



U.S. Department  
of Veterans Affairs

# News Release

Office of Public Affairs  
Media Relations

Washington, DC 20420  
(202) 461-7600  
[www.va.gov](http://www.va.gov)

FOR IMMEDIATE RELEASE  
May 23, 2017

## Care and Benefits for Veterans Strengthened by \$186.5 Billion VA Budget

**WASHINGTON** — In his fiscal year (FY) 2018 budget, President Trump is proposing \$186.5 billion for the Department of Veterans Affairs (VA). The budget request will ensure the nation's Veterans receive high-quality health care and timely access to benefits and services. The budget also supports the continued transformation of VA to rebuild the full trust of Veterans as a premier provider of choice for their services and benefits.

“The 2018 budget request reflects the strong commitment of the president to provide the services and benefits that our nation's Veterans have earned,” said VA Secretary Dr. David J. Shulkin. “VA has made significant progress in improving its service to Veterans and their family members. We are fully committed to continuing the transformation across the department, so we can deliver the standards of performance our Veterans expect and deserve.”

This year's budget request includes 82 legislative proposals that will help enable the department to better serve Veterans.

### Highlights From the President's 2018 Budget Request for VA

The FY 2018 budget includes \$82.1 billion in discretionary funding, largely for health care, and \$104.3 billion in mandatory funding for benefit programs, such as disability compensation and pensions, and for continuation of the Veterans Choice Program (Choice Program). The discretionary budget request is \$4.3 billion (5.5 percent) above the 2017 enacted level, including nearly \$3.3 billion in medical care collections from health insurers and Veteran copayments. The budget also requests \$74 billion, including collections, for the 2019 advance appropriations for medical care, an increase of \$1.7 billion and 2.4 percent above the 2018 medical care budget request. The request includes \$107.7 billion in 2019 mandatory advance appropriations for Compensation and Pensions; Readjustment Benefits; and Veterans Insurance and Indemnities benefits programs in the Veterans Benefits Administration (VBA).

### Health Care

With a total medical care budget of \$75.2 billion, including collections and new mandatory funding for the Choice Program, VA is positioned to continue expanding health-care services to over 7 million patients. Health care is being provided to more than 858,000 Veterans who served in Operation Enduring Freedom/Operation Iraqi Freedom/Operation New Dawn/Operation Inherent Resolve and Operation Freedom's Sentinel. Major categories funded within the health care budget are:

- \$13.2 billion for community care;
- \$8.8 billion for long-term care;
- \$8.4 billion for mental health care;
- \$1.7 billion for programs for homeless and at-risk Veterans;
- \$751 million for Hepatitis-C treatment;
- \$604 million for Caregivers' benefits; and
- \$316 million for treatment of traumatic brain injuries.

### Expanding Access

The president's budget ensures that care and other benefits are available to Veterans when and where they need them. Among the programs that will expand access under the proposed budget are:

- \$13.2 billion for community care, compared with \$11.2 billion in 2017, a 13 percent increase;
- \$505 million for gender-specific health-care services for women, an increase of 7 percent over the 2017 level;
- \$862 million for the activation of new and enhanced health-care facilities;
- \$855 million for major and minor construction projects, including a new outpatient clinic at Livermore, California, and expansion of cemeteries at Calverton, New York; Sacramento, California; Bushnell, Florida; Phoenix, Arizona; Bridgeville, Pennsylvania; and Elwood, Illinois.

### Disability Compensation Claims Backlog and Appeals Reform

VBA has continued aggressive efforts aimed at bringing down the disability compensation claims backlog, completing a record-breaking 1.3 million claims in 2016 and reducing the claims backlog by 88 percent, cumulatively, from a peak of 611,000 claims in March 2013 to 71,690 on Sept. 30, 2016. In 2016, Veterans waited, on average, 203 fewer days for a decision than four years ago. In 2018, VBA is projected to complete 1.4 million claims, and the number of claims pending longer than 125 days is anticipated to remain at about 70 thousand claims. This pending claims status may change as the volume of claims receipts increases or decreases, and as claims processing becomes more efficient. VBA's success in reducing the rating claims backlog has also resulted in a growing appeals inventory.

From 2010 through 2016, VBA completed more than 1 million disability compensation rating claims annually. Approximately 11 percent to 12 percent of VBA decisions are appealed, with nearly half of those being formally appealed to the Board of Veterans' Appeals (the Board). While the appeal rate has remained steady over the past two decades, the appeals volume has increased proportionately to the increase in claims decisions. The average processing time for resolving appeals in 2016 was three years. For those appeals that reached the board, average processing time was six years, with thousands of Veterans waiting much longer.

VA has worked with Congress, Veterans Service Organizations (VSOs) and other stakeholders to develop a legislative proposal to reform the appeals process. The appeals process under current law is ineffective and confusing, and Veterans wait much too long for a decision on appeal.

The new process will: 1) establish options for Veterans, 2) provide early resolution and improved notifications as to best options, 3) eliminate the perpetual churn of appeals inherent to the existing process, 4) provide Veterans feedback loops to VBA, and 5) improve transparency of the process by clearly defining the roles of VBA and the board throughout the appeals process.

Appeals reform is one of VA's top legislative priorities, and the department will continue to work with Congress and the VSOs to ensure Veterans receive the best possible service.

### **Improving the Veteran Experience**

National Call Centers (NCCs): In 2018, VA expects the NCCs to sustain the average speed of answering in 30 seconds or less, while maintaining exceptional customer satisfaction.

National Work Queue (NWQ): In 2017, disability compensation claims are moving through the process faster than before implementation of the NWQ process — on average, claims are ready for decision 14 days faster. In 2018, NWQ will be expanded to other key VBA priorities such as the nonrating and appeals workload distribution.

Veterans Claim Intake Program (VCIP)/Centralized Mail: By the end of 2018, VCIP will relocate the entire file banks of remaining Regional Offices and convert the documents electronically, an integral element of VBA's comprehensive transformation and modernization strategy.

In 2018, Centralized Mail will build upon sustained progress in disability compensation and expand to additional stakeholders, to include the Board of Veteran Appeals, Vocational Rehabilitation and Employment, Fiduciary Service, Support Services Division, Debt Management Center (DMC) and Loan Guaranty.

### **Veterans Homelessness**

The budget requests \$1.7 billion for programs to prevent or reduce Veteran homelessness, including:

- \$320 million for Supportive Services for Veteran Families (SSVF) to promote housing stability;
- \$543 million for the HUD-VASH program, wherein VA provides case management services for at-risk Veterans and their families and the Department of Housing and Urban Development (HUD) provides permanent housing through its Housing Choice Voucher program; and
- \$257 million in grant and per diem payments that support transitional housing provided by community-based organizations.

### **Veterans Choice Program—Community Care**

VA is requesting a total of \$13.2 billion in 2018 for Veterans Community Care. This consists of a request for \$9.7 billion in discretionary funding for the Medical Community Care account, plus an additional \$2.9 billion in new mandatory budget authority for the Choice Program. When combined with \$626 million in estimated start-of-year unobligated balances from the original Choice Program appropriation, the total Community Care funding level is \$13.2 billion in 2018. The budget also requests \$3.5 billion in mandatory budget authority in 2019 for the Choice Program. This additional funding will allow VA to continue increasing Veterans' access to health-care services by allowing them to choose VA direct care or community care.

### **Other Key Services for Veterans**

- \$306 million to administer VA's system of 136 national cemeteries, including funding for the activation of three new cemeteries that will open in 2018 and 2019. Funds are also included to raise, realign, and clean headstones to ensure VA national cemeteries are maintained as shrines.
- \$4.1 billion for information technology (IT), including investments to strengthen cybersecurity, modernize Veterans' electronic health records, improve Veterans' access to benefits, and enhance the IT infrastructure; and
- \$135 million for state cemetery grants and state extended-care grants.

### **Enhanced Oversight of VA's Programs**

- The 2018 budget requests \$159.6 million for the Office of Inspector General (OIG) to enhance oversight and assist the OIG in fulfilling its statutory mission of making recommendations that will help VA improve the care and services it provides.

###