



U.S. Department of Veterans Affairs

Caring for Those Who Have Borne the Battle

Secretary Robert McDonald

Cabinet Exit Memo | January 5, 2017

Introduction

2009: Challenges and Change

The year 2016 is coming to a close. America’s preparing to inaugurate our 45th President. And the Department of Veterans Affairs (VA) is still providing benefits to the child of a Union Soldier who fought in the American Civil War.

The aftermath of the Civil War gave VA its noble mission, taken from the iconic second inaugural address of our 16th President, Abraham Lincoln. In it, President Lincoln charged Americans to care for those “who shall have borne the battle” and their families.

That mission is just as compelling today as it was at the close of the Civil War.

Caring for Veterans is a vital commitment for all citizens of a free country.

In January of 2009 when President Obama took office, VA’s challenges were significant.

- Congress had enacted the post-9/11 GI Bill in June 2008, but VA lacked an implementation plan to begin distributing benefits in August 2009.
- The inventory of disability claims was growing dramatically.
- Approximately 75,600 Veterans were homeless and living on the streets.
- And too few Veterans had access to VA: only about a third of 23.4 million living Veterans were receiving VA care or benefits.

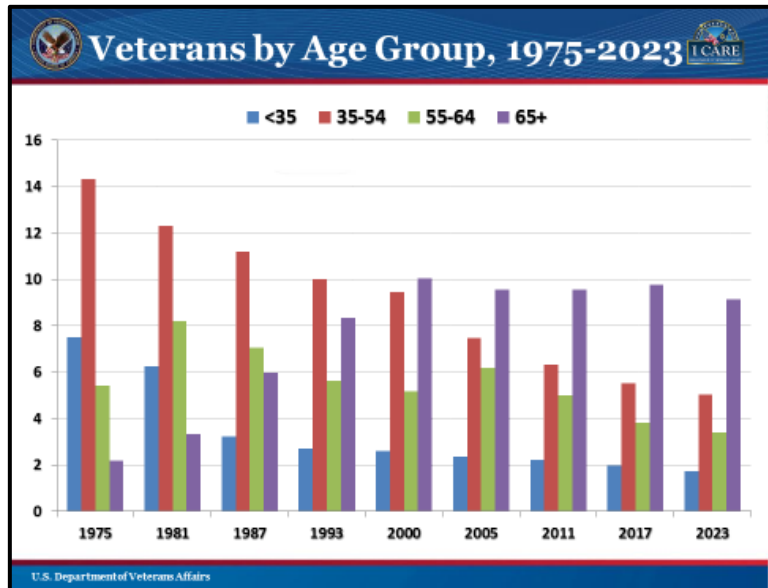


Chart 1

However, several factors were expected to significantly increase demand (chart 1):

- President Obama’s courageous decision to reinstate health care eligibility for thousands of Priority Group 8 Veterans who lost their eligibility in 2003.
- VA leaders’ decisions regarding presumption of service connection for Veterans exposed to Agent Orange decades earlier.

- Aging Veterans from WW II, Korea, and Vietnam: their requirements for VA care and benefits were rising with their years. In 1975, 2.2 million American Veterans were 65 or older—7.5 percent of our Veteran population. In 2017, approximately 9.8 million will be 65 or older—46 percent of Veterans.

Former VA Secretary Eric Shinseki and other VA leaders were concerned that all of those challenges would prove VA’s 2008 budget level insufficient to adequately address emerging Veterans’ needs.

So in 2009, former Secretary Shinseki settled on a plan to transform VA and its culture to make VA more

1. **People-centric** – Expanding connections with Veterans and engaging its employees while emphasizing core values, commitment, and transparency.
2. **Results-driven** – Emphasizing data, metrics, performance monitoring, accountability, and a strategic vision to drive budgetary decisions and planning.
3. **Forward-looking** – Making investments in facilities, technology, systems, programs, and processes for future requirements, including evolving and more diverse Veteran demographics.

Using those principles, we focused on three broad initiatives:

Increasing Access: Improving access to both care and benefits by reaching out to Veterans, increasing facilities, acquiring more effective IT systems, and increasing the use of telehealth, mobile clinics, and programs for rural and women Veterans.

Eliminating the Disability Claims Backlog: VA pending claims rose 70 percent from 2000 to 2009. Further increases were inevitable without fundamental change and investments in automation tools and IT systems.

Ending Veteran Homelessness: This was an ambitious target, but Veterans deserved our best and most creative efforts to end the scourge of homelessness.

Record of Progress: Achievements for Veterans

Over the past nine budgets (2009-2017), VA funding has grown 87.6 percent (discretionary funding by 55.5 percent and mandatory funding by 120.1 percent)—tangible evidence of President Obama’s unwavering commitment to Veterans and their families. And between 2009 and 2016, Veterans’ access to VA care and benefits has significantly and measurably improved in many areas.

That’s good news for Veterans, good news for VA, and good news for America.

Increasing Access

- Thanks to President Obama’s unwavering support and advocacy for Veterans, VA’s outreach efforts, and the work of dedicated VA employees, we have improved from about 11.6 million of 26.4 million Veterans and eligible family members receiving some type of VA care and services in 2009 (44 percent), to approximately 12.8 million of 24.4 million Veterans and eligible family members receiving them at the end of 2016 (52 percent).

- In early 2009, there were approximately 23.4 million living Veterans. Of those, only 7.8 million were enrolled in VA health care; just over 3 million received disability compensation (265,000 of them 100 percent disabled). Approximately 2.1 million had VA home loans, and there were approximately 564,000 receiving VA education benefits. In the last quarter of FY 2016, there were 21.4 million living Veterans. Almost 9 million are now enrolled for VA health care, a 1.2 million increase compared to 2009. More than 4.3 million now receive disability compensation (an increase of 1.3 million, with 542,000 rated 100 percent disabled). 2.6 million have VA home loans, and just over a million Veterans receive VA educational benefits of all types—a 77 percent increase since 2009.
- The National Cemetery Administration (NCA) and their state and tribal partners opened 10 national, 24 state, and nine tribal cemeteries—43 new cemeteries for additional burial options for millions of Veterans, significantly reducing the distance many families had to go to have loved ones buried. NCA has performed its mission with distinction over the entire eight years of this administration, maintaining 4.3 million gravesites in 135 national cemeteries.
- In 2016, NCA scored highest in the Nation in customer satisfaction for the *sixth* time, among the top corporations and federal agencies in an independent survey conducted every three years by the CFI Group, using the science of the American Customer Satisfaction Index (ACSI). NCA had previously scored highest in the nation in 2013, 2010, 2007, 2004, and 2001.
- Since March 2011, VA has led the nation in the development and implementation of suicide prevention approaches and resources. VA's Suicide Prevention Office reaches out to Veterans, Service Members, and their loved ones to help provide suicide prevention education resources. We have more than 300 VA Suicide Prevention Coordinators and team members at VA Medical Centers and on our Veterans Crisis Line.
- Our Veterans Crisis Line has received more than 1.5 million calls from Veterans, Service Members, and others concerned with Veterans' welfare, resulting in more than 400,000 referrals for care and 66,000 rescues where emergency services were dispatched for imminent risk of suicide. Currently, more than 30 emergency dispatches occur each day.
 - We've distributed over 42.8 million Veterans Crisis Line materials nationwide.
 - Over 150 diverse organizations promote our Suicide Prevention resources.
 - Since 2011, 13 Suicide Prevention program Public Service Announcements (PSAs) have aired on TV and radio over 840,000 times.
 - Since its 2011 launch, VA's VeteransCrisisLine.net website has been visited over 3.8 million times.
 - Our online outreach efforts have earned over 1.4 billion impressions.
- In 2009-2010, VA and our Office of Public and Intergovernmental Affairs stood up a department-wide social media program including Facebook and Twitter accounts—as well as individual accounts for over 100 medical centers, administrations, and program offices. Today, VA is an acknowledged federal leader with respect to its ability to reach Veterans through digital and social media channels.

Our primary social media accounts have more than 1.5 million followers reaching nearly 6.4 million followers.

- For the 8th consecutive year, J.D. Power rated VA’s mail-order pharmacy “Among the Best” in 2016. For six of the last eight years, VA received the highest customer satisfaction score of all mail order pharmacy organizations surveyed.
- In 2016 for the 17th consecutive year, VA’s independent auditor, public accounting firm CliftonLarsonAllen, reviewed VA’s financial statements and provided another clean opinion.
- Since 2009, VA’s Office of Acquisition, Logistics and Construction (OALC) has constructed 138 major projects / phases for a total of 8.0 million square feet of health care and medical support space to better serve Veterans.
- Vets.gov launched in November 2015, consolidating and simplifying thousands of confusing websites into a single plain-language, mobile-responsive website that enables Veterans to discover, apply for, track, and manage the benefits they have earned anytime, anywhere. This new website launched with the two benefits Veterans told us were most important to them—disability and education—and has continued to be built with feedback from Veterans across the country at each step of the way.
- Access to education, critically important to Veterans’ opportunities, also increased significantly; VA is the second largest provider of educational benefits behind the Department of Education. Between January 2009 and implementation in August, the Veterans Benefits Administration (VBA) designed an automated system to process applications and distribute tuition and stipends to Veterans and eligible family members participating in the Post-9/11 GI Bill program. Since implementation, we have now distributed over \$68.9 billion in education benefits to over 1.7 million Veterans and dependents. VBA also created the VetSuccess on Campus program, placing counselors on college campuses to help ensure Veterans are successful; the program has grown to 94 colleges and universities across the Nation.

Eliminating the Claims Backlog

In 2009, VA first defined backlogged disability claims as those pending more than 125 days. The number of both backlogged claims and the total inventory of claims were growing. That growth increased in 2010-2011 when Secretary Shinseki added three conditions to the list of health care issues presumed to be linked to Agent Orange exposure. Secretary Shinseki’s decision allowed hundreds of thousands of Vietnam-era Veterans to file new claims. The Secretary knew it would add to our load of backlogged claims. But it was the right decision for Veterans.

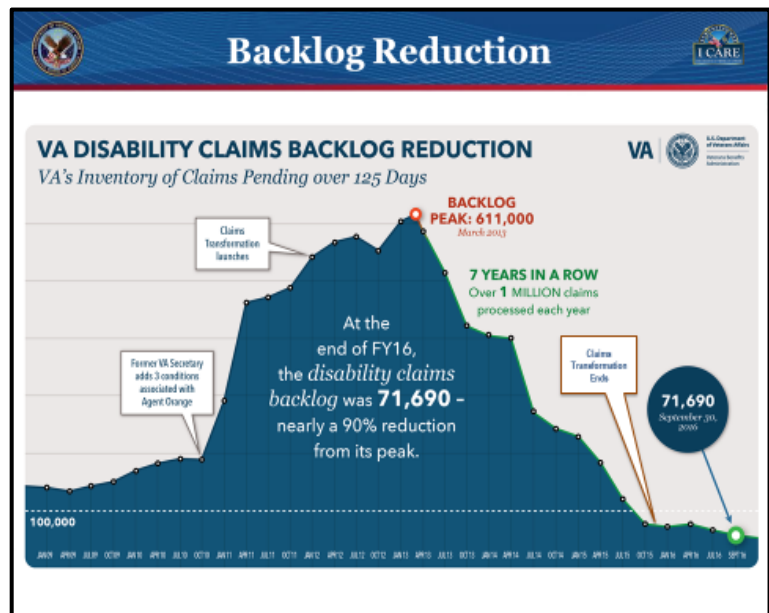


Chart 2

To address these significant challenges, in 2012 VBA began an aggressive transformation, predicated on people, process, and technology initiatives to end the backlog. This transformation included creating a new electronic claims processing system, the Veterans Benefits Management System (VBMS), so we could process claims faster, more efficiently, and more accurately.

With VBMS, VBA transitioned from 5,000 tons of paper each year to electronically processing 99.7 percent of claims. With VBMS, VBA processed more than a million claims each year from FY 2010 to FY 2016.

Most importantly, we have reduced the backlog to 71,690 at the end of FY 2016—an 87 percent reduction from its high point in 2013. (Chart 2)

Ending Veteran Homelessness

Working with the White House, the Interagency Council on Homelessness, the U.S. Department of Housing and Urban Development (HUD), other federal partners, Congress, states, cities, and public and private organizations, VA has made ending Veteran homelessness, community by community, a top priority.

That strategy for achieving this important goal is outlined in the first-ever federal strategic plan to prevent and end homelessness, Opening Doors: Federal Strategic Plan to Prevent and End Homelessness, released in 2010.

As 2016 ends, we are now serving more homeless Veterans and those at risk of homelessness than ever before with specialized services. Our results are measurable and dramatic.

- Since 2010, more than 360,000 Veterans and family members have been permanently housed, rapidly rehoused, or prevented from becoming homeless by VA's programs and HUD's targeted housing vouchers.
- In March 2014, we launched our 25 Cities Initiative, targeting cities where homelessness is a major problem. A few months later, First Lady Michelle Obama announced the Mayors Challenge to End Veterans' Homelessness. Since then, more than 880 mayors, governors, and county and city officials have accepted the challenge.

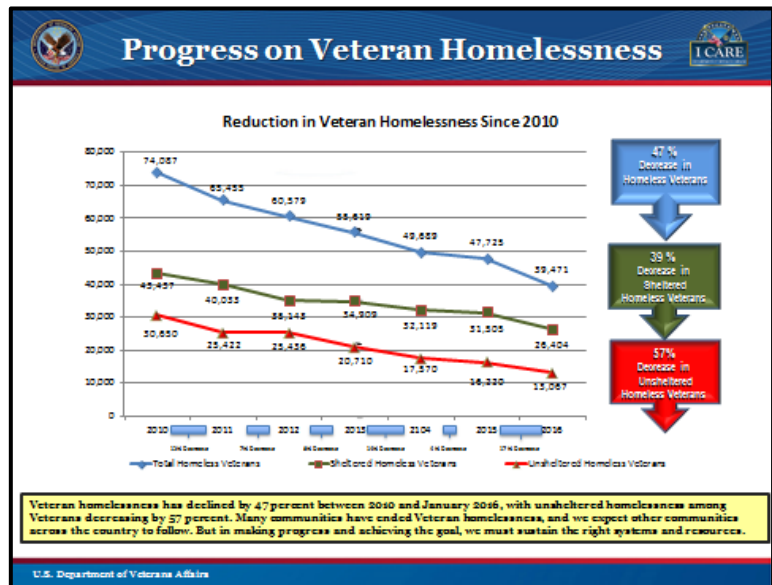


Chart 3

- As of October 7, 2016, 33 communities and three states have announced that they have effectively ended Veteran homelessness.

- The January 2016 HUD annual Point-in-Time (PIT) estimate of homeless Americans shows that communities across the country reported fewer than 40,000 Veterans experiencing homelessness on a given night—down from more than 75,600 in 2009.
- In total, VA initiatives, partnerships, and collaborations with federal, state, local, and non-governmental agencies have resulted in a 47 percent decrease in the number of homeless Veterans since 2010. (Chart 3)

One homeless Veteran is too many, but we're making important progress toward ending Veteran homelessness.

MyVA Transformation

In 2014, a crisis in appointment wait times and waiting lists hit. Despite significant budget growth, increased access, and measurable progress, increased demands on the VA health care system were exacerbated by over twelve years of war, military downsizing, three new presumptive conditions for Agent Orange, a surge in VA outreach, and aging Veterans.

Since I arrived in late 2014, our leadership team has been turning crisis into a once-in-a-generation opportunity to transform VA.

To turn adversity into opportunity and continue Secretary Shinseki's progress in many areas, we set our sights on the "Road to Veterans Day 2014." The Road to Veterans Day was about quickly rebuilding trust with Veterans and stakeholders, improving service delivery by focusing on Veteran outcomes, and setting a course for long-term excellence and reform.

Additionally, the Veterans Health Administration (VHA) released its "Blueprint for Excellence." The Blueprint for Excellence described four broad themes and ten essential strategies to improve the performance of VHA health care immediately, develop a positive culture, transition from "sick care" to "health care" in the broadest sense, and develop efficient, transparent, accountable, digital, modern and agile business, technology, and management processes.

And in late 2014, we announced our *MyVA* initiative—the largest department-wide transformation in VA's history.

Has it worked? Well, today, more Veterans are coming to VA for health care and waiting less time.

- In FY 2016, VHA completed nearly 58 million appointments, 1.2 million more appointments than were completed in FY 2015 and almost 3.2 million more than in FY 2014. In March 2016, Veterans set a record for completed appointments—5.3 million inside VA, 730,000 more than in March 2014; and, VA issued 268,000 authorizations for care in the community—twice as many as in March 2014.
- In September of 2016, 96.5 percent of appointments were completed within 30 days of the clinically indicated or Veteran's preferred date; almost 91% percent were within 14 days, over 85 percent

within 7 days, and over 22 percent were completed on the same day. Average wait time for primary care is around five days, six for specialty care, and two for mental health care.

- The process of applying for health care has also improved significantly. In June 2016 we launched a new, digital and mobile-friendly, health care application on vets.gov. Since launch, online applications have doubled, and over 50 percent of them are processed automatically – dramatic improvement in a short amount of time, at no additional cost to the agency.

We called our transformation *MyVA* because that’s how Veterans should view us – an organization belonging to them, serving them in the ways they need and want to be served.

MyVA is a product of input and insights from Veterans, employees, Veteran Service Organizations (VSOs), and other stakeholders to build an organization defined by Veterans’ outcomes and satisfaction—a world-class, customer-focused, Veteran-centered service organization.

MyVA is the blueprint for how VA will operate in the future—designed to transform and modernize VA to best serve Veterans for the remainder of the twenty-first century. It’s designed to build off of VA’s exceptional mission, our I-CARE values, our vision to be the No. 1 customer-service agency in government, and our strategic plan.

MyVA consists of five broad strategies to enable achieving our vision (Chart 4). These five broad strategies, and the actions we’re taking to achieve them, constitute our transformation roadmap.

Improving the Veterans Experience

Improving the Veterans experience is fundamental to our *MyVA* transformation. VA exists to serve and care for Veterans, their families, and beneficiaries. Their experience is integral to our work.

We need to see ourselves through their eyes to ensure Veterans receive quality care and services when, where, and how they need them. Access to care and services will be predictable, consistent, and easy to navigate. Veterans and their families will experience high-quality customer service through 21st century technology.

Every contact they have with VA will be timely, efficient, and user friendly, whether in-person, by phone, online, or by mail. Veterans from vulnerable and underserved communities (women, rural, aging) will consistently receive access and services that meet their unique needs. *MyVA* is the coordinated plan to reach these goals.



Chart 4

In 2015, we named VA's first Chief Veteran Experience Officer to better focus VA on Veterans. Our Veterans Experience team researches the best customer experience practices—inside *and* outside Government—and then applies that knowledge to design better measures and more effective programs to improve Veterans' experience with VA.

We also use Human Centered Design to transform our processes and products to support Veterans on each stage of their life journeys. We charted the life-line of the Service Member / Veteran, identified touchpoints where they come into contact with VA, or places they should have contact, and used that to further improve Veterans' experience with VA.

We also launched a Digital Service team—a group of our nation's leading engineers, designers, UX researchers, and product managers—to partner with VA employees in order to modernize and improve the usability and reliability of our most critical digital services. The team launched in January 2015 with 6 people, and has grown to approximately 30. This team has enabled us to build best-in-class technology while saving the agency and the public millions of dollars.

Some specific outcomes of this team include

- Vets.gov: a single, easy-to-use website that enables Veterans to discover, apply for, track, and manage the benefits they have earned—applications for health care, disability benefits education, as well as refilling prescriptions, sending secure messages to VA doctors, and tracking progress of a disability claim.
- Caseflow Certification: the first of many tools that improve the processing of claims appeals. This is a web-app that automatically detects if required documentation has been added to an appeal before it moves forward, helping reduce preventable errors and avoidable delays caused by disjointed, manual processing.
- Appeals modernization: a large-scale effort to modernize the technology on which the appeals process runs—a process currently running on software that was built in the 1980s, with maintenance left largely to a single developer.

VHA is also working to ensure that by the end of 2016 Veterans will be able to receive same-day services in primary care and mental health at all Medical Centers (more than 160 sites of care) across VHA. As of September 30, 2016, 52 Medical Centers were able to provide same-day services. We're consolidating and simplifying our Community Care program so it's easier for Veterans to use, and we're going to eliminate the disparities in the provision of care and benefits between men and women Veterans. Women are among the fastest-growing sub-populations of Veterans.

Veterans continue to serve the future of the nation through the Million Veteran Program; more than 500,000 participants have contributed their data to research for the next generation of medical breakthroughs. This national asset is now the largest comprehensive data set of its kind—the cornerstone for making precision medicine and tailored medical treatments a reality for every American.

Improving the Employee Experience

VA employees are the face of VA—providing information and access to care and benefits to Veterans and their families. We cannot separate Veteran Experience from Employee Experience; fulfilled, committed employees make all the difference in how Veterans interact with and perceive VA.

We've developed and are implementing a new leadership model based on principles of servant leadership and grounded in our I-CARE Values. This model incorporates Innovation, Learning, Engaging, Anticipating, and Delivering (I-LEAD) superior service and care to Veterans while inspiring others to do the same. And we're continuing our Leaders Developing Leaders (LDL) training—over 110,000 VA employees have now experienced LDL.

We've been building our internal communications capability, so that VA employees have consistent, timely information and clear pathways to provide meaningful feedback. Our new Employee Engagement Council (EEC) brings together leaders from across the agency to develop and train a Veteran-focused workforce with specialized expertise and complementary skills that collaborates, innovates, and produces consistently superior results.

Improving Internal Support Services

We are continuing IT transformation, using the proven Information Technology Infrastructure Library (ITIL) model as a framework for IT governance to help align decision accountability and improve collaboration between IT and business partners.

We're modernizing our electronic health record to allow for greater coordination of care and tailored care plans. Our Enterprise Data Management initiative will enable us to establish and maintain authoritative and accurate Veteran information that we can securely share to improve service delivery.

Our Supply Chain Transformation will build on 2016 successes to move VA to an advanced integrated system providing responsive, efficient clinical and non-clinical support.

We've just signed an agreement with the Department of Agriculture to move our 30-year-old Financial Management System to a Shared Service Provider to support VA stewardship and increase transparency, accuracy, timeliness, and reliability of financial information.

Our employees are only as efficient and effective as the tools they have to do their jobs. The Appeals Modernization team, supported by the VA Digital Service, is working to modernize the systems used by employees at the Board of Appeals, ultimately improving the efficiency of the process and Veterans outcomes.

Establishing a Culture of Continuous Performance Improvement

Deputy Secretary Sloan Gibson and I knew that VA transformation had to begin with cultural change. For instance, in great customer service organizations, senior leaders are never at the top of a lofty pyramid, supported by employees and those they serve. Rather, Sloan and I, and other VA leaders, had to be at the bottom of the pyramid—supporting them and ensuring the resources, commitment, and support to ensure Veterans get the timely, high-quality care and services they've earned. (Chart 5)

Today, we’re growing a culture at every level of VA that focuses on the consistent delivery of value, elimination of waste, and the resolution of bottlenecks that hinder delivery of high quality services and benefits. We are accelerating a Diffusion of Excellence Initiative to continuously surface best practices in care delivery from the field—to enable sharing best practices across the health care system and minimizing variation.

Our Strategic Operating Model, coupled with modernizing our organizational design, provides a framework for connecting management processes across the Department and establishing an enterprise-wide “operating rhythm” that will increase our effectiveness and efficiency.

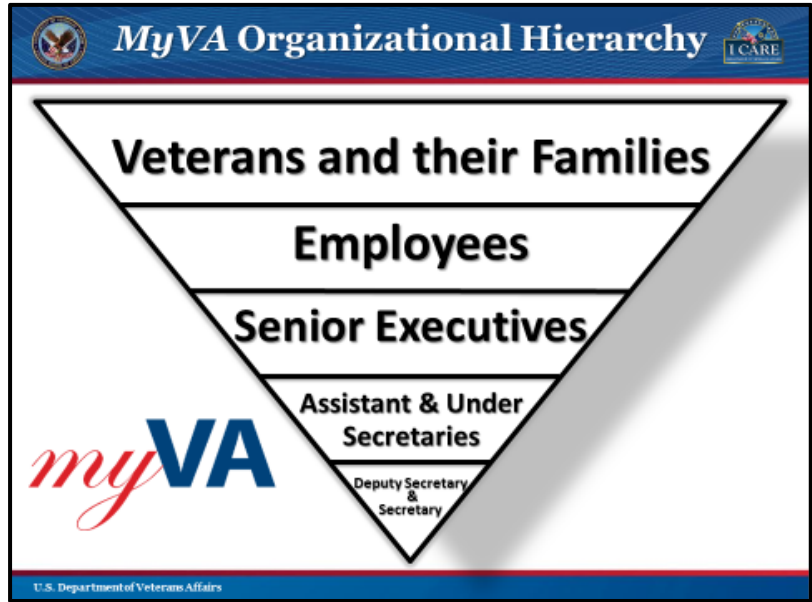


Chart 5

We are training on advanced business techniques to drive responsive and innovative change to better serve Veterans. The VA Digital Service is building digital products and services using the agile methodology, building products with Veterans in mind at every step of the process, and creating feedback loops that enable continuous improvement.

Enhancing Strategic Collaboration

Our systematic and proactive pursuit of strategic collaboration and partnerships with external stakeholders serves to dramatically improve the Veteran and VA employee experience. By opening our doors and inviting our collaborators in, we leverage the goodwill, expertise, and resources of countless organizations. These partners are not only valuable allies in serving Veterans, but also function as important force multipliers in providing vital services and care for Veterans and their families.

We’re working more closely than ever with the National Association of State Directors of Veterans Affairs (NASDVA). NASDVA’s members, Directors and Commissioners of State Veterans Affairs departments, as well as the membership of many VSOs, were central in helping us craft draft legislation to reform VA’s claims appeals process. With NASDVA’s support, all 50 states have agreed to be part of the DoD-VA Complex Care Network for Service Members with severe injuries—those requiring complex coordination of medical and rehabilitative care, benefits, and other services to recover from their injuries and successfully transition to veteran status in their communities.

VA is collaborating closely with world-class private institutions like Johnson & Johnson, USAA, Kaiser Permanente, Google, Walgreens, GE, IBM, Amazon, Optum Labs, LinkedIn, Coursera, and Comcast, among many others; as well as with highly respected, not for profit organizations and agencies like the YMCA, NASA, the Elks, and the PenFed Foundation. In addition, we are working closely with hundreds of medical affiliates, other academic institutions, state and federal agencies, and many more top-flight organizations across the country.

These partnerships and collaborations strategically align with our breakthrough priorities and have engendered major transformational change. In the last 18 months, we've facilitated dozens of collaborations generating more than \$300 million in investments and in-kind services to support Veterans and their families.

One important area of collaboration is research. Earlier this year, as part of the Vice President's Cancer Moonshot Initiative, we announced an unprecedented partnership with the Prostate Cancer Foundation (PCF). PCF will invest \$50 million with the VA toward precision oncology research over the next five years.

In 2017, we will continue to develop our network of new Community Veterans Engagement Boards (CVEBs). CVEBs are collaborative networks of Veterans, advocates, resources, and other stakeholders in communities across the U.S. These boards provide local and national knowledge sharing, communication, best practices, lessons learned, success stories and outreach that will improve outcomes for Veterans, their families, and their survivors. We have more than 100 CVEBs up and running, exceeding our target for 2016.

Vision for the Future: 2017 and Beyond

It's critical to maintain the momentum we have built in transforming the department to best serve Veterans, and that means continuing to pursue the MyVA initiative and vision for the future. I urge VA's next Secretary to make these key goals of the new administration at VA.

We have invested a tremendous amount of time and effort in designing a plan for a more Veteran-centric department; we are making improvements across all business lines and program offices and making it easier for Veterans to access and interact with the benefits they have earned. The blueprint for MyVA has been drawn with Veterans in mind, the foundation has been laid for implementation of the initiative, and the specific goals and actions required for future, greater success are in place. MyVA needs to continue for the good of Veterans and the department.

Of equal importance for success in delivering the care and benefits Veterans have earned is the active cooperation and assistance of Congress.

Specifically, Congressional leadership in the following areas in order is necessary to best provide earned care and benefits to Veterans and to achieve our MyVA Vision for a more Veteran-centric VA:

- **Appeals Reform:** The President's 2017 Budget proposed legislative changes to fix the broken appeals process. In close collaboration with Veterans Service Organizations (VSOs) and the NASDVA, VA developed the appeals modernization proposal that is the foundation of the legislation before both the House of Representatives and Senate. Veterans need this legislation! VA's current inventory of appeals is over 464,000. Without significant reform, this inventory is projected to be almost 1.2 million appeals by the end of FY2026. While we continue to utilize resources provided by Congress to improve the timeliness of appeals decisions under current law, we cannot reform the system without Congressional action. Our proposal to reform the outdated appeals process is relatively simple. It makes sense for Veterans, and for VA, but we need Congressional help to implement these changes.

- **Budget Flexibility:** VA has urged Congress to enact measures to allow more flexibility among its appropriations accounts, including General Transfer Authority. Barriers created by artificial budget distinctions impede the management of important programs and projects—this hurts the Veterans we exist to serve. Without measured flexibility to respond to dynamic conditions across programs, VA will continue to encounter arbitrary barriers and delays in its programs and operations.
- **Provider Agreements:** Since 2015, VA has urged Congress to retool the Department’s authorities for purchased Care in the Community. These authorities would ensure that Veterans receive the necessary care they earned through the fullest complement of non-VA providers. On May 1, 2015, VA transmitted the VA Purchased Health Care Streamlining and Modernization Act to Congress, presenting a way forward in establishing provider agreements. The bill clarified key legal issues regarding VA’s purchased care authorities outside of the Veterans Choice Program. Thus far, Congressional inaction on this issue has resulted in complications with extended-care providers and other non-Veterans Choice care. Some small, long-term care facilities have already withdrawn their support of Veterans due to the overwhelming administrative requirements of the Federal Acquisition Regulations. In order to provide important, required care to Veterans, VA needs the authority to enter provider agreements that secure non-VA health care services, while still maintaining important employment protections.
- **Care in the Community:** As we stated in the Plan to Consolidate Programs of Department of Veterans Affairs to Improve Access to Care, submitted to Congress on October 30, 2015, supplementing VA-based care with care in the community will play an integral role in the future of VA. It allows VA to provide Veterans with the full spectrum of health care services and choices without sacrificing the VA medical care so many Veterans rely on and prefer. The Veterans Access, Choice, and Accountability Act of 2014 (VACAA) mandated that VA implement a new community care program, the Veterans Choice Program (Choice), to increase timely access to health care. VA’s authorities to furnish community care have overlapping or inconsistent eligibility criteria, create multiple processes for the same activity, and require varying reimbursement models. To resolve this issue, VA needs action to consolidate its care in the community programs to ensure that Veterans are able to continue receiving the full complement of care that they deserve.
- **Remove the “80-hour pay period” Requirement:** VA proposed an end to the arbitrary 80-hour per federal work period requirement that is not appropriate, efficient, or relevant for most medical professionals. This places VA behind the current industry standard in the private sector. Enacting legislation on this issue will increase efficiency of hospital operations and improve VA’s ability to compete effectively with the private sector in recruiting and retaining critical medical professionals.
- **Special Pay Authority for VA Health Care Senior Managers:** VA continues to urge Congress for special pay authority for VA Medical Center and Veterans Integrated Service Network Directors. As the largest integrated health care network in the country dedicated to caring for Veterans and their families, VA should employ the most talented management professionals. Approval of special pay authority for these positions will allow VA to attract those professionals Veterans need to lead VA’s hospitals and health care systems.
- **Construction and Leasing:** VA has urged action on Congressional authorizations for numerous pending construction and leasing projects across the country that already have appropriations enacted for project funding. These projects will provide a much needed increase in Veterans’ access to

care closer to their homes. While Congress did enact some major medical construction projects, two VA proposed major construction projects await action, as well as 24 major medical leases.

- **Recording Obligations at Payment:** Current accounting rules require that community care obligations be recorded at the time care is first authorized. At that time, the ultimate expenditures created by that obligation are very hard to predict, depending on how it is used by the Veteran. Those authorizations can precede the actual expenditures for care by many months. Even with careful management, differences in the amounts recorded at obligation from the actual expenditures can result in “de-obligation” of funds, with the result of VA not being able to use the full amount Congress provides in appropriated funds.
- And last, **Legislative Changes to Facilitate Sharing of Patient Information:** A special authority, applicable only to VA, restricts the sharing of patient information with other public and private health care providers if patient records concern HIV, sickle cell anemia, or drug or alcohol abuse. This authority is obsolete and significantly impedes VA care coordination for some patients. VA supports changing this authority while still applying all provisions of the Health Insurance Portability and Accountability Act (HIPAA).

In short, Congressional cooperation and assistance are needed in order to best care for Veterans in 2017 and beyond. When the 115th Congress gets to work in the next year, the decision to pass the legislation Veterans need should be a top priority. Let’s leave divisiveness and partisanship behind and make our actions singularly about what is best for Veterans. It’s the right thing to do.

Conclusion

Serving Veterans as Secretary of VA has been the greatest honor of my life. For more than 240 years, America’s Service Members have fought to establish and keep our great Nation free and safe from tyranny. They’ve provided for all of us the security and safety in which Americans of every race and religion have the opportunity to live and work, speak and worship, gather and speak as they see fit. From the American Revolution to today, from the “greatest generation” of World War II to the latest generations from Afghanistan and Iraq, Veterans have served with honor and distinction across our country and around the globe.

And when they take off that uniform for the last time, we owe them the care and the benefits they have earned through their service. At VA, that is our only and most important mission—caring for those “who shall have borne the battle.”

With the help of Congress, with our partners and allies in federal, state, and local government, and with the assistance of public and private institutions, Veterans Service Organizations, and other stakeholders who care for Veterans, we can finish transforming VA to be the best customer service organization in government.

It is not about the legacy of any one leader. Caring for Veterans is a bipartisan obligation—it has been in the past, and it should be in the future. It is about moving forward in the best interests of our Nation’s Veterans.

That’s right for our Veterans, *and* our great country.