administration | 14,965 | 17,123 | 19,605 | 19,990 | 20,325 | 21,130 | 20,822 | 21,522 | 21,558 | 22,408 |
| General Administration | 2,420 | 2,591 | 2,753 | 2,941 | 2,972 | 3,117 | 3,205 | 2,586 | 2,559 | 2,524 |
| **Total General Operating Expenses** | **17,385** | **19,714** | **22,358** | **22,931** | **23,297** | **24,247** | **24,027** | **24,108** | **24,117** | **24,932** |
| Information Technology** | 6,348 | 6,710 | 6,853 | 7,004 | 7,311 | 7,362 | 7,291 | 7,309 | 7,387 | 7,241 |
| National Cemetery Administration | 1,512 | 1,622 | 1,670 | 1,676 | 1,652 | 1,690 | 1,712 | 1,730 | 1,814 | 1,851 |
| Office of Inspector General | 448 | 509 | 553 | 633 | 637 | 633 | 641 | 676 | 706 | 745 |
| Board of Veterans' Appeals | | | | | | | | 646 | 660 | 840 |
| Franchise Fund | 702 | 769 | 822 | 1,054 | 1,020 | 1,089 | 1,153 | 1,217 | 1,397 | 1,314 |
| Supply Fund | 407 | 504 | 699 | 803 | 896 | 957 | 1,013 | 1,048 | 1,045 | 1,145 |
| General Post | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8 |
| **Total Department of Veterans Affairs** | **249,498** | **271,981** | **284,825** | **295,742** | **301,366** | **312,841** | **323,016** | **335,280** | **345,141** | **351,580** |

** Reflects change in the IT appropriations structure as enacted in 2008.

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# Performance Summary

| *Performance Indicators, Historical Milestones & Agency Priority Goals* | *Strategic Goal/Strategic Objective* | **2016 (Actuals)** | **2017 (Actuals)** | **2018 (Targets)** | **2019 (Targets)** |
|---|---|---|---|---|---|
| ***Veterans Health Administration (VHA)*** | | | | | |
| Percentage of Veterans reporting employment at a discharge from VA homeless residential programs (#604) | ***N/A - no longer in use in 2019*** | 50% | 51% | 45% | |
| Percent of participants at risk for homelessness (Veterans and their households) served in SSVF that were prevented from becoming homeless (#606) | ***N/A - no longer in use in 2019*** | 92% | 90% | 85% | |
| Number of Veterans and family members permanently housed or prevented from becoming homeless (XXX) | ***Strategic Objective 2.2: VA ensures at-risk and underserved Veterans receive what they need to eliminate Veteran suicide, homelessness, and poverty*** | N/A | 100,981 | 90,000 | TBD |
| Percent of Veterans discharged from VA-funded residential treatment programs (Grant and Per Diem or Domiciliary Care Homeless Veterans) who discharge to permanent housing (#403) | ***N/A - no longer in use in 2019*** | 71% | 64% | 65% | |
| Percent of HUD-VASH vouchers allocated that have resulted in homeless Veterans obtaining permanent housing (#535) | ***Strategic Objective 2.2: VA ensures at-risk and underserved Veterans receive what they need to eliminate Veteran suicide, homelessness, and poverty*** | 92% | 92% | 94% | 94% |
| Percent of patients who responded "yes" on Patient Centered Medical Home survey questions that contribute to the Self-Management Support Composite (providers support you in taking care of your own health) (#386) | ***N/A - no longer in use in 2019*** | 58% | 58% | 60% | |
| The average patients rating VA health care on a scale from 0 to 10 (Inpatient) (#537) | ***N/A - no longer in use in 2019*** | 8.63 | 8.8 | 8.8 | |
| Percent of patients who responded "Always" regarding their ability to get an appointment for needed care right away (Patient Centered Medical Home Survey)(#539) | ***N/A - no longer in use in 2019*** | 47% | 48% | 49% | |
| Percent of patients who respond "Always" regarding their ability to get an appointment for a routine checkup as soon as needed (Patient Centered Medical Home Survey)(#543) | ***N/A - no longer in use in 2019*** | 56% | 57% | 58% | |
| The average patients rating VA primary care provider on a scale from 0 to 10 on the Patient Centered Medical Home Survey (#544) | ***N/A - no longer in use in 2019*** | 8.54 | 8.6 (thru August 2017) | 8.7 | |
| Mental Health Balanced Scorecard (#598) | ***N/A - no longer in use in 2019*** | 91% above target at end of SAIL performance year | 90% of facilities at/or above target | 90% of facilities at/or above target | |
| The average patients rating of VA specialty care provider on a scale from 0 to 10 on the Specialty Care Survey #673) | ***N/A - no longer in use in 2019*** | 8.54 | 8.6 (thru August 2017) | 8.65 | |
| Percent of Specialty Care patients who respond "Always" "and "Usually" regarding their ability to get an appointment for needed care right away (#680) | ***N/A - no longer in use in 2019*** | 72% | 74% (thru August 2017) | 75% | |
| Percent of Primary Care patients who respond "Always" and "Usually" regarding their ability to get an appointment for needed care right away (#682) | ***N/A - no longer in use in 2019*** | 72% | 73% | 75% | |
| Percent of Primary Care patients who respond "Always" and "Usually" regarding their ability to get an appointment for a routine checkup as soon as needed (#677) | ***N/A - no longer in use in 2019*** | 84% | 85% | 87% | |
| Percent of Specialty Care patients who respond "Always" and "Usually" regarding their ability to get an appointment for a routine checkup as soon as needed (#683) | ***N/A - no longer in use in 2019*** | 82% | 83% | 85% | |

| *Performance Indicators, Historical Milestones & Agency Priority Goals* | *Strategic Goal/Strategic Objective* | **2016 (Actuals)** | **2017 (Actuals)** | **2018 (Targets)** | **2019 (Targets)** |
|---|---|---|---|---|---|
| Patient Safety Indicator (PSI) 90 (#674) | ***N/A - no longer in use in 2019*** | N/Av | (Baseline) | TBD | |
| (Composite Measure) The average of the percent "Always" or "Usually" responses for four access measures found in the Patient Centered Medical Home (PCMH) survey and the Specialty Care Consumer Assessment of Health Providers and Systems (CAHPS) Survey. (#681) | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | 87% | 79% (thru August 2017) | 81% | 82% |
| Percentage of Veterans receiving telehealth at home or at off-site settings | ***Strategic Objective 1.1: VA anticipates Veterans' changing needs throughout their lives to enhance their choices*** | | | | 2% |
| Percentage of Veterans receiving a portion of care via telehealth modalities | ***Strategic Objective 1.1: VA anticipates Veterans' changing needs throughout their lives to enhance their choices*** | | | | 15% |
| Overall Satisfaction w/ Community Care Access | ***Strategic Objective 1.2: Veterans are informed of, understand, and can avail themselves of the benefits, care, and services they choose*** | | | | 83.5% |
| Overall rating of Primary Care Provider | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | | | | 70% |
| Overall rating of Specialty Care Provider | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | | | | 67.5% |
| Overall rating of hospital | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | | | | 66.5% |
| Overall Rating of Community Care | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | | | | 75% |
| Progress in Cerner project implementation (% milestones met) (EMHR) | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | | | | TBD |
| Number of medical centers and community living centers improving in overall effectiveness of care | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | | | | TBD |
| Average improvement in mental health symptoms in the 3-4 months after start of mental health treatment as measured by the mental health component of the SF-12. | ***Strategic Objective 2.2: VA ensures at-risk and underserved Veterans receive what they need to eliminate Veteran suicide, homelessness, and poverty*** | | | | 2.3 |
| Average improvement in mental health symptoms in the 3-4 months after start of mental health treatment as measured by scores on the World Health Organization disability assessment scale. (WHO-DAS) | ***Strategic Objective 2.2: VA ensures at-risk and underserved Veterans receive what they need to eliminate Veteran suicide, homelessness, and poverty*** | | | | 1.3 |
| Percentage of Veterans flagged as high risk for suicide who have received recommended interventions and follow-up | ***Strategic Objective 2.2: VA ensures at-risk and underserved Veterans receive what they need to eliminate Veteran suicide, homelessness, and poverty*** | | | | 65% |

| *Performance Indicators, Historical Milestones & Agency Priority Goals* | *Strategic Goal/Strategic Objective* | 2016 (Actuals) | 2017 (Actuals) | 2018 (Targets) | 2019 (Targets) |
|---|---|---|---|---|---|
| ***Veterans Benefit Administration (VBA)*** | | | | | |
| National Accuracy Rate - Disability Compensation Rating Claims (#303) | ***N/A - no longer in use in 2019*** | 88.1% | 86% | 87% | |
| Percentage of VA Disability Rating Claims Pending More Than 125 Days Old (#308) | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | 19% | 23% | 21% | 21% |
| National Accuracy Rate - Disability Compensation Rating Claims - Issue Based (#304) | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | 96% | 94% | 96% | 96% |
| Number of registered eBenefits users (Millions) (#443) | ***N/A - no longer in use in 2019*** | 6.1M | 6.74M | 7.0M | |
| Percent of disability compensation claims received virtually/electronically (#444) | ***Strategic Objective 1.1: VA anticipates Veterans' changing needs throughout their lives to enhance their choices*** | 20% | 18% | 26% | 28% |
| Number of accredited Veterans advocates who are registered users on the Stakeholder Enterprise Portal (SEP) (#446) | ***N/A - no longer in use in 2019*** | 4202 | 5,090 | 5,300 | |
| National Call Center Client Satisfaction Index Score (out of 1000) (#485) | ***N/A - no longer in use in 2019*** | 767 | 797 | 798 | |
| Overall Customer Satisfaction Index Score (out of 1000) (Compensation) (#491) | ***N/A - no longer in use in 2019*** | 676 | 620 | 630 | |
| Percentage of Disability Compensation Rating Claims Inventory Pending Over 125 Days (#576) | ***N/A - no longer in use in 2019*** | 20% | 23% | 21% | |
| Appeals Processing - Notices of Disagreement (NODs) Average Days Pending (#545) | ***N/A - no longer in use in 2019*** | 413 | 426.9 | 413 | |
| Appeals Processing - Substantive Appeals to the Board (Form 9) Pending Inventory (Thousands) (#607) | ***N/A - no longer in use in 2019*** | 50 | 39.0 | 32.0 | |
| Appeals Processing - Notices of Disagreement (NODs) Pending Inventory (Thousands) (#514) | ***N/A - no longer in use in 2019*** | 231 | 208.0 | 187.0 | |
| Percent of IDES participants who will receive VA Benefit notification letters within 30 days of discharge (#469) | ***Strategic Objective 1.2: Veterans are informed of, understand, and can avail themselves of the benefits, care, and services they choose*** | 66% | 72% | 80% | 80% |
| Non-Rating Claims, Compensation Average Days Pending (#654) | ***N/A - no longer in use in 2019*** | 355 | 280 | 318 | |
| Non-Rating Claims, Compensation Average Days to Complete #686) | ***N/A - no longer in use in 2019*** | 161 | 151 | 144 | |
| Dependency Claims Processing: Claims Pending Inventory (#701) | ***N/A - no longer in use in 2019*** | 115 | 86 | 85 | |
| Dependency Claims Processing: Timeliness (Month-to-Date Average Days to Complete as of the last month of the year) (#670) | ***N/A - no longer in use in 2019*** | 197 | 107 | 110 | |
| Appeals Processing - Substantive Appeals to the Board (Form 9) Average Days Pending (#655) | ***N/A - no longer in use in 2019*** | 516 | 448 | 389 | |
| Appeals Processing - Substantive Appeals to the Board (Form 9) Average Days to Complete (#685) | ***N/A - no longer in use in 2019*** | 462 | 590 | 425 | |
| Pension Call Center Client Satisfaction Index Score (out of 1000) (#484) | ***N/A - no longer in use in 2019*** | 778 | 800 | 782 | |
| Overall Customer Satisfaction Index Score (out of 1000) (Pension) (#490) | ***N/A - no longer in use in 2019*** | 664 | 651 | 672 | |

| *Performance Indicators, Historical Milestones & Agency Priority Goals* | *Strategic Goal/Strategic Objective* | **2016 (Actuals)** | **2017 (Actuals)** | **2018 (Targets)** | **2019 (Targets)** |
|---|---|---|---|---|---|
| ***Veterans Benefit Administration (VBA)*** | | | | | |
| Average Days to Complete - Original Survivors Pension Claims (#498) | ***N/A - no longer in use in 2019*** | 130 | 95.7 | 75 | |
| Percentage of Original and Reopened Pension Claims Inventory Over 125 Days (#577) | ***N/A - no longer in use in 2019*** | 4% | 6% | 5% | |
| Percentage of Dependency and Indemnity Compensation (DIC) Claims Inventory Over 125 Days (#578) | ***N/A - no longer in use in 2019*** | 18% | 25% | 20% | |
| Average Days to Complete - Follow-Up Field Examinations (#656) | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | 147 | 160.3 | 320 | 337 |
| Average Days to Complete - Initial Appointment Process (#647) | ***Strategic Objective 1.2: Veterans are informed of, understand, and can avail themselves of the benefits, care, and services they choose*** | 287 | 133.9 | 88 | 76 |
| Average Days to Complete Original Education Claims (#218) | ***Strategic Objective 1.2: Veterans are informed of, understand, and can avail themselves of the benefits, care, and services they choose*** | 16.7 | 24.7 | 28 | 28 |
| Average Days to Complete Supplemental Education Claims (#219) | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | 6.7 | 8.6 | 14 | 14 |
| Education Call Center Client Satisfaction Index Score (out of 1000) (#476) | ***N/A - no longer in use in 2019*** | 841 | 845 | 836 | |
| Overall Customer Satisfaction Index Score (out of 1000) (Education) (#489) | ***N/A - no longer in use in 2019*** | 752 | 779 | 757 | |
| Percent of Montgomery GI Bill or Post 9/11 GI Bill participants who successfully completed an education or training program (#494) | ***Strategic Objective 2.2: VA ensures at-risk and underserved Veterans receive what they need to eliminate Veteran suicide, homelessness, and poverty*** | (Baseline) | (Baseline) | TBD | TBD |
| Veterans' Satisfaction with the Vocational Rehabilitation and Employment Program (out of 1000) (#488) | ***N/A - no longer in use in 2019*** | 666 | 655 | 682 | |
| VR&E Class Persistence Rate (#601) **NEW name in FY 2019, VR&E Class Achievement Rate) | ***Strategic Objective 2.2: VA ensures at-risk and underserved Veterans receive what they need to eliminate Veteran suicide, homelessness, and poverty*** | 72% | 70% | 68% | TBD |
| VR&E Class Success Rate (#600) | ***N/A - no longer in use in 2018 **due to GAO Study findings/VA leadership concurrence*** | 47% | 55% | 48% | |
| VR&E Employment Outcome Rate (#602) | ***N/A - no longer in use in 2018*** | (Baseline) | 69% | TBD | |
| Default Resolution Rate (DRR) (#226) | ***N/A - no longer in use in 2019*** | 84% | 85.30% | 81% | |
| Veterans' Satisfaction Level with the VA Loan Guaranty Program (out of 1000) (#487) | ***N/A - no longer in use in 2019*** | 819 | 827 | 830 | |
| Specially Adapted Housing (SAH) grantees who believe adaptation obtained under the program has helped them live more independently (#653) | ***N/A - no longer in use in 2019*** | N/Av | N/Av | N/Av | |
| Rate of High Client Satisfaction Ratings on Insurance Services Delivered (#214) | ***N/A - no longer in use in 2019*** | 94% | 95% | 95% | |

| | | | | | |
|---|---|---|---|---|---|
| Percent of Veterans served by a burial option within a reasonable distance (75 miles) of their residence. (#234) | ***Strategic Objective 1.1: VA anticipates Veterans' changing needs throughout their lives to enhance their choices*** | 91.7% | 92.0% | 92.2% | 92.8% |
| Percent of respondents who rate the quality of service provided by the national cemeteries as excellent. (#580) | ***N/A - no longer in use in 2019*** | 96% | 96% | 97% | |
| Percent of respondents who rate national cemetery appearance as excellent (#581) | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | 99% | 99% | 99% | 99% |
| Percent of respondents who would recommend the national cemetery to Veteran families during their time of need (#582) | ***Strategic Objective 2.1: VA has collaborative, high-performing, and integrated delivery networks that enhance Veteran well-being and independence*** | 99% | 99% | 99% | 99% |
| Percent of respondents who agree or strongly agree that the quality of the headstone or marker received from VA was excellent (#583) | ***N/A - no longer in use in 2019*** | 93% | 92% | 93% | |
| Percent of respondents who agree or strongly agree that the quality of the Presidential Memorial Certificate received from VA was excellent (#584) | ***N/A - no longer in use in 2019*** | 93% | 95% | 96% | |
| ***Board of Veterans Appeals (BVA)*** | | | | | |
| Appeals Dispositions – Average Days to Complete Returned Remands (Measuring from Date Case is Returned to the Board after Remand until Board Disposition Date) (#571) | ***N/A - no longer in use in 2019*** | 264 | 239 | 293 | |
| Appeals Dispositions - Average Days to Complete Original Appeals (From Date of Certification (Form 8) until Board Disposition Date) (#573) | ***N/A - no longer in use in 2019*** | 553 | 613 | 694 | |
| # of appeals decided (# 65) | ***Strategic Objective 3.1: VA is always transparent to enhance Veterans' choices, to maintain trust, and to be openly accountable for its actions*** | | | | TBD |
| # of hearings held (# 712) | ***Strategic Objective 3.1: VA is always transparent to enhance Veterans' choices, to maintain trust, and to be openly accountable for its actions*** | | | | TBD |
| # of appeals in BVA's pending inventory (#561) | ***Strategic Objective 3.1: VA is always transparent to enhance Veterans' choices, to maintain trust, and to be openly accountable for its actions*** | | | | TBD |
| % of appeals decided with at least one remanded issue (#709) | ***Strategic Objective 3.1: VA is always transparent to enhance Veterans' choices, to maintain trust, and to be openly accountable for its actions*** | | | | TBD |
| ***Office of Public and Intergovernmental Affairs (OPIA)*** | | | | | |
| % of Veterans aware of using benefits, reached through advertising and marketing efforts (#536) | ***N/A - no longer in use in 2019*** | 14% | 11% | 13% | |
| Increase veteran traffic to and from the various VA content delivery platforms (#659) | ***Strategic Objective 1.2: Veterans are informed of, understand, and can avail themselves of the benefits, care, and services they choose*** | 347,991 | 2,103,159 | 2,523,791 | TBD |

| *Human Resources and Administration (HRA)* | | | | | |
|---|---|---|---|---|---|
| Percentage of VA employees who are Veterans (#278) | ***Management Objective 4.2: VA will modernize its human capital management capabilities to empower and enable a diverse, fully staffed, and highly skilled workforce that consistently delivers world class services to Veterans and their families*** | 32.53% | 32% | 35% | 35% |
| FEVS-AES Employee Engagement Index Score (#608) | ***Management Objective 4.2: VA will modernize its human capital management capabilities to empower and enable a diverse, fully staffed, and highly skilled workforce that consistently delivers world class services to Veterans and their families*** | 62% | 64% | 65% | 66% (responses marked positive) |
| My supervisor provides me with constructive suggestions to improve my job performance (#695) | ***N/A - no longer in use in 2019*** | 60.00% | 59.96% | 64.12% | |
| In my work unit, steps are taken to deal with a poor performer who cannot or will not improve (#696) | ***N/A - no longer in use in 2019*** | 28.80% | 28.95% | 33.47% | |
| Employees have a feeling of personal empowerment with respect to work processes (#697) | ***N/A - no longer in use in 2019*** | 41.40% | 41.68% | 45.51% | |
| I feel encouraged to come up with new and better ways of doing things (#698) | ***N/A - no longer in use in 2019*** | 54.30% | 53.93% | 59.40% | |
| How satisfied are you with the information you receive from management on what's going on in your organization? (#699) | ***N/A - no longer in use in 2019*** | 44.30% | 44.24% | 49.05% | |
| My organization's leaders maintain high standards of honesty and integrity (#700) | ***N/A - no longer in use in 2019*** | 44.80% | 46.04% | 49.50% | |
| Executive Fill Rate, non medical center directors (#715) | ***Management Objective 4.2: VA will modernize its human capital management capabilities to empower and enable a diverse, fully staffed, and highly skilled workforce that consistently delivers world class services to Veterans and their families*** | | | | 80% |
| Executive Fill Rate, medical center directors (#86) | ***Management Objective 4.2: VA will modernize its human capital management capabilities to empower and enable a diverse, fully staffed, and highly skilled workforce that consistently delivers world class services to Veterans and their families*** | | | | 95% |
| ~~Results-oriented performance culture index (#XXX)~~ | ~~***Management Objective 4.2: VA will modernize its human capital management capabilities to empower and enable a diverse, fully staffed, and highly skilled workforce that consistently delivers world class services to Veterans and their families***~~ | | | | ~~TBD~~ |
| Time to hire VA-wide (#718) | ***Management Objective 4.2: VA will modernize its human capital management capabilities to empower and enable a diverse, fully staffed, and highly skilled workforce that consistently delivers world class services to Veterans and their families*** | | | | 51% of hires enter on duty within 80-day target (subject to FY18 baselining) |
| Retention of VA Veterans workforce (#713) | ***Management Objective 4.2: VA will modernize its human capital management capabilities to empower and enable a diverse, fully staffed, and highly skilled workforce that consistently delivers world class services to Veterans and their families*** | | | (Baseline) | 78% Veteran employee 2-year retention rate (Subject to FY18 baselining) |
| Mission Critical Occupation (MCO) Quit Rate (#XXX) | ***Management Objective 4.2: VA will modernize its human capital management capabilities to empower and enable a diverse, fully staffed, and highly skilled workforce that consistently delivers world class services to Veterans and their families*** | | | | Medical Officer (Primary Care) Below 5.53% Psychologist Below 3.9% Psychiatrist Below 5.76% |
| *Best Places to Work* - OPM's Annual EVS Survey (#XXX) | ***Management Objective 4.2: VA will modernize its human capital management capabilities to empower and enable a diverse, fully staffed, and highly skilled workforce that consistently delivers world class services to Veterans and their families*** | | | | 58% (responses marked positive) |

| | | | | | |
|---|---|---|---|---|---|
| ***Office of Information Technology (OIT)*** | | | | | |
| % software development projects using Agile (Fiscal Year) (#XXX) | ***Management objective 4.3: VA IT modernization will quickly deliver effective solutions that will enable VA to provide improved customer service and provide a secure and seamless experience while decreasing its rate of spend*** | | | | 60% |
| % of IT projects within 10% of budgeted cost + budgeted schedule (Fiscal Year) (#XXX) | ***Management objective 4.3: VA IT modernization will quickly deliver effective solutions that will enable VA to provide improved customer service and provide a secure and seamless experience while decreasing its rate of spend*** | | | | 83% |
| % of agency spending on cloud computing (#XXX) | ***Management objective 4.3: VA IT modernization will quickly deliver effective solutions that will enable VA to provide improved customer service and provide a secure and seamless experience while decreasing its rate of spend*** | | | | 15% |
| # of unique portals a Veteran must access to obtain benefits and services (#XXX) | ***Management objective 4.3: VA IT modernization will quickly deliver effective solutions that will enable VA to provide improved customer service and provide a secure and seamless experience while decreasing its rate of spend*** | | | | TBD |
| % legacy modernization projects compared to total # of legacy systems (#XXX) | ***Management objective 4.3: VA IT modernization will quickly deliver effective solutions that will enable VA to provide improved customer service and provide a secure and seamless experience while decreasing its rate of spend*** | | | | TBD |
| # of Data Center Closures (actual) (#XXX) | ***Management objective 4.3: VA IT modernization will quickly deliver effective solutions that will enable VA to provide improved customer service and provide a secure and seamless experience while decreasing its rate of spend*** | | | | Non-tiered = 1, Tiered = 4 |
| % of cyber risk assessment domains @ "managing risk"(#XXX) | ***Management objective 4.3: VA IT modernization will quickly deliver effective solutions that will enable VA to provide improved customer service and provide a secure and seamless experience while decreasing its rate of spend*** | | | | 100% Managing Risk score |
| ***Office of Acquisition, Logistics and Construction*** | | | | | |
| Percent of lease projects accepted by VA as substantially complete in the quarter identified (#262) | ***Management Objective 4.1: Infrastructure improvements, improved decision-making protocols, and streamlined services enable VA to agilely adapt to changing business environments and Veteran needs*** | | | | TBD |
| Perce of facilities customers (i.e. internal customers, VHA) that are satisfied with services being provided (#253) | ***Management Objective 4.1: Infrastructure improvements, improved decision-making protocols, and streamlined services enable VA to agilely adapt to changing business environments and Veteran needs*** | | | | TBD |
| ***Office of the Secretary, Veterans Affairs*** | | | | | |
| Number of EO 13771 regulatory actions issued and, separately, EO 13771 deregulatory actions issued (#XXX) | ***Per OMB/OIRA's guidance relating to EO 13777, iA's Regulatory Reform Task Force are required to include a number of performance indicators in the FY2019 Annual Performance Plan (APP). VA will modernize systems and focus resources more efficiently in order to be competitive and to provide "best -in -class service" to Veterans and its employees.** (cuts across all mission goals)*** | | | | TBD |
| Total incremental cost of all EO 13771 regulatory actions and EO 13771 deregulatory actions (including costs or cost savings carried over from previous fiscal years) (#XXX) | ***Per OMB/OIRA's guidance relating to EO 13777, iA's Regulatory Reform Task Force are required to include a number of performance indicators in the FY2019 Annual Performance Plan (APP). VA will modernize systems and focus resources more efficiently in order to be competitive and to provide "best -in -class service" to Veterans and its employees.** (cuts across all mission goals)*** | | | | TBD |
| ***Office of Inspector General (OIG)*** | | | | | |
| Number of reports (audit, inspection, evaluation, contract review, and CHIP (formerly known as CAP) and CBOC reports) issued that identify opportunities for improvement and provide recommendations for corrective action (#585) | ***Strategic Objective 3.2: VA holds its personnel accountable for delivering excellent customer service and experiences while eliminating fraud, waste, and abuse*** | 304 | 293 | 330 | TBD |
| Number of arrests, indictments, convictions, criminal complaints, pretrial diversions, and administrative sanctions (#586) | ***Strategic Objective 3.2: VA holds its personnel accountable for delivering excellent customer service and experiences while eliminating fraud, waste, and abuse*** | 2,425 | 2,811 | 2,400 | TBD |
| Monetary benefits (dollars in millions) from audits, investigations, contract reviews, inspections, and other evaluations (#587) | ***Strategic Objective 3.2: VA holds its personnel accountable for delivering excellent customer service and experiences while eliminating fraud, waste, and abuse*** | $4,093 | $10,024 | $3,100 | TBD |
| Return on investment (monetary benefits divided by cost of operations in dollars) (#588) | ***Strategic Objective 3.2: VA holds its personnel accountable for delivering excellent customer service and experiences while eliminating fraud, waste, and abuse*** | 34 to 1 | 73 to 1 | 22 to 1 | TBD |
| Percentage of Recommendations implemented within 1 year to improve efficiencies in operations through legislative, regulatory, policy, practices, and procedural changes in VA (#590) | ***Strategic Objective 3.2: VA holds its personnel accountable for delivering excellent customer service and experiences while eliminating fraud, waste, and abuse*** | 83% | 70% | 85% | TBD |
| Percentage of Recommended recoveries achieved from post-award contract reviews (#591) | ***Strategic Objective 3.2: VA holds its personnel accountable for delivering excellent customer service and experiences while eliminating fraud, waste, and abuse*** | 100% | 100% | 98% | TBD |
| Percent of full cases that result in criminal, civil, or administrative actions (#694) | ***Strategic Objective 3.2: VA holds its personnel accountable for delivering excellent customer service and experiences while eliminating fraud, waste, and abuse*** | N/A | 78% | 72% | TBD |

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# Selected VA Facilities by Type

(As of January 2018)

| Type of Facility | Number |
|---|---|
| Residential Rehabilitation Treatment Programs | 112 |
| Geriatric Research, Education, and Clinical Centers | 20 |
| Health Administration Management Center | 1 |
| Independent Outpatient Clinics* | N/A |
| Insurance Center | 1 |
| National Cemetery Districts | 5 |
| Mobile Clinics* | N/A |
| Extended Care (Community Living Centers) | 133 |
| Orthotic and Prosthetic Services on-site stations | 79 |
| Prosthetic and Sensory Aids Restoration Clinics | 3 |
| Regional Loan Centers | 8 |
| Records Management Center | 1 |
| Regional Offices | 56 |
| Regional Pension Management Centers | 3 |
| Regional Education Processing Offices | 3 |
| Fiduciary Hubs | 6 |
| VA Hospitals | 145 |
| VA National Cemeteries | 135 |
| VA Outpatient Clinics – As of September 30, 2017 | 743 |
| Vet Centers | 300 |
| Mobile Vet Centers | 80 |
| Veterans Benefits Administration District Offices | 5 |
| Veterans Integrated Service Networks (VISNS) | 18 |

*These types of facilities are no longer counted as a result of implementing the new VHA Site Classification and Definitions Handbook (effective December 30, 2013)

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